

Explanatory Statement

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE AND BENEFITS AMENDMENT BILL 2022

SERIAL NO. 54
LEGISLATIVE ASSEMBLY OF THE
NORTHERN TERRITORY

MINISTER FOR MINING AND INDUSTRY

GENERAL OUTLINE

This Bill amends the *Construction Industry Long Service Leave and Benefits Act 2005*.

The purpose of this Bill is to reduce regulatory red-tape for major project proponents, by simplifying the way that the levy on large projects is calculated.

The amendment will provide transparency, certainty and cost savings for proponents in the levy assessment calculation, and will reduce the administrative burden for both proponents and the NT Build portable long service leave scheme.

It will also create a regulation-making power in the Act to enable the large project levy threshold to be varied by regulation in the future, for administrative ease.

NOTES ON CLAUSES

Clause 1. Short Title.

This is a formal clause which provides for the citation of the Bill. The Bill when passed will be cited as the *Construction Industry Long Service Leave and Benefits Amendment Act 2022*.

Clause 2. Commencement.

This clause sets out how the amendment Act will be commenced. In this case it will commence on the day after the day on which the Administrator's assent to this Act is declared.

Clause 3. Act amended

This clause states the name of the act that will be amended. In this case, the act amended is the *Construction Industry Long Service Leave and Benefits Act 2005*.

Clause 4. Section 33 amended (Amount of levy)

Amends section 33 by deleting all references to \$1 billion and replacing them with a reference to 'threshold amount', with that term defined to mean \$5 billion unless otherwise prescribed by regulation for this section.

This amendment has the effect of raising the large project levy threshold from \$1 billion to \$5 billion.

It also has the effect of enabling the large project levy threshold to be varied by regulation in future cases.

Clause 5. Part 7 inserted

This is a new section which sets out transitional provisions. It states that section 33, as amended by the amending Act, applies in relation to any construction work not completed before the commencement of the amending Act.

The purpose of this section is to clarify that the threshold amount of \$5 billion is intended to apply in the cases of construction work that started prior to, but has not been completed by, the commencement of the amendment Act.

Clause 6. Repeal of Act

This is a standard clause for parts of legislation that consists entirely of amendments to other legislation. It provides that the amendment Act is repealed the day after it has performed its function of amending the other legislation.