



20th October 2015

Research Director
Finance and Administration Committee
Parliament House
Brisbane Qld 4000

Email: fac@parliament.qld.gov.au

Dear Research Director

Re - Inquiries into possible changes to Queensland Parliamentary terms

1. Introduction

1.1 The Motor Trades Association – Queensland (MTA Queensland or the Association) responds to the Queensland Parliamentary Finance and Administration Committee's invitation for submissions to its *Inquiries into possible changes to Queensland Parliamentary terms (the Inquiry)*. The MTA Queensland's comments are on behalf of its constituent divisions and are confined to issues which relate to the interests of the Queensland automotive value chain.

2. Context

2.1 The Association has considered the Issues Paper, the accompanying publications and the Explanatory Notes associated with the two Bills - the *Constitution (Fixed Term Parliament) Amendment Bill 2015* and the *Constitution (Fixed Term Parliament) Referendum Bill 2015* (the Bills) having the policy objectives:

- Provide that a general election must be held on the second Saturday in March in the fourth calendar year after the calendar year in which the last election was held.
- provide that the Legislative Assembly expires on the day that is four years from the day the writ for the general election was returned for the Assembly (thus ensuring a fixed, four year term).
- provide for exceptional circumstances in which the Governor must dissolve the Legislative Assembly and issue a writ for a general election.
- provide that the Governor may, despite the advice of the Premier of the day or the Executive Council, dissolve the Legislative Assembly and issue a writ for a general election, in accordance with established constitutional conventions.
- provide that the amendment Bill is not presented to the Governor for assent, unless it has been passed by the Legislative Assembly and has been approved by a majority of electors at a referendum (held on a Saturday at least 2 months after the Bill has been passed by the Legislative Assembly).

- provide for the facilitation of a referendum (if the Constitution (Fixed Term Parliament) Amendment Bill 2015 is passed), including when the referendum is to be held and who is eligible to vote.

2.2 The MTA Queensland as an employer organisation for the motor trades has operated in the State's Parliamentary system for some 30 State elections and worked with governments of all political persuasions for 86 years. Over that time it engaged with all levels of government through economic, social and climatic exigencies such as 'the great depression', a world war, credit restrictions of the 20th century, a global financial crisis, several severe climatic catastrophes and great technological revolution in the best interest of the motor trades and to advance the common good and prosperity of the State.

2.3 In considering the Bills, we have taken into consideration:

- the need for Government to have increased time frames to introduce and bed-down major contracts, complex reforms, implement economic plans, and develop major infrastructure which may include underpinning service delivery;
- the need for the business sector to have policy predictability and certainty in making commercial decisions for the medium to long terms;
- our long involvement advocating for the motor trades in the Parliamentary system that has the Legislative Assembly elected for a term of no longer than three years;
- that the Motor Trades organisations in other State and Territory jurisdictions each operate in a Parliamentary system with four year terms which in our view provides their members and the motor trades generally with increased policy stability and certainty;
- the abrupt cessation of dialogue with Departmental and Agency officials with whom mutual beneficial relationship has been forged to progress policy when the care-taker period takes effect and the long lead time to re-ignite the process after the election; and
- our experience with four year terms for Local Government from 2008 which has seemed to advantage Council planning and decision making and most certainly provided medium term policy certainty for business.

2.4 The Association notes that the *Constitution Act Amendment Act 1934* entrenched the three year term so that the length of the parliamentary term could only be altered by a referendum.

2.5 The MTA Queensland's belief is that fixed four year Parliamentary terms would engender for business policy predictability and certainty and contribute to improved confidence about government decision making processes and enable Government to engage in longer term economic planning and measured approach to reforms.

2.6 The MTA Queensland supports the substance of the Bills.

3. Issues

Disadvantages of 3 year Parliamentary terms

3.1 Over the 86 years of the MTA Queensland's advocacy for the motor trades, Queensland Governments with few exceptions have governed for the three year parliamentary term. Whilst this may be construed as beneficial to business, the downside is that in the lead up to and during the care-taker period until the Government is commissioned there is a period of up to six months or more of

uncertainty and almost policy and decision-making paralysis which is to the disadvantage of business and the economy of the State.

3.2 Departmental or Agency engagement with stakeholders (with minor exceptions) on policy or legislative or regulatory matters during the care-taker period is ceased until the new government is sworn in. Reactivation of the dialogue is slow due to the Department or Agency awaiting the Government's priorities.

