



The CoSBA Broadcast

Small Business News



Combined Small Business Alliance of WA Inc.

In this issue:

- Abbott turns his mind to reform
- Greens reject any return to contracts
- Business calls for return to flexible contracts
- Companies face \$100bn debt bill
- Business confidence drops sharply
- Govt to introduce carbon bills next week
- Govt must amend 'feeble' MRRT, Brown says
- NECA WA Golf Day – Friday 14 October
- Avoid the Shock of a Large Mobile Phone Bill
- ACTU hits out at 'vested script' on industrial relations
- Wayne Swan signals action on IR
- Union thuggery part of more damaging malaise

Attachments:

- Correspondence_Abbott.pdf
- BGC_August_Newsletter.pdf
- CORRESPONDENCE_O'Brien.pdf
- CORRESPONDENCE_IN_Evans.PDF
- ICA_Dangerous_Work_Safety_Laws.pdf
- MCCC_web_launch.pdf
- SBA_Luncheon.pdf
- BGC_Networking_Event.pdf

Sponsor CoSBA
with your
advertisement
here

DISCLAIMER: The information appearing in *The CoSBA BROADCAST* is for affiliates of the Combined Small Business Alliance of WA (CoSBA). The information is sourced from various sources including public records. Whilst every effort is made to ensure the probity of the information, CoSBA accepts no liability for accuracy, errors or omissions, or for any injury to any user of the information.

See the latest News and Updates
CoSBA Website
www.cosba.com.au

Abbott turns his mind to reform

TONY Abbott is too seasoned a politician to saddle himself with baggage as deeply unpopular as a rerun of the Howard government's Work Choices. But he has acted wisely, and not before time, in signalling that a Coalition government would increase the ability of employers and workers to directly strike workplace agreements, without the involvement of unions.

As productivity languishes, manufacturers struggle and retailers demand a realistic system of penalty rates for the real world in which customers shop at the weekends and evenings, the Coalition has no credible alternative but to commit to winding back the Rudd and Gillard government's regressive re-regulation of the labour market.

If Mr Abbott can find a practical mechanism for allowing workers and business to freely strike agreements "which suit themselves" by improving the individual flexibility arrangements that already exist under Labor's Fair Work Act he could save himself a great deal of political trouble. In current economic circumstances, especially, any ACTU campaign against a set of clearly defined improvements need not do significant electoral damage.

Workplace Relations Minister Chris Evans's alarmist claims that words used by Mr Abbott such as "flexibility" are "code for Work Choices" will not wash. Voters rejected the excesses of Work Choices in 2007, but the long-term trend away from trade union membership, which stands at just 18 per cent of employees and 14 per cent in the private sector, suggests that most Australians would be comfortable negotiating directly with their employers. (SOURCE/EXTRACT: *The Australian*, 2.9.11)

Greens reject any return to contracts

THE Greens have warned Tony Abbott they will oppose any return to individual workplace agreements under a Coalition government, as business groups welcomed the opposition's commitment to reform aspects of the industrial relations system.

Mr Abbott on Wednesday gave the strongest indication yet that a Coalition government would seek to strike more flexible workplace agreements without union involvement, saying he would inject more "freedom" into arrangements between workers and employers.

Lower House Greens MP Adam Bandt yesterday declared his party would block any attempt to revive individual workplace contracts. "We will oppose any attempt to return to Work Choices," Mr Bandt said. "The only way Mr Abbott could revive Work Choices will be if Labor is willing to back it. We will not."

