



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

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## **NEXT BOARD MEETING**

**5.00pm Tuesday 7 September 2010**

**Stirling Small Business Centre, 45 Delawney Street, BALCATTA**

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### **ATTACHMENTS:**

Press Release-Billson Support for Small Business.pdf

MDBA breakfast.pdf

STIRLING SBC-The Power of Influence.pdf

Stirling SBC-BiZFIT.pdf



## **COSBA: Labor Small Business Policy Development**

**The Shadow Minister for Small Business, Ljiljana Ravlich, has proposed discussions with CoSBA in the near future seeking our input into Labor's small business policy development.**

**Accordingly, members are urged to email us issues that you think ought to be discussed with the Shadow Minister for Small Business.**

## **REAL ACTION TO SUPPORT SMALL BUSINESS**

See attachment: Press Release-Billson Support for Small Business.pdf

### **Libs promise simple way to dismiss workers**

**THE Coalition has promised to make it easier for small businesses to sack employees by changing Labor's existing unfair dismissal laws.**

Opposition small business spokesman Bruce Billson yesterday departed from the most recent position put by Tony Abbott about changing workplace laws, telling *The Australian* the Coalition would talk to employers and the public about how the industrial relations regime was operating and would be prepared to make changes. "If any changes are needed, we will seek a mandate for them at the 2013 election," Mr Billson said. "But the Coalition will never make changes that reflect Work Choices."

When pressed this week whether he would seek a mandate for workplace changes at the next election, the Opposition Leader steered clear, repeating his "never, ever" mantra about reintroducing elements of the Howard government's Work Choices regime.

Both business and trade unions believe unfair dismissal processes for small business could be altered with changes to regulations and not have to be done by changing the new workplace laws. Mr Billson said the government's Small Business Fair Dismissal Code was not working and needed to be changed to help business. Under the government's Small Business Fair Dismissal Code, employers are advised to follow a checklist to ensure the dismissal of an employee is not unfair.

Mr Billson said the government had promised small business it would have a streamlined, simple, fair dismissal process that would not expose small businesses unreasonably to claims for unfair dismissal. But he had concerns about the expense involved in cases brought forward with little merit.

"The code that the government put in place, that's overseen by Fair Work Australia, has been condemned by Fair Work Australia itself of being of dubious value," Mr Billson said. He said the code needed to be changed so that small business could have certainty about sacking employees "without the threat of being hauled before the commission at great expense and being forced to pay 'go away' money". "Whoever is in government after the election will be faced with having to fix the code," Mr Billson said. (SOURCE/EXTRACT: *The Australian*, 23.7.10)

### **Both parties too timid on IR say business leaders**

**BUSINESS has attacked both parties over their "no-change" workplace policies, saying "risk-averse" strategies would hold back the economy.** The Australian Chamber of Commerce & Industry criticised Tony Abbott for promising not to change the Fair Work Act before 2013, given that the Coalition had previously highlighted weaknesses in the legislation.

Peter Anderson, the chamber's chief executive, said employers were also disappointed the government had not accepted that the act would require change over the next three years. Mr Anderson said the election campaign had seen a "negative focus on static population and no-change workplace policies that concede ground to fear over fact". "The failure by both Tony Abbott and Julia Gillard to contemplate necessary workplace reform is going to hold our economic development back," Mr Anderson said.

"I am disappointed that the government has not accepted that the implementation of its laws will require legislative change over the course of the next three years, in the same way that the Hawke Labor government and the Keating Labor government changed their system in 1988 and 1993 respectively.

"My greatest disappointment with the opposition is they have allowed the impression to be created that Australia's industrial relations policy is purely a choice between a Labor government's laws and Work Choices, and that is a great myth. The opposition ought to be adopting a middle course."

ACTU secretary Jeff Lawrence said it was obvious the business lobby was pushing for Mr Abbott to make significant changes to the Fair Work laws. "He's already said he wants to reduce protection from unfair dismissal and reintroduce individual contracts, but it's frightening to think what he's promising business groups behind closed doors," Mr Lawrence said. "Tony Abbott simply can't be trusted not to make substantial changes to workplace rights. (SOURCE: *The Weekend Australian*, 24.7.10)

### **Business backs Abbott's IR truce**

Business has backed Tony Abbott on leaving industrial relations untouched, demanding instead that both political parties give priority to tax reform, certainty on climate change and the development of critical infrastructure. *The Fin* (SOURCE: *WA Business News*, Today's Business Headlines, 22.7.10)

**COMMENT:** Mr Abbott's statement of 27.7.10 to the effect that business and small business don't want any more changes to the IR system, they want certainty and stability. For small business in WA that has a very hollow ring to it, come to WA Tony and talk to CoSBA and we will tell you in no uncertain terms that small business in WA wants to be rid of the shackles, rigidity and union control of Gillard's so called "Fair Work Act". *TCB.*

## **Industry funds bumped out by retail super**

**RETAIL superannuation funds outperformed industry funds last financial year for the second time in a decade.** Data from researcher Chant West shows that in the year to the end of June, retail funds as a group performed better than industry funds, returning 12 per cent versus 9.7 per cent.

