



Combined Small Business Alliance of Western Australia Inc. (CoSBA)

PO Box 253, JOONDALUP WA 6919

President: Les Marshall Vice President: Rod Henderson Secretary/Treasurer: Terry Bright
Chief Executive Officer: Oliver Moon Administration Secretary/Treasurer: Val South
Phone: 9250 3549 CoSBA WEB SITE: <http://www.cosba.com.au> Phone: 9306 0155

NEXT MEETING: XMAS/BOARD MEETING

12.00pm, TUESDAY 1 DECEMBER 2009

Royal Perth Yacht Club, Australia II Drive (off Hackett Drive), Crawley

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BiZFiT Forums

On 30 October Oliver Moon attended the launch of the BiZFiT program, which he would recommend it be promoted amongst your members, attached are the BiZFiT Flyers that outline the program.

Big trouble in small business: R&D tax incentives

SMALL business advocates are worried that access to research and development tax incentives will be blocked rather than advanced under proposed changes designed to foster innovation. Federal R&D tax concessions are being overhauled to expand the range of companies benefiting from rebates, with new criteria for eligibility and extended levels of support. Public submissions on the R&D tax credit closed last month.

Small business specialists have welcomed proposals to reduce complexities in the application process, remove the \$1 million cap on rebates and extend the benefits to a broader range of recipients. Under the new system, companies with a group turnover of up to \$20 million will gain double the basic level of support for R&D with a 45 per cent refundable credit, equivalent to a 150 per cent tax concession, for R&D that meets the criteria.

The current regime only caters to companies turning over up to \$5m. Until now, only 100 enterprises have received about 70 per cent of the R&D tax benefits, according to ABS figures. The new regime is expected to benefit about 5500 firms. But the new rules have proved controversial.

While the moves were initially hailed as a breakthrough for small business, closer inspection of the issues paper released last month shows that the new criteria could shut out the very companies they were designed to assist, says Tracey Murray, partner R&D atBDO Kendalls, which has clients at both ends of the spectrum.

"The devil is in the detail," says Murray. "By targeting big claimants, it is likely to have a detrimental impact on small business as well." One key sticking point is the proposal to define research more narrowly.

So far the legislation has accepted a broad "industrial definition" of R&D that covers basic, applied and experimental development, but the proposed changes will support only secondary, blue-sky research that demonstrates high levels of technical risk. (SOURCE/EXTRACT: *The Australian*, 30.10.09)

Labor failing its own standards says Productivity Commission

THE Rudd government has failed its own test for assessing major infrastructure projects, according to a new Productivity Commission analysis. The nation's key economic advisory body says the government has not "universally applied" its own promise to subject all major infrastructure spending to detailed and transparent cost-benefit analysis.

It cites the controversial \$43billion national broadband network announcement, which was not subject to a cost-benefit analysis, and several projects in the \$22bn "nation-building" infrastructure plan that formed the centrepiece of the May budget, which had either not been evaluated by Infrastructure Australia or had not been deemed "ready to proceed" but had been funded anyway.

The criticism of infrastructure decision-making comes after similar concerns were raised in a recent report to the Business Council of Australia and as the government refocuses on the infrastructure bottlenecks that could choke off the next era of economic growth as the economy emerges from the financial crisis. The commission, which was sidelined from the government's decision-making on car industry assistance, has again questioned the automotive assistance plan and has also questioned the government's planned new research and development tax credit. (SOURCE/EXTRACT: *The Australian*, 30.10.09)

Brazen panel reveals truths

THE Productivity Commission is preaching the economic orthodoxy that has sustained Australia's modern prosperity and helped shield us from the global crisis. So it's telling that laying out an orthodox response to the global crisis can so easily be read as a heretical critique of how the Rudd government's economic policies won't revive Australia's productivity performance. The commission's annual report is impertinent enough to suggest that "increasing flexibility" in labour markets has become even more important in helping the economy exit the global crisis.

Julia Gillard has heroically claimed that her new industrial relations system will boost productivity by encouraging collective bargaining. But it's hard to see how re-empowering the arbitration system, the industrial awards and the trade unions could be spun as increasing labour market flexibility.

