



The CoSBA Broadcast

Small Business News



Combined Small Business Alliance of WA Inc.

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- correspondence_shorten.pdf
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Rick Suermondts retires

Rick Suermondts has announced his retirement from the CoSBA Board on which he served for 3 years representing the Building Services Contractors Association of Australia (which was formerly the Master Cleaners Guild) now the Cleaning Council.

Rick made a great contribution in serving the interest of small of small business and we wish him well in his future endeavors.

Gillard's reshuffle

While Senator Sherry is to be commended for removing himself from the Small Business portfolio, *was he pushed, did he jump or did he simply fall on his sword*, either way his departure could prove to be a positive outcome for small business.

However, with him being replaced with Mark Arbib, can only be seen as the ultimate insult to small business. In the words of Bruce Billson, Shadow Minister for Small Business: "*Senator Arbib's CV is completely detached from small business with his only experience turning the NSW ALP into a very small business*".

Also, the fact that the Small Business portfolio has not again been included in the cabinet a clear demonstration by the Prime Minister of the lack of value she places on the special needs and aspirations of small business. Is the following headline ominously prophetic or merely a Freudian slip? *CB*

Mark Arbib at small business 'heart'

NEW Small Business Minister and Assistant Treasurer Mark Arbib has declared he will work with the sector to support growth and productivity because it is at the heart of Labor's economic policy. The factional powerbroker has also been promoted to the Manager of Government Business in the Senate. Senator Arbib retains his sport portfolio.

Julia Gillard said Senator Arbib would help sharpen the focus of people wanting to start their own small business. While not making it into cabinet, this is a big elevation for the 40-year-old from the Right who carries the stigma of being one of the "faceless men" who deposed Mr Rudd to install Ms Gillard as Prime Minister.

"I'm excited by the opportunity to tackle the two new portfolios of Assistant Treasurer and Small Business," the former NSW Labor secretary said. "Small business is the heart of the economy. I have worked closely with chambers of commerce in my previous portfolio and understand the importance of small business to jobs and wealth creation.

"Australia's more than 2 million small businesses keep the economy ticking over and keep Australians employed. They are at the heart of Labor's economic policy and I will do everything I can to represent them in the parliament," he told The Australian.

Senator Arbib referred to his work as minister for indigenous employment and economic development, where he put the small business sector at the forefront of the drive to create jobs. He pointed to the formation of the Australian Indigenous Minority Supplier Council, the Indigenous Opportunities Policy and the exemption to the Mandatory Procurement Guidelines

MERRY CHRISTMAS & A HAPPY NEW YEAR
NEXT MEETING: BOARD MEETING
2012 - TO BE ADVISED

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for indigenous small-to-medium enterprises. "I will continue this work as the Minister for Small Business," he said.

He said during the global financial crisis he worked closely with small business to construct and drive the \$100 million Apprentice Kickstart program, under which more than 46,000 young Australians were helped to start apprenticeships, returning apprenticeship levels to pre-GFC levels within a year.

"I look forward to broadening my work with small business owners to support further growth and productivity in our economy," he said. "While it is disappointing to be moving on from the portfolios of social housing and homelessness and indigenous employment, I know that Julie Collins and Robert McClelland will continue the important work in these areas." (SOURCE: *The Australian*, 13.12.11)

Bosses and unions hail Shorten

BILL Shorten, Julia Gillard's new Workplace Relations Minister, has been claimed as "on-side" by both business and unions, placing him on a political tightrope as he prepares to negotiate a review of the Fair Work Act. Australian Chamber of Commerce and Industry chief executive Peter Anderson told *The Australian* yesterday he believed Mr Shorten was pro-business and would not capitulate to the demands of the union movement. "He is certainly someone we can do business with ... He has a business antenna and sensitivity," Mr Anderson said. The ACCI chief said he believed Mr Shorten had the authority to take on the union heads.

