

~~This year's health capital works program is a massive \$1.8 billion as we roll out the nation's largest hospital building program, with works currently underway in Cairns, Mt Isa, Townsville, Mackay, Rockhampton, Gold Coast, Brisbane and to commence this year on the Sunshine Coast and Ipswich.~~

Conclusion

~~Mr Speaker,~~

~~We are about to be part of an enormous economic expansion, built upon the courage of reform. In each Budget of the Bligh Government we have made great strides many of them hard yards to remake and reform our State's finances and its economy.~~

~~We have done so as a team united in our purpose and united behind strong leadership.~~

~~We've shown the courage to overhaul the state's balance sheet, choosing to invest in new passenger trains and let the private sector shell out for new coal trains, choosing new National Parks over running a commercial timber business.~~

~~Choosing jobs, not cuts.~~

~~Choosing the future, not defending the past.~~

~~Promoting opportunity, not defending privilege.~~

~~Mr Speaker,~~

~~This Budget makes choices—it doesn't pretend that there aren't always choices to be made.~~

~~It reflects the choices of a Labor Government—as each of this Government's budgets has done.~~

~~Beyond the noisiness of the here and now, these choices will echo into the future.~~

~~Beware the rush to judgment.~~

~~We have acted in extraordinary times, with extraordinary courage and extraordinary unity.~~

~~We do so with a clear focus on what Labor stands for—jobs ... the dignity of work.~~

~~The jobs we saved, the jobs we protected ...~~

~~... the jobs we are creating.~~

~~... the families our budget decisions have sustained, the hopes, dreams and aspirations at many kitchen tables we preserved because we had the courage to look into the future, the fortitude to act, and a unity of purpose—jobs.~~

~~This government demonstrated it had the courage to confront the past in order to confront the future.~~

~~We looked then as we do now to a Queensland that can't be stopped ... a prosperity that cannot be denied.~~

~~Smashed this year by nature's full fury, our will tested, our resilience tested—we have withstood it all.~~

~~Where else but Queensland could you have seen business investment continue despite the state taking such a pounding from Mother Nature.~~

~~That tells you everything you need to know. We believe in ourselves, as Queenslanders, and in our future.~~

~~Earlier this year, many people rediscovered the true spirit, the essence of Queensland.~~

~~It is a magic place, a place of optimism and opportunity.~~

~~This century is ours for the taking.~~

~~With courage, anything is possible.~~

~~I commend the bills to the House.~~

~~Debate, on motion of Mr Nicholls, adjourned.~~

COMMUNITY AMBULANCE COVER LEVY REPEAL AND REVENUE AND OTHER LEGISLATION AMENDMENT BILL

First Reading

 **Hon. AP FRASER** (Mount Coot-tha—ALP) (Treasurer and Minister for State Development and Trade) (3.01 pm): I present a bill for an act to amend and repeal the Community Ambulance Cover Act 2003, to amend this act, to make consequential amendments of the Electricity Act 1994, the Energy and

Water Ombudsman Act 2006 and the Taxation Administration Act 2001, and to amend the Duties Act 2001, the Geothermal Energy Act 2010, the Land Tax Act 2010, the Mineral Resources Act 1989, the Payroll Tax Act 1971, and the Petroleum and Gas (Production and Safety) Act 2004 for particular purposes. I present the explanatory notes, and I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

Tabled paper: Community Ambulance Cover Levy Repeal and Revenue and Other Legislation Amendment Bill.

Tabled paper: Community Ambulance Cover Levy Repeal and Revenue and Other Legislation Amendment Bill, explanatory notes.

Second Reading



Hon. AP FRASER (Mount Coot-tha—ALP) (Treasurer and Minister for State Development and Trade) (3.02 pm): I move—

That the bill be now read a second time.

The Community Ambulance Cover Levy Repeal and Revenue and Other Legislation Amendment Bill 2011 repeals the Community Ambulance Cover Act 2003 and amends the Duties Act 2001, Land Tax Act 2010 and Payroll Tax Act 1971 to give effect to the 2011-12 State Budget initiatives. The Community Ambulance Cover levy collected through electricity accounts is to be abolished on 1 July 2011, delivering a direct saving of \$113 to most Queensland households. Abolition of the Community Ambulance Cover levy will not affect Queensland's free ambulance service. Queenslanders will continue to receive free ambulance services anywhere in Australia.

I seek leave to have the remainder of my second reading speech incorporated in *Hansard*.

Leave granted.