Across the board, the median return for growth options -- funds with 61 to 80 per cent invested in growth assets -- was 10.4 per cent, a big turnaround after two years of losses. Industry funds usually come out on top, producing the best returns over eight of the past 10 years.

But Chant West principal Warren Chant said retail funds' higher allocation to shares and listed property worked in their favour last financial year because of the rebound in listed markets following the financial crisis. "Conversely, they have a much lower allocation to unlisted property, infrastructure and private equity, which produced relatively poor returns," Mr Chant said.

While the gap in performance is significant, due to the competition that exists between the two groups, the factors that set them apart are reducing. The Cooper review of superannuation has recommended the banning of financial planning commissions, which are paid only by retail funds, and has proposed a no-frills default fund called MySuper that looks similar to many industry funds.

Jeremy Cooper, the head of the now complete review, believes the industry and retail sectoral classifications are redundant. However, Mr Chant thinks their investment strategies will always be different, with industry funds favouring unlisted assets and retail funds preferring shares. (SOURCE/EXTRACT: *The Australian*, 23.7.10)

## **Coalition flips on age policy for superannuation**

**EMPLOYERS would be compelled to pay workers' superannuation no matter how old they are if the Coalition wins office.** In a policy shift hailed by seniors groups but born of a Coalition bungle, seniors spokeswoman Bronwyn Bishop yesterday announced a plan to abolish the superannuation guarantee limit from July 2013. At present, employers are required to pay 9 per cent superannuation only to workers up to the age of 70.

"It's time that mature-age workers receive the same rights as every other working Australian," Ms Bishop said. "Any worker who chooses to continue working past 70 should be congratulated, not financially penalised. "The current age limit . . . unfairly discriminates against older workers and forces them into retirement, when many want to continue in the paid workforce."

But the policy measure was, in fact, a backflip by the Coalition, who just last Tuesday announced it would scrap Labor's plan, first announced in May in its response to the Henry tax review, to lift the superannuation guarantee limit from 70 years to 75. The Coalition's initial decision missed the fact that lifting the superannuation guarantee to 75 would generate savings of \$15 million a year in the first year and rising, as more workers paid tax and fewer drew government pensions.

"To their credit, they have acknowledged the policy didn't make sense and have now gone further than the government," National Seniors chief executive Michael O'Neill said yesterday. (SOURCE/EXTRACT: *The Weekend Australian*, 24.7.10)

## **Mining tax ad war may reignite**

Just when Julia Gillard thought she'd quelled the mining tax furore, a mining sector representative body has threatened to relaunch its advertising war against the tax, while another hasn't ruled out following suit. The Association of Mining and Exploration Companies (AMEC), which represents small-to-mid tier miners, says it could relaunch its ad campaign within days.

"A campaign could realistically be rolled out as soon as this weekend," AMEC chief executive Simon Bennison said at a joint press conference with Fortescue Metals Group chief executive Andrew Forrest in Perth. "At this stage, we're still assessing the future of a campaign. "We're certainly not ruling it out."

A spokesman for Western Australia's Chamber of Minerals and Energy indicated that the chamber hadn't ruled out reviving its ad blitz. "Our campaign remains suspended," he told AAP. "That's all I can say at this stage." (SOURCE/EXTRACT: *WA Business News*, Daily Business Alert, 22.7.10)

## **Miners, retailers to fund anti-MRRT ads**

A group representing junior to mid-tier miners says it will recommence television, radio and newspaper advertisements targeting the federal government's planned minerals resource rent tax. The United Retail Federation and the Queensland Chamber of Commerce and Industry (QCCI) also plans its own advertising blitz to fight the MRRT.

The National Association of Retail Grocers of Australia (NARGA), which represents about 4,500 members including IGA and Metcash but does not speak for Coles or Woolworths, has also expressed its concern about the tax saying

it affects more than the mining sector.

The Association of Mining & Exploration Companies (AMEC), today revealed the first of several anti-MRRT TV advertisements it plans to run in the next three weeks. (SOURCE/EXTRACT: *WA Business News*, Daily Business Alert, 26.7.10)

## **Gillard, Ferguson reject miners comments**

The federal government has rejected Andrew "Twiggy" Forrest's claim the new mining tax will be redesigned if Labor is returned to power. Yesterday Mr Forrest said the minerals resource rent tax, which only applies to iron ore and coal mining, would not raise \$10.5 billion in its first two years as planned, so the government would tweak the tax to place greater demands on the bulk commodity miners.

Resources and Energy Minister Martin Ferguson has dismissed the Fortescue Metals Group chief's comments as false. "The government has made it clear that if we are returned to government we will put our proposal, as it stands, before the parliament," he said in an emailed statement.

Mr Ferguson said the government would not be swayed from its course by threats from Fortescue or other miners to restart anti-mining tax advertising campaigns. He did, however, acknowledge a call by Fortescue and other smaller miners to exempt magnetite iron ore from the new tax. "I have made clear that magnetite will be one of the issues to be considered through the PTG (Policy Transition Group) process," Mr Ferguson said.