But ACTU secretary Jeff Lawrence said he would push Mr Shorten to adopt the changes that were made to the Labor Party's platform on industrial relations laws. He said he believed Mr Shorten was on-side because he had recently been a union official. (SOURCE/EXTRACT: *The Australian*, 13.12.11)

Shorten's superannuation response

In September CoSBA wrote to Bill Shorten, the Minister with responsibility for occupational superannuation, about the demands on small business by the superannuation system, in his response he indicated the impost on small business would remain and that there was more superannuation red tape to come, is a clear demonstration of his and the Gillard Government's lack empathy for and understanding of the special needs and aspirations of small business. Shorten's response comes as no surprise. [See attachment: CORRESPONDENCE_SHORTEN.PDF.](#)

And, as he is now the Minister for Workplace Relations, and a former union boss. The big end of town may well choose go where angels fear to tread and hail the coming of the Messiah, but given his superannuation response together with the statement of ACTU secretary Jeff Lawrence who said, "he believed Mr Shorten was on-side because he had recently been a union official", small business has every reason to be afraid, very afraid. CB

WA records lowest unemployment in country

WA is faring best in the country for employment rates, according to figures released today. Australia's unemployment rate was 5.3 per cent in November, up 0.1 per cent from October, according to figures released by the Australian Bureau of Statistics today. However WA is sitting on 4.3 per cent, registering no change from last month.

Deutsche Bank senior economist Phil O'Donoghoe said there seemed to be a growing divide between the mining and other states. "We're not surprised that the strongest figures were in Western Australia, and we saw that in the GDP figures as well," he said. "There seems to be a dichotomy at the moment between WA and the rest of Australia." (SOURCE/EXTRACT: *WA BUSINESS NEWS*, Daily Business Alert, 8.12.11)

NBN could breach competition rules

The Productivity Commission has criticised the Gillard government's business model for the \$35.9 billion national broadband network, finding the project would not generate a commercial return and could be in breach of competition principles – *The Fin* (SOURCE: *WA BUSINESS NEWS*, Daily Business Alert, 9.12.11)

Reshuffle must give small biz cabinet seat

Shadow Small Business Minister Bruce Billson has called on the Prime Minister to give Small Business a seat at Labor's cabinet table and to recruit a person who is prepared to stand up for small business to fill the portfolio. Mr Billson's call comes amid speculation the PM is considering a ministerial reshuffle.

"Now is the time for the Government to back up its words with action by giving small business cabinet status," Mr Billson said. "The Gillard Government occasionally talks a good game when it comes to small business but rarely follows it up with any meaningful action.

"This year we've seen a carbon tax which has no direct assistance for small business and a mining tax which wipes out the 25 per cent tax discount for 400,000 of our smallest businesses. "This is just an example of the disdain Labor has for small business and why cabinet status is justified for a Minister with a bit of get up and go." (SOURCE/EXTRACT: *Media Release*, Bruce Billson, 9.12.11)

Government must reveal the cost effectiveness of lowering the retail GST threshold for imports

Shadow Small Business Minister Bruce Billson believes there is an 'in principle' case for lowering the GST threshold on imported items to a cost effective level despite the Gillard Government's claim that it would cost more to collect than it would raise.

Mr Billson's comments come after the Government released the Productivity Commission report into the Australian Retail Industry which found there were grounds for lowering the low value threshold (LVT) if structured properly "to promote tax neutrality with domestic sales". "The Productivity Commission makes clear that both small and big business are being hit by online overseas traders who are exempt from charging the GST," Mr Billson said. (SOURCE/EXTRACT: *Media Release*, Bruce Billson, 9.12.11)

Labor inaction on IR and GST is killing us: retailers

RETAILERS have attacked the Gillard government's decision to delay any move to ease restrictive workplace relations laws and act on unfair tax exemptions forcing local businesses to the wall.

The Productivity Commission's report into the future of the retail industry, released yesterday, recommended reforms to workplace relations laws to improve productivity, but Assistant Treasurer Bill Shorten immediately ruled out any measure that would result in lower pay for workers. "As a basic position, the Gillard government believes that cutting the conditions of shop assistants is not the way for the retail industry to promote its future," he said.

