

**BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND AND
LEVY COLLECTION AMENDMENT BILL 2017**

Introduction and First Reading

Bill introduced, on motion by **Hon Sue Ellery (Minister for Education and Training)**, and read a first time.

Second Reading

HON SUE ELLERY (South Metropolitan — Minister for Education and Training) [3.47 pm]: I move —

That the bill be now read a second time.

I am pleased to introduce legislation to the house that will further enhance the operations of the Building and Construction Industry Training Board and the Building and Construction Industry Training Fund. In 2014, a review of the Building and Construction Industry Training Fund and Levy Collection Act 1990 was undertaken, and included as part of its terms of reference the effectiveness of the legislation, the performance of the Building and Construction Industry Training Board and the operation of the construction training fund. The review report that was tabled in Parliament in August 2014 found that the Building and Construction Industry Training Board and the construction training fund are operating effectively and that the fund should continue to collect the training levy and deliver training support services. The review identified that the board is perceived as a strategic entity that communicates effectively with industry and is able to consider and work through contentious issues in order to deliver a considered opinion and provide market intelligence. The review made several recommendations resulting in several proposed amendments to the Building and Construction Industry Training Fund and Levy Collection Act 1990. The first amendment removes reference in the Building and Construction Industry Training Fund and Levy Collection Act 1990 to improving the quality of training as an objective of the fund and replaces it with a new objective to promote and facilitate training.

The legislation was enacted in 1990 at a time when there were limited mechanisms in place to regulate or support the quality of training. Since then, a significant number of other government bodies, regulatory provisions, and state and national policy frameworks have been put in place to support the quality of training. Industry and community stakeholders believe that the promotion and facilitation of training is now a core function of the fund, which should be reflected in the legislation. The introduction of commonwealth and state quality assurance regimes makes the quality improvement provision in the act redundant. References in the act to the quality assurance role of the fund will be replaced by requirements of the board to provide advice to the minister on employment, workforce development and training relating to the building and construction industry.

The second proposed set of amendments removes provision for a threshold level for application of the levy to variations of cost after completion of construction work from the act and places it in the regulations. This will simplify the process of managing adjustments to the threshold levels in response to inflation. Subsequent amendments in the regulations to the value of the threshold levy and the project value at which it will apply are being pursued in a separate process. Those proposed changes are an increase in the levy from \$20 000 to \$45 000, and an increase in the project value threshold level at which it begins to apply from \$25 000 to \$45 000. These changes reflect increases in building costs since the initial value was set in 1991 and reduces the cost and administrative burden on small business. The proposed increases are consistent with the threshold levels set out in the Building Act 2011.

Pursuant to standing order 126(1), I confirm that this is not a uniform legislation bill, as it does not ratify or give effect to any intergovernmental or multilateral agreements to which the government of the state is a party. No uniform schemes or uniform laws throughout the commonwealth are introduced through this bill.

I commend the bill to the house and table the explanatory memorandum.

[See paper 464.]

Debate adjourned, pursuant to standing orders.