

-----Original Message-----

From: mcg [mailto:westoby@mcgwa.net.au]
Sent: Tuesday, May 21, 2002 2:24 PM
To: eet.sen@aph.gov.au
Subject: Senate Inquiry into Small Business Employment

Attention Margaret Blood
21 May 2002

Submission from the Master Cleaners Guild of WA (Inc)

RE: SENATE INQUIRY INTO SMALL BUSINESS EMPLOYMENT

The Guild is the Peak Industry Body for the WA Cleaning Industry, it has 170+ Member, most of which are Small Businesses, but between them they employ some 12,000 people throughout WA.

The main areas of concern are as follows:-

Industrial relations

The present award system is complicated and inflexible; there are five awards that affect our industry in WA. Is it not possible to consider having one simple system that is Australia wide and fair to all employees and employers?

The power of unions to police the present system is antagonistic to small business, bearing in mind union's philosophical opposition to business in general. Surely it should be the job of government to monitor and enforce legislation.

Unless proper thought is given to how things like maternity leave and redundancy are funded, their financial impact will be very damaging on small business

Taxation Compliance

There are far too many different taxes on small business.

One of the most contentious is the State's Payroll Tax. This tax acts as a disincentive to employment and also acts as a barrier to fair competition. It should be scrapped, and to compensate for its removal an increase GST or a tax based on gross turnover introduced.

Fringe benefits tax continues to cause small business too much compliance paperwork.

BAS statements every six months instead of the present three months would decrease compliance paperwork.

Small business is required to do far too much "government paper work" e.g. supplying information to Centrelink/Bas statements/ATO compliance etc. Most of which appears does little or nothing to help them run their business.

Insurance

Small business needs more certainty regarding compulsory insurances like workers compensation and public liability. Small business walks a minefield in regard to insurance and this is not helped by the way insurances companies cloak their activities to confuse and exploit.

Benchmarks such as the gazetted rate for workers compensation are negated when insurance companies are allowed to load these rates by up to one hundred percent.

Legislation is needed as a matter of urgency to "cap" both workers compensation and public liability claims.

Other Issues

- Introduce incentives to encourage small business to comply with environmental initiatives e.g. cleaner production.
- Introduce incentives to encourage small business to involve themselves in occupational safety and health initiatives e.g. Worksafe Certificate.
- Ensure training "agendas" are industry driven in conjunction with small business requirements and not in isolation by state training departments and big business.

Submission prepared by Ian Westoby Executive Director - Master Cleaners Guild of WA (Inc) in conjunction with a group of Guild Members.

For further information tel 08 9310 6518, fax 08 9310 5866, email mcg@mcgwa.net.au