Robbie Lewis, manager of Adreno Dive Centre in Brisbane, was dismayed at the lack of action to change inflexible workplace laws. "Our problem is having to pay excessively high penalty rates for weekend or after-hours work . . . we don't open on a Sunday because we can't afford to pay people double time, and being in the recreational sector that's when people want to use our service," he said. "We've been punished heavily by foreign online retailers -- we're big into online selling ourselves, but our labour costs and rental costs make it impossible to compete."

Mr Shorten also deferred any action on the issue of GST and import tax exemptions applying to purchases of less than \$1000 from foreign websites, which local retailers say puts them at an unfair price disadvantage. The Productivity Commission found lowering the threshold to \$100 would collect an extra \$500 million in tax, but the cost of collecting the additional revenue would cost \$1.2 billion. (SOURCE/EXTRACT: *The Weekend Australian*, 10.12.11)

Sunday trading boost

Shoppers could be lured away from online discounts and into Perth's retail outlets if Sunday Christmas trading was extended to the rest of the year, the nation's chief economic think tank has found. Ahead of the start of Sunday trading for the city's shopkeepers . . . , the Productivity Commission has used a report into the problems facing the retail sector to argue that Perth consumers and businesses would be better off if the city's confusing trading restrictions were dumped.

According to the report, where people are allowed to shop freely on Sundays, they do so in droves. In capital cities other than Perth, Sunday is the second most important trading day - after Saturday - for general merchandise and non-food speciality stores. "When given the freedom to do so, consumers actually shift their shopping patterns towards the deregulated trading hours," it found. Restrictions on trading hours were one of the reasons more people were heading to their home computer to shop, with some evidence of a higher than normal increase in online shopping in Perth. (SOURCE/EXTRACT: *The Weekend West*, 10.12.11)

We Say 'No' to Unions' Secure Work Inquiry

Last week we received an invitation from the Chair of the unions' *Independent Inquiry into Insecure Work in Australia* to participate in their inquiry. We replied 'no', because we do not see the inquiry as being independent but instead having outcomes pre-determined against self-employed people. (See attached [their letter to us and our response](#), attachment: *Independent Inquiry into Insecure Work in Australia_ICA Response.pdf*)

This inquiry forms part of the strategy being pushed by Australian unions to harm self-employed people. I made this point to the union boss Ged Kearney on [ABC radio recently](#). It's part of the unions' allegation that 'sham contracting' is a massive problem. The real problem for unions is that the two major inquiries into sham contracting have produced different evidence.

The Fair Work Ombudsman shows a [small and contained 'problem'](#) as does the report from the [Australian Building and Construction Commission](#). Frankly, the unions are engaging in hysteria for the purposes of whipping up support for legislative and regulatory aggression that will harm self-employed people. (SOURCE: *Independent Contractors Australia*, 11.12.11)

Wharf workers branded 'scabs' for refusing to strike

Fremantle wharf workers accused of refusing to strike have been publicly branded scabs and "treacherous low-lives" in intimidating flyers posted in the port city. Flyers that name the five workers and accuse them of turning on their colleagues were posted anonymously in Fremantle late last week after vessel traffic operators and pilot boat crew took protected industrial action over a new enterprise agreement.

The poster quotes social activist Jack London's 1915 definition of a scab as a two-legged animal with a "corkscrew soul" and "a tumour of rotten principles" instead of a heart. "After God made the rattlesnake, the toad and the vampire, he had some awful substance left over, with which he made the scab," the flyer reads. It further notes that "once so branded a scab, they are marked for life".

It is understood the flyer wrongly lists one of the men as having "worked while their workmates legally took protected action in a dispute with Fremantle Ports for a new enterprise agreement". A two-day strike was staged earlier this month before a new pay deal was struck with Fremantle Ports on Friday that will see the wages of port pilots rise from \$82,000 to \$103,000 within four years. Separate industrial action over workplace safety involving more than 150 wharfies hit the port at the weekend.

Fremantle Ports would not comment on the flyers but confirmed they had been found and removed. The public attack comes as Australian business groups have suggested there is a growing militancy and negative culture among unions under the Federal industrial relations regime. (SOURCE/EXTRACT: *The West Australian*, 12.12.11)

Shop hours reform 'good for all'

WA's trading hours should be fully deregulated in a move that would provide long-term benefits to consumers and businesses, according to a landmark report. The report, by University of WA Consumer Research Unit assistant professor Tracey Atkins, is the first independent research of its kind in WA including an extensive review and analysis of historical and current regulation in WA and other States.