Prime Minister Julia Gillard said mining companies unhappy with the proposed MRRT should take their concerns to a government-appointed transition group. The transition group is led by former BHP Billiton chairman Don Argus and Resources Minister Martin Ferguson. (SOURCE/EXTRACT: *The Weekend Australian*, 24.7.10)

## **Gillard denies mining deal with Greens**

Prime Minister Julia Gillard says there is no policy deal on the mining tax with the Greens. She also reiterated that neither she nor anyone in the Labor party had made a policy deal with Greens leader Bob Brown.

"I have no policy deal with Bob Brown, that is completely untrue," Ms Gillard told Macquarie Radio. "Preference arrangements are made between the national secretary of the ALP and the Greens party and they are made about preferences. "No one has any policy arrangement with Bob Brown."

Labor and the Greens have hatched a preference deal which aims to shore up the government's hold on key lower house seats and bolster the minor party's chance of holding the balance of power in the Senate. (SOURCE/EXTRACT: *WA Business News*, Daily Business Alert, 27.7.10)

## **Libs behind mining firms' ad blitz, says Swan**

**A FRESH advertising blitz against the government's proposed mineral resources rent tax had the Liberals' "fingerprints" all over it.** Wayne Swan made the claim yesterday while campaigning in Perth, where hostility to the Treasurer over his key role in supporting the tax remains strong.

Mr Swan said the advertisements launched this week by mining companies, retailers and business lobby groups were politically partisan. "I think it's fair to say that this advertising campaign has the Liberal Party's fingerprints all over it," Mr Swan said. (SOURCE/EXTRACT: *The Australian*, 28.7.10)

**COMMENT:** How ironic that Wayne Swan, a former union official, should be bleating fowl claiming that Libs are behind the mining firms' ad blitz. Given the ads being run by the unions making false, deceptive and misleading claims that the Libs will reintroduce WorkChoices, and given that the Labor Party is the political wing of the trade union movement, is his bleating not a matter of sour grapes and the pot calling the kettle black??? TCB.

## **Gillard pledge on broke bosses**

LONG-SERVING workers earning up to \$108,000 whose employers go broke will be guaranteed their full entitlements under a new industrial relations policy to be announced by the Labor Party today.

The change will give workers certainty they will be paid four weeks salary for every year of service. Previously the government guarantee - created under the Howard government extended to only 16 weeks of pay, the entitlement after four years service. To be known as the Fair Entitlements Guarantee, Prime Minister Julia Gillard said the entitlement would give 97 percent of workers made redundant their full entitlements.

The Federal Government will also mandate speedier superannuation payments from employers and the Australian Securities and Investment Commission will be given Increased powers to target so-called phoenix companies, which deliberately go bust only to re-emerge with a different name.

This would mean almost all workers would receive all the redundancy entitlements they were owed, Ms Gillard said. The guarantee will cost \$60 million over four years in addition to about \$15 million a year that is recouped through action on companies hi liquidation. (SOURCE: *The Sunday Times*, 25.7.10)

## Critics hot over climate spin

**JULIA Gillard's push for climate change consensus has been blasted by green groups as an unnecessary delay in adopting a carbon price, and sparked warnings from business leaders of higher power prices and stalled investment.**

As the Prime Minister unveiled her climate change policy yesterday, Tony Abbott attacked it as "camouflage for the coming climate tax" and the Greens dismissed the policy as "rubbish", vowing to push for a carbon tax if they won the balance of power in the Senate.

And Reserve Bank board member Warwick McKibbin warned that Ms Gillard's climate change policy would force up power prices for little benefit. The climate change policy will have a dramatic effect on tomorrow's leaders debate, with the Opposition Leader keen to exploit his earlier success on the issue when campaigning against Kevin Rudd's "great big new tax", the Carbon Pollution Reduction Scheme. (SOURCE/EXTRACT: *The Weekend Australian*, 24.7.10)

## CCI criticises Labor's climate policy

WA's peak business body has criticised Labor's climate change policy which features greener standards for coal-fired power stations and the establishment of a citizen's assembly to discuss the issue.

The chief executive of the WA Chamber of Commerce and Industry James Pearson said climate change is one of the most significant issues to face the international community and any policy must be in the State's and the Nation's best interests.

"While there is certainly a need for community consultation on this issue, the Government must take the lead," he said. "Instead, the Labor Party has created another 12 month delay which will further add to investment uncertainty," said Mr Pearson. (SOURCE/EXTRACT: *WA Business News*, Daily Business Alert, 23.7.10)

## Labor can't be serious about citizens plan

**JULIA Gillard has learnt nothing from Kevin Rudd's failure -- she tells us the planet is under threat, but she cannot act until a political consensus is reached.** Labor's stand is riddled with hypocrisy and gimmicks. The spin that crippled Rudd seems more intense under the new Prime Minister.

The proposed Citizens Assembly to assess the case for climate change is an unconscious Labor joke -- a grand focus group to conceal its leadership failure. The Labor Party has changed leaders, but its character defects are unchanged. Gillard, in effect, says pricing carbon is imperative but she cannot act until Tony Abbott agrees with her. Can you believe this?

