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30 May 2019

The Honourable Grace Grace MP
Minister for Education,
Minister for Industrial Relations
PO Box 15033
CITY EAST QLD 4002

BY POST/EMAIL – QLeavelevy@oir.qld.gov.au

Dear Minister,

RE: Proposed changes to QLeave levies

Thank you for the opportunity to provide feedback regarding the proposed changes to the QLeave levies (proposed changes) collected under the *Building and Construction Industry (Portable Long Service Leave) Act 1991*. The Urban Development Institute of Australia Queensland (the Institute) is the peak body representing the development industry and represents a range of members from architects, surveyors, bricklayers and stonemasons, carpenters, joiners, plumbers, developers, engineers, and town planners. The Institute also has a network of 11 regional branches across Queensland, ideally positioning our organisation to assess the impact of regulatory changes on small to medium sized property and construction businesses throughout regional Queensland.

As you would be aware, the affordability of new housing is a critical issue in regional Queensland where construction costs are high and continue to escalate relative to metropolitan areas, while house prices remain stagnant in many areas. As a result, the burden of any additional costs is disproportionately felt by both industry and homebuyers, particularly first home buyers, in regional Queensland. As a consequence, the Institute recommends no increase in the Portable Long Service Leave levy or by GST costs or by tier arrangements.

Notwithstanding the above, the development industry has long recognised its most important asset is its people and the Institute is committed to measures which aim to improve the health and well-being of industry participants. This is particularly the case in the area of mental health, the human impact of which went unrecognised for too many years in many industries.

Taking account of both matters raised above – the importance of properly funding mental health programs within the constrained business realities of regional Queensland – the Institute proposes an alternate approach whereby necessary funding be provided from general revenue, as is the case in most other industries. Among the advantages of this more standard approach, a clear benefit is that this mechanism would protect the funding stream from the cyclical nature of the property industry's activity levels. The mental health revenues raised through an industry levy would mirror the "boom and bust" nature of the industry resulting in a very significant drop in available revenue to fund mental health programs in years of weak market conditions.

If it were to prove necessary to fund these programs in our industry via the QLeave program, then the Institute supports Option Two: *Dedicate a specific portion of existing WHS levy revenue to mental health and suicide*

prevention strategies, as this option most effectively manages the difficult balance between providing additional funding to support mental health program whilst acknowledging the need to support the regional Queensland property and construction industries in the housing they deliver and the jobs they create.

If you have any further questions regarding points made in this submission, please contact Martin Zaltron – Manager of Policy (mzaltron@udiaql.com.au) on (07) 3229 1589.

Yours sincerely,

Urban Development Institute of Australia Queensland

A handwritten signature in black ink, appearing to read 'Kirsty Chessher-Brown', with a long horizontal flourish extending to the right.

Kirsty Chessher-Brown
Chief Executive Officer