



What small business needs from the next Australian government



An initiative of
ACCI
AUSTRALIAN CHAMBER OF
COMMERCE AND INDUSTRY

FOREWORD

In April 2013, the Australian Chamber of Commerce and Industry launched an exciting grass-roots election year initiative, Small Business. Too Big to Ignore.

More than 700 small business people came together early morning at Homebush in Western Sydney to participate in the launch. In just the first two months some 20,000 active voices added their weight to the campaign for small business via www.toobigtoignore.org.au

This includes some 10,000 Facebook supporters joining the campaign, which demonstrates both the strength of small business mobilisation and the growth of social media for public debate.

The campaign is delivering a powerful national platform for small business to add their voices and get heard in Canberra.

Remember, small businesses may be small voices on their own, but together they are too big to ignore.

FOUNDING PARTNERS



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About the 'Big 4 You Can't Ignore'

We have been listening to small business.

Since the launch of the campaign we have been collecting stories identified by small business people and watching the trending topics.

We have taken what small business has to say and distilled it down into The BIG 4 You Can't Ignore for small business, which together we have identified as critical to small business survival and success. And they are:

1

Cut down on the RED TAPE

2

Simplify the TAX SYSTEM

3

Make it easier to EMPLOY PEOPLE

4

Build better INFRASTRUCTURE

The BIG 4 are supported by examples of what small business needs from the next Australian government. They are by no means exhaustive, but help to start answering the question 'what specifically is small business looking for?'

We will add more as the campaign goes on and small business continues to speak out about where and how these issues are affecting their businesses.

In the spirit of cooperation we hope that all political parties and candidates will take these issues and run with them. In the coming weeks and months before the 14 September polling day and beyond we will be asking them to do just that.

We acknowledge that it is a difficult time for the Australian economy and for governments to commit to additional funding or reduced revenue. We know this because small businesses feel these pressures most acutely. That is why some of these things we recommend don't cost much money at all and others are investments for future prosperity.

That prosperity will be shared by the community and small business alike. This is because small business is a central part of all local communities and at the heart of our Australian way of life.

#1



At every level of government, regulation is suffocating small business. The costs and time involved in complying with those regulations is bad enough, and the unnecessary duplication makes it even worse. Let's cut the red tape and give small business a break. We need to:

Make government administer superannuation and paid parental leave payments

Small business people should not be forced to be the unpaid paymasters for government schemes. This responsibility should be funded and administered by government. Let small businesses focus on creating more jobs instead.

Put in place sunset provisions for all business legislation and regulation, as well as a 1-in-1-out rule that actually works

Governments often use Acts of Parliament like dumping grounds for bright and not-so-bright ideas. The problem is that over the years even the good ones become dated, and together, they add up to be a real burden. Let's make sure every rule has to justify its existence and that government must lose an old one before it makes a new one.

