



The CoSBA Broadcast

Small Business News



Combined Small Business Alliance of WA Inc.

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- SCC_Breakfast.pdf
- WBA_Breakfast.pdf
- ARBA_Secret Women's Business Luncheon
- CORRESPONDENCE_IN.PDF
- No_confidence_in_Labor_sees_small_business_profitability.pdf
- ICA_Unfolding_Messes_Australian_IR&Europe_Teeters.pdf
- ICA_Work_Safety_Debate_Hots_Up.pdf
- SHERRY_SMALL_BUSINESS_TO_GET_CASH_FLOW_BENEFIT.pdf
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88 firms reported at risk of collapse

SENIOR bureaucrats were warning four months ago - before the debate over Australia's manufacturing future and the need to increase productivity escalated - that the number of companies at risk of collapse was rising.

And for the first time, bureaucrats found Queensland and Western Australia in the greatest turmoil, despite those states' mining activity serving to bolster the national economy.

In the four months to April the department collected adverse reports about 88 firms, of which 28 had already entered administration. A year earlier, there were 66 firms on the department's watch-list. Economic volatility has this year affected a broader range of sectors, for different reasons.

"In the past, NSW and Victoria have typically contained the majority of firms facing closure or potential closure," the briefs state. "In 2011, this trend reversed, with actual or potential firm failures being strongly reported in Western Australia (20 reports) and Queensland (19 reports). "This primarily reflects the recent expansion in reported construction firms.

The issues most commonly cited by construction companies included "the gradual withdrawal of stimulus-driven construction, and the slow decline in the pace of house building". Of the 88 reported firms 29 were in the manufacturing industry, where "common issues relate to difficulties with individual projects, cancellation of contracts, unfavourable sales conditions and one-off problems related to flood and weather damage".

"Manufacturers that are adversely affected by the strong dollar will be pressured to lift productivity and to move up the supply chain and develop more innovative, value-adding activities," the briefs state. (SOURCE/EXTRACT: *The Australian*, 16.9.11)

Make IR an election focus, says Peter Reith

HOWARD government workplace relations minister Peter Reith has told Tony Abbott he must make industrial relations reform a major issue for the next election, which would give him a second double-dissolution trigger alongside the carbon tax if the Coalition wins.

Speaking at the National Press Club yesterday, Mr Reith said changes to Labor's Fair Work Act were needed to lift productivity and boost employment. "I think the Coalition needs to do more to highlight some of the problems," he said, warning that the Coalition had "spooked itself" over Work Choices.

"(Work Choices) has been inflated as a bogymen, ridiculously inflated, and I think that's a political mistake the Coalition has made and I think it's about time they grew out of it and started getting back into the real debate, which is not about

NEXT MEETING: SPECIAL BOARD MEETING
NECA, Unit 18, 199 Balcatta Road, BALCATT, 18 October 2011

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Work Choices, it's about fixing the real problems." Mr Reith said the Coalition needed "to do more" to highlight issues with Labor's workplace relations regime. "If the public don't understand there are problems, they won't understand why they need to be supporting reforms." (SOURCE/EXTRACT: *The Weekend Australian*, 21.9.11)

Evans digs in on Fair Work war

LIKE a dour opening batsman, Chris Evans appears determined to see off the barrage of employer missiles aimed at rolling back Labor's federal workplace laws. Responding to the almost daily assaults on the Fair Work Act from the nation's business lobby, Julia Gillard's Workplace Relations Minister chooses grind over cavalier counter-attack.

When recent unremarkable comments by Wayne Swan were interpreted as opening the door to change when the act is reviewed in January, Evans quickly shut it. "We are prepared to entertain a discussion with interested parties about the evidence base of what is occurring under the Fair Work Act," he said. "What we do know about that evidence so far is that industrial disputation continues to fall, the number of agreements continues to increase and that overall wages growth is being contained. That's the evidence.

"What we have had is a whole range of claims being made on both sides about what is happening under the Fair Work Act. "We are prepared to sit down as part of the planned review at the end of this year, talk to people about the evidence and about any changes that might be justified, based on the evidence.

"But as I say, if you look at the indicators we are dealing with at the moment, the evidence is that the Fair Work Act is working and we will be proceeding to discuss with the major parties their views based on the evidence, not based on some quite wild claims that have been made by some people."

It's hard to misconstrue the message. Evans is prepared to participate in an "evidence-based" inquiry and examine how the act can be improved for employers and workers. However, he does not accept there is evidence of systemic failure. On the contrary, he insists ad nauseam that the act is "working well". (SOURCE/EXTRACT: *The Weekend Australian*, 17.9.11)

Tony Abbott's 'head in sand' on IR laws: employers

EMPLOYERS have attacked Tony Abbott's decision to oppose the reinstatement of individual contracts, accusing the Coalition of "putting its head in the sand" and ignoring major problems with the federal workplace laws.

