



## **Question on Notice Response**

**Finance and Administration Committee**

**Work Health and Safety and Other**

**Legislation Amendments Bill 2017**

**CHAMBER OF COMMERCE AND INDUSTRY QUEENSLAND**

**27 September 2017**

## Introduction

1. The Chamber of Commerce and Industry Queensland (CCIQ) thanks the Finance and Administration Committee for the opportunity to provide a response to the question taken on notice at Monday's public hearing in relation to the *Work Health and Safety and Other Legislation Amendment Bill 2017* (the Bill).

## Question

2. What is the economic impact of the Bill in question?

## Response

3. Per a 2014 Deloitte report<sup>1</sup>, the private sector spends \$67 billion on regulation compliance nation wide. That number was expected to increase by \$100 billion by 2017.
4. CCIQ's biannual 2017 [Red Tape report](#) indicated Work Health and Safety red tape compliance burden has risen to the second highest compliance burden for small businesses. It should also be noted that dealings with the Queensland Industrial Relations Commission is now third, having risen from sixth place in 2015.<sup>2</sup>
5. 41 per cent of small businesses spend one to five hours per week on government regulation compliance and over 34 per cent spend over six hours per week. 50 per cent of Queensland businesses believe government regulation compliance has increased in the past two years.
6. This Bill, if made into law, will increase regulations, red tape and compliance costs and have devastating impacts to the Queensland economy. CCIQ estimates the Bill will cost all businesses \$1.125 billion in the first year of implementation, with ongoing costs of \$540 million. That equates to 0.36 per cent loss of Gross State Product (GSP) in the first year. This Bill is half as devastating as Tropical Cyclone Debbie to the Queensland economy.
7. Due to the increase of red tape across the state, general business conditions have deteriorated over the past quarter. The small business community is expecting a further deterioration in conditions over the next quarter.<sup>3</sup>
8. Small businesses have been quoted as saying:

*"Workplace Health & Safety regulations should be more industry specific. It has created a lot of non-productive jobs that do nothing more than drive up costs."*

*"Red tape around energy efficiency and WHS has become more about preventing litigation than actually addressing the issues."*

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<sup>1</sup> Deloitte, (2014), *Get out of your own way: Unleashing productivity*.

<sup>2</sup> CCIQ, (2015), *Red Tape Report*, <https://www.cciq.com.au/assets/Advocacy/CCIQ-Red-Tape-Survey-screen.pdf>

<sup>3</sup> CCIQ, (2017), Suncorp CCIQ Pulse Survey Report: June Quarter, <https://www.cciq.com.au/assets/Advocacy/Pulse/PulseReport-Jun2017-final.pdf>