A number of other beneficial changes are included in the bill, including extension of land tax land value capping arrangements. Under these arrangements, the increase in the value on which land tax is levied is limited to 50 per cent of the value that applied for the previous year. These capping arrangements have applied for the previous four financial years and are being extended for 2011-12. This will assist many land taxpayers, including those who may have experienced an increase in their land values as a result of the change to site value.

The 25 per cent payroll tax rebate on wages paid to apprentices and trainees is also being extended for a further year to 30 June 2012. The rebate, currently due to expire on 30 June 2011, applies to wages paid to trainees and apprentices which are already exempt under the *Payroll Tax Act 1971* and is allowed as an offset against an employer's payroll tax liability. The extension of the rebate demonstrates the Government's continued commitment to skills development in Queensland.

Returning to the aspects of the Bill which abolishes the CAC levy, it should be noted the levy liability accrued for electricity account periods up to 30 June 2011 will continue to be imposed and collected in the ordinary way by electricity retailers. This means that electricity customers will see a levy amount in their electricity accounts after 30 June as the levy accruing before that date is billed.

Electricity retailers and other electricity providers may take time to adjust their systems and business processes for this change. To protect consumers, the Bill provides that, if an electricity account is incorrectly issued with a levy amount for an account period on or after 1 July 2011, the amount is not payable by the customer. If the customer pays the amount, the electricity retailer or electricity provider must refund the amount or provide a credit against the next account. A further protection is that, from 1 January 2012, anyone who incorrectly bills a levy amount for a post 30 June period will commit an offence.

To ensure timely winding up of levy arrangements, the period for claiming refunds of overpaid levies is being limited, other than for review and appeal decisions. Refund claims must be made before 1 July 2012.

Mr Speaker, the Government recognises the difficulties being experienced by the housing construction industry in Queensland and announced an important assistance measure as part of the 2011-12 State Budget. The Queensland Building Boost Grant will provide a grant of \$10,000 for six months from 1 August 2011 for all purchasers of newly constructed houses, townhouses and units valued at less than \$600,000.

The Queensland Building Boost Grant commences on 1 August 2011 and will be available until 31 January 2012. People entering into a building contract from 1 August to build a home, and owner builders who commence construction of a home from that date, are also eligible where they satisfy the scheme's requirements. There will be time limits on when construction of the new home must commence and when it must be completed.

The boost is about adding to the housing stock overall, so there are no requirements for the purchaser to live in the home themselves, with the grant being available for home buyers and investors alike. However, the grant will not be available for a builder who is building the home to sell. Rather, the purchaser may claim the grant. In addition, a person may claim more than one grant when purchasing separate new homes but, as the grant applies for new homes, only one grant can be claimed for a particular home.

The Queensland Building Boost Grant will operate under administrative arrangements pending passage of legislation. The Office of State Revenue will be publishing information on its website to assist prospective purchasers understand how the scheme will operate, and is liaising with the Queensland Law Society and financial institutions regarding implementation from 1 August.

At the same time that the Queensland Building Boost Grant commences, the transfer duty home concession for non-first home buyers will be discontinued. Anyone entering into a contract to purchase a home before that date will continue to receive the concession, subject to satisfying the eligibility requirements. No similar concession is currently provided by any other State.

The Bill also implements the beneficial changes to transfer duty rates announced as part of the 2011-12 Budget initiatives. These changes ensure that transfer duty payable on a home remains lower in Queensland than under the standard rate in any other mainland State. These rate changes reduce the duty payable for properties valued between \$75,000 and \$540,000, saving up to \$600 for transactions in this range.

First home buyers will continue to pay no transfer duty for homes valued up to \$500,000. Presently, there is a reducing duty rebate for first home buyers which cuts out at \$550,000. This Bill will adjust the rebate arrangements by extending the cut off point to \$600,000. Those buying first homes valued at \$600,000 or more will pay transfer duty at the same rates that apply for all other purchasers.

Purchasers of vacant land on which a first home will be built will continue to receive a full rebate of transfer duty on land valued up to \$250,000, with the rebate phasing out at \$400,000.

Mr Speaker, the introduction of the Queensland Building Bonus Grant provides a real incentive for Queenslanders to buy that home they've been thinking about. It is particularly beneficial for those entering the market for the first time as they may qualify for the Queensland Building Bonus Grant on top of the First Home Owners Grant of \$7,000 and the first home buyer transfer duty concession when purchasing a new home valued under \$600,000.

As announced in the in the Mid Year Fiscal and Economic Review 2010-11, the Bill also includes amendments to the *Duties Act 2001* which will, from 1 July 2011, align Queensland's land rich duty provisions to a landholder model. These changes will ensure simplified rules and reduce the scope for transactions to be structured to avoid the current arrangements.