The Opposition Leader also faced dissent from within the Coalition, with Liberal backbencher Jamie Briggs insisting he would continue to argue for individual statutory agreements, as "genuine" workplace flexibility could not be achieved without them. Liberal MP Kelly O'Dwyer offered support for Mr Briggs, saying: "We need to have the debate. In the course of the Coalition developing its industrial relations policy before the next election, I'm sure we will debate a range of issues."

The stoush came as Workplace Relations Minister Chris Evans revealed that Labor's upcoming review of the Fair Work Act would be undertaken independently of the federal government. The Australian Mines and Metals Association accused Mr Abbott of "thumbing his nose" at employers after the Opposition Leader said in an interview on ABC's 7.30 that the Coalition would not support the return of statutory individual contracts. (SOURCE/EXTRACT: *The Australian*, 22.9.11)

Govt agency to connect workers with jobs

Union leaders will join industry and the government to help connect skilled workers with jobs through a fast-tracked national agency. The National Workforce and Productivity Agency will be asked to advise the government on how to meet the continued demand for skilled workers.

Australian Chamber of Commerce and Industry chief executive Peter Anderson, Australian Workers Union boss Paul Howes, Australian Industry Group chief executive Heather Ridout and ACTU president Ged Kearney will form the interim board for the agency. The agency was slated to begin in July 2012. "The immediate challenge is to act as a skills broker," Jobs minister Chris Evans told the National Press Club on Wednesday. (SOURCE/EXTRACT: *WA BUSINESS NEWS*, Daily Business Alert, 21.9.11)

Santa's Sunday trading present

PERTH shops will be able to open on Sundays - but only for a few weeks leading up to Christmas. The State Government yesterday released details of Christmas and New Year retail trading hours, including:

- On the two Sundays before Christmas - December 11 and 18 - shops throughout Perth can open from 8am to 5pm.
- Shops will be shut on Christmas Day, but open throughout Perth on Boxing Day from 10am and the following day, from 8am.
- Shops in the special trading precincts of Perth, Fremantle, Joondalup, Midland and Armadale can open on New Year's Day and for the public holiday on Monday, January 2.
- Normal weeknight shopping hours will continue throughout the festive period.

Perth's shopping hours have been a hot topic of debate for years, with only retailers in special trading precincts allowed to open on Sundays. Premier Colin Barnett said the extension of Sunday trading to all parts of Perth would be a focus of a second-term conservative government. (SOURCE: *The Sunday Times*, 18.9.11)

Holiday trading hours: Including Christmas/New Year, see attachment [Holiday_trading_hours.pdf](#)

Work Safety Debate Hots Up

The work safety debate in Australia is reaching a new peak. The Gillard government has been claiming that its attempts

to 'harmonise' the laws (make them the same in each state) was locked in. This is now looking shaky in Victoria, South Australia and Western Australia at least. (See Attachment: ICA_Work Safety Debate Hots Up.pdf)

COSBOA and ICA adds to OHS debate

On lateline business Tuesday night (20.9.11) COSBOA and ICA added their voices to OHS debate, CoSBA unequivocally supported the position expressed by Peter Strong of COSBOA and Ken Phillips of ICA, and communicated with the State & Federal governments requesting that they urgently act upon these concerns. The Lateline Business article can be viewed in the link: <http://www.abc.net.au/lateline/business/>

SMALL BUSINESS TO GET CASH FLOW BENEFIT

Joint media release with Assistant Treasurer, the Hon Bill Shorten MP

Australia's 2.7 million small businesses will benefit from a package of tax law amendments that will improve cash flow and reduce compliance costs by simplifying the small business depreciation rules. (See Attachment: SHERRY_SMALL_BUSINESS_TO_GET_CASH_FLOW_BENEFIT.pdf)

RESPONSE TO PRODUCTIVITY COMMISSION RESEARCH REPORT

Senator Nick Sherry has today released the Government's response to the Productivity Commission's *Annual Review of Regulatory Burdens on Business: Business and Consumer Services*. The report presented 18 recommendations to reduce regulatory burden, covering issues including government consultation, superannuation, the commercial use of imported specimens and national registration of architects.

Senator Sherry said the Government is supportive of the bulk of the report's recommendations and has accepted or accepted in principle 10 of the recommendations. (See Attachment: SHERRY_RESPONSE_TO_PRODUCTIVITY_COMMISSION_RESEARCH_REPORT.pdf)

Big Business Fights Against Small Business in South Australia

We've [the ICA] been strong supporters for some time for the expansion of the small business commissioner model across Australia. This is currently playing out in South Australia. The Labor government is creating an expanded role for the Commissioner they plan to put in place. It will create good dispute-resolution processes for small business people. In [our assessment](#), we think the SA model gets the balance fairly right by beefing up mediation without going to arbitration. That will be left to the normal courts.