NEXT MEETING: BOARD MEETING
NECA, Unit 18, 199 Balcatta Road, BALCATT
13 September 2011

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

PO Box 253, JOONDALUP. WA 6919

President: Les Marshall, Vice President: Rod Henderson, Secretary/Treasurer: Terry Bright

Chief Executive Officer: Oliver Moon. Phone: 9250 3549

Administration Secretary/Treasurer: Val South. Phone: 9306 0155

CoSBA website: www.cosba.com.au Email: ceo@cosba.com.au

Mr Bandt said that important employment rights were at risk under a Coalition government, including penalty rates, sick leave and holidays. But Australian Industry Group chief executive Heather Ridout said it was important to promote productivity in the workplace. "The fact that the opposition have now recognised the need to join this debate is strongly welcome," she said. (SOURCE/EXTRACT: *The Australian*, 2.9.11)

Business calls for return to flexible contracts

A LEADING employer group will today urge Labor to allow companies and workers to strike more flexible workplace deals, while releasing research showing strong business support for the return of individual contracts. Heather Ridout, chief executive of the Australian Industry Group, said that the Gillard government's system of individual flexibility arrangements should be overhauled as it had "promised so much but delivered so little".

The call by Ms Ridout, regarded as a moderate employer voice on workplace relations, will increase pressure on the government to implement changes to the Fair Work Act after it is reviewed from January next year. Ms Ridout said AWAs had provided important flexibility to employers and individual employees and the AI Group had opposed their abolition. "This remains our position," she said.

Workplace Relations Minister Chris Evans said last night that while he respected the contribution made by Ms Ridout and her organisation to economic debate, Labor remained opposed to the reinstatement of individual contracts. "The government has always been prepared to participate in an evidence-based debate about our workplace relations system and how it can be improved for both employers and employees," Senator Evans said.

Almost two-thirds of companies said they believed union power had increased in the enterprise bargaining process, with 29 per cent of employers with union involvement in their workplace saying unions had become less co-operative. "The government needs to move to address the problems rather than continuing to argue that the Act is working well in the face of evidence that it is not in some areas," she said.

"The opposition needs to work with the government to address the problems. It is vital the major parties find common ground on workplace relations, given the retrograde IR policies of the Greens who hold the balance of power." (SOURCE/EXTRACT: *The Australian*, 5.9.11)

Companies face \$100bn debt bill

Australian companies are facing an uphill battle to refinance more than \$100 billion of debt over the next 18 months as jitters in global credit markets force banks to cut funding lines to industries such as retailing and manufacturing. *The Fin* (SOURC: *WA BUSINESS NEWS*, Today's Business Headlines, 6.9.11)

Business confidence drops sharply

Business confidence in Western Australia is plummeting and has fallen to the lowest level since the global financial crisis, a series of new surveys shows. The Survey of Business Expectations commissioned by the Commonwealth Bank and WA's Chamber of Commerce and Industry (CCI) found that in the September quarter just one in four WA businesses expected the economy to improve over the next 12 months.

The survey also found businesses were pessimistic about rising costs and wages coupled with less demand for services. "Almost three quarters of businesses indicated the recent international global uncertainty was affecting their perceptions," CCI chief economist John Nicolaou said on Tuesday. "This is not surprising, given the survey was conducted during the recent historic US credit rating downgrade and stock market volatility."

He said businesses also highlighted domestic economic issues, the carbon tax and wage costs as the most significant issues affecting their perceptions of the economy. Mr Nicolaou said trading conditions continued to decline, hitting their lowest levels in two years, and the drop was being particularly felt by retailers and small businesses. (SOURC/EXTRACT: *WA BUSINESS NEWS*, Daily Business Alert, 6.9.11)

Govt to introduce carbon bills next week

The federal government will introduce its carbon price legislation into parliament next week. Lower house leader Anthony Albanese says parliament will start at noon (AEST) next Tuesday, two hours earlier than usual, in order for the bills to be introduced. "I have consulted the opposition on the change of time for the introduction as there are a large number of bills," he told reporters in Canberra.

There are expected to be 13 separate bills in all. Mr Albanese said it was the government's intention to commence debate on the draft laws from Wednesday. "I have certainly indicated to the opposition that we don't intend to have votes on this legislation until the October sitting," he said. "There can be no argument about proper process with this legislation."

