

Queensland Building and Construction Commission Amendment Regulation (No. 1) 2014

Explanatory Notes for SL 2014 No. 41

made under the

Queensland Building and Construction Commission Act 1991

General Outline

Short title

The *Queensland Building and Construction Commission Amendment Regulation (No. 1) 2014*.

Authorising law

Section 42 and schedule 1A, section 11 of the *Queensland Building and Construction Commission Act 1991*.

Policy objectives and the reasons for them

In late 2013, the Department of State Development, Infrastructure and Planning (DSDIP) advised that section 42 of the *Queensland Building and Construction Commission Act 1991* (QBCC Act) may have a potentially adverse impact on delivery of the Commonwealth Games Village, which is being facilitated within DSDIP by Economic Development Queensland (EDQ). At the time, section 42 provided that a person must not carry out, or undertake to carry out, building work unless that person holds a contractor's licence of the appropriate class under the Act. EDQ has advised that the most prospective development partner entities for the Commonwealth Games Village project will not hold a builder's licence, being development entities (not contractors) and/or special purpose vehicles. EDQ also advised that it is likely that project financiers may be unwilling to fund a development partner without a builder's licence.

Accordingly, the *Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Act 2013* amended the QBCC Act to facilitate commercial development by exempting a 'prescribed government project' (namely projects prescribed by regulation) from the operation of section 42.

Section 11 of Schedule 1A of the QBCC Act exempts an unlicensed person from the operation of section 42 if they contract, tender or offer to carry out the prescribed government project for a government entity and the unlicensed person causes or contracts for the work to be carried out by an appropriately licensed contractor.

Achievement of policy objectives

The regulation will achieve the objectives by amending the *Queensland Building and Construction Commission Regulation 2003* to prescribe the Commonwealth Games Village project as a ‘prescribed government project’ under the QBCC Act. The project is to be carried out for or on behalf of the Minister for Economic Development Queensland by one or more private sector entities.

Consistency with policy objectives of authorising law

The regulation is consistent with its authorising Act.

Inconsistency with policy objectives of other legislation

The regulation is not inconsistent with the main objectives of other legislation.

Alternative ways of achieving policy objectives

The regulation is the only effective means of achieving the policy objectives.

Benefits and costs of implementation

The regulation does not impose an appreciable cost on government or the community.

Consistency with fundamental legislative principles

The regulation is consistent with the fundamental legislative principles set out in the *Legislative Standards Act 1992*.

Consultation

Consultation has taken place with the Queensland Building and Construction Commission and Economic Development Queensland. All parties consulted support the regulation.

The Office of Best Practice Regulation advised that the proposed regulation is excluded from the Regulatory Impact Statement system on the basis that it is of a machinery nature.