Further, the commission has the gall to drag out the orthodoxy that the government's stimulus measures be "targeted at projects with the greatest payoffs to the community". Only this week, the Business Council of Australia struck a nerve when it estimated that only 14 per cent of the stimulus spending was on "economic infrastructure" that might produce a return on the investment.

The commission commends the government for its orthodox commitment to open decision-making and rigorous cost-benefit analysis in determining infrastructure priorities. But it then insolently notes that "these guidelines have not been universally applied to date, however". Infrastructure Australia had not even evaluated some of the chosen stimulus infrastructure projects.

More tellingly, its endorsement of the government's decision to build a national broadband network "was not based on detailed cost-benefit analysis". And don't get the commission started on Kevin Rudd's multibillion-dollar handouts to Australia's car industry. Our anti-neoliberal Prime Minister justified the huge commitment of taxpayers' money on the idea that Australia must remain a country that "makes things".

But the impudent Productivity Commission points out that such selective handouts risk diverting scarce resources from more efficient firms and industries, "ultimately weakening the performance of the wider economy" (SOURCE: *The Australian*, 30.10.09)

WA new home sales fall 11% in Sept: HIA

The number of new home sales in Western Australia fell by 11.1 per cent in September, the country's second biggest drop and nearly three times national decline, following a strong surge in August, according to a Housing Industry Association (HIA) survey. Detached new home sales in September increased by 8.9 per cent in New South Wales and 1.1 per cent in Queensland, while sales fell by 12.7 per cent in Victoria and were down by 1.1 per cent in South Australia.

HIA's Chief Economist, Harley Dale said the stimulus to new home sales from the First Home Owner Boost is now on the wane. HIA said the Prime Minister's offer to partner with the states and territories in unlocking land for development through Commonwealth part-funding of urban infrastructure offers the best opportunity to drive down the cost of new residential development. (SOURCE: *WA Business News*, *Daily Business Alert*, 23.10.09)

Perth's falling home values leads nation

Home values in Perth have bucked the national growth trend, falling more than 1 per cent in the September quarter, according to data released today which counters other reports' suggestions that median home values in Perth have increased in recent months.

According to the RP Data-Rismark National Capital City Home Value Index, on a quarterly basis home values in Perth fell by 1.4 per cent while Australian home values rose by a healthy 2.5 per cent, largely driven by gains in the months of July (+0.7%) and August (+1.8%).

Over the course of the September quarter Melbourne (+4.8 per cent), Canberra (+3.8 per cent) and Sydney (+2.8 per cent) home values all outperformed the national market (+2.5 per cent). In contrast, Perth experienced the only drop in home values (-1.4 per cent), while Brisbane (0.0 per cent) and Adelaide (+2.4 per cent) also underperformed. (SOURCE/EXTRACT: *WA Business News*, *Daily Business Alert*, 30.10.09)

Banks to gouge bigger profits

The head of one of Australia's big four banks has warned he and his fellow bankers will ratchet up profit margins on housing and other loans at the expense of customers even as new figures show the property market is struggling with near record low interest rates. *The West*. (SOURCE/EXTRACT: *WA Business News*, *Today's Business Headlines*, 30.10.09)

Employer fined over amputated finger

A Cannington printing company has been slapped with a \$36,000 fine after a female employee had part of a finger severed by a printing machine. Crystal Printing Solutions pleaded guilty in the Perth Magistrate's Court this week after being charged with failing to provide and maintain a safe work environment, and by that failure, causing serious harm to an employee.

According to WorkSafe, in April 2007, the employee, a supervisor at the company, decided to perform a maintenance check on a numbering, perforating and cutting machine. She removed the side panels of the machine, exposing the drive chains and cogs. The machine was not isolated in any way, and she inadvertently turned the machine on while working on it. The woman's left-hand middle finger became caught in the exposed drive chain and cog, and the tip of the finger was amputated.

The employee had been given a safety and health manual that warned of the importance of isolating the machine when accessing the internal workings, but the contents of the manual had never been explained to her and she had not been given any training or instruction in isolation procedures, WorkSafe said today.

