



The CoSBA Broadcast

Small Business News



Combined Small Business Alliance of WA Inc.

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Attachments:

- CORRESPONDENCE_IN.PDF
- Statement - Business Growth Centre - 23.11.2011.pdf
- ICA-ABCC report on sham contracting.pdf

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CoSBA Christmas luncheon with Liza Harvey, Parliamentary Secretary for Small Business
L-R Val South, Liza Harvey, Les Marshall, Stephen Knight and Stuart Redmond

Business Growth Centre Demise-WA Government Indifference

The potential for the demise of the Business Growth Centre (BGC) was raised in the WA Legislative Council on 24 November 2011 in a statement delivered by the Shadow Minister for Small Business, Ljiljana Ravlich, directed at the Minister for Training, Peter Collier, reported in *Hansard* for the Legislative Council, at p9663b-9665a, see copy of extract attached: Statement - Business Growth Centre - 23.11.2011.pdf.

The Minister only response to Ms Ravlich's statement was contained in an exchange that ensued between Ms Ravlich and Mr Collier, firstly about Mr Collier being more interested in fiddling with his new phone than the plight of the BGC, and secondly in Mr Collier casting aspersions and denigration of Ms Ravlich's competence when she was the Minister for Education & Training. The extract does not record any other response by the Minister to Ms Ravlich's statement concerning the BGC.

This we would suggest clearly demonstrates indifference by the Minister to the plight of the BGC, small business training and the special needs and aspirations of small business in general, which we consider totally reprehensible.

NEXT MEETING: BOARD MEETING

2012 - TO BE ADVISED

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A demonstration of the Minister's indifference is the fact that on 21 October 2011, the Chair of the Governing Council of the West Coast Institute of Training (TAFE), which manages the BGC, wrote to the Minister as to the urgent need for continued funding and operation of the BGC, and on 19 November 2011 CoSBA wrote to Ministers Collier and O'Brien on this issue, to date no responses have been received.

What is more concerning is the question that arises, is Minister's indifferent attitude indicative of the Government's attitude towards small business in general? At the end of the day what happens with the BGC, we would suggest, will be a compelling pointer to answering that question.

We would also add, we have no doubt that the author of the review of the BGC and bureaucrats in the Department of Training, who over the years have and continue to demonstrate that they have no empathy for or understanding of the special needs of small business training whatsoever, are complicit in the demise of the BGC. *CB*.

Strike surge under Fair Work

Working days lost due to industrial action have hit a seven-year high, sparking business demands for Labor to use its imminent review of the federal workplace laws to wind back the capacity of unions to strike. *The Aus* (SOURCE: *WA BUSINESS NEWS*, Today's Business Headlines 2.12.11)

Local industry participation levels high in WA

Commerce Minister Simon O'Brien today tabled in Parliament the State Government's second [Local Content Report](#) - confirming more than \$8billion of publicly announced contracts had been awarded to local businesses from July to mid-November 2011.

Mr O'Brien said the report underlined the buoyant nature of resource development in Western Australia and the Government's intent for transparency. "The State Government will provide Parliament and the people of Western Australia with regular updates regarding significant developments in the important issue of local industry participation in State-based mineral and energy projects," he said.

"The report details the developments in the resources industry, including Chevron's decision to proceed with the \$29billion Wheatstone project and announcements by major iron ore project proponents to significantly upgrade production capacity, and how these developments have benefited WA-based companies.

"The report also shows that the State Government has been extremely active in implementing the initiatives contained in the Local Industry Participation Framework announced in July, in terms of both liaison with project proponents on local content issues and support to Western Australian-based manufacturing and service companies."

The Minister said there was a general understanding and acceptance of the priority the Liberal-National Government was placing on this issue with many project proponents. A positive interchange had also begun with the Federal Government as it acknowledged the implications of a more competitive local content market.

The November Local Content Report covers the release of the Western Australian Government Local Industry Participation Framework and its implementation; recent announcements in relation to project initiation and upgrades; trends in local contract awards; Federal Government initiatives; and a summary of project sourcing reports received under State Agreement Acts. This document follows on from the first report presented by the Minister to State Parliament in May 2011. (SOURCE: *Media Release*, Simon O'Brien, 29.11.11)

Level playing field for WA retailers

New laws to help small business in commercial lease negotiations

Small retailers on the same level as big retailers

Changes to commercial tenancy laws aimed at creating a level playing field for retailers in Western Australia are one step closer following yesterday's passing of the legislation in State Parliament. Commerce Minister Simon O'Brien said the Commercial Tenancy (Retail Shops) Agreements Amendment Bill 2011 would amend the Act to protect the rights of small business by making negotiations over retail shop leases more transparent, equitable and efficient.

