



The 2024 Statutory Review of the *Building and Construction Industry Training Fund and Levy Collection Act 1990*

Tiffany Allen
Chief Executive Officer
Construction Training Fund
104 Belgravia Street
Belmont WA 6104

Dear Tiffany,

Review of the *Building and Construction Industry Training Fund and Levy Collection Act 1990* (WA)

As you know, the 2024 review of the Act is presently underway. The Review understands that the CTF will be providing a submission that addresses the relevant Terms of Reference from the perspective of the CTF.

Aside from the CTF's submission, the Review seeks information from the CTF with a view to it being used in the report to the Minister. Accordingly, could you please arrange for the CTF to provide answers to the following requests, together with any relevant information and concrete examples that support the answers provided.

Questions / Requests for Information

1. **Please provide a list of the programs that the CTF currently runs, together with the amounts spent on apprentices (including the various grants) under each program for the past year.**
 2. **Please provide the most recent data that establishes:**
 - (a) **the levy income that has been derived; and**
 - (b) **the associated CTF-hours involved in processing and collecting levy income (or an estimate thereof),**
- in each of the past four years from projects with a threshold in Regulation [3\(1\)\(a\)](#) set at \$20,000 and above (that is, assuming the *status quo*).**
3. **In respect of [2] above, please update the information in respect of:**
 - (a) **the levy income that would be foregone; and**
 - (b) **the CTF-hours involved in processing and collecting levy income that would be saved,**

for projects assuming a threshold in Regulation [3\(1\)\(a\)](#) of:



The 2024 Statutory Review of the
*Building and Construction Industry Training Fund
and Levy Collection Act 1990*

- (i) \$50,000;
 - (ii) \$100,000;
 - (iii) \$150,000; and
 - (iv) \$200,000.

4. Please provide a list of any issues that the CTF encounters in the course of its operations with the definitions in the Act¹, including as modified by the [Regulations](#), with respect to:
 - (a) the collection of levies; and
 - (b) the expenditure on grants and other programs.

5. In respect of any matters identified in [4] above, please indicate whether the CTF considers the issues to be sufficiently significant such that:
 - (a) the issue has an impact on the CTF's operations, and/or its ability to achieve its statutory objectives; or
 - (b) the issue is something that the CTF considers should be the subject of a recommendation in the Review,and, if so, what and why.

6. Please provide a list of any issues encountered by the CTF in determining the application of the threshold in Regulation [3\(i\)](#), including whether the CTF has encountered issues in assessing whether work is properly characterised as “maintenance or repairs” as opposed to “alteration or renovation” work.

7. In respect of any matters identified in [6] above, please indicate whether the CTF considers the issues identified to be sufficiently significant such that:
 - (a) the issue has an impact on the CTF's operations, and/or its ability to achieve its statutory objectives; or
 - (b) the issue is something that the CTF considers should be the subject of a recommendation in the Review,and, if so, what and why.

8. With respect to the CTF's database of project work that is used to identify [project owners](#) and the projects where levies are payable:
 - (a) please explain how the information that populates the database is sourced by the CTF;

¹ Including, for example, “building and construction industry” and “project owner” in s.3 of the Act; and “resources operational work” in Regulation [3](#).



The 2024 Statutory Review of the *Building and Construction Industry Training Fund and Levy Collection Act 1990*

- (b) has the CTF encountered any issues with its database that has impacted on its ability to collect levies?; and
- (c) If so, what are the issues?
9. In respect of any matters identified in [8] above, please indicate whether the CTF considers the issues identified to be sufficiently significant such that:
- (a) the issue has an impact on the CTF's operations, and/or its ability to achieve its statutory objectives; or
- (b) the issue is something that the CTF considers should be the subject of a recommendation in the Review,
- and, if so, what and why.
10. [Section 22](#) of the Act provides in effect, that, where the actual value of construction work varies by \$25,000 or more from the value originally estimated, then there is to be a reconciliation of the amount of the levy paid or payable. Please assume that a project is originally estimated to be valued at \$19,000 (that is, where there is no obligation to notify or pay under [s.21](#) of the Act). If the value of that completed project is, for example:
- (a) \$30,000 (that is, a variation of less than \$25,000 from the original estimate);
- (b) \$50,000 (that is, a variation of more than \$25,000 from the original estimate),
- is there, in each of those examples, any basis from the point of the view of the CTF to collect levies on those projects? Please explain the answers.
11. In respect of any matters identified in [10] above, please indicate whether the CTF considers the issues identified to be sufficiently significant such that:
- (a) the issue has an impact on the CTF's operations, and/or its ability to achieve its statutory objectives; or
- (b) the issue is something that the CTF considers should be the subject of a recommendation in the Review,
- and, if so, what and why.
12. Over the past four years:
- (a) Has the CTF experienced any disputes with project owners over whether levies were payable on the project owners' projects, including any amounts due under sections [22](#) and [24](#) of the Act?