Make the Small Business Commissioner a warrior to fight red tape

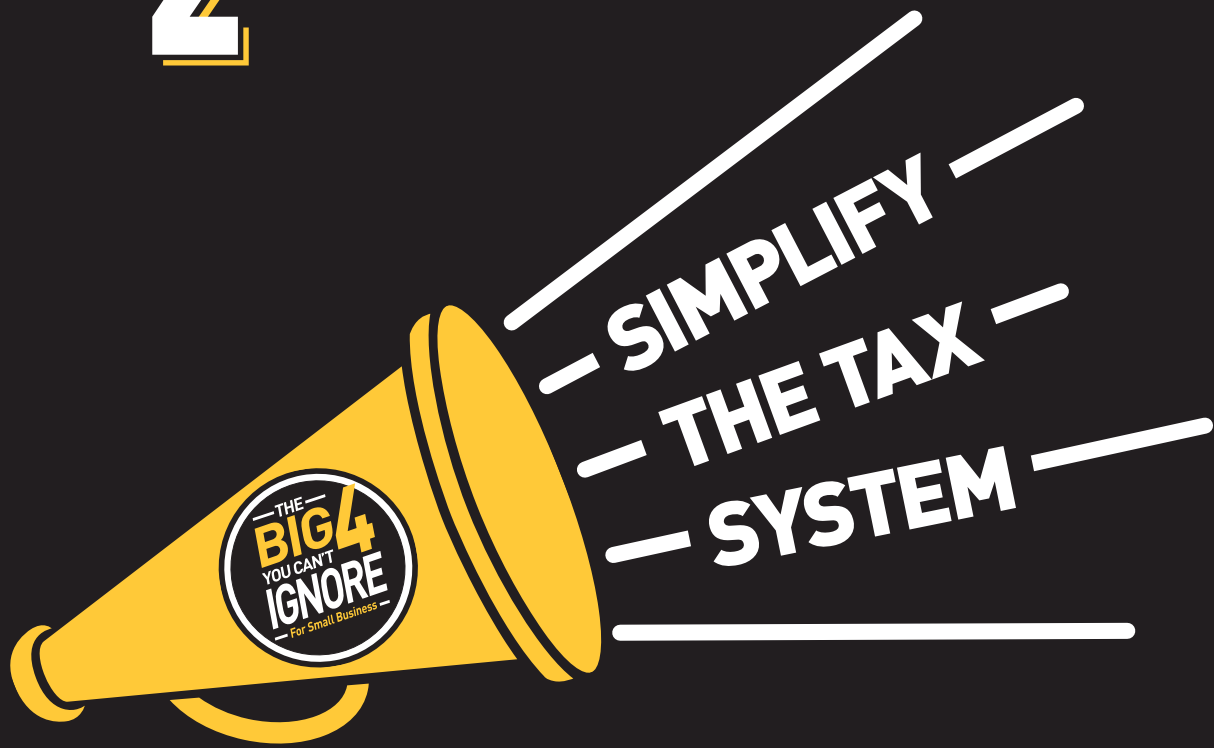
We don't need a new government agency to tackle red tape but we can give the Australian Small Business Commissioner broad powers and adequate funding to do the job. He or she must identify and fight red tape that is strangling small business, whether doing business at home or trying to break into markets overseas.

Get more small business in government and less government in small business

The great majority of politicians and government bureaucrats have never had any experience running a small business; they don't appreciate firsthand the risks, the pressures involved and how they add to that. We need political parties to support more candidates with small business experience and government agencies to attract and recruit people with small business backgrounds.

**But that is just the beginning for red tape.
Government needs to listen to small business,
with less talk and more action.**

#2



Our tax and finance systems are impossible for the average small business person to understand and comply with. Many small businesses need to employ specialists and the whole process adds unnecessary cost and time while draining entrepreneurship. Let's ease the tax burden and make it simpler for all of us. We need to:

Reduce and phase-out payroll tax

Payroll tax is a tax on jobs, and that doesn't make any sense. It also acts as a handbrake for small businesses as they try to grow into larger ones - that employ even more people. Let's work together to stop taxing employment.

Restore quarterly company and income tax collection

Business is drowning under a sea of paperwork. Forcing medium businesses to collect and make monthly payments is unnecessary, unfair and adds pressure on their small business suppliers. Let business people focus on running their businesses; not paperwork for the taxman – who needs to be a lot more user friendly for small business.

Support a trial of a small business credit guarantee

Many deserving small businesses struggle to get credit from financial institutions. We need to improve small business access to finance and make it easier for them to grow, develop and employ more people.

Force governments to pay bills on time or pay interest

When government doesn't pay its bills on time it is essentially a tax on small business. Small business shouldn't have to go cap in hand to ask for interest when there is very real fear of reprisal. Government should pay on time or pay interest.

But that is just the beginning for tax and finance reform. Government needs to listen to small business, with less talk and more action.

#3



Australia has become a very costly place for small business to hire, keep and dismiss staff. And when times are tough, that means jobs and hours get cut. It's also too hard to get workers with the right skills. Let's make it easier to employ people and create more jobs. We need to:

Make sure penalty rates are realistic and don't make businesses unviable

It just doesn't make sense that many businesses can't open their doors on weekends, evenings or public holidays. Or that small business owners and their families need to cover these times, often for no pay. Unrealistic penalty rates even harm employees that want