In truth, there will be no consensus on climate change. It is an issue of clashing ideology and interests. Waiting for this consensus is like waiting for Godot. If Gillard were serious, then history tells what she would do: she would seek an election mandate to introduce an emissions trading scheme bill or impose a modest carbon price in the next parliament. This is what serious leaders do at elections for their policy convictions.

On climate change, Gillard is stuck in Rudd's ditch. She ignites the populist Right with fears of a new tax, and alienates the Left by her stubborn inaction. Labor is a party that has lost its conviction.

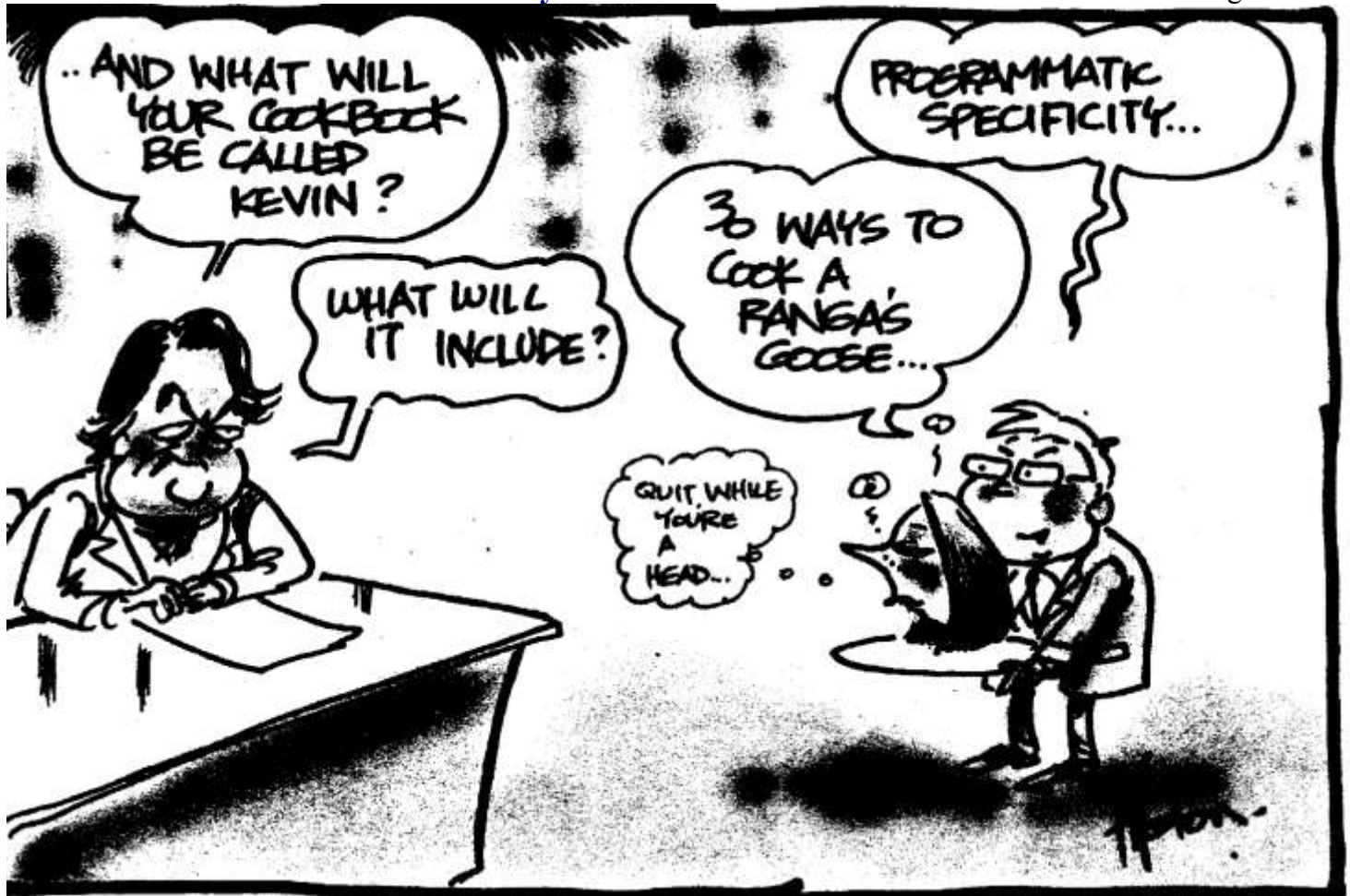
Instead, Gillard engages in gimmicks: a climate change commission, a citizens assembly and more funds for renewables. She wants to be rewarded for good intentions. She believes in climate change, believes in pricing carbon but won't act until there is more public support. In truth, she is stalling for time and is unsure about her policy. (SOURCE/EXTRACT: *The Weekend Australian*, 24.7.10)

## Rudd confuses Labor campaign with uncertainty about future roll

**KEVIN Rudd's future role in a Labor government is confusing the ALP's election campaign.** Tony Abbott has called for his exclusion from cabinet and the former prime minister vehemently denies treating national security with disdain. At the end of the first week of the campaign Mr Rudd continues to attract publicity and distract Julia Gillard from her preferred political messages.