The employer was aware that isolation tags were available on site, but these had not been made readily available to employees. WorkSafe WA Commissioner Nina Lyhne said the case highlighted two safety issues - lockout and tagging of machinery and training of workers. (SOURCE/EXTRACT: *The West Australian*, 30.10.09)

112-year-old man marries teen

A man who's thought to be 112 years old has married a teenage girl, young enough to be his great-great-granddaughter. Hundreds of people attended the wedding between 17-year-old Safia Abdulleh and Ahmed Muhamed Dore, who already has 13 children by five wives and dozens of grandchildren. The ceremony took place in central Somalia.

Mr Dore reportedly said, "Today God helped me realise my dream," while the bride's family said she was happy with her husband. "I didn't force her, but used my experience to convince her of my love; and then we agreed to marry," the groom added.

The pair are from the same village, where there has been mixed reaction to the marriage. The BBC reports that some people are concerned about the age gap, while others are happy that age was not a barrier to love. Despite his large family, Mr Dore is apparently hoping for more children with his new bride. "It is a blessing to have someone you love to take care of you," he said. (SOURCE: *Yahoo!7*, 30.10.09)

Public sector needs urgent reform: CCIWA

The state's peak business lobby group is calling on the state government to "urgently" streamline the public sector on the back of a new Economic Audit Committee report expected to be presented to the government in the coming days. The Chamber of Commerce and Industry of Western Australia believes reform of the public sector is urgently needed to ensure WA taxpayers receive better value for money and higher standards of service delivery.

The Economic Audit Committee, made up of respected business leaders and senior public servants, is soon to deliver its final report after months of careful consideration. CCIWA said the state government has promised to rein in unsustainable levels of spending, and create a modern and service-orientated public sector. CCIWA believes the time has come for that pledge to be honoured. (SOURCE/EXTRACT: *WA Business News, Daily Business Alert*, 30.10.09)

Voters back to boom-time expectations: report

AUSTRALIANS are "over" the global financial crisis and are again ready to worry about the things that troubled them in the last boom - failed state government services.

The growing confidence in the economy, revealed in the latest Ipsos Mackay Mind & Mood report, has placed the Rudd government in a better position than it was a year ago, when many voters feared a recession was coming and were troubled by Labor's excessive cash handouts. Almost two out of three consumers (65 per cent) are prepared to spend the same amount or more this Christmas, the report found. But the reprieve for the economy, and the boost for the federal government, is tempered by the return of old concerns.

"The three issues that came up in discussions were all about health, roads and transport, and education - the failure of state governments and the public system in general to provide decent services," research director Rebecca Huntley said yesterday. "These were the things that people were worried about leading up to the last federal election and, unlike petrol and food prices, expect federal governments to do something about, especially in a second term." (SOURCE/EXTRACT: *The Weekend Australian*, 31.10.09)

Jail threat sparks union protests

THOUSANDS of workers rallied across the nation yesterday in support of construction worker Ark Tribe, who faces jail for refusing to co-operate with the building industry watchdog. ACTU secretary Jeff Lawrence yesterday lent his support to building unions, which have threatened a national strike if Mr Tribe is jailed.

The Construction Forestry Mining and Energy Union yesterday held rallies in capital cities to coincide with Mr Tribe's court appearance in Adelaide. Mr Lawrence attended the Melbourne rally, where workers chanted outside the offices of the Australian Building and Construction Commissioner, John Lloyd. Mr Lawrence said the protests were aimed at sending a strong message to the federal government that there should be one set of laws for all Australian workers.

A spokeswoman for Workplace Relations Minister Julia Gillard said it would be inappropriate for the minister to comment on a matter before the courts. But she said the "Rudd government is determined to encourage lawful behaviour and a change in the culture of the building and construction industry". "The Rudd government's new Fair Work Act ensures that industrial disputes are governed by clear, tough rules," she said. "Under Fair Work, industrial action will only be protected during bargaining and if it has been authorised by a mandatory secret ballot." (SOURCE/EXTRACT: *The Weekend Australian*, 31.10.09)

Office work outsourced for \$2 an hour over the internet

PERSONAL assistants on the other side of the world are doing paperwork and administration for as little as \$2 an hour for Australian small businesses. Overseas outsourcing is being taken to a new level over the internet, with businesses turning to online contractors to perform everything from IT to bookkeeping and accounting, *The Courier-Mail* reports.

