



Submission to the Committee of the Legislative Assembly

Review of the Queensland Parliamentary Committee System

Sub. 13

Chamber of Commerce & Industry Queensland

4 February 2016

CCIQ Powering
business
potential

1.0 Introduction and Overview

1.1 As the State's peak business organisation, the Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide input to the Committee of the Legislative Assembly on the Review of the Queensland Parliamentary Committee System.

1.2 CCIQ is committed to the best practice representation of the Queensland small business community and wishes to provide commentary in relation to:

"recommendation ten regarding a review of the parliamentary committee system, of the Finance and Administration Committee report "Inquiry into the introduction of four year terms for the Queensland Parliament, including consideration of Constitution (Fixed Term Parliament) Amendment Bill 2015 and Constitution (Fixed Term Parliament) Referendum Bill 2015 (the report)"

1.3 More specifically CCIQ wishes to provide comment in relation to the functions, powers and procedures of the Committees with the view to ensuring they are operating as effectively as possible and improving accountability.

2.0 The Chamber of Commerce and Industry Queensland

2.1 CCIQ is the State's largest business organisation. CCIQ has a State-wide membership across all industry sectors and of business sizes. In total we directly and indirectly represent in excess of 25,000 businesses with links to in excess of 120 local chambers of commerce and professional associations.

2.2 CCIQ is committed to representing the interests of its members and the Queensland business community as a whole. The most important aspect of our role is to provide advocacy on industry related issues, designed to build a better business operating environment. .

2.3 CCIQ plays a pivotal role in identifying issues and their impact on industry, as well as researching, analysing and developing appropriate responses to government policies, taxation initiatives, programs and legislation.

2.4 CCIQ has dramatically changed its approach to advocacy in recent years to be the 'voice of business' through continually canvassing and then articulating business community views on various issues in a non-partisan manner. In turn CCIQ represents the views of members by:

- publicly commenting on legislative, taxation and industrial issues;
- participating directly in debates with governments and other stakeholders;
- providing formal submissions to governments on behalf of members;
- working in cooperation with state and local governments to identify and address issues that impact on Queensland business; and
- responding to media, governments and the general business community to analyse and comment on the performance of the economy and other key business issues.

3.0 CCIQ's Participation in Parliamentary Committees January 2015 - Present

3.1 CCIQ has been an active participant in a number of Parliamentary Committee inquiries under this sitting of Parliament. Indeed given the current composition of the Queensland Legislative Assembly the accountability role of the Committees in CCIQ's view has never been more important. Submissions that the Chamber has provided in the past year include:

2016

- 16 January - Letter to the Legal Affairs and Community Safety Committee regarding the *Tackling Alcohol-fuelled Violence Legislation Amendment Bill 2015*.

2015

- 20 October - The Introduction Of Four Year Terms In Queensland Parliament
- 13 October - Submission to the Education, Tourism and Small Business Committee's Inquiry into the Jobs Queensland Bill 2015
- 6 October - Submission to the Finance and Administration Committee's Inquiry into the Queensland Productivity Commission Bill 2015
- 24 September - Submission to the Finance and Administration Committee's Inquiry into the introduction of four year terms for the Queensland Parliament; the *Constitution (Fixed Term Parliament) Amendment Bill 2015*; and the *Constitution (Fixed Term Parliament) Referendum Bill 2015*
- 15 September - Submission to the Inquiry into the Report on the Strategic Review of the Functions of the Integrity Commissioner
- 10 August - CCIQ submission. Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill 2015
- 8 July - CCIQ submission to the Finance and Administration Committee on the Holidays and Other Legislation Amendment Bill 2015.
- 9 June - Feedback on the Work Health and Safety and other Legislation Amendment Bill 2015
- 18 May - Submission to The Research Director Finance and Administration Committee on the Industrial Relations (Restoring Fairness) and Other Legislation Amendment Bill 2015
- 23 April - Submission to Finance and Administration Committee - Payroll Tax Rebate, Revenue and Other Legislation Amendment Bill 2015

4.0 CCIQ Observations on Committee Process

- 4.1 CCIQ is of the view that the general operation of the current Parliamentary Committees is functioning well at present. Indeed in many respects CCIQ believes that the scrutiny and outcomes from the Parliamentary Committee process is arguably better than what is currently being achieved under the Queensland's Regulatory Impact Statement process.
- 4.2 The room for improvement that can be identified by CCIQ appears to be more a reflection of the shortcomings in the process of Government or the urgency in the Government's legislative agenda that in turn manifests or presents itself through the Committee System. This is an observation that is not unique to this Government and has been a consistent trend across many years. The incremental adjustment to improve the operation of the Committees can be identified through the issues raised below.
- 4.3 **Timeframes and Overlapping Inquiries**

Issues that are highlighted by CCIQ in this area include:

- Rushed regulatory agendas leaving short timeframes to be informed of pending changes and new requirements and in turn opportunity to canvass with members the impact of new legislation on their business operations;
- Impact of multiple inquiries being held concurrently that diminishes opportunity for stakeholders to provide comment; and
- Poor communication or articulation of the practical impact on business of the changes and amendments under consideration.

