



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

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NEXT MEETING: BOARD MEETING

To Be Advised

Stirling Small Business Centre, 45 Delawney Street, BALCATTA

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ATTACHMENTS:

BGC Brochure.pdf
RAVLICH Media Statement.pdf
MDBA Awards.pdf
SCC Enews 25-3-2010.pdf
ATO Tax Stats 2007-08.pdf
SCC Annual golf day.pdf
Stirling SBC Training.pdf
SBA Luncheon.pdf



The Business Growth Centre (BGC)

The Business Growth Centre (formerly the West Coast Small Business Institute - WASBTI) has expanded its operation from the Small Business Solutions programme, which it considers to be the flagship, to other initiatives including Green Business Skills, Tourism, Aboriginal Business Mentoring and Networking and Events.

The enhancements represent a substantial leap forward from that which gave rise to CoSBA's profound concerns as to the operation of the WASBTI. See the BGC Brochure.pdf attached, it is well worth the look, as is its new web site: www.bgc.wa.gov.au.

CoSBA would recommend that members and others make an effort to become informed on the operation of the BGC

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and actively support it. The training, development, networking and events will prove to be of positive benefit to your small business members.

Gillard warns union militants on law breaches affecting resources projects

JULIA Gillard has warned militant construction unionists Kevin Reynolds and Joe McDonald that the Rudd government will not tolerate breaches of the law on crucial resource projects in Western Australia's northwest. The Workplace Relations minister said industrial harmony, along with investment in infrastructure and skills, was pivotal to maximising Western Australia's enormous growth potential. But Mr Reynolds, secretary of the state's Construction Forestry Mining and Energy Union, accused Ms Gillard of being a puppet of the employers and said she should apply the law as thoroughly to them as to workers.

Ms Gillard said the government would enforce tough compliance with the Fair Work Act. "It certainly is a message for Mr Reynolds, Mr McDonald and every person in the state of Western Australia," she said in Perth yesterday. "We have got no tolerance for people who seek to breach the rules, and I am well aware there is concern in this state about the propensity of some individuals to believe they are beyond the law. "No one is beyond the law. Anyone who breaks the rules should expect to feel the full force of the law."

But Mr Reynolds said Ms Gillard should instead concentrate on pursuing employers who broke the law by not paying workers properly for superannuation and compensation. "She seems to have a hang-up about myself and Joe McDonald, and maybe she ought to get over it and get on with the real things she is supposed to do, that is, look after the people," he said. "I only wish she'd apply the law as much to the employers. She's a puppet of the employers."

Ms Gillard also announced a doubling of the productivity places programs to \$50 million to increase skills for 11,000 current workers in a partnership with industry. (SOURCE: *The Australian*, 30.3.10)

WA needs more migrants: Gillard

Deputy Prime Minister Julia Gillard says WA needs more migrants amid claims hundreds of thousands of extra workers are necessary over the next decade to thwart a labour crisis. Speaking at a Perth business breakfast hosted by *The West Australian* and Murdoch University, Ms Gillard said both interstate and international migration was needed to help fill future job vacancies. It comes as employer groups warn labour shortages are set to hit within months.

Ms Gillard said WA also needed to better utilise its youth market, which was suffering a 10 per cent unemployment rate. She blamed the labour problem partly on the booming resources sector which was drawing workers, infrastructure and services away from rest of the economy.

The Chamber of Commerce and Industry said labour shortages would hit in the second half of this year, with WA needing an extra 400,000 workers in the decade from 2007. Based on current population trends, there would be 150,000 shortfall. CCI supports strong migration to alleviate the skills shortage, which threatened to curb WA's economic growth during the last boom. (SOURCE: *The West Australian*, 30.3.10)

Unions to appeal 38-hour ruling

UNIONS will seek to overturn a Fair Work Australia ruling that employees should be allowed to volunteer to work beyond the standard 38-hour week, including on weekends, without being paid overtime or penalty rates. The decision, hailed by business as a landmark ruling, applies to a number of workplace agreements in the fruit picking industry, but could be applied in other industries.

ACTU secretary Jeff Lawrence said the decision by senior deputy president Peter Richards could have wider ramifications and the peak union council would seek to have it overturned on appeal. Australian Workers Union national secretary Paul Howes said the union believed the decision failed the Fair Work Act's "better off overall" test.