But the trend towards outsourcing, once the domain of big businesses such as banks, has alarmed unions and academics who fear it will slow wages growth and cost local jobs. "Australian workers should be concerned by any moves to offshore jobs to cut labour costs, not only because it means fewer job opportunities at home but it undermines wages and conditions here," an Australian Council of Trade Unions spokesman said.

Mike O'Hagan, who founded MiniMovers but now runs a small business as an international business speaker and mentor, says he has employed a personal assistant living in the Philippines through website odesk.com for the past year, at first paying \$US2 (\$2.21) an hour but recently raising that wage to \$US6 an hour.

Sunshine Coast-based www.imarket.yoo.com marketing consultancy owner Luke Selway says he uses online outsourcing to mop up excess work or for technical jobs outside his expertise. "From a small business perspective, any strategy to bring down costs, especially in this economic day and age . . . is quite useful," Mr Selway said.

However, others raise concerns. Author and Griffith University department of employment relations Associate Professor Bob Russell said global outsourcing might not be as cheap as it looks for employers in the long-term. "There are security issues and trust issues so the costs of supervising this kind of work is much higher when it is outsourced," Prof. Russell said. "Companies would have to hire internal supervisors just to monitor outsourced workers. How unproductive is that?" (SOURCE/EXTRACT: *The Courier-Mail*, 3.11.09)

Business not going gangbusters: ACCI

Australian business is still under a marked degree of pressure, although rising confidence levels suggest firms are hopeful of a sustained recovery down the track, a new business survey shows. The Australian Chamber of Commerce and Industry-Commonwealth Bank business expectations survey for the September quarter released today shows business conditions at contractionary levels.

Its general business conditions index was 47.1 points in the three months to September, up from 40.4 in the June quarter, but below the 50 point level that separates expansion from contraction. "There is no doubt things aren't going gangbusters in Australian business," ACCI director of economic and industry policy Greg Evans told reporters in Canberra. "Business conditions over the last three month period still shows that all the key measurements of sales, of profitability, or investment and employment are still at contractionary levels." A contraction in business credit also accelerated in the September quarter, he said. (SOURCE/EXTRACT: *WA Business News*, *Daily Business Alert*, 3.11.09)

SBDC aids Aboriginals

The Small Business Development Corporation has launched a new division to help local indigenous businesses grow. The SBDC's Aboriginal business unit started this week across its Statewide network of small business centres offering business owners free advice on starting and developing a business. SBDC managing director Stephen Moir encouraged Aboriginal business owners who wanted to draw on the services to contact their nearest centre. This year the SBDC introduced a new category in its regional small business awards for the best indigenous business, which will be announced on Saturday. (SOURCE/EXTRACT: *The West Australian*, 4.11.09)



SBC UPCOMING COURSES

[Breakfast Mentoring](#)

[Understanding Your Numbers](#)

[Marketing - The Foundations of Revenue and Profit](#)

Building Business For Bottom Line Results

Raising the Bar on Business Excellence

PRACTICAL SKILLS YOU CAN USE IMMEDIATELY!

"Business is a game, the greatest game in the world, if you know how to play it" ... *Thomas Watson, CEO, IBM.*

PROGRAM CONTENT

Capturing the Future Trends

The business paradigms of the past have gone for ever. New consumer motivations, attitudes and values influence every area of business activity. Learn how to integrate the changing social and generation trends to position the business for growth.

Building & Nurturing the Brand

Every business has a brand, either by design or by default. It's not what the business believes; it's what the marketplace perceives. Learn how to positively influence perceptions by assessing all levels of marketing communications.

Managing the Service Strategy

Marketing Today is to structure all areas of the business to profitably meet the needs of the customer. The session develops a set of management keys to checklist against the business.

Managing the Key Result Areas

Every business has key result areas that need detailed attention. Yet business management often becomes unbalanced because of the focus on a few areas rather than the big picture. Learn key business principles to maintain focus on high pay-off activities.

