

25 November 2014

Anthony Chisholm  
State Secretary  
Queensland Labor Party  
PO Box 5032  
West End QLD 4101

Dear Mr Chisholm,

On behalf of the Queensland business community, the Chamber of Commerce and Industry Queensland (CCIQ) writes in response to the release of the Queensland Labor State Policy Platform. CCIQ wishes to provide a formal response to the policy priorities outlined by the party arm of Queensland Labor, specifically with respect to matters as they relate to small and medium businesses in Queensland.

***A Strong Economy***

CCIQ is primarily focused on budget fundamentals, business taxation, red tape, infrastructure, and their resultant impact on the business operating environment in Queensland. CCIQ sees the responsibility of State Government as working to create an environment that is conducive to economic growth.

To this end, CCIQ commends the policy priorities outlined by Labor with respect to *A Strong Economy*. CCIQ is pleased to see a policy platform that emphasizes the competitiveness of Queensland in the new global economy, and makes commitments to the responsible management of revenue and expenditure. CCIQ welcomes additional pledges to deliver much needed infrastructure, but urges the Opposition to ensure infrastructure priorities are informed by the views of the business community. Further, CCIQ believes any policy proposals regarding infrastructure delivery must allow for greater private sector involvement in not just financing, but planning, development, construction, and operational phases.

With respect to policies for an innovative economy in Queensland, CCIQ supports policy development that recognises, encourages, and supports innovation in small business. CCIQ has undertaken research on Queensland small business innovation and is extensively pursuing a range of innovation initiatives to value-add to existing small business services. The Chamber is pleased to attach our insights to encourage the Queensland Labor Party's pursuit of more nuanced innovation policies for SMEs, particularly in the lead up to the forthcoming election. Overall, CCIQ recommends a systematic and coordinated innovation policy that creates a business operating environment conducive to innovation, fosters an SME innovative culture, removes regulation that is a barrier to innovation, delivers sufficient and appropriately targeted government programs, improves workforce capability with innovation skills, improves access to finance and allows government to lead by example.

Although the Queensland business community supports Labor's focus on a strong economy, CCIQ seeks further detail around specific policies that may raise concerns for SMEs. Firstly, CCIQ believes public sector jobs can only grow if such moves are fiscally responsible and alternatives for greater private sector investment are fully explored. There must be a continuing commitment from all political parties to quit those areas of activity which can be more efficiently delivered by the private sector. Secondly, CCIQ supports in principle encouraging large firms to relocate to Queensland, provided the approach is transparent and that bigger companies do not receive a favourable advantage over local SMEs for example, in the form of financial incentives and tax holidays.

CCIQ believes a strong economy will be achieved by pursuing the dual goals of restoring fiscal integrity and promoting growth in the economy. CCIQ would be pleased to discuss in detail policies that, if committed to, will go a long way in ensuring business is confident to operate in Queensland.

### ***Skills and Training***

CCIQ welcomes Labor's commitments with respect to skills and training, particularly regarding the development of partnerships between government and other relevant stakeholders, and the boosting of e-learning education. Overall however, feedback from business reveals that Queensland's vocational education and training (VET) system should continue to undergo the vital reforms underway to ensure it is meeting the needs of industry, particularly in regional Queensland.

CCIQ urges the Opposition to release further policy detail in support of a more streamlined, employer-focussed approach with respect to funding and delivery of VET. CCIQ encourages Labor to commit to continuing to remove the complexity from the system; improve quality and choice by increasing competition among private and public providers; move TAFE towards more commercial arrangements; give greater consideration to the skills and training requirements of Queensland regions; and sustain the shift to contestable funding for VET delivery.

CCIQ encourages Labor to formulate policies that will facilitate government and industry working together to identify key occupations and skills needs, and deliver a workforce that meets the needs of the economy.

### ***Workplace Policy***

Our State's economic prosperity is contingent on a balanced workplace relations framework that meets the needs of contemporary Queensland workplaces.

Queensland and Australia must move away from a regime that seeks to protect employees against the worst case of employer, to the detriment of the vast majority who do the right thing by their workers. To this end, CCIQ would welcome the opportunity to present in detail the view of the Queensland business community with respect to the following workplace policy proposals as articulated in the Labor State Policy Platform:

- Reversing recent changes to work health and safety laws and worker's compensation;
- Proposals to expand enterprise bargaining to include all aspects of the employment relationship;
- Any proposals to expand or restrict the powers of the Queensland Industrial Relations Commission; and
- Notice periods for WHS permit holders and all other third party involvement in the workplace.

More specifically, CCIQ unreservedly supports the introduction of a common law threshold that restores balance to the workers' compensation system. The reforms of the current government are central to keeping small business competitive and have relieved a significant cost burden, freeing up capital and restoring confidence. The Chamber is of the strong view that changes to the WorkCover scheme should remain to provide significant stimulus to the economy and boost jobs growth.

CCIQ seeks clarification on how business views will be integrated into Labor's industrial relations framework to reflect modern workplaces. To support employment and foster sustainable and productive businesses that remain competitive in both domestic and international market places, Queensland's workplace relations framework must reflect employers' capacity to pay and the characteristics of a modern, 24/7 economy.

Lastly, the Chamber strongly believes that the best way to tackle historically high levels of youth unemployment is to craft workplace policies that incentivise employers to hire. At present, youth unemployment is unacceptable at around three times the rate for adults nationally. Coupled with total labour market underutilisation figures for young people, it is strikingly evident that the labour market requires substantial reform to provide the right incentives for employers to invest, expand, and hire.

In summary, the overarching priorities for Queensland's business community remain better fiscal and economic management, a reduction in government costs on business, and a reduction of red tape. CCIQ welcomes commitments on part of Queensland Labor to address such matters within their proposed policy platform and would be pleased to discuss further the matters contained herein.

Yours Sincerely,



Stephen Tait

**Chief Executive Officer**

**Chamber of Commerce and Industry Queensland**