Released yesterday, it found consumers had a clear preference for flexible shopping hours and in States that had undertaken trading hours reform, roughly equally divided consumer sentiment pre-reform changed to overwhelming support post-reform. The report found the majority of arguments put forward by opponents of trading hours deregulation "do not eventuate following shop trading hours reform".

Professor Atkins said consumer preference, rather than the preferences of government or retail groups, led to the greater economic efficiency and optimal pricing, choice and quality for consumers. "Similarly, removal of restrictions reduces regulatory burdens, complexity and cost for business and enhances productivity," she said. The report found deregulation also boosted employment opportunities. (SOURCE/EXTRACT: *The West Australian*, 13.12.11)

Union fined for work stoppage

MILITANT West Australian unionist Joe McDonald and his union have been fined more than \$230,000 after he told members to stop work, delaying construction at a Perth building site on a number of days in 2009. The penalties imposed yesterday by the Federal Court also related to Mr McDonald's attempts to unlawfully coerce a subcontractor at the William Street building site to enter an enterprise agreement with workers.

Originally the case was scheduled for a two-week hearing but the Construction, Forestry, Mining and Energy Union assistant secretary decided not to fight the action brought by the building watchdog. This led Federal Court judge Michael Barker to order fines totalling \$231,000 relating to 10 breaches. Mr McDonald's individual fines total \$38,500 while the union will be forced to pay \$192,500. (SOURCE/EXTRACT: *The Australian*, 13.12.11)

Small business not part of Govt focus in 2012

The Coalition has questioned the sincerity of Labor's new found love for small business with a bunch of mixed signals coming from the PM and the new small business minister.

"As I said with our first priority being keeping the economy strong and ensuring that Australians have jobs, the ability to get a better job, the ability to start a small business." – Julia Gillard, Press conference 12 December 2011 "I wanted to make sure that things we are focusing on in 2012 are around the Cabinet table." – Julia Gillard, ABC AM 13 December 2011 "Small business is the heart of the economy." – Senator Mark Arbib, The Australian, 13 December 2011

Shadow Small Business, Competition Policy and Consumer Affairs Minister Bruce Billson said first the PM wanted to make small business a priority then she decided it wasn't important enough to have in cabinet.

"If Labor actually cared about the 2 million small businesses across the country it would give small business a seat at the cabinet table to make sure it was considered in every decision the Government made," Mr Billson said.

"How can Labor claim to have small business at its heart when it doesn't even consider having it as part of its key decision making process in cabinet? "The Coalition takes small business seriously and recognises its importance by including it in cabinet. "300,000 jobs have been lost in the small business sector since Labor came to power so the new minister has his work cut out." (SOURCE: *Media Release*, Bruce Billson, 13.12.11)

Union rage at lockout on wharves

A STEVEDORING company chaired by Chris Corrigan has locked out hundreds of wharfies and helicoptered in non-union labour over union pickets to unload ships, in an escalating dispute that presents Bill Shorten with his first challenge as Julia Gillard's new Workplace Relations Minister.

POAGS, a supplier of stevedoring logistics and port management services, has locked out 320 workers at Fremantle and Bunbury in Western Australia and Port Kembla in NSW after claiming bans imposed by the Maritime Union of Australia had rendered parts of its business unviable. (SOURCE/EXTRACT: *The Australian*, 14.12.11)

Business Names Bill 2011 Explanatory Memorandum

Attached is a copy of the new *Business Names (Commonwealth Powers) Bill 2011* Explanatory Memorandum through which the States have ceded their powers for business names registration to the Commonwealth. The *Business Names (Commonwealth Powers) Bill 2011* is also available. (See attachment: *Business_Names_Bill_2011_Explanatory.pdf*)

International Business Council Activities/Information

To read more on the following recently added articles, go to <http://www.ibcwa.org.au>