But the National Retail Association said the ruling endorsed the right of individual employees to choose to work additional hours to boost their income or better suit their lifestyle. The tribunal ruled that employees should be allowed to volunteer to work beyond the standard 38 hours a week without being paid overtime or penalty rates. If they were required by their employer to work additional hours, normal overtime and penalty rates would apply.

A spokeswoman for Workplace Relations Minister Julia Gillard said: "Fair Work Australia is an independent industrial umpire with power to make decisions on agreements. "A party who believes a decision has been wrongly decided is within its rights to appeal the decision to a full bench of Fair Work Australia." (SOURCE: *The Australian*, 31.3.10)

Big banks cruise to \$7.4bn half-year payday

Three of Australia's major banks are expected to report collective cash profits of more than \$7.4 billion for the first half of 2010, to be ruled off today, as bad debts shrink faster than expected and the banks maintain their dominance in writing new mortgages. *The Fin Review* (SOURCE/EXTRACT: *WA Business News*, Today's Business Headlines, 31.3.10)

Big four missing on SME finance

Bank bashing rhetoric has been ratcheting up this year, hitting a crescendo when Prime Minister Kevin Rudd twisted Reserve Bank research to support his latest off-hand attack. "The Reserve Bank is right," he said last month. "The banks have been gouging. That is the bottom line here."

The Reserve Bank didn't actually say that. Rather, its research found that the major banks' net interest margins have widened by 0.25 percentage points since before the global financial crisis. The widening of interest margins follows a large increase in market share for the big four banks, namely the ANZ, Commonwealth, National and Westpac banks.

The Australian Chamber of Commerce & Industry, for instance, stated last week that "access to and renegotiation of affordable finance" has become the most substantial issue facing small to medium businesses. ACCI chief Peter Anderson said "there will be no private sector led recovery among SMEs unless lines of credit are eased and retail banks demonstrate a greater sensitivity to their SME customers".

The Council of Small Business of Australia has a similar message, stating that "banking and finance issues have been the number one concern for small businesses at least since the global financial crisis hit in 2008". Both organisations are compiling data to submit to a Senate inquiry currently underway into small business finance. They will run up against a Reserve Bank submission that is much more nuanced in its findings.

It finds that competition in business lending has decreased, and that small business borrowers have faced lower loan-to-valuation ratios, stricter collateral requirements and higher interest coverage ratios. Any businesses that have had a different experience should be shouting their story from the rooftops to ensure the media, business lobby groups and the Senate inquiry hear them.

There is untold anecdotal evidence painting a dire picture but either the Reserve Bank has not heard the anecdotes or has chosen to ignore them. This is where the opportunity arises for the big banks. If one of the banks is brave, astute and nimble enough to move faster than its competitors, it will win many friends in the small business sector and will set itself up for lasting success. (SOURCE/EXTRACT: *WA Business News*, 31.3.10)

MEDIA STATEMENT

LJILJANNA RAVLICH MLC

**Shadow Minister for Commerce; Small Business; Government Accountability;
Tourism; Training**

Friday, 26 March 2010

Vacant positions point to privatisation

The top management positions in Tourism WA and the Small Business Development Corporation (SBDC) remain unfilled almost three months after becoming vacant, fuelling further speculation that these two agencies will be privatised.

Shadow Government Accountability Minister Ljiljanna Ravlich said the positions of Managing Director of the SBDC and Chief Executive Officer of Tourism WA are yet to be filled.

"It is worrying that Barnett Government is in no hurry to replace these two key managers," Ms Ravlich said.

"Speculation is growing that the Government is planning to privatise key assets, including the SBDC and Tourism WA, to bolster its bottom line.

"There is no rush to fill the top jobs because they won't be needed for very long."

Ms Ravlich said Commerce Minister Troy Buswell had shown no interest in the SBDC or taking advice from it.

"Mr Buswell will not want to waste money on finding a new Managing Director because he is looking to farm out its functions to private enterprise," she said.

"Tourism Minister Liz Constable is the same. She has put minimal effort into the key economic driver of tourism."

Several indicators suggest the Barnett Government has a clear privatisation agenda.

"Last year, the WA Chamber of Commerce and Industry's pre-Budget submission recommended privatisation of a number of

bodies," Ms Ravlich said.

"The Sport and Recreation Minister admitted in Parliament that he met with a lobbyist to discuss the possible privatisation of Lotterywest and the TAB.

"The recently released report Economic Audit Committee made recommendations for „outsourcing and „rationalising some Government services.