After capturing the centre of attention on Wednesday just by opening his campaign in his Brisbane electorate of Griffith, Mr Rudd was centre stage again yesterday after ABC News 24 on Thursday night reported Mr Rudd had not attended all the meetings of the national security committee, sending his chief of staff Alister Jordan as a stand-in and had treated national security with "disdain".

The Opposition Leader accused Mr Rudd of being "utterly negligent in attending to his responsibilities as prime minister". "He was absent from meetings of the National Security Committee of Cabinet. He was absent from meetings of the Strategic Priorities Committee of Cabinet. Julia Gillard needs to say, is Kevin Rudd still fit to be a member of her cabinet after the election," Mr Abbott said. "I say he's not, and I call on her to rule out this day any return to cabinet for Kevin Rudd. She must rule it out." (SOURCE/EXTRACT: *The Weekend Australian*, 24.7.10)



(SOURCE: *The West Australian*, 23.7.10)

## WA has nation's best-performing economy

Western Australia has become the nation's best-performing economy, according to a new survey. The latest CommSec state and territory economic rankings conclude that WA "has now fully shrugged off the effects of the global financial crisis, underpinned by a strong job market and rising demand for resources".

CommSec said the WA economy's rebound was also backed by low unemployment, firm retail spending and rising construction. By contrast, Queensland tied with NSW for last place. Commsec forecasts that WA will retain its premier place in the near term but says Queensland "seems well placed to regain some of the ground lost" over the past two years of economic instability.

The states and territories were assessed on eight key indicators: economic growth; retail spending; equipment investment; unemployment, construction work done; population growth; housing finance and dwelling commencements.

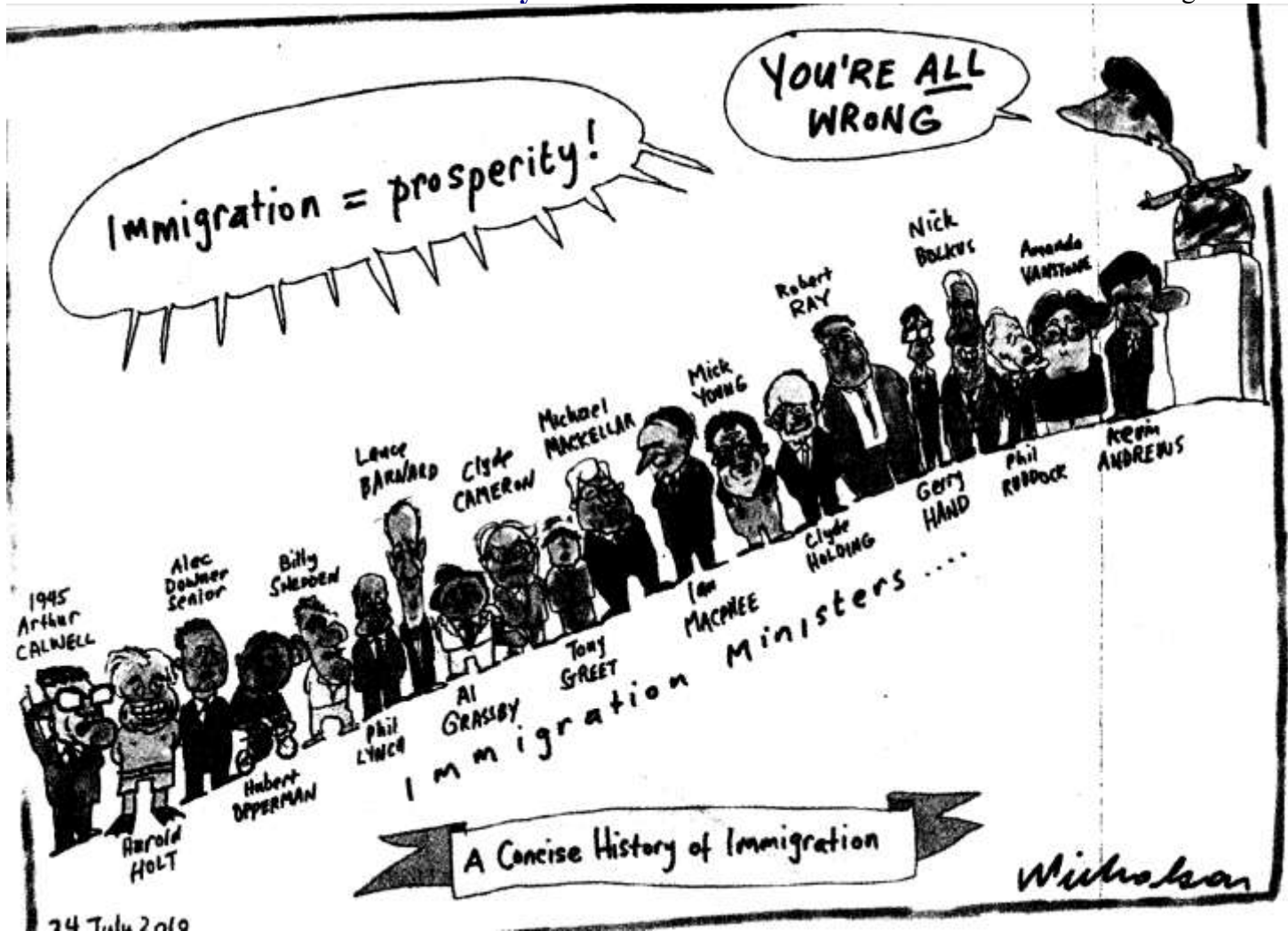
In terms of economic growth, WA led the rankings, with economic output for the March quarter up 29 per cent on the state's long term average. WA was ranked in third place in retail trade, second for equipment investment and unemployment, first in construction work and population growth and was ranked sixth for dwelling commencements. (SOURCE: *WA Business News*, Today's Business Headlines, 26.7.10)