- Combined Small Business Alliance (CoSBA) - News & Updates
- U.S.: No plans to join IMF euro fund
- The annual American Chamber of Commerce Trade Mission to the Offshore Technology Conference
- Planning Afghanistan's Future Beyond 2014
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- China's inflation slows to 4.2 per cent
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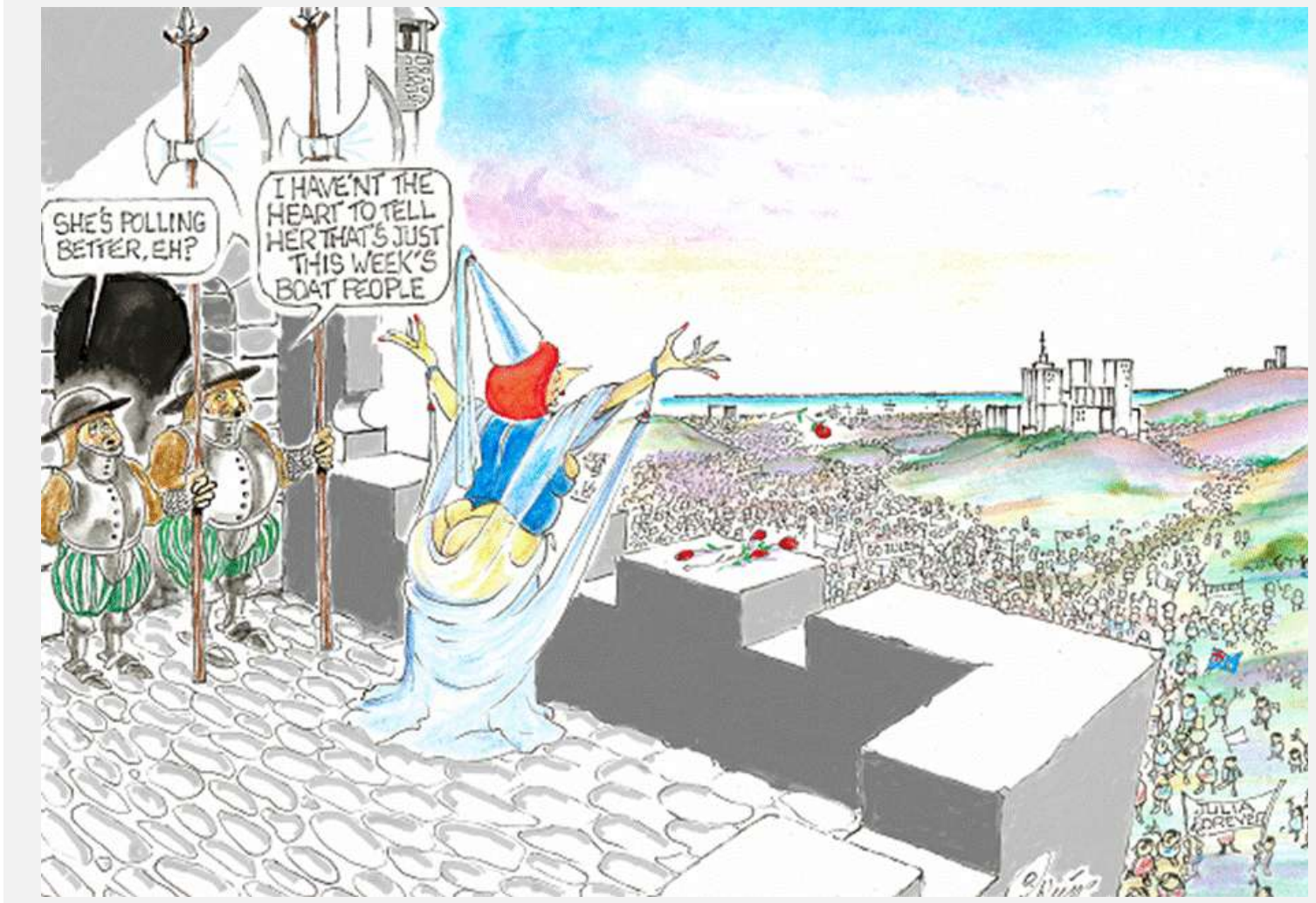
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