3.3 Four year fixed terms would have the advantage of mitigating the uncertainty about the election date, allow stakeholders to 'wrap-up' policy and regulatory requirements with Departments or Agencies; allow business to better prepare for the election hiatus and provide policy certainty for a longer timeframe.

Unicameral legislature

3.4 Queensland's unicameral system should not be an impediment to the proposed fixed four year Parliamentary terms, as to a great extent this is offset now by a competent Parliamentary committee system.

3.5 Over the past quarter of a century or so, the Parliamentary committee system has developed to include Estimates committees where Ministers and senior departmental staff, are required to answer questions from committee members during public hearings regarding their portfolio's proposed expenditures; portfolio committees which mirror the various portfolio areas of government, accompanied by hearings; and inquiries relating to Bills or consideration of proposed policy reform such as a "Lemon Law".

3.6 The Association has taken a close interest in the Parliamentary Estimates and the portfolio committees which pertain to the motor trades. It has been an active participant in the policy and inquiry agendas by way of submissions and engaging in hearings relevant to the motor trades. It is our experience and view that these committees will continue to establish their credentials as competent fora for the scrutiny of legislation by electors, and stakeholders such as the motor trades and offset any concerns with the State's unicameral Parliamentary system.

3.7 The live committee hearing broadcasts and the transcripts enhance dissemination of information to the public and for interested stakeholders. We suggest that consideration be given to software technology such as Skype to enable stakeholders in decentralised areas of the State to give evidence before specific Parliamentary committees.

Governor's Reserve Powers

3.8 Critical to fixed four year Parliamentary terms is the Governor's reserve powers to be able to dissolve the Legislative Assembly in exceptional circumstances and issue a writ for a general election prior to the expiry of the four year term. The Association notes that the exceptional circumstances may include 'motions of no confidence in the government, a rejection of supply and also other established constitutional conventions' e.g. retaining 'the Governor's reserves powers by providing that the Governor, despite the advice of the Premier of the day or of Executive Council, may dissolve the Legislative Assembly and issue a writ for a general election.'

3.9 We strongly support these and the provision that 'exceptional circumstances' incorporates the postponement of the State general election if it clashes with a federal election or in the event of a natural disaster such as a flood or cyclone.

Referendum

3.10 The Association appreciates that there was a referendum on the issue of extending the terms of parliament in Queensland from three years to four years in March 1991 which failed. At that time the yes vote received 48.8 per cent support and the no vote 51.2 per cent.

3.11 We are of the view that over the past twenty-four years the Parliamentary reforms introduced - particularly the Parliamentary committee system which provides stakeholders with the opportunity to engage in policy as it effects their interests - coupled with a broad recognition of the need for longer economic planning and implementation timeframes for Government; and the desires of business for medium to longer term policy certainty should contribute to the success of the referendum.

3.12 The Association is inclined to the view that a referendum could be held in conjunction with the 2016 Local Government elections. It would seem that it would not be divisive as the major parties are supportive of the concept of four year parliamentary terms and would not encroach on local government issues. It would seem a complication with this suggestion arises for electors in local government areas which conduct the poll exclusively by postal ballot.

4 The MTA Queensland background

4.1 The MTA Queensland is the peak organisation in the State representing the specific interests of businesses in the retail, repair and service sector of the automotive industry located in Queensland. The 2015 Automotive Environmental Scan data indicates that there are some 13,800 automotive value chain businesses operating within the State employing in excess of 92,000 persons.

4.2 It is an industrial association of employers incorporated pursuant to the *Industrial Relations Act* of Queensland. The Association represents and promotes issues of relevance to the automotive industries to all levels of government and within Queensland's economic structure.

4.3 The Association is the leading automotive training provider in Queensland offering nationally recognised training, covering all aspects of the retail motor trades industry through the MTAIT. It is the largest automotive apprentice trainer in Queensland employing 35 trainers geographically dispersed from Cairns to the Gold Coast and Toowoomba and Emerald. The MTAIT last financial year accredited courses to in excess of 1,600 apprentices and trainees.

5 Conclusion

5.1 We would be please to provide further comment on any matters in our submission that may require further clarification or amplification.

Thank you for your consideration.

Yours sincerely



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