The above issues provide challenges to CCIQ through the process of our own advocacy development. The representations provided by CCIQ are essentially the re-articulation of what our members have told us they think about a Bill or an issue before Parliament. CCIQ Advocacy is developed in partnership with our members through consultation, research and direct discussion. We canvass the views of our members through use of surveys, industry committees, roundtables, regional road shows, website, case studies and other one on one communication with members by the CCIQ Advocacy Team. The development of this representation is significantly diminished in the absence of suitable opportunity by way of timeframe or overlapping inquiries.

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- 4.4 **Absence of subordinate legislation / regulations accompanying Bills before Parliament.** CCIQ subscribes to the saying that the 'devil is often in the detail' and in this instance the detail is often to be found in the accompanying regulations to a Bill. For example the recent consideration of the Workers' Compensation and Rehabilitation and Other Legislation Amendment Bill 2015 without the regulations available impeded CCIQ's ability to determine the proposed changes and how they would impact on the solvency of the WorkCover Scheme in respect to the operation of the 'Statutory Adjustment Scheme'.
- 4.5 **Transparency and Accountability:** At present under a guide to making a submission to a committee of the Queensland Parliament it reads: *"After the committee has authorised publication of a submission, submitters are welcome to include a link from their website to their submission on the Parliament's website. Publication or disclosure of a submission that has not been authorised by a committee may be in breach of the rules of the Parliament, and subject to investigation and sanction for contempt of Parliament."* This requirement directly compromises CCIQ's transparency and accountability principles to our membership and the broader public. In CCIQ's view this rule does not serve a purpose and accordingly should be removed.
- 4.6 **Partisan Nature of Final Reports:** CCIQ has observed a number of Parliamentary Committee final reports and recommendations that in overall terms default to aligning with Government policy and then have an Opposition viewpoint provided through a dissenting section of the report. More specifically CCIQ would describe final reports as often only aligning with Party policy positions rather than embracing the spirit of working together to make a Bill better to the public interest. Further to this on those occasions where there is a unanimous recommendation in relation to a Bill the State Government should be compelled to adopt that amendment.
- 4.7 **Emphasis placed on Departmental Briefings:** Government department briefings in our view generally provide a viewpoint only with that of the Government's policy position. CCIQ believes it is almost inconceivable that a public servant would provide a dissenting viewpoint in a public hearing to that of the State Government. CCIQ believes that the weight placed on Departmental briefings needs to be tempered or instead replaced with the articulation or presentation of a Regulatory Impact Statement (RIS) prepared by the Department (discussed in next section).

5.0 Best Practice Regulatory Process

- 5.1 CCIQ has undertaken extensive research on best practice approaches to regulation reform. The Chamber has been consistently underwhelmed by the RIS process or an absence of a RIS process in Queensland on many occasions.
- 5.2 CCIQ believes that any best practice framework for regulatory development, implementation and small business engagement must include the imperative to better understand the direct and indirect costs that small business face when complying with regulation. To this end significant cultural change must be achieved through improved and more transparent approaches to cost-benefit analysis and RIS processes. Whilst most Departments in theory have an enhanced advisory framework in place, limited priority and rigour continues to be placed on adequately satisfying the "requirement" for RIS for new or amended regulation.
- 5.3 There is not yet consistent and thorough application of RIS to legislation, statutory instruments, standards and other policy that imposes requirements or expectations on businesses. In particular CCIQ wishes to place on record:
- Best practice regulation development is not something a Government can choose when it wishes to use. It must be used consistently on all occasions and equally importantly must be a true test of a net public interest or cost benefit analysis not just a means to an end or statement of excuse by the Department for why the Bill has been developed.
 - The claim that a Bill before Parliament does not require a RIS as it was 'election policy' is totally unacceptable and is directly at odds with best practice regulation development.

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- 5.4 As stated CCIQ notes that the Committees at present rely heavily on Departmental briefings. With the greatest of respect to the hard working public service within Queensland their ability to offer opinions on the impact of Bills before Parliament is severely limited without first canvassing the practical implications with the audience that the Bill impacts on through a RIS.
- 5.5 CCIQ believes that in every instance a RIS should be prepared to accompany a Bill and it is then the role of a Parliamentary Committee to test the rigour and thoroughness of that cost benefit analysis.

6.0 Conclusion

- 6.1 CCIQ wishes to state our strong support to the operation of the Parliamentary Committee System and in our view they provide an invaluable contribution to the enhancement and quality of legislation enacted by the Queensland Legislative Assembly. Any improvement in their operation is largely incremental and is ultimately limited by the process of Bill preparation within Departments and the urgency of the Government's legislative agenda.
- 6.2 CCIQ would welcome an opportunity to appear before the Committee to discuss this submission.
- 6.3 Contact details for this submission are:

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