

30 May 2019

Ms Tricia Rooney
Portable Long Service Leave Levy Consultation
Office of Industrial Relations
Email: QLeavelevy@oir.qld.gov.au

Dear Ms Rooney

Re: Proposed Changes to Portable Long Service Leave Levy

As Queensland's peak representative body for small and medium enterprises (SMEs), the Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide a submission to the Department of Industrial Relations regarding the proposed changes to QLeave levies. CCIQ wishes to expand on the following considerations made within the Consultation Regulatory Impact Statement (RIS).

In response to the consideration of retaining existing levy structures, CCIQ advocates for *4.3 Option 1 – Remove the tiered levy structure*. 2014 reforms increasing the threshold from \$80,000 to \$150,000 provided concessions for major projects, however these disproportionately burdened small and medium businesses to compensate for lost revenue. Therefore, CCIQ advocates for the abolishment of the existing structure as it places undue strain on smaller size projects and will continue to do so if the status quo is maintained.

The RIS also states changing the base level threshold of \$150,000 for the levy will not be considered. Conversely, CCIQ recommends it is revised to the pre-2014 level of \$80,000 to alleviate the aforementioned strain on SMEs and provide an equal playing field for all businesses.

Regarding the exclusion or inclusion of GST in leviable costs, CCIQ opposes *5.2 Re-instigating GST in the total project costs* as this will likely create additional, disadvantageous costs for smaller businesses or lower value projects currently exempt from the levy.

Further, CCIQ wholeheartedly advocates for mental health support and suicide prevention within industry however it does not endorse an increased levy as the best-practice solution. This is because increasing costs on all levy payers has the potential to disadvantageously impact smaller to medium size projects through decreasing funding available to hire additional workers.

Alternatively, CCIQ wishes to inform the Office that in principal it supports the *7.3 Option 2 – Dedicate a specific portion of existing WHS levy revenue to mental health and suicide prevention strategies*. CCIQ elects this as the preferable option as it does not place additional strain on small and medium projects through imposing an increased Workplace Health and Safety levy rate. This measure in combination



with removal of the tiered structure, should result in available, increased funds for mental health support and suicide prevention.

Should you have further queries, you are welcome to contact CCIQ's policy advisor Isabella Anderson at ianderson@cciq.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S. Tait', written over a horizontal line.

Stephen Tait

Chief Executive Officer

Chamber of Commerce and Industry Queensland