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### **Submission re- Inquiry into Small Business Employment**

I wish to express my concern with respect to point 3 of the Terms of Reference of this Inquiry being - "The extent to which the complexity and duplication of regulation by Commonwealth, State and territory governments inhibits growth or performance in the small business sector".

Being an owner/operator of a small country video store my husband Stephen and myself were more than a little dismayed when we were informed that even once the GST was implemented in 2000 we were still required to pay Stamp Duty to the State Revenue Department. To us this appears as duplication - a tax on a tax. Our income has been adversely affected by the introduction of the GST - that is - prior to GST we purchased our videos and paid stamp duty on the monthly hire to the State Revenue Department. Now, we purchase our videos or DVDs, (prices of which still seem to have remained the same) we claim our input credit for the GST paid on the purchase and pay GST on *every* hire for the lifetime of that video/DVD to the Tax Department. We then still have to pay our monthly stamp duty on the hire (including the GST component) to the State Revenue Department.

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On a general note to do with the survival of Small Business in Australia I would like to appeal to the Federal Government to offer more useful support and incentive for Australians to own their own business. We don't need offers to do business plans, or training and mentoring we need cold hard cash to help keep a business alive. Why pay people to be unemployed when they could be running a shop in a country town, paying rent to someone who owns a building, selling products that someone else has produced in a factory unit down the road, or grown in the next town. These products in turn are subject to GST and we know the old saying - "what goes around - comes around"

Large proportions of small businesses are probably receiving some form of Government payment already ie. Low Income Supplement (I know we are and we couldn't survive without it). Why can't this be upgraded to a suitable amount and have it simplified and dependent on the profit made in a tax year by the business. Once a business is making say the "minimum wage" for the owners then they are cut off the system. Australians are a proud lot and we will see more battlers trying to make a go of it if they were able to "have a go to make something for themselves" than sit back or just work for the dole.

Speaking for ourselves - we chose to buy our own business 4 years ago but have found the last couple of years very difficult financially. (Our joint incomes are less than \$30,000 for which we work 7 days a week and have no paid holiday or super fund, as we cannot afford them) We could probably get full time work if we wanted but since owning the business we both have taken on community commitments such as; SES, Red Cross, Local Govt, Cadets and more which we could not do if we were not self employed. It is our choice.

Surely a "Government Small Business Allowance" paid to a family/partnership would make this country far more productive, healthier (less depressed, more active) and positive.  
You never know - some small businesses may even be able to employ others!