"Filling the management positions of these two agencies will reassure the Western Australian community that privatisation is less likely.

"If the future of these agencies was assured there would be some urgency in filling these positions as soon as possible."

Media contact: Ljiljanna Ravlich 0400 515 456

MEDIA STATEMENT

LJILJANNA RAVLICH MLC

Shadow Minister for Commerce; Small Business; Government Accountability;

Tourism; Training

Wednesday, 31 March 2010

Minister admits reduction in apprentices

Minister for Training and Workforce Development Peter Collier has admitted there are now 3,294 fewer apprentices in training since his Government gained power.

Under questioning in Parliament by Shadow Training Minister Ljiljanna Ravlich, Mr Collier finally acknowledged there are now fewer than 20,000 apprentices.

"This means that in 18 months of Government, Mr Collier has allowed the number of apprentices to drop by more than 14 per cent to 19,706," Ms Ravlich said.

"Mr Collier must explain why he misled the public by claiming an eight per cent drop in apprentice numbers when the actual figure is almost double that amount."

Ms Ravlich said the Minister would be caught out when the new boom arrived.

"We are on the verge of another boom and yet the Minister is allowing apprentice numbers to drop and then fudging the figures by trying to claim an increase," Ms Ravlich said.

"Labor increased the number of apprentices and trainees by 56 per cent between 2003 and September 2008.

"We left a training system that was healthy and growing and Mr Collier has sabotaged it.

"Apprentice numbers have dropped, bureaucracy is increasing and the Minister wants to cover up the situation by fudging the figures."

Ms Ravlich said Mr Collier was wasting his meagre budget on bureaucratic makeovers instead of creating apprenticeship places.

"Changing the name of a TAFE College to a Polytechnic is not going to get young people into apprenticeships," Ms Ravlich said.

"Creating a new Government department is not going to develop the workforce to win contracts for local businesses.

"Mr Collier needs to explain why he has let the numbers of apprentices drop and why he tried to cover up that fact."

Media contact: Ljiljanna Ravlich 0400 515 456

WA business confidence hits record high

Business confidence is at a record high in Western Australia, according to a WA Chamber of Commerce and Industry (CCI) survey. The CCI March quarter survey of business expectations released on Wednesday found more than 63 per cent of respondents tipped the WA economy to strengthen over the next 12 months, up from 58 per cent the previous quarter.

The latest figures were the highest on record, according to the CCI, and come just a year after business confidence hit at a record low, with only six per cent of respondents expecting economic conditions to strengthen. The CCI said the more positive outlook meant firms were looking to expand operating capacity over the next 12 months. Capital spending plans rose for the fourth consecutive quarter in March, with almost 27 per cent of respondents planning to raise their level of investment in the year ahead.

However, the rebound in labour market conditions has come at a cost, with more than 37 per cent of respondents

reporting their wages bill had risen, while 33 per cent had experienced an increase in non-wage labour costs. (SOURCE/EXTRACT: *WA Business News*, 31.3.10)

Business burned by online sales loophole

Local retailers and industry associations from the toys and hobby, fishing and tackle, camera, and motorcycle accessories sectors spoken to by *WA Business News* agreed that the current threshold was placing business owners at a disadvantage.

One Perth-based business owner, who declined to be named, said the issue was the biggest talking point at this year's Australian Toy & Hobby and Nursery Fair in Melbourne. "The problem is because the threshold is so high, consumers can buy their products online from overseas companies and land them in Australia and not have to pay tax on them," he said.

The business owner said it was unfair his business had to pay a customs clearance on imported goods and GST, but the general public did not. In 2005, the federal government increased the import tax-free threshold from \$250 to its current rate of \$1,000. (SOURCE/EXTRACT: *WA Business News*, 31.3.10)

Workers recoup \$130k

THE Fair Work Ombudsman has recouped more than \$130,000 for about a dozen workers in the past month following a series of investigations. A Perth-based sales manager for a national business was back-paid \$25,000 after an investigation found she was not paid her accrued annual leave entitlements, severance pay and pay in lieu of notice when she was made redundant.

The investigation was launched after the sales manager lodged a complaint, but the woman was promptly paid after Fair Work inspectors contacted the company. In another case, a Perth baker was fined \$19,500 for underpaying a delivery driver.