Motivating & Retaining Staff

Business growth and development is directly related to the leadership, motivation, morale and attitudes people hold. Learn what switches teams and individuals on with practical and proven ideas to develop a positive and supportive work group culture.

Working on Rather than in the Business

It's easy to get so caught up in the drama of the day and not get around to planning where you want the business to be in the future. Luck is where planning meets opportunity. The session develops a set of important questions to take away and apply to the issue of working on rather than in the business.

Success Through Positive Motivation

Practical concepts on how to keep on track and motivated even in the most difficult business situations and when managing aggressive and unreasonable customer behaviour.

Brian Greedy Brian is one of Australia's leading professional speakers in business development.

Each year he delivers over 150 speeches, seminars and workshops for clients in all states, NZ and the UK.

He draws from over 20 years grassroots business experience in management, marketing and sales, including the development of highly successful food distribution business from start up to a multi-million dollar turnover.

An engaging and inspiring presenter with a pragmatic "how to" approach in communicating his knowledge makes him one of Australia's most sought after conference and seminar speakers.

This program is partially funded by the Australian Government.

Date: Tuesday 17th November, 2009
Time: 9.00am - 4.00pm
Venue: Small Business Centre - Stirling, 45 Delawney St, BALCATTWA 6021
Cost: The cost of \$165.00 per person incl. GST. Includes workbook, morning, afternoon teas and lunch.

Don't miss out!! [Register Now](#) . Your business may be eligible for a FREE training voucher to go towards the cost of this workshop.

Please direct any queries to [Maxine Scott](#) on 9240 6337.
Small Business Centre - Stirling (SBCS), 45 Delawney St, Balcatta WA 6021.



SCC e-news 30th October 2009

Cocktails with the Premier Cancelled

Due to circumstances beyond our control the proposed Sundowner with the Premier on 9th December is cancelled. The Premier will still be doing the tour of the 9 major projects from the luncheon on that day, but is disappointed that he is unable to attend a cocktail function. We thank all who had expressed an interest to come along but will ensure we do something significant at the Midland Atelier in 2010 so that you can all enjoy visiting the newest creative business innovation in Perth right here in Midland.

Charlie Gregorini Golf Classic 2009

Invitation to play in the Inaugural Charlie Gregorini Golf Classic.

The Inaugural Charlie Gregorini Golf Classic will be held at The Vines Resort and Country Club. The proceeds from this golf day will provide the opportunity of a new beginning for disengaged youth, the indigenous community and other community members within the City of Swan family that need assistance in their journeys through life.

If you are able to donate any items to be auctioned for the day please advise the Chamber on 9374 5000 or email admin@swanchamber.com.au

The Registration form is available by clicking:

[http://www.swanchamber.com.au/download.asp?file=download/Charlie Gregorini golf day flyer.pdf](http://www.swanchamber.com.au/download.asp?file=download/Charlie%20Gregorini%20golf%20day%20flyer.pdf)

Coming Events

Network 2000 – Tuesday 10th November

Our host is Ben Stuckey from the Telstra Shop.

Venue: Telstra Shop, cnr The Crescent & Keane St, Midland

Time: 5.30pm – 7.30pm

Please rsvp by email or ring Dannielle or Lyn on 9374 5000 for catering purposes.

SCC /Network 2000 Christmas Function

Date: Tuesday December 1st

Venue: Gomboc Gallery

Time: 5.30 to 7.30pm

More details to follow soon

Small Business Smart Business Training Vouchers for 2009

The West Australian Department of Education and Training continues their program in 2009 and offers your business up to a \$200 Small Business Smart Business Training Voucher, to assist you with the cost of training to improve your business management skills. Download the SBSB 2009 [Application Form](#)

Swan Chamber of Commerce PO BOX 166 MIDLAND 6936 Ph: 93745000 Fax: 92743369
www.swanchamber.com.au



THE SMALL BUSINESS PARTNERS



Combined Small Business Alliance
of Western Australia Inc. (CoSBA)
www.cosba.com.au



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West Coast Small Business Training Institute

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