

Laws that will crush the little

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WE consistently hear these days from Julia Gillard and her senior colleagues warm, soothing words about their love of small business people. However, their actions are those of smiling assassins implementing an arrogant, "don't care", slash-and-burn approach to the lives of the most vulnerable small business people.

This week in federal parliament they've been implementing a crush of anti-small business legislation. Take the plain packaging cigarette laws.

There are thousands of small, local milkbar owners, mostly immigrant families, seeking to make good in their new homeland. They sell cigarettes. They're stocked up on branded cigarettes. They're being given just a few weeks to clear their stock. This is impossible. In the past when new cigarette packaging laws have come in, the lead times has been in the order of six months.

This time thousands of low-income, small business people will be left with thousands of dollars of illegal, unsaleable stock. The cause? Gillard government incompetence. The Prime Minister has been warned of this and brushed it off.

Then there's the mining tax. It's been sold as pro-small business. Nonsense. The mining tax package steals tax offsets from the lowest-income small business people -- offsets designed to give them a leg-up in their business.

Instead, if they want the new tax depreciation allowance, they must first spend up big. Some high-earning, self-employed people might access this once, but few will be able to do this year after year. The outcome is tax increases for the smallest of small business people.

Next is the introduction of a new tribunal to set and enforce national pay rates for truckies. This is a political sell-out to the Transport Workers Union which has been planning this for years. It's modelled on NSW trucking laws that deliver massive power to the TWU. The evidence is that the NSW system pushes down incomes particularly of small business owner-drivers. This happens because the system requires that high-performing, high-income drivers be denied work that must go to non-performers. It's perverse. Average incomes drop, productivity declines, but that's the way it works.

Further, because these laws apply to self-employed truckies they are effectively an intrusion of industrial relations-type laws into the commercial setting. It's a process of commercial price-fixing by the back door that requires a subversion of competition and consumer laws.

Inevitably this aids big-business trucking firms that do deals with unions to the detriment of small-business truckies. And watch the ALP roll out this anti-competition model to other sectors!

Let's not forget the destruction of the construction industry cop, the Australian Building and Construction Commission.

Gillard is ramming this through parliament this week.

I find this particularly disturbing. I've worked with ordinary construction contractors who tell me of the fear and intimidation that overshadow the everyday working environment in construction. It's union mafia. Worksites are controlled by professional thugs. Under work safety laws, the bullying would be illegal. But because it's unions, blind eyes are turned. The ABCC broke this environment of fear.

One self-employed carpenter told me, "For the first time in my 20-year working life, I'm not fearful when I go to work."

He said this after seeing the ABCC stop union bullying on a construction site. This is the truth within the construction sector -- ordinary workers bring oppressed by union heavies.

Ex-union boss, now Assistant Treasurer Bill Shorten, knows this. His union members (Australian Workers Union) have for years suffered harassment and bullying from rival union thugs in the Construction Forestry Mining and Energy Union and Australian Manufacturing Workers Union. But clearly Shorten in government doesn't have the numbers to protect his old members. The violent unions have control of the ALP and the Greens and hence they control government.

At the bottom of the heap are the small construction contractors whose businesses are under threat. The process in the construction sector has always been about big unions doing big deals with big contractors to keep out the little business people. It's about the suppression of competition. Fear and violence have been the enforcement mechanisms.

The ABCC combated this. Gillard is wilfully destroying the protector of the little people in construction.

There's a pattern. To further kill off small business people, Shorten is implementing a massive new red tape transaction reporting system in the construction industry. It's supposed to catch tax cheats. But it won't. It fails to target the cash economy in the small-scale domestic housing construction and repair sector. This is the cash that consumers pay when they employ a plumber to fix a leaky pipe. This is being left alone.

Instead, the honest contractors and builders are to have a huge reporting system that's designed to discourage the use of small business contractors in constructing.

Why's this happening? Because the Gillard government believes in the union agenda to kill off any work that is not full time and permanent. The ACTU's "secure work" campaign reflects a view of life that holds that self-employed people and casual workers are somehow illegitimate and almost immoral. Labor rejects a society of diverse work arrangements. They demand conformity.

Will they succeed? Without doubt, yes. They have an integrated strategy. It's death to small business people by thousands of cuts. *Ken Phillips is executive director of Independent Contractors.*