The house leader said that with crossbench members having flagged their support, there was a majority in both the House of Representatives and the Senate to pass the legislation. (SOURC/EXTRACT: *WA BUSINESS NEWS*, Daily Business Alert, 6.9.11)

Govt must amend 'feeble' MRRT, Brown says

The federal government must amend its "feeble" mining tax that credits state royalties back to miners, Australian Greens Leader Bob Brown says. The NSW government said in its state budget on Tuesday that it would be increasing its mining royalties to raise an extra \$944 million between 2012 and 2015 in order to offset the cost of the federal government's carbon tax.

Under the Gillard government's planned 30 per cent Minerals Resource Rent Tax (MRRT) the commonwealth credits royalties back to the mining companies that pay them. But Senator Brown said the government should not "featherbed" the big mining corporations by rebating state royalties. "The Gillard government is in a bind over its feeble mining tax."

Senator Brown said in Hobart on Tuesday.

He said watering down the tax from the original 40 per cent resources super profit tax already meant \$100 billion was being lost over the next 10 years from the public purse. (SOURCE/EXTRACT: *WA BUSINESS NEWS*, Daily Business Alert, 6.9.11)

NECA WA Golf Day – Friday 14 October

Clear your schedule on Friday, 14th October. The 2011 NECA Golf Day is being held at the Joondulup Resort. Our 2010 event was a great success and this year it's going to be even bigger and better. After a BBQ lunch and a cold beer, we'll head out onto one of the best courses in WA for 18 holes of golf. Refreshments will be brought to you throughout the day and lots of fantastic prizes will be up for grabs. Followed by dinner in the resort's ballroom, this event is a great opportunity to entertain your clients and/or have a great day out with your colleagues.

Invites will be sent out next week and since it was a sellout last year, it would be best to get in quick. [Click here](#) to register your interest and we'll make sure you're one of the first to receive an invite. Don't miss out on the NECA Golf Day! (SOURCE: *NECA WA eNews Edition 34/2011*)

Avoid the Shock of a Large Mobile Phone Bill

Sometimes mobile phone bills can unexpectedly jump upward. Avoiding this can often be just a matter of checking your contract and asking your provider some simple questions. [Click here](#) for tips on how to keep your mobile phone bill down. (SOURCE: *NECA WA eNews Edition 34/2011*)

ACTU hits out at 'vested script' on industrial relations

ACTU president Ged Kearney has pushed back against employer attempts to wind back Labor's workplace laws, accusing business of contributing to declining productivity through a lack of investment and poor management decisions.

In a robust defence of unions and workers, Ms Kearney used an address to the National Press Club in Canberra yesterday to take on business groups that she said were portrayed as neutral commentators on the economy, not the "sectional, vested interests that they are".

"We are living in an Australia that is dictated by the interests of business, and where the tenor of media coverage and debate is dominated by unquestioned assumptions about the economy," she said. "Workers' views have been marginalised; social equity and community have been replaced as cardinal virtues by aspiration and material wealth."

Ms Kearney said the economic reforms of the Hawke and Keating governments were achieved "because" of the critical engagement of the union movement. "By increasingly representing just narrow corporate interests, institutions like the Reserve Bank and Productivity Commission risk not only becoming aloof from the concerns of working Australians, but losing the confidence of the broader community," she said.

Calls for labour market flexibility to increase productivity were too often code for giving employers the ability to cut hours and sack workers when it suited. "When did the profit margins of big companies become the sole economic indicator?" she asked. "Why have we allowed multinational mining companies to write our tax laws for us? Why is it that a fall in productivity is always the fault of the workers, never of poor management decisions, or a lack of investment? "Why is no one linking productivity issues to the sustained underinvestment in tertiary and vocational education?"