"The new laws shift the balance of bargaining power to create a fairer and more equitable retail tenancy market. Tenants will be able to make more informed leasing decisions, with landlords required to provide additional information in disclosure statements," Mr O'Brien said. "The rights of retail tenants will be protected in relation to their options to renew leases and their security of tenure will be enhanced with landlords required to give prior notification of the expiry date of their renewal option.

"Under the amended Act, market rent reviews will be more accurate and transparent with landlords now required to provide relevant leasing information to a valuer. Landlords will now be prohibited from passing on certain legal fees to tenants associated with the preparation of a lease. "The new laws will also reduce the number of disputes between tenants and landlords. Retail tenants will be able to have their claims of misleading and deceptive conduct heard by the State Administrative Tribunal, which will reduce costs for small business - a welcome development in the challenging retail environment." (SOURCE: *Media Release*, Simon O'Brien, 2.12.11)

New laws protect Christmas shoppers

Christmas shoppers in WA will have the protection of the new Australian Consumer Law (ACL) for the first time this year with agencies planning a pre-Christmas campaign. The new laws, which came into effect on 1 January 2011, include consumer guarantees which ensure that goods sold in the Australian marketplace are safe, durable, free from defects and fit for their intended purpose.

Commissioner for Consumer Protection Anne Driscoll said there is also a guarantee for services. "When consumers buy a service, which could be anything from a haircut to lawn mowing, the person or business that sells the service automatically guarantees to use an acceptable level of skill or technical knowledge and the service will be carried out in a reasonable time in cases where there is no fixed time for supply," Ms Driscoll said.

"If goods or services fail to meet any of the guarantees provided under the Australian Consumer Law, consumers have a number of options available to them. If the problem is minor and can be fixed easily and within a reasonable time, the retailer or manufacturer can

choose to provide a repair, or offer a replacement or a refund. "If the product has a major fault the consumer can and should insist on determining what remedy they want, replacement goods or a full refund."

Consumer Protection in WA will join the Australian Competition and Consumer Commission (ACCC) and state and territory agencies in a co-ordinated national campaign to ensure that retailers are honouring these guarantees. "The campaign will be targeting stores which sell white goods, electronics and mobile phones to check that their refund policies are legal. The ACL has been law for almost a year now so we expect all retailers to have made any changes necessary to comply with the new laws," the Commissioner said.

Product safety officers at Consumer Protection will also be conducting a pre-Christmas blitz to ensure that toys being sold meet Australian safety standards. "Toys will be checked to make sure they don't pose a choking or strangulation hazard to a small child. Any toys found to be dangerous will be removed from the shelves," the Commissioner said.

"When shopping this Christmas for children's toys, safety-conscious buyers should follow age recommendations and instructions, look out for small toys or toys with small removable parts and choose sturdy, well-made toys that will withstand a child throwing it around."

Christmas shoppers who want to know their rights, or have concerns about the safety of a product, can contact Consumer Protection on **1300 30 40 54** or consumer@commerce.wa.gov.au

(SOURC: *Media Statement*, Department of Commerce, 29.11.11)

Jail threat to union boss

A magistrate has threatened unionist Joe McDonald with jail after he pleaded guilty yesterday to trespassing at a building site. Magistrate Paul Heaney said that he would not jail McDonald over the trespass but that another magistrate was likely to if he continued to break industrial law. The maximum term of imprisonment for trespass is six months jail.

McDonald, who has been found guilty in several trespass cases, was unrepentant. McDonald lost the permit for assault at an East Perth building site nearly six years ago and the application was unsuccessful. Absence of a permit means he is in breach of the law every time he enters a building site to talk to workers, if he does not have the express permission of the employer. Mr Heaney yesterday fined McDonald \$500 over trespass at a Perth Diploma site in July this year. (SOURCE/EXTRACT: *The Weekend West*, 3.12.11)

Sham contracting report

The Australian Building and Construction Commissioner released the Report of his self-initiated inquiry into Sham Contracting on 29 November 2011. The Report found that 'sham contracting' is not rife in the building industry (as claimed by the construction union, the CFMEU). He also rejected proposals for radical action such as changes to legislation, opting instead for a range of measures to improve existing education and administrative arrangements. (For details see attachment: [ICA-ABCC report on sham contracting.pdf](#))

Bosses blast Labor on arbitration

Employers have vowed to fight a Labor Party push to expand the scope for wage bargaining rounds to be decided through arbitration, saying it would encourage unions to hold out for higher pay and conditions. *The Fin* (SOURC: *WA BUSINESS NEWS*, Today's Business Headlines 3.12.11)

FBT Concessions: International Employees

The Federal Government announced this week that Living Away From Home (LAFM) allowances and other related LAFH benefits for temporary residents will no longer be treated on a concessional basis. Effectively, these proposed changes are potentially going to increase the cost to sponsor international labour and the amount of information required to substantiate that local individuals still qualify for a concession. (SOURCE/EXTRACT: *NECA WA eNews*, 47/2011)

Union drugs campaign up in smoke

THE mining union has lost a Fair Work Australia application aimed at forcing Australia's biggest mining contractor to abbreviate a random drug testing program in a decision that actively asserts the much-debated management prerogative, at least concerning workplace safety. The CFMEU took Henry Walker Eltin to the workplace regulator in an attempt to force it to deliver on commitments built into the last two workplace agreements covering Gloucester Coal workers.

