



Speech By  
**Jann Stuckey**

**MEMBER FOR CURRUMBIN**

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## **PAYROLL TAX REBATE, REVENUE AND OTHER LEGISLATION AMENDMENT BILL**

 **Mrs STUCKEY** (Currumbin—LNP) (5.49 pm): I rise to make my contribution to the debate on the Payroll Tax Rebate, Revenue and Other Legislation Amendment Bill 2015, introduced into the House by the Treasurer on 27 March and referred to the Finance and Administration Committee, which tabled its report on 22 May. I note that this committee did not reach agreement on the passage of all elements of this bill. As stated in the explanatory notes, the policy objectives will be to amend the Payroll Tax Act 1971, the Duties Act 2001, the Taxation Administration Act 2001, the First Home Owner Grant Act 2000 and the Taxation Administration Act 2001. The bill will also make amendments to five other acts.

Today, my intent is to address those aspects of the bill that relate to payroll tax rebates for apprentice and trainee wages, but before I do I would like to echo the sentiment of my colleagues and in particular the honourable member for Surfers Paradise with regard to law and order reviews and plumbing legislation. Their comments made very good sense. The bill seeks to introduce a 25 per cent payroll tax rebate on the wages of apprentices and trainees funded over three years in addition to the existing exemption for apprentice and trainee wages. I acknowledge the CCIQ's submission to the committee and its comment—

... it is important that businesses receive government support and incentives to maintain and build a skilled workforce.

However, the CCIQ also recognises the limitations of this initiative, in particular, that only 11,000 Queensland businesses are required to pay payroll tax, which equates to some three per cent of all businesses. As the lead voice of small business in Queensland, the CCIQ has its fingers on the pulse of small businesses and their owners and operators.

I am very proud to belong to the LNP, a party that recognises Queensland's 400,000 small businesses as the backbone of our four-pillar economy, representing 95.6 per cent of all businesses and employing half of the state's private sector workforce and 38 per cent of the state's total workforce. As the shadow minister for small business prior to the 2012 election, I travelled our great state extensively and heard firsthand from countless businesses about the issues that affected them the most, what it was they felt prevented them from employing more staff and what were the barriers to growth and business longevity. I took with me a simple survey that asked business owners to jot down these issues and the results received showed that the overwhelming elements of concern were payroll tax and cumbersome, unnecessary red tape and compliance requirements. That is why, leading into the 2012 election, the LNP committed to raising the payroll tax exemption threshold from \$1 million to \$1.6 million to create over 4,000 jobs.

However, after coming into government and realising the enormity of the \$80 billion debt that was left by Labor, the LNP re-evaluated the time frame for that target. In July 2012, the LNP government increased the payroll tax exemption threshold from \$1 million to \$1.1 million. As a result,

10,000 more employers were exempt, taking the total to 90 per cent of Queensland employers exempt from payroll tax.

The LNP gets small business. It is in our DNA. As I look around this chamber, I acknowledge that many LNP members have a small business background. After leaving the Public Service as a nurse, for 20 years I ran my own communications consultancy. Together with my husband I owned a small medical practice for 28 years. We know what it is like to deal with red tape, to support staff and their families with stable jobs and to work long and unpredictable hours.

The LNP went into the 2015 election pledging to increase the payroll tax exemption threshold progressively to \$1.4 million by 2017. In 2012 it also made a commitment to cutting red-tape regulation by 20 per cent by 2018, which would save businesses around \$425 million per year. As the former minister for small business in an LNP government, I am pleased to be able to say that, at the end of 2014, we had removed over 9,400 regulatory requirements and progressed more than 500 specific red-tape-reduction initiatives. I challenge those opposite to continue our efforts in cutting red tape and to restore confidence in the sector.

The LNP is committed to getting out of the way and out of the pockets of small business and letting business get on with what they do best. On the other hand, Labor is known for burdening our hardworking mum-and-dad small businesses with copious layers of red tape. In the past, Labor has not shown itself to be the friend of small business but, with this bill, it now has a chance to rectify that by expanding the payroll tax exemption threshold to \$1.4 million and making a genuine commitment to cutting red tape.

The changes made in 2014 ensured that businesses with an annual payroll tax liability of less than \$20,000 now need to lodge payroll tax returns only twice a year rather than monthly. This practical measure affected 7,000 Queensland businesses, saving more than 40,000 hours in administration and about \$2 million in costs each year.

In his introductory speech the Treasurer acknowledged that apprenticeships and traineeships provided a great employment pathway and I support that assertion wholeheartedly. That is why the LNP announced a \$36 million injection into Queensland's apprenticeship system. Under this initiative, employers would be paid \$6,000 per apprentice for additional apprentices taken on. This proposal was warmly welcomed by the CCIQ and the wider business community. In the Currumbin electorate alone, 10 businesses took up this pledge, with 33 apprenticeships within weeks of it being announced. I note that this initiative was fully subscribed, resulting in 6,000 new apprentices. I would like to congratulate the former minister for education and employment for that initiative. We pledged \$86 million to deliver an extra 10,000 apprenticeships by 2018 and we were well on our way. I urge the Palaszczuk government to make this a priority through its term. The LNP also streamlined the apprenticeship and traineeship system in Queensland, with over 60 policies and procedures reduced to just 18.

A thriving economy needs a skilled workforce that requires collaboration with employers to work alongside government to support our apprenticeship sector. In its submission the CCIQ made the following comment—

Queensland's small business community stands ready to also assist in providing our State's youth an entry into the workforce, if only offered incentive to do so.

Under the LNP, proactive steps were being taken to provide incentives to the business community and I hope that those opposite will do the same. But if we have a look at their record, it does not look promising. Prior to the 2012 election, Labor had been in government for 18 out of 20 years, suffocating small business under copious layers of red tape and regulation—92,000 pages of it. CCIQ reports indicated that the cost of this red tape and regulation to the Queensland economy increased from \$4.8 billion in 2007 to a staggering \$7 billion in taxes, fees and other charges in 2011. The LNP's reductions in green tape alone saw businesses save \$6.18 million in annual fees. Let us not forget the \$372 million industry waste levy, courtesy of Kate Jones—a hugely unpopular tax on industry that hurt the bottom line for our small businesses, costing a small cafe around \$3,200 a year—which we abolished within 100 days of coming to office. Now, it seems absurd that a minister, who deliberately imposed extra taxes onto struggling small businesses, would be handed the very portfolio that she showed such utter contempt for. No wonder small business is worried that this minister is in the role.

I note that the committee made five recommendations. In particular, I draw the attention of the House to recommendation 5—

The Committee recommends that the Minister consider investigating additional methods of increasing the employment opportunities of apprentices and trainees.

The committee report mentions the ALP's Working Queensland plan, which will make it mandatory that 10 per cent of workers on major projects are apprentices or trainees. In 2014, the LNP announced the Queensland Government Building and Construction Training Policy, which regulated work on government construction projects, providing opportunities for new apprentices and trainees while also supporting skills acquisition for those already employed in the construction industry. The LNP also went to the 2015 election with the Jobs of Tomorrow plan.

Governments do not create jobs; small business drives them and also innovation. Small business are the doers. Government has a role to play as the enabler, not the strangler. It needs to breed confidence, not fear and loathing. If the Palaszczuk government is genuine in its desire to work with small businesses to create jobs and does not want to be tarred with the same brush of past years, it will work with this vital sector and not against it and not bully it to please its union mates.