(SOURCE/EXTRACT: *The Australian*, 8.9.11)

Wayne Swan signals action on IR

WAYNE Swan has given Labor's strongest indication that it is prepared to amend its industrial relations laws in response to business claims they are inhibiting growth in productivity. But the Treasurer has made it clear the government has no plans to revert to the Coalition's previous Work Choices laws, which sidelined unions by emphasising the use of individual contracts. (SOURCE/EXTRACT: *The Australian*, 8.9.11)

He has also offered a passionate defence of Labor's productivity agenda, accusing Tony Abbott of misrepresenting Labor's economic performance to scare the community and expressing optimism about the future of the troubled manufacturing industry. (SOURCE/EXTRACT: *The Australian*, 8.9.11)

Union thuggery part of more damaging malaise

RECENT allegations of misconduct are a dreadful example of union officials showing disdain for the interests of those they serve, their members. Workers notice officials consumed by self-interest and it is a factor in the continued decline of trade union membership.

The union official's job is not a bed of roses. They have to master elements of Australia's complex labour laws. Unco-operative employers, unappreciative members and contrarian tribunals are encountered. Union elections come regularly; irksome rival factions have to be kept in their place.

Many unions are large organisations responsible for managing significant financial resources. The CFMEU is one of the best resourced. The latest report of the Victorian Branch of the CFMEU to Fair Work Australia recorded total assets of \$48.7 million and total members funds of \$42.8m. The branch has 87 people on the payroll, 31 of them organisers.

The CFMEU is an active and aggressive union. Its organisers can strike fear into contractors and workers. However, there is a downside to strong-arm tactics. The union and officials have incurred numerous court-imposed penalties and large legal expenses. There are indications the courts are losing patience and awarding a higher level of penalty.

The destructive events in the building industry are well known. However, a malaise in other industry sectors that has the potential to be more damaging. There are signs of an insidious reluctance to embrace change in work practices. The

cause is the Fair Work system which was portrayed as a moderate response to Work Choices. In fact it constituted a significant national economic change. It changed the structure of agreements, introduced onerous bargaining obligations, expanded unfair dismissal protections, increased access to arbitration, amplified the role of the tribunal, expanded employee anti-discrimination rights, enlarged national safety standards and removed right-of-entry restrictions on union officials. Access to an individual employment agreement stream was removed and collective agreement making entrenched.

Melbourne restaurateurs have warned oppressive penalty rates risk the city's world-class dining reputation by making it uneconomic to open on weekends.

These examples are symptomatic of a system gone awry. Change is needed and soon. The possible reforms are numerous and are not a return to Work Choices. They include access to individual agreements supported by a no disadvantage test. The regulation of independent contracting by commercial rather than industrial law. Simplified bargaining rules that facilitate wage adjustments related to productivity improvement. Lawful strike action available only after genuine bargaining has occurred.

John Lloyd is director, Workplace Reform and Productivity, at the Institute of Public Affairs and was Australian Building and Construction Commissioner 2005-10. (SOURCE/EXTRACT: The Australian, 8.9.11)

International Business Council Activities/Information

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

- In Unison Gala Ball - A Night in Hamburg- 8 October 2011
- Global gold miner seeks clean energy solution
- Independent Strategic Analysis of Australia's Global Interests
- 'India's Role in the Indian Ocean and East Asian Regions'
- Inflation may force RBA hand
- Inflation spikes in South Korea
- Japan's PM promotes forex novice Jun Azumi to Finance Minister
- Latest from the EU
- Little cheer for world's central bankers at gloomy gathering
- Plane biofuel to be made from eucalyptus to help cut greenhouse emissions
- Amcham - Business Briefing - JANE CUTLER Chief Executive Officer, NOPSA
- Weak factories darken global outlook
- And more

For IBC activities/information go to the IBC web site at: <http://www.ibcwa.org.au> <<http://www.ibcwa.org.au/>>, or contact them at: E-Mail: ibcwa@iinet.net.au <[ibcwa@iinet.net.au%20](mailto:ibcwa@iinet.net.au)>

Fax: 9356 9437 Tel: 9451 9449 Mob: 0413 437 708

PO Box 691, BENTLEY WA 6982

SMALL BUSINESS PARTNERS



Combined Small Business Alliance
of Western Australia Inc



www.sbdc.com.au



www.ibcwa.org.au



(formerly Small Business Training Institute)
www.bgc.wa.gov.au