The 2024 Statutory Review of the *Building and Construction Industry Training Fund and Levy Collection Act 1990*

- (b) Has the Board ever taken steps to recover amounts due under [s.25](#) of the Act in a court of competent jurisdiction?
 - (c) If the answer to [12(b)] is no:
 - (i) what are the reasons for not utilising the powers in sections 24, 25, 28 and/or 29 of the Act?;
 - (ii) what is the process that the CTF engages in to recover levies and other amounts that are due?; and
 - (iii) is that process successful in achieving recovery of any amounts due?
 - (d) Has the Board (or the CTF) ever utilised the powers in [s.28](#) of the Act to appoint an authorised person to carry out inspections on projects and/or require the production of documents where levies and other payments due were in dispute?
 - (e) If the answer to [12(d)] is no, what is the process that the CTF engages in to determine whether disputed levies are payable on the project owners' projects, including any disputed amounts under sections 22 and 24 of the Act?
 - (f) Has the Board (or the CTF) utilised the powers in:
 - (i) section [24](#) of the Act to penalise a project owner for a late payment?;
 - (ii) section [29](#) to prosecute a project owner for any of the offences in [s.30](#) of the Act?
 - (g) If the answer to [12(f)] is no:
 - (i) what are the reasons for not utilising the powers in sections 24 and/or 29 of the Act?;
 - (ii) what are the processes that the CTF engages in to deal with:
 - a. late penalties (s.24); and
 - b. circumstances where a person engages in any of the conduct identified in s.30; and
 - (iii) are those process successful as alternatives to the steps provided for in the Act and, if so, how?
13. **Term of Reference** (a) requires the Review to consider and assess the effectiveness of the Board. Is there any aspect of the structure of the Board (that is, as opposed to its present composition) that the CTF believes could be improved? If so, what is it, and why?



The 2024 Statutory Review of the *Building and Construction Industry Training Fund and Levy Collection Act 1990*

14. With respect to [13] above, does the CTF consider that there are matters that negatively affect or undermine its ability to achieve the objectives under the Act (such that the CTF considers that the matter should be the subject of a recommendation in the Review)? If so, what are those matters?
15. **Term of Reference** (b) requires the Review to consider and assess the attainment of the objectives of the Act. What evidence does the CTF have that the Act has resulted in:
 - (a) An improvement in the quality of training; and
 - (b) An increase in the number of skilled persons in the building and construction industry?
16. **Term of Reference** (c) requires the Review to consider and assess the need for the Act to continue in operation. Assuming that the CTF is able to identify evidence that the Act has resulted in the achievement of the objectives identified in [14] above, is the CTF able to identify any reasons why the core functions of the CTF should continue to be carried out by it under the Act, and not be carried out, in whole or in part, by (for example):
 - (a) the State Government (including, for example, the State Training Board, the Department of Training and Workforce Development, or TAFE institutes); and/or
 - (b) the Federal Government (including through Jobs and Skills Australia since its **creation** in 2022).
17. **Term of Reference** (f) requires the Review to consider and assess the benefits of a more diverse construction workforce, and assess whether First Nations people participation and gender imbalances in training are being adequately addressed under the Act. Please provide an explanation of:
 - (a) How such diversity matters are addressed under the Act by the CTF; and
 - (b) Whether there is any evidence that the diversity matters in Term of Reference (f) have been achieved and, if not, provide reasons why achievement of those matters is impracticable or not otherwise possible.



The 2024 Statutory Review of the
*Building and Construction Industry Training Fund
and Levy Collection Act 1990*

The Review understands that many of these questions will require time in order to provide a considered response. The Review would appreciate responses the matters posited as soon as is reasonably practicable and, if so, by on or about 1 May 2024.

Thank you for your co-operation.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Tom Dixon", written over a large, stylized circular scribble.

Tom Dixon

Date: 28 March 2024