The commitment, which has been the object of several years of agitation and dispute between the company and the coalmining union, was that HWE would drop urine screening from its random drug testing program and replace it with the obviously less intrusive saliva test.

The deal was that urine sampling would stop as soon as there was an official Australian Standard for the on-site testing of saliva. That standard was published in November 2006 and since then the CFMEU has been pushing HWE to fulfil the terms of the 2003 and 2008 workplace agreements. Instead, after reviewing the efficacy of the oral test, HWE developed a new policy that relies extensively on saliva testing but is further enforced by random urine sampling. (SOURCE/EXTRACT: *The Australian*, 6.12.11)

Workers eye sun damage compo claim

WA employers could be sitting on a time bomb of workers compensation claims for sun damage, cancer experts have warned. The alert comes after a Cancer Council report found more than \$38 million has been paid out to Australian workers in the past decade.

A review of occupational exposure to ultraviolet radiation found 1360 workers compensation claims for sun-related injury or disease were paid between 2000 and 2009, with the amount doubling from \$2 million in 2001 to \$4 million in 2008. Many claims were made by construction and waterfront workers, and most were for skin cancer and eye damage.

Terry Slevin, chairman of the council's occupational and environmental cancer risk committee, predicted the number would continue to rise, given a third of Australian workers were exposed to direct sunlight. Mr Slevin estimated about 200 melanomas and 34,000 non-melanoma skin cancers a year were linked to workplace UV exposure.

Many people had been unaware in the past that they could claim compensation for sun damage but a doubling of claims over 10 years suggested more were resorting to legal avenues to cover the costs of time off work or treatment, with payouts averaging \$12,000. Mr Slevin said only about half of employers had a sun protection policy. "There is a perception that skin cancer is going down and we're beaten the beast but that is simply not true," he said. (SOURCE/EXTRACT: *The West Australian*, 6.12.11)

Banks urged to pass on rate cut immediately to business

Shadow Small Business Minister Bruce Billson has urged the banks to immediately pass on interest rate cuts to small business loans following the RBA's decision to cut its cash rate by 25 basis points today. Mr Billson said after the last rate cut, some business borrowers had to wait for well over a week while some with home loans had their rate adjusted within hours.

"To have two rate cuts in a row should help small business both in terms of funding costs and the hope that it will lift consumer confidence during the Christmas period," Mr Billson said. "Hopefully the banks will act quickly to pass on the cut for home loans as well as business lending.

"Its important the RBA cut is passed on in full and quickly to business because under Labor, the gap between the Reserve Bank cash rate and residentially secured small business loan rates has blown out by 2 per cent. "Small business is feeling the heat at the moment and any relief for the sector should be passed on straight away. (SOURCE/EXTRACT: *Media Release*, Bruce Billson 6.12.11)

Big four raking in \$5.5m a day by delaying rate cus

THE four major banks are saving \$5.5 million each day the full benefits of the interest rate cut are held back from Australian businesses and consumers. The stand-off between the banks continued last night, with no bank budging on their key lending rates after the Reserve Bank of Australia's decision on Tuesday to lower the official cash rate from 4.5 per cent to 4.25 per cent.

The banks are facing increasing political and business pressure to cut rates for customers in the lead-up to Christmas to help stimulate the non-mining economy and boost domestic consumption levels. The regional banks Bank of Queensland and ME Bank remain the only banks to match the RBA's decision. (SOURCE/EXTRACT: *The Australian*, 8.12.11)

Minnows show up the big four

MORTGAGE minnows accused the big banks of putting shareholders before customers yesterday, as a string of credit unions passed on the full Reserve Bank rate cut to borrowers.

None of the "big four" -- the National Australia Bank, Commonwealth, Westpac and ANZ -- had by yesterday passed on the full rate cut announced by the Reserve Bank on Tuesday.

But the Bank of Queensland and two other small banks -- Heritage Bank and Bank MECU -- along with seven credit unions and building societies, had passed on the full cut.

Abacus, the industry body for non-bank lenders, said credit unions and building societies were owned by their customers.

"Unlike big banks, who squeeze every cent of profit to satisfy external shareholders, mutuals provide their 'dividend' in pricing and service to their customers," chief executive Louise Petschler said.

"Like the big banks our funding costs are rising, but mutuals are working hard to pass the maximum benefits of any rate changes to their members." (SOURCE/EXTRACT: *The Australian*, 8.12.11)

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