Surprisingly, the SA Liberals have opposed the plan. They've been [slammed by the Council of Small Business](#) who say that the Libs will harm SA small business. The Libs seem to have sided with big business interests in the franchise sector. We've previously described the players in this [mini-Shakespearean drama](#). Big franchisor interests claim that the SA Small Business Commissioner will harm investment in SA. That's nonsense. We're surprised the SA Liberals have swallowed that line. (SOURCE: ICA: Big Business Fights Against Small Business In SA)

Coalition to purge Labor tax policies

THE Coalition will today sink Julia Gillard's plan to send asylum-seekers to Malaysia and has vowed it will purge all elements of Labor's mining and carbon taxes when it wins the next election. In an escalation of the Coalition's policy rhetoric, Joe Hockey has warned householders and businesses that any compensation they receive from the government over next July's introduction of the carbon tax will be taken back by an incoming Coalition government as part of a push to improve the government's budget position.

The opposition Treasury spokesman has also vowed to amend Labor's industrial relations laws to deliver "worker mobility", re-emphasised the Coalition's promise to demolish Labor's mineral resources rent tax and rejected the use of its proposed parliamentary budget office. Mr Hockey's uncompromising stance has sparked Labor criticism, with Trade Minister Craig Emerson warning that the Coalition's plan to dump the carbon tax would mean higher taxes and lower pensions. (SOURCE/EXTRACT: *The Australian*, 19.9.11)

Changes to the Workers Compensation Act

Very important changes have been made to the Workers Compensation Act that will affect every employer and employee. Costs, ages and insurance policies concerning workers comp have all been reviewed. The *Workers' Compensation and Injury Management Amendment Act 2011* establishes a new dispute services model for workers' compensation disputes. The new model comes into effect on 1 December 2011.

As part of that process the Costs Committee, as constituted by section 269 of the *Workers' Compensation and Injury Management Act 1981*, has met to consider a revised Costs Determination that reflects the proposed dispute resolution process. The Costs Determination fixes maximum costs for legal, agent and related services in the resolution of disputes. SOURCE: NECA WA eNews, 36/2011 & www.workcover.wa.gov.au/News

PM flags business tax reform

Prime Minister Julia Gillard has called for focus at next month's tax forum on a business tax system to deliver more flexibility in the economy as the government continues to work on further incentives for investment in infrastructure. *The Fin* (SOURCE: WA BUSINESS NEWS, Today's Business Headlines, 20.9.11)

Premier boss sees big changes in retail

Retailers which ignored the sector's structural change, thinking it was just going through a tough economic cycle, did so at their peril, warns Retailer Premier Investments. Premier Investments owns fashion outlets Just Jeans, Jay Jays,

Portmans, Jacqui E, Peter Alexander and dotti, and the Smiggle stationery brand. Premier's retail operations chief executive Mark McInnes says retail is experiencing various structural pressures.

It was being hit by prices and costs in China; wage increases; rent increases; debt; and new competitors, including online competition and new entrants from overseas, he said. "This (downturn) is not just cyclical ... If you don't have strategies offsetting the structural pressures and the cyclical pressures, in the medium term, you're in a lot of trouble," Mr McInnes said in a briefing on the company's annual financial results. "Those structural pressures need individual programs to offset those structural pressures. (SOURCE/EXTRACT: *The West Australian*, 20.9.11)

Green as clueless as Labor on small business

If the Greens genuinely want to do something to help small business, they would ditch the carbon tax that is so damaging to consumer confidence, small business viability and employment prospects. Survey after survey point to the enormous dampening effect the proposed Labor-Greens carbon tax and a lack of confidence in the Gillard-Brown 'alliance' Government is having on small business profitability and future prospects.

Small businesses and family enterprises are facing difficult trading conditions and the Government and Greens seem intent on making a tough time even worse. If Bob Brown and Julie Gillard were listening to small business and genuinely want to help 'the engine room of the economy' they would ditch their ill-conceived carbon dioxide tax. (See Attachment: Green_clueless_as_abor_on_small_business.pdf)

International Business Council Activities/Information

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

- Tax forum - a GST free zone
- State's economic outlook strong
- Resources, energy export values grown 27pc to record \$175bn
- Red carpet ready for CHOGM
- Pain of British slump to last a decade
- High Australian dollar fuels pace of job layoffs in manufacturing
- FDI Strategic Weekly Analysis - 14 September 2011
- EU must take 'bold steps' if China is to help debt crisis, says Wen Jiabo
- China's Rise: South Pacific Perspectives - New Zealand and Australian Security Perceptions of China
- Central banks boost US dollar liquidity in European banking system
- Banks to gain cheaper funding source
- Aust trade surplus widens in July
- Amcham - Seminar "POSITIVE RELATIONSHIPS AT WORK"

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