The penalty was this month handed down in the Federal Magistrates' Court against Welshpool-based Efes Bakery. Magistrate Denys Simpson imposed the fine after the company admitted underpaying the driver \$16,204 between 2006 and 2008.

Efes Bakery paid the employee \$60 to \$65 per shift, regardless of the number of hours he worked, which resulted in underpayment of the casual loading, overtime rates and early-start premiums he was entitled to. Mr Simpson said the amount was significant considering the driver had relatively low wage entitlements. (SOURCE: *WA Business News*, 31.3.10)

Retailers attack watchdog audit

RETAILERS have lashed out at the workplace watchdog for embarking on a major national audit of employers at the same time as companies are battling to comply with Labor's revamp of the award system.

Fair Work Ombudsman Nicholas Wilson will today announce he intends to write to almost 50,000 retailers across the country to check they are paying workers correct minimum rates of pay, penalty rates, loadings and allowances. Fair Work inspectors will randomly select 1500 retail outlets that will be asked to supply employment records for audit.

Mr Wilson said the retail sector generated more complaints than any other industry. "Some businesses think it is OK to require staff to arrive early to prepare a store for opening and stay late to clean up afterwards without paying them for that time, but it's not, it's unlawful," he said. "We are mindful that this is an industry which employs large numbers of young people and low-paid workers who may be vulnerable if they are not fully aware of their workplace rights."

But employers condemned the decision, declaring they would write to Workplace Relations Minister Julia Gillard and Mr Wilson to try to have the audit delayed until next year. The National Retail Association said the audit was "incredibly bad timing" given companies were grappling with the implementation of the new modernised awards from July 1.

Gary Black, the association's executive director, said the new award had not been settled and was subject to proceedings before Fair Work Australia. "For the Ombudsman to be embarking on this sort of campaign, given the immense complications around the transitional provisions in the modern award, is not defensible," he said.

"What it ought to be doing is giving retailers a reasonable time to fully inform themselves of their obligations, to get advice, make adjustments, and implement arrangements that accommodate the transitional obligations and the new modern award obligations. This sort of activity is highly premature. It should not be happening at least until 2011." (SOURCE: *The Australian*, 1.4.10)

Unions under fire tough new IR moves

Rogue unionists would be sacked, unions would get on-the-spot fines and strikes would be used only as a last resort under the mining industry's proposed changes to industrial relations laws. The recommendations are part of a six-point discussion paper released by the Australian Mines and Metals Association yesterday after months of escalating strike action.

If the Federal Government adopts the proposal' to disqualify unionists for serious or repeat breaches of the Act, the construction union's Joe McDonald would be banned from working at a union. Workplace Relations Minister Julia Gillard was unavailable for comment yesterday. But in Perth this week she warned militant unionists not to break workplace law.

AMMA chief executive Steve Knott said it was common for non-executive directors to lose their jobs if they broke the law. "Likewise, the Government should consider amending the laws to ensure officials of unions are no longer able to hold such positions where it can be shown they have repeatedly breached Australia's IR laws," he said. Mr McDonald said he was not worried about the proposal to ban repeat offenders of industrial law.

The discussion paper also wants unions to log their industrial action annually so their behaviour can be more easily assessed. Unions should also face fines if their members took unlawful action, unless it could prove it took reasonable steps to prevent the move. (SOURCE/EXTRACT: *The West Australian*, 1.4.10)

Wages to rise by 4pc: employers

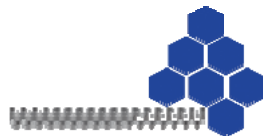
AUSTRALIAN workers were not overly concerned about losing their jobs or being able to find a new one during the global financial crisis. And bosses are already budgeting for pay increases of 4 per cent over each of the next two years.

Two reports released yesterday provide further proof of the Australian economy's resilience at the height of the GFC and its acceleration since. The first, from the Melbourne Institute's 2009 annual report, tracked workers' perceptions of job security during the last quarter of 2008, finding only a slight increase in fears about job losses and an inability to obtain a new job. Those concerns still measured lower than for 2006, the report concluded.

Mercer principal Martin Turner said the shift from the average 3 per cent growth in fixed pay this year to an anticipated 4 per cent was a strong indicator of economic strength. But the wage rises won't reach the 5 per cent annual increases seen prior to the global economic downturn. Mr Turner said the strong market for specialist, sales and support staff indicated businesses were gearing up for strong growth in the next two years. (SOURCE/EXTRACT: *The Australian*, 1.4.10)



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