

The Liberals' Small Business Policy

Supporting the growth of strong, successful
small businesses across Western Australia with
practical assistance and less red tape.

MAKING DECISIONS
GETTING THINGS DONE
SECURING WA'S FUTURE



Policy Summary

The Liberal Party recognises that the success of small business is crucial to the economic and social well-being of all Western Australians. While the resources sector might be the engine of the economy, small business is its heart and soul, creating job opportunities for people in their local communities.

A Liberal Government will reduce the burden of red tape and foster conditions that encourage their growth and viability.

We can be grateful for WA's natural resources but it is strong economic management and the ability to make difficult decisions that has - and will continue to see - real benefits for small businesses in WA.

Since 2008, the Liberal-led Government has worked hard to help small business with real and significant reforms, including the appointment of the State's first Small Business Commissioner to protect the rights of small business and legislation that improves the rights of commercial tenants.

The Liberal-led Government delivered late-night and Sunday trading and have reduced the burden of red tape, slashing the number of boards and committees, repealing unnecessary legislation and removing duplicative or redundant regulations. The Liberal-led Government has delivered tax relief to thousands of small businesses across WA, worth \$250 million.

If re-elected, a Liberal Government will focus on practical measures that will make life easier from small business. These measures will include:

- Further tax payroll relief to business worth \$121million.
- Increasing funding for Small Business Centres to \$15million over 4 years to ensure they continue to provide small business in metropolitan and regional WA
- Providing more balanced unfair dismissal laws for small business.
- Standing up for employers, by tightening the right of entry by unions
- Modernising WA's private sector awards, simplifying things for small business, with reduced number of up to date awards.
- Continue reform of retail trading hours, giving small retail shops more flexibility to employ staff and expand their businesses.
- Improved opportunities for small businesses in regional areas to secure government work through an enhanced Buy Local Policy.



Tax Relief for Small Business

If re-elected the Liberals will:

- Reform the payroll tax system, raising the payroll tax threshold to \$800,000 in 2014-15 and then \$850,000 in 2016-17

The Liberals are committed to lifting the tax burden on Western Australian businesses to free up funds that can be better used to invest, expand, employ and innovate.

Building on the Liberals' 2008 election commitment to provide \$250 million in tax relief to small and medium business, the Liberals will provide further support for Western Australian businesses by raising the payroll tax threshold from the current \$750,000 to \$850,000 during the next term of Government.

This action represents the first step in reform of the payroll tax system, with measures will be delivered in two stages, with the threshold to be increased to \$800,000 in 2014-15 and then further increase to \$850,000 in 2016-17. This decision by the Liberals will see more than 16,000 employers save \$121million, recognising the hard work and risks taken by business owners, and their crucial role in providing employment to Western Australians.

A Liberal Government will continue to grow the State's economy for the benefit of all Western Australians and the reduction in the payroll tax threshold is an important measure in ensuring Western Australia remains the most attractive State for business.

Practical Support for Small Business

If re-elected the Liberals will:

- Increase funding to the Small Business Centre Program to \$15million over four years to ensure small business across WA can access practical advice and support.

The Liberal Party believes that small business need help, not interference from Government.

A Liberal Government will provide funding of \$15 million over 4 years for the Small Business Centre Program, an increase of \$1million.

This will ensure that the 25 Small Business Centres across WA (19 regional and 6 in the metropolitan area) can continue to support small business with a free service that brings together expert advice and local knowledge.

Through the Small Business Centres local small businesses operators will be able to access:

- Help navigating government departments and regulations
- Business workshops
- Business information
- Referral to specialist advisers such as accountants and lawyers
- Assistance with planning for growth and development

Through practical measures of this nature, a Liberal government will give small businesses the help they need so they can continue that play the critical role of creating jobs and stimulating the economy.

Supporting Employers – Unfair Dismissal

If re-elected the Liberals will:

- Provide more balanced unfair dismissal laws for small business.

The Liberal Party understands that small business needs a fair and manageable industrial relations system. While recognising the importance of providing protections for employees, aspects of the industrial relations system introduced by Labor while in Government are out of balance and harmful to small business.

Currently, Western Australia's unfair dismissal laws are open to vexatious and unjustified action and can have potentially devastating effects on small business.

A Liberal Government will restore the balance and create a fairer and more productive environment for WA's unincorporated small business by amending the State's unfair dismissal laws to limit the circumstances where unfair dismissal will apply. The proposed changes broadly harmonise with the federal Fair Work Act.

This will mean small business employers with fewer than 15 employees will be protected from an unfair dismissal claim in the first 12 months of an employee's employment. Larger employers will be protected from unfair dismissal claims in the first 6 months of employment.

Employers will be protected from claims in situations such as fixed term contract employees who are terminated at the end of the contract term and claims where employees have genuinely been made redundant.

The changes will also mean employees will no longer be able to seek compensation through the Industrial Relations Commission for shock, distress or humiliation arising out of an unfair dismissal. The timeframe for bringing an unfair dismissal claim will be reduced from 28 days to 21 days.

These are fair and reasonable changes that will ensure greater consistency and give small business greater confidence and protection to continue creating jobs for Western Australians.

Supporting Employers – Right of Entry

If re-elected the Liberals will:

- Stop the Unions abusing the right of entry to worksites

Western Australia's right of entry laws are out of balance and open to abuse. Currently anyone nominated by a union can obtain a permit and enter a worksite or business without giving notice.

