

**BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND  
AND LEVY COLLECTION AMENDMENT BILL 2020**

*Introduction and First Reading*

Bill introduced, on motion by **Mr P. Papalia (Minister for Tourism)**, and read a first time.

Explanatory memorandum presented by the minister.

*Second Reading*

**MR P. PAPALIA (Warnbro — Minister for Tourism)** [12.43 pm]: I move —

That the bill be now read a second time.

The bill seeks to amend the Building and Construction Industry Training Fund and Levy Collection Act 1990 to allow for the payment of the Building and Construction Industry Training Fund levy by instalments and to make changes to the composition of the Building and Construction Industry Training Board and the length of service of board members. These amendments are part of the state government's response to the 2019 statutory review of the act announced on 5 December 2019 and follow on from the government's decision in 2018 to remove the resources sector's exemption from the levy. The review identified concerns that the act's requirement for project owners to pay up-front the full amount of the assessed levy prior to the commencement of construction work may affect the viability of large resources sector projects. The bill provides for an amendment to the act to allow project owners to pay the assessed levy in yearly instalments when the assessed levy is \$1 million or more, on a pro rata basis over the life of the construction work or over another period as agreed to by the minister. This amendment will apply to all construction work with an estimated value of \$500 million or more. The amendments associated with allowing payments by instalments have been aligned with the current provisions of the act and will require the payment of the first instalment before any construction work commences, and the application of a penalty if there is late payment of an instalment.

The bill adds two members to the Building and Construction Industry Training Board, enabling the appointment of one person with experience and/or expertise in mining construction work and one person with experience and/or expertise in petroleum construction work. This recognises that the resources sector is no longer excluded from the levy and will facilitate that sector's input into the Construction Training Fund's decision-making and information-gathering processes. By adding two members and increasing the size of the board from seven to nine members, the bill also increases the quorum of board meetings from four to five. The bill will also increase the quorum at board meetings from four to five. The bill also introduces a limit of 10 years' continuous service for the chairperson and members of the Building and Construction Industry Training Board. This reflects contemporary standards for board membership that are recommended by organisations recognised for providing guidance on corporate governance.

Further, if a person has not been appointed to fill the vacancy of a member whose term of office has expired, the bill seeks to limit the time that that member can continue in office. The current legislation does not provide a limit on how long a member could continue in office after the expiry of their term, which means that they could continue in office indefinitely until a new appointment is made. The amendment provides for a period of up to three months, which is consistent with other legislation addressing similar situations and again reflects good corporate governance. The associated explanatory memorandum contains further details on the amendments.

I commend the bill to the house.

Debate adjourned, on motion by **Mr A. Krsticevic**.