



RIS Ref: DHPW1033-0319

File Ref: DOC19/684

4 April 2019

Ms. Anne Neuendorf
Acting Director, Building Legislation and Policy
Department of Housing and Public Works
63 George Street
BRISBANE, QLD 4000

Dear Ms Neuendorf

Consultation Regulatory Impact Statement - Mechanical Services Regulation

Thank you for your enquiry on 17 March 2019, and further information provided in March and April 2019, seeking advice on the adequacy of the 'Mechanical Services Regulation' Consultation Regulatory Impact Statement (RIS).

Proposal

The *Plumbing and Drainage Act 2018*, which was assented to on 11 September 2018, will amend the *Queensland Building and Construction Commission Act 1991* to provide for the introduction of a mechanical services licensing framework covering the 'specialist streams' of air-conditioning and refrigeration, plumbing and medical gas.

Following this legislative change, the Department of Housing and Public Works (the department) is proposing to create occupational and contractor mechanical services licences for each of the specialist streams. The RIS has therefore been developed to present:

- the proposed technical aspects of each licence class, such as scopes of work and qualifications
- the impacts of the proposed arrangements to transition the industry to the new framework.

Assessment

In undertaking its assessment of whether a Consultation RIS is adequate for the purposes of public consultation, the Queensland Productivity Commission (the Commission) has regard to the 'adequacy criteria' in the Queensland Government Guide to Better Regulation (the guidelines).

Notwithstanding that the decision to introduce a mechanical services licence, via legislative amendment, has already been made, the Commission considers that the RIS adequately presents the department's assessment of the proposed licence classes and their scope. Further, the Commission notes that the RIS provides an analysis of the estimated impacts of the proposed licences on individual workers and contractors, including those currently unlicensed.

Given these points, the Commission considers the RIS is adequate for the purposes of public consultation. Consultation with stakeholders will likely assist the department to further develop the policy, including:

- whether the licences proposed ensure positive safety and consumer protection outcomes, whilst not unduly restricting competition in the market for such services
- whether the proposed transitional licensing arrangements sufficiently minimise disruption to industry



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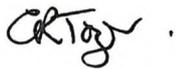
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- verifying the analysis undertaken and whether the proposal will have any unforeseen adverse impacts on business or the community.

Consistent with the guidelines, once a Consultation RIS has been approved for release it is published on the Commission's website along with this letter. After consultation has concluded, a Decision RIS incorporating the consideration of public comments should be provided to the Commission for assessment before the matter is finally referred to Cabinet for decision.

Please contact Robert Sugden, Senior Analyst on (07) 3015 5113 if you require any additional information or guidance in relation to the above comments or the guidelines in general.

Yours sincerely



Christine Tozer
Team Leader