## Who do they think we are

**IN Labor's 2007 election campaign, strategists were convinced by their imported Geordie political adviser, Alan Milburn, that there is room for only "one fooking message" in a campaign. Three years on, the mantra seems to have stuck.**

Julia Gillard has spent week one of the 2010 campaign singing one song: Leave it to me, folks, I'll stop the people. It's a message built on a caricature of modern Australians, but Gillard is not the first politician to attempt to win power with a narrative crafted from focus groups.

Under Kevin Rudd, Labor spent years demonising John Howard with an argument about an economic and social "brutopia" that did not exist. This time around, Gillard seems to have a picture in her head of voters who are insular and fearful they are about to lose their spot in the paradise that is Australia. They are hard workers with alarm clocks but, according to Labor's script, they're frightened that foreign workers will take their jobs, along with their lifestyles. That's the theory, but has Labor got it right? Does Gillard really know who we are? (SOURCE/EXTRACT: *The Weekend Australian*, 24.7.10)



(SOURCE: *The Weekend Australian*, 24.7.10)

## More than 360 people convicted for tax and superannuation offences

Tax Commissioner Michael D'Ascenzo today said there were more than 360 people convicted between 1 April and 30 June for tax and superannuation offences. "Australia generally has a strong culture of voluntary compliance however a small number of people still try to cheat other Australians by evading their tax and superannuation obligations," Mr D'Ascenzo said. "We take all forms of tax evasion and intentional non compliance seriously. Convictions can be for things like failing to lodge tax returns to serious misconduct like identity and refund fraud, and defrauding the Commonwealth." (SOURCE/EXTRACT: *ATO Media Release*, 22.7.10-see attachment: people convicted for tax and superannuation offences.pdf)

## Miners to fund Greens rail plan

Mining taxes will be used to pay for a light rail system for Canberra ahead of other cities if the Greens have their way. *The West*. (SOURCE: *WA Business News*, Today's Business Headlines, 27.7.10)

## Companies still struggling to pay bills

New data from Dun & Bradstreet has revealed Western Australian companies are the quickest to settle their accounts, but it still takes an average of 51.5 days. The latest business-to-business figures, which examine the more than 9 million current accounts receivable records contained on the Dun & Bradstreet database, show Australian firms took an average of 53.4 days to pay their accounts in the June quarter.

Dun & Bradstreet said more than half of Australian executives are being negatively impacted by late payments. During the height of the global financial crisis, payments exceeded the 30 day term by more than three weeks. The survey found the amount of time it takes to settle accounts still remains above pre-crisis levels.

"Business-to-business payment data provides a strong indicator of the cash position of firms," said Dun & Bradstreet CEO Christine Christian. "The latest data suggests that the cash position of businesses is strengthening however, Australian executives are indicating that the small improvement in terms experienced during the June quarter is not enough." (SOURCE/EXTRACT: *WA Business News*, Daily Business Alert, 27.7.10)

## Auditor slams ALP pork barrel

**JULIA Gillard has been forced to defend her government against allegations of pork-barrelling after a damning audit report found a key part of its stimulus program favoured Labor electorates and was delivered too late to protect the economy from the global financial crisis.**

The release of the report yesterday, during the election campaign, embarrassed Labor, which used a similar report during the 2007 election campaign to accuse John Howard of rorting the regional partnerships scheme. The opposition seized on the findings to intensify its attack on Labor's "waste and mismanagement".

The report found major delays in rolling out \$550 million worth of projects meant the scheme did not stimulate the economy in the timeframe intended. The Prime Minister yesterday defended the \$800m Regional and Local Community Infrastructure Program and flatly denied any suggestions of rorting. The Coalition said the report was a damning indictment of Labor pork-barrelling.

The Australian National Audit Office report found the government failed to follow its own guidelines in dishing out money to local councils and did not issue clear criteria about how the projects would be assessed. It found the outcome was that funding was skewed in favour of ALP and independent electorates.

Infrastructure Minister Anthony Albanese said the money handed to electorates was in line with the political makeup of the House of Representatives. "There is no bias in this allocation, that's the bottom line," Mr Albanese told *The Australian*. "The audit has not been able to find one project to criticise on its merits and has not found a single dollar of taxpayer money has been not used properly."