The *Duties Act 2001* is to be amended to remove the 60 per cent land rich test so that landholder duty will apply to an acquisition of 50 per cent or more of an unlisted corporation holding land in Queensland worth \$2 million. Duty will continue to apply in relation to the land of both the landholder and its subsidiaries.

In addition, the *Duties Act 2001* is to be amended to include listed corporations and listed unit trusts in the landholder provisions so that landholder duty will apply to an acquisition of 90 per cent or more of a listed corporation or listed unit trust holding land in Queensland worth \$2 million. Similar to arrangements in New South Wales, landholder duty in these cases will be charged at a concessional rate of 10 per cent of the duty that would otherwise apply to the transfer of all the landholdings of the landholder.

The extension of landholder duty to takeovers of listed corporations and listed unit trusts will improve equity with similar transactions for unlisted entities. Duty presently does not apply to the takeover of listed entities but can apply for unlisted entities.

No changes are being made to existing transfer duty arrangements for unlisted trusts.

The move to landholder duty will closer align Queensland's arrangements with landholder duty applying in the majority of other jurisdictions including New South Wales, Western Australia and the Northern Territory. South Australia is also adopting landholder duty from 1 July 2011 and Victoria has announced it will do so from 1 July 2012.

While the changes are expected to raise approximately \$30 million per annum from 2011-12 from transactions presently falling outside the system, this is not a revenue raising measure. It is about ensuring our system is robust, reducing red tape and continuing to more closely harmonise Queensland's duty arrangements with those in the majority of other jurisdictions.

As also announced in the Mid Year Fiscal and Economic Review 2010-11, responsibility for royalty administration will transfer from the Department of Employment, Economic Development and Innovation to OSR on 1 July 2011.

Recognising the principles of good governance and accountability, which support a separation of responsibility for industry regulation and administration of the revenues payable by that industry, OSR will be responsible for all royalty administration activities including processing royalty returns and payments, compliance activities, public determinations, and policy and legislation issues relating to day-to-day royalty administration.

DEEDI will retain responsibility for a number of broader royalty policy issues in consultation with Treasury. In its role as industry regulator, DEEDI will continue to have responsibility for other matters relating to Queensland's resources industry, including tenure administration and collection of statistical information.

This transfer of responsibility will mean that royalty information will no longer be obtained by DEEDI in the administration of the *Mineral Resources Act 1989* or the *Petroleum and Gas (Production and Safety) Act 2004*. However, DEEDI will continue to require access to this information for its administration of other aspects of the legislation, such as regulatory matters and tenure administration.

This Bill will amend the confidentiality provisions of these Acts to allow the provision of information to DEEDI as required, and to address other issues with the current provisions. The confidentiality provisions have been modeled on those in the *Taxation Administration Act 2001*, which apply for the other revenue legislation administered by OSR, including ensuring appropriate safeguards for the disclosure and use of personal confidential information. The new confidentiality provisions distinguish between personal confidential information and other confidential information and balance the need to protect confidential information while also allowing its disclosure in appropriate circumstances.

Another amendment will ensure that a person does not breach the *Mineral Resources Act 1989* where they lodge a royalty return with, or make a royalty payment to, OSR despite a requirement to the contrary in the Act.

The Bill will also amend the *Petroleum and Gas (Production and Safety) Act 2004* and the *Mineral Resources Act 1989*. These Acts both contain provisions for applying for a petroleum, coal or oil shale lease where there is overlapping tenure. Currently, both acts require separate applications to be made where a potential lease would cover both land that is tenured for the alternative resource and untenured land, or would cover areas of tenured land that are held by separate entities. These amendments would remove the requirement for separate applications in these instances and thus will streamline the tenure application system under both Acts.

The Bill also includes an amendment to the *Petroleum and Gas (Production and Safety) Act 2004* in relation to the construction of CSG water pipelines across multiple petroleum leases in order to transport untreated water for treatment and to transport treated water for beneficial use. The amendment will aid efficient water transport while maintaining existing environmental standards. For an area of land which is not subject to a petroleum lease, the CSG producer will require a development approval under the *Sustainable Planning Act 2009*.

Some minor amendments to improve tenure application processes under these Acts are also proposed by this Bill. These amendments will not affect the need for an application to meet any of the other requirements under other relevant acts. They do not impose any additional requirements on applicants, nor do they affect the obligations of the applicant to negotiate with land holders or overlapping tenure holders.

Mr Speaker, I commend the Bill to the House.

Debate, on motion Mr Nicholls, adjourned.

~~ADJOURNMENT~~



~~Hon. JC SPENCE (Sunnybank ALP) (Leader of the House) (3.04 pm): I move~~