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Ms Amy Halliday
Chair, Local Government Advisory Board
Via email: advisoryboard@dlgsc.wa.gov.au

Dear Ms Halliday

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

I am writing to advise of the Statutory Review of the *Building and Construction Industry Training Fund and Levy Collection Act 1990* (WA) (the **Act**) that is currently underway. In accordance with Section 32 (1) of the Act, the Minister for Training and Workforce Development is required to carry out a review of the Act's operation and effectiveness.

The *Building and Construction Industry Training Fund and Levy Collection Regulations 1991* (**Regulations**) currently provide that government work, which is relevantly defined to include work carried out for or on behalf of a local government or regional local government by its employees, is excluded from the definition of "construction work" as defined in the Act.

One of the terms of reference for the Statutory Review requires a review of the Regulations. The relevant Term of Reference is expressed in terms of a Recommendation carried over from the 2019 statutory review in the following terms:

Recommendation 18 - Exemption for government work
Consider removing the current exemption for "government work" in the regulations as there does not appear to be a rationale for why government work undertaken by government employees should be exempt from the Levy.

The Review has advertised a call for submissions, and has made public the Terms of Reference on the Review website ¹

¹ <https://ctf.wa.gov.au/about-us/2024-statutory-review>

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The Review has also attempted to contact WALGA directly in order to engage in consultation and seek its views in respect of Recommendation 18. For example:

- (i) Email from the Review's Executive Officer to Nick Sloan, CEO WALGA 13 May 2024
- (ii) Email from the Review's Executive Officer to Nick Sloan, CEO WALGA 3 May 2024
- (iii) Email from the Review's Executive Officer to Nick Sloan, CEO WALGA 7 March 2024

Submissions are now closed. The Review received submissions from a number of stakeholders. WALGA did not make a submission, nor did any local government.

A number of submissions by stakeholders supported removing the current exemption for "government work".

The Review is presently minded to publish an issues paper and to give stakeholders an opportunity to make short submissions on a number of issues that have emerged from the submissions received and from the process of consultation. Any issues paper will identify that there is stakeholder support for Recommendation 18 insofar as it applies to Local Government.

The Annual Reports of various local governments appears to confirm that there is an outlay of substantial sums on infrastructure maintenance and renovation, and the construction of new facilities.

The Review would be assisted by the provision of information concerning construction work undertaken by Western Australian local governments and regional local governments within the meaning of the *Local Government Act 1995* (WA) (**Local Governments**), including:

- (a) The value of construction work carried out by Local Governments on Local Government projects that can be characterised as:
 - (i) Building construction (howsoever defined by Local Government); and (separately, if possible)
 - (ii) Civil construction (howsoever defined by Local Government),in each of the past 5 years.
- (b) The value of construction work carried out for or on behalf of Local Governments by an officer or employee of Local Governments, or by another government department or authority, that can be characterised as:
 - (i) Building construction (howsoever defined by Local Government); and (separately, if possible)
 - (ii) Civil construction (howsoever defined by Local Government),in each of the past 5 years.
- (c) The amount of levies paid, if any, into the Building and Construction Industry Training Fund by Local Government for Local Government projects in each of the past 5 years.

The Review would also welcome a submission by the Local Government Advisory Board (in the absence of any engagement by WALGA in the Review) that addresses the merit of removing the current levy exemption in the Regulations, if it is minded to do so.

If you have any queries, please contact Kylie Armstrong, telephone (08) 9244 0100 or kylie.armstrong@ctf.wa.gov.au.

Yours sincerely



Kylie Armstrong
Director Strategic Projects / Executive Officer

20 June 2024