A Liberal Government will ensure a workplace environment that recognises and balances the interests of both employers and workers. A Liberal government will amend the state's right of entry laws to limit the circumstances and manner in which unions can enter a workplace and will impose penalties for the misuse of right of entry. The proposed changes will broadly harmonise Western Australia's legislation with the Federal Fair Work Act.

Thugs and criminals will be kept off worksites with a requirement for union officials to pass a "fit and proper person" test to hold a right of entry permit.

To prevent disruptive intrusions, unions will be required to give 24 hours' written notice before entering premises – except in relation to a suspected breach of occupational safety and health laws. When investigating a suspected breach, they will be required to particularise the suspected breach in writing.

Interruptions to the productivity of work places will be reduced with unions only be able to hold discussions with employees during authorised breaks.

The privacy rights of employees who choose not to join a union will also be protected with unions be prevented from accessing non-members' employment records.

Unions will be required to comply with reasonable requests of the business operator once on a work site and unions that misuse right of entry will face civil penalties.

These are reasonable changes that will put a stop to the misuse of the law to cause fear and intimidation and ensure the productivity of business is not disrupted.

Supporting Employers – Private Sector Awards

If re-elected the Liberals will:

- Modernise the State's private sector awards, reducing them in number and making it easier and less costly to employ staff and run a business.

The Liberal Party recognises that small business needs a system of private sector awards that enhance workplace flexibility and productivity.

Western Australia's 200 private sector awards are out-dated and confusing, making it hard for local businesses to innovate and grow with no real benefit to employees.

A Liberal Government will require the Western Australian Industrial Relations Commission to make new modern awards for the private sector with a request to reduce the number of awards from 200 to approximately 20.

The new awards will be easier for small business to manage and better suited to modern work places. This will make employing staff easier and will facilitate fair and productive work places. Importantly for employees, the commission will ensure employees are not worse off as a result of the important changes.

Ongoing reform of Retail Trading Hours

If re-elected the Liberals will:

- Raise the staff cap for Small Retail Shops from 18 to 25 employees and increase the maximum number of premises allowed for Small retail shop operators from three to four.

The Liberals have delivered the most significant reform of retail trading hours in 100 years. The introduction of late-night and Sunday trading and the broadening of the definition of a 'small retailer' has meant greater flexibility and opportunity for both retailers. For their customers, particularly busy families this has meant greater choice and the ability to better balance their busy lives.

A Liberal Government will increase the staff cap for Small Retail Shops from 18 to 25 employees. This will give small retailers greater flexibility to employ the people they need to make their business a success as well as providing employment opportunities and improved services to their customers.

A Liberal Government will also increase the maximum number of premises that may be operated under a small retail shop certificate from three to four. This will further enhance the ability of small retailers to grow and expand their business.

The Liberal National Government will continue to take a moderate, incremental approach to reform that will allow small business and the community time to adjust to the new arrangements and make the most of the opportunities.

A Fair Go for Regional Business

If re-elected the Liberals will:

- A Liberal Government will increase the ability of small businesses in regional areas to successfully tender for Government work

The Liberal Party recognises that businesses in regional Western Australia can find it hard to compete against metropolitan based businesses when it comes to tendering for Government contracts.

Higher transport costs and the economies of scale available to metropolitan businesses can put regional businesses at a disadvantage, even when their services are of the same quality as metropolitan based businesses.

A Liberal Government will increase the ability of small businesses in regional areas to successfully tender for government work by increasing the regional business preference from its current \$50,000 maximum to a maximum of \$250,000.

This will allow a regional business to successfully tender for work, where all other things being equal, the price difference for a tender from a regional business versus a non-regional business is not more than 10 per cent.

This will apply up to a maximum of \$250,000 for goods and services contracts; and \$500,000 on works contracts for building construction and significant land alterations.

This will enable regional businesses to compete more effectively on bigger jobs and mean more Government work remaining with local businesses and resulting in more local jobs.

This will give regional suppliers a fair go while ensuring that standards are maintained as regional businesses will still be required to be competitive on a range of other factors including quality of work and capacity to deliver on time.

This is an important measure by the Liberals to assist regional small businesses.

Our Record

The Liberals have a strong record in government:

In a challenging global business environment, the Liberal-led Government has, through careful management and strong leadership, ensured the people of WA get jobs and WA business share in the prosperity.

A Liberal led government has overseen growth in the WA economy that is twice the rate of the national economy; 70,000 additional jobs created in the past year alone; and retail sales figures that have grown in the past year by 9.73 per cent compared to the Australian average of 3.3 per cent.

The Liberal-led government has delivered a range of measures to benefit small business:

- \$250 million in payroll tax relief to business; including:
 - \$100 million rebate worth up to \$46,750 per employer.
 - A further \$150 million through full rebate in 2012-13 for payrolls of up to \$1.5 million and a partial rebate for those between \$1.5 - \$3 million. For a business with a payroll of \$1.5 million this means a rebate of \$42,000.
- Appointed the State's first Small Business Commissioner to investigate and resolve complaints about unfair market practices affecting small business and to provide a low-cost, non-litigious dispute resolution for small business operators.
- Improved the rights of commercial tenants to ensure fairer lease contracts, increased Security of tenure providing minimum 5-year lease, a fairer bargaining position, minimising disputes and providing access to low cost dispute resolution.
- Delivered more flexible trading hours, including late night trade on weeknights and Sunday trading.
- The Liberal-led Government has reduced the burden of excessive red tape on small business, dismantling numerous boards and committees, repealing unnecessary legislation and regulations and put in place measures that ensure any new regulation is justified and kept to a minimum.
- Have refused to sign up with Commonwealth harmonisation legislation where it has had cost implications on small business.