The ANAO found that projects in Coalition-held seats were twice as likely to miss out on funding. (SOURCE/EXTRACT: *The Australian*, 28.7.10)

### **Firm fears \$700,000 slug over Fair Work**

**A MELBOURNE business owner fears he will be hit with a \$700,000 backpay bill.** His concern arose after the federal government's Fair Work Ombudsman allegedly contradicted previous government advice and told him he was underpaying his workforce.

Colin Robertson, the managing director of the design company Pop Art Australia, said yesterday his firm had been told by government employees on eight occasions over five years that he was correctly paying his employees under the manufacturing industry award.

But acting on a complaint from a former employee, Fair Work Ombudsman inspectors visited his factory in suburban Cheltenham in March, later telling Mr Robertson that he should have been paying the workers the higher rates that apply under the storage services award.

Fair Work inspector Maria Marcello told Mr Robertson that his company had committed award breaches and the former employee should receive \$25,380 in backpay. Ms Marcello told him the company was required to take immediate action to ensure it had met its obligations to all existing and former employees. Mr Robertson said he calculated the bill would be \$700,000, almost equivalent to the company's annual wages bill.

Ms Marcello wrote that the ombudsman might commence legal action to recover outstanding amounts owed to affected employees. It might also commence litigation against the company, with the maximum penalty being \$33,000 per contravention. "It's like a bad dream," Mr Robertson told *The Australian*. "We run a business. We employ Australian workers and we are proud of it.

"I need assurances from our government bodies that advice I am given is the correct advice because a business is managed with the information at hand. I don't get a shot at incorporating \$700,000 into our infrastructure retrospectively."

A spokesman for Fair Work Ombudsman Nicholas Wilson said the investigation had not been widened at this stage beyond the one employee. "I am advised (the ombudsman) has had no discussion with the employer about any potential further liability," the spokesman said. But Mr Robertson said he had questioned Ms Marcello and she would not confirm nor deny whether the ombudsman would seek payments on behalf of other workers.

Mr Robertson said on eight occasions between 2005 and this year, his company had contacted the government to keep up to date with award changes and to check it was complying with its legal requirements. He said the eight contacts had been documented by the company's human resources manager. (SOURCE/EXTRACT: *The Australian*, 28.7.10)

### **Women and Rudd in Julia's way**

**PM gives in to the ACTU and does their bidding, says Graham Kierath.** Can Julia Rudd win? Don't you mean Julia Gillard? Yes, of course, but I can't believe "the spin" that is being put in their attempt to distance themselves from Kevin Rudd.

In any government, the three most influential people are first the prime minister, second the deputy prime minister and third the treasurer. They were the engine room of the Rudd government. The Government has not

changed. It is still a labor Government. Exactly the same people are still there. Ms Gillard has moved from Deputy Prime Minister to Prime Minister. Mr Rudd is still part of the Government but on the back bench. Will the public fall for this? The election will decide.

Labor still has among its ranks the "who's who of the trade union movement". Ms Gillard's "claim to fame" is to introduce industrial relations legislation that turns the clock back decades and delivers power" to the union movement. The Labor Party is the political wing of the trade union movement. Some people forget this.

WorkChoices has been labelled a "dirty" word from the advertising campaign the ACTU ran in the last election and the coalition will not mention the word. As the second longest-serving minister for industrial relations in Australia's history, I find this disappointing. However, I do understand modern politics and the reasons for this stance. Please let us not throw out the baby with the bath water. One feature of WorkChoices which was widely accepted by the public was the removal of some of the exclusive monopolies that the trade unions controlled. Ms Gillard has done their bidding.

In WA, when we gave people the power to appoint a bargaining agent we believed that about half would choose an agent. Only one in 20 appointed a bargaining agent let alone a union one. Obviously most people (95 per cent) were happy to negotiate on their own behalf.

Thanks to Ms Gillard's industrial relations changes, this power has been handed back to a union monopoly. Despite the spin, people have lost that choice, which is a basic right. I have tried to be charitable but when I look through Ms Gillard's credentials, I can't find a successful track record anywhere except when giving in to the ACTU and doing their bidding. (SOURCE/EXTRACT: *The Weekend Australian*, 24.7.10)

**COMMENT:** Again. There is an important unasked question, that no one seems to be asking, and must be asked and unequivocally answered by Julia Gillard: **"Will she change the workplace laws so as to give the unions greater power and control over business?"**

Given that Abbott has committed in writing not to amend the Fair Work Act in the next 3 years, and, given that Gillard has failed the "honesty test" over her assassination of Rudd, the debt owed by her to the unions for their support for her knifing Rudd would dictate that she meets their demands for amendments to the Act to give them greater power and control over business, in particular small business. *TCB*.

### **Small firms unhappy with banks**

Small businesses are increasingly unhappy with their bank, while concerns over rising interest rates are felt more by the big end of town, market researcher DBM Consultants says. Satisfaction levels with the big four banks showed a widening gap between small and large businesses in the three months to May, due largely to concerns over fees, DBM's latest monthly survey of 6,951 business customers found.

