



**SUBMISSION FOR THE QUEENSLAND PARLIAMENT FINANCE AND  
ADMINISTRATION COMMITTEE INQUIRY**

**into**

***INDUSTRIAL RELATIONS BILL 2016***

**30 September, 2016**

## Introduction

The Queensland Hotels Association (QHA) is the peak representative body for the hotel, hospitality and accommodation industry in our state. We seek to represent our industry as they conduct successful, enduring and responsible businesses that contribute to both their communities and the broader State economy.

Our member hotels and accommodation businesses span the length and breadth of the State, in virtually every town and locale providing jobs, entertainment and hospitality to Queenslanders and visitors alike. Members include over 800 companies such as traditional pubs, international accommodation providers and family-owned enterprises.

The QHA welcomes the opportunity to assist Government in developing evidence based policy which leads to quality legislation reflecting the needs and aspirations of Queenslanders. However, in the case of the *Industrial Relations Bill 2016* the QHA are dismayed that there has been no consultation with an industry that will be significantly disadvantaged through increased costs and job losses.

## ISSUES RAISED IN THE *BILL*

The QHA does not wish to comment on the proposed repeal and replacement of the current *Industrial Relations Act 1999* as proposed in the Bill. QHA as a union of employers is committed to ensuring a safe, fair and equitable work environment for all members of the workforce and the businesses that create the opportunities.

The Bill also proposes the amendment of the *Holidays Act 1983* in order to create Easter Sunday as Public Holiday. QHA cannot support this measure and regards the decision as completely out of touch with the hospitality industry of Queensland.

Specific issues which are quoted from the Explanatory Notes include:

*1. Declaration of Easter Sunday as a public holiday will make Queensland consistent with public holiday arrangements in New South Wales, Victoria and the Australian Capital Territory where Easter Sunday is already a public holiday:*

If the policy objective is harmonising Queensland with other Australian jurisdictions, then considering that currently **5 states - the Northern Territory, South Australia, Western Australia, Tasmania and Queensland, DO NOT** have Easter Sunday as a public holiday, how can one reconcile the proposition of 'making Queensland consistent' with only 3 states? Further, this represents giving away a competitive advantage by increasing business cost.

*2. The additional wages cost to the Queensland economy for that day is estimated to be up to \$80 million. The additional wages cost to the Queensland public sector is estimated at \$4.8 - \$13.3 million:*

These are significant costs and potentially prohibitive as the Easter trading period is already the most expensive wages cost period for hospitality businesses. It should be noted that few public

servants work in the hospitality industry, thus the bulk of the \$80 million is cost borne by non-government hospitality businesses. It is also impossible to look at Easter Sunday in isolation. This is a period of time where businesses face increased costs for 3 days already over the weekend. **This proposal that an additional \$80 million in wages cost is somehow insignificant shows a blatant disregard for a major industry employer of millions of Queenslanders.**

*3. Consultation - To inform the review of Queensland's industrial relations legislation, the Review Group and its Chair undertook an extensive process of consultation with stakeholders that included the release of a series of Issues Papers and invitation to make submissions:*

There has been **NO consultation** on the subject of making Easter Sunday a public holiday, including **NO consultation** with the QHA. There is **NO mention** of this subject in the *Review Group Report: 'A Report of the Industrial Relations Legislation Reform Reference Group'* to the Government, nor in any of the sixty-eight (68) Review Recommendations.

## **MAJOR CONCERNS WITH THE PROPOSED CREATION OF EASTER SUNDAY PUBLIC HOLIDAY**

### **5 Public Holidays in April**

The proposed increase in public holidays, if Easter Sunday is included would regularly create a situation where the month of April could have five public holidays as Easter is often in this month and accompanying ANZAC Day (25<sup>th</sup> April). The business costs are astronomically higher in this month and it is simply impossible for hospitality businesses to recoup these costs by increased trade or margins. The only outcome is that businesses end up absorbing the costs and potentially becoming unprofitable. This is manifestly unfair and patently illogical for the Queensland Government to willingly deter entrepreneurial businesses from operating in Queensland.

### **Job losses and reduction of hours**

The greatest losses are borne by the workers themselves. QHA members have been surveyed and without exception the increased public holiday wages costs would force employers to re-think their rostering strategies during this period. The most at risk would be the casual staff who depend upon their shifts each week to survive. It is completely conceivable that staff would face a very real prospect of reduced hours during the Easter period.

### **Loss of services on Public Holidays**

The final loser in this situation is the broader Queensland community. If companies cannot afford to open, as they would not make profits, a savvy business owner would simply close their doors on this day. Public Holiday "surcharges" are not acceptable to many consumers and drive away customers. Surcharges quite obviously cannot increase to cover the price of food and drink and the added costs of penalty rates. The outcome is the community loses access to the tourism and hospitality services.

It should be noted that the experiences of the Australian Hotels Association (NSW) members regarding the introduction of Easter Sunday in that state back up this scenario with almost half of the respondents reporting they would close all or part of their businesses throughout the Easter weekend.

## CONCLUSION

As QHA has demonstrated above, there is **no compelling evidence** that Easter Sunday should be declared a Public Holiday. In an increasing secular and multi-cultural society, the significance of the day as a religious observance is incongruous. **The experience from other states shows that every party loses; businesses through loss of income, workers through loss of hours, community through loss of services and Governments through loss of taxes.**

Workers are no worse off, they still get a “4 day weekend” and would not earn any more income. This Bill appears to declare Easter Sunday as a public holiday on a whim, without any support and no rationale. To support this declaration displays a complete lack of understanding for the tourism and hospitality industry which supports jobs across the State.