



4 January 2016

The Research Director  
Health and Ambulance Services Committee  
Parliament House  
George Street  
Brisbane QLD 4000  
Submitted via email [hasc@parliament.qld.gov.au](mailto:hasc@parliament.qld.gov.au)

Dear Research Director,

The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide feedback to the Health and Ambulance Services Committee (the Committee) on the *Tobacco and Other Smoking Products (Smoke-free Places) Amendment Bill 2015* (the Bill). This submission seeks to provide a Queensland business community perspective on creating more smoke-free public places across Queensland and prohibiting the sale of smoking products from temporary retail outlets.

### **Deterring smoking for better health and productivity outcomes**

CCIQ supports the Bill currently before the Committee as it will realise important social and economic outcomes in achieving a reduction in the number of smokers in Queensland. The State Government rightfully recognises that smoking is one of the largest preventable causes of death and disease in Australia and it is therefore both important and appropriate for government to minimise the harm caused by the use of tobacco in Queensland.

CCIQ overwhelmingly supports measures to deter smoking for better health and improved productivity outcomes. Studies have indicated that tobacco use reduces the productivity levels of workers and also, that smokers are more likely than non-smokers to take sick leave as a direct result of their tobacco use. Queensland small businesses are particularly impacted by the decreased productivity and increased absenteeism of smokers in the workplace. The burden of less productive, sick, and absent staff is particularly acute for small business owners who have less flexibility to reallocate other staff to key responsibilities. It is for such reasons that CCIQ supports targeted public policy measures such as those proposed in the Bill that go to limiting the use of tobacco in Queensland.

## Health expenditure and business tax in Queensland

CCIQ notes the large proportion of health expenditure allocated to treating preventable causes of death such as smoking.

As the Queensland Health Minister, the Hon. Cameron Dick MP recently stated:

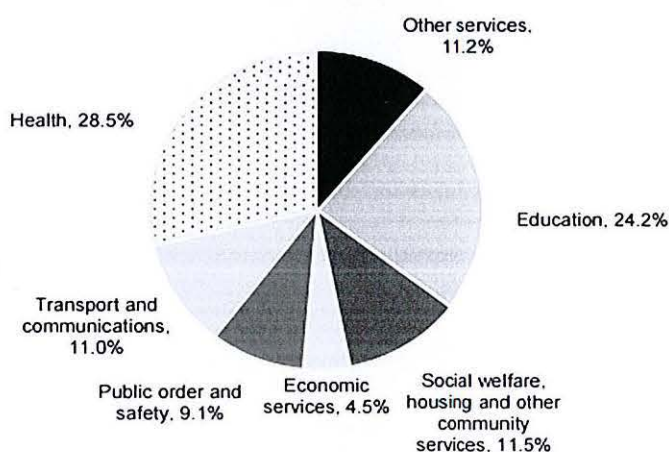
*“Smoking costs the Queensland economy more than \$6 billion each year, resulting in over 36,000 hospitalisations and kills an estimated 3,700 Queenslanders”.*

At present, Queensland's health spend stands at 28.5 per cent or \$14 billion as a proportion of total general government expenses for the 2015-16 financial year up from 21 per cent (\$5 billion) a decade ago.

### 4.4 Operating expenses by purpose

Chart 4.4 indicates the proportion of expenditure by major purpose classification for the 2015-16 Budget. Health accounts for the largest share of expenses (28.5%) followed by Education (24.2%).

**Chart 4.4** General Government Sector expenses by purpose, 2015-16



Source: 2015-16 May Budget, Queensland Government

Aspects of the Bill currently before the Committee go to the health of Queensland's economy on a broader scale. The Queensland business community contributes around 66 per cent or \$8 billion to consolidated revenue through payroll tax, land tax, business stamp duties and motor vehicle registration. With approximately 28 per cent of Queensland's expenditure going towards the health portfolio, Queensland businesses are strongly supportive of any cost-neutral measures that go to reducing unnecessary expenditure in Queensland's health budget.

## **Demographic changes and projected expenditure growth**

As demographic changes are placing unprecedented pressure on Australia and Queensland's budget, the government will inevitably have to increase support to the dependent at the same time as accommodating for substantial reductions in tax and per capita output. With such challenges facing the Queensland economy fast-approaching, CCIQ believes the measures proposed in the Bill to ensure the rate and prevalence of smoking is reduced are a strong step towards bringing health expenditure back under control.

CCIQ provides its full support for the proposed Bill.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Nick Behrens', with a long horizontal flourish extending to the right.

Nick Behrens  
**Director – Advocacy**