Businesses comprising turnover of up to \$1 million, and small businesses with turnover of between \$1 million and \$5 million, were more negative toward their main financial provider over fees and interest rates. The opinion on fees and interest charges among larger businesses had not changed as much over the past three months, DBM managing director Dhruba Gupta told AAP.

"Their perception of service has improved in the last three months, which is why we are seeing a gap in the overall satisfaction between the larger and smaller businesses. "That's possibly because the banks are paying them more attention, particularly with their relationship manager."

With small business forming 90 per cent of Australia's two million businesses and having no need for serious borrowings, most concern over rising interest rates remains with the top end of town, Mr Gupta said. "Medium sized businesses who rely on borrowings have been the hardest hit." (SOURCE: *WA Business News*, Today's Business Headlines, 28.7.10)

### **Coalition promise to drop company tax**

A coalition government will reduce the rate of company tax to 28.5 per cent from July 1, 2013, and introduce a range of measures to assist small businesses. The measure, costing \$2.55 billion over the forward estimates, will be funded from savings already announced by the coalition. The current company tax rate is 30 per cent.

The Opposition leader Tony Abbott said the coalition would always be the low-tax party. "If there are lower taxes on companies we will have more successful companies, we will have a more prosperous economy, and that is good for every single Australian," he told reporters in Sydney. "Companies deserve a tax cut and we will give them a tax cut without a mining tax to pay for it," he said. "We'll give them a tax cut without a carbon tax to pay for it."

The measure was affordable in the longer term because the coalition would be more frugal than Labor if elected, Mr Abbott said. The coalition also announced it would reward calculated risk-taking to grow small businesses. That would be done by working with regulatory authorities to ensure that the commitment of personal guarantees

and private asset mortgage was rewarded by more affordable and improved access to small business finance.

The unfair contracts protections - presently limited to consumers - will be extended for small business. Small business also will get "a fairer deal" by not changing existing laws relating to the treatment of personal service income. The coalition will improve small business access to commonwealth contracts. (SOURCE/EXTRACT: *WA Business News*, Daily Business Alert, 28.7.10)

### **ALP 'would weaken fines'**

**BUILDING industry watchdog John Lloyd has attacked possible changes to legislation on workplace laws.** Mr Lloyd has declared the record \$1.325 million in penalties imposed on two unions and three officials would not have been as tough under legislative changes proposed by the Gillard government.

The Federal Court confirmed the penalties against the Construction Forestry Mining and Energy Union, the Australian Manufacturing Workers Union and three officials for a combined 52 breaches of workplace laws during Melbourne's West Gate Bridge project dispute last year.

Mr Lloyd, the outgoing Australian Building and Construction Commissioner, said the penalties reflected the serious nature of the conduct by the unions and the officials, Mick Powell, Tony Mavromatis and Gareth Stephenson. "No Australian employee or employer should have to endure the bullying, abuse, threats of violence and property damage that workers and subcontractors on the West Gate Bridge were subjected to," Mr Lloyd said.

He said the employees and the sub-contractors on the project did not work for two months during the dispute. "There was appalling conduct such as the buses with workers inside being rolled, banged, having windows damaged and tyres slashed," he said. "Police were called in on several occasions to maintain order and allow workers to enter and leave their workplaces safely.

Bill Oliver, the CFMEU's Victorian secretary, attempted to play down the significance of yesterday's judgment. "The unions and John Holland settled the West Gate dispute more than a year ago," he said. "The ABCC nonetheless kept legal proceedings going using the Liberal Party's anti-union laws.

The Australian Chamber of Commerce and Industry said the watchdog must be allowed to continue to work to deal with coercion and other examples of unlawful behaviour in the building and construction industry. "Real concerns remain about what is likely to re-emerge if its powers are in any way limited or constrained," said the chamber's workplace policy director, David Gregory. (SOURCE/EXTRACT: *The Australian*, 29.7.10)

### **Walkout expected as workers face fines**

**MILITANT unionist Kevin Reynolds has warned of mass resignations at Woodside's \$13 billion LNG project in Western Australia.** His warning came as workers contemplate fines of up to \$28,000 for illegal strikes earlier this year. The West Australian CFMEU chief also slammed Julia Gillard for failing to overturn John Howard's "draconian" industrial laws, and refused to support Labor's re-election, despite saying Tony Abbott would "kick us to death" if he won.

Mr Reynolds said entire families would be destroyed if the 1500 Pluto workers were pursued for up to \$40 million in collective fines. Workers have been taken to the Federal Court by 13 contractors over a series of wildcat strikes in January this year after Woodside introduced a system called "motelling", which forced workers to rotate their temporary living units known as "dongas". The Australian Building and Construction Commission is also indirectly involved, but did not initiate the case.

Adding to the pressure, the Federal Court on Tuesday dismissed attempts to stop the legal action on the basis that papers had not been properly served on the workers. Judge Neil McKerracher found there were discrepancies and some workers might not have been served at all, but there was no evidence they were not aware of the proceedings, as they had gone on to instruct solicitors. (SOURCE/EXTRACT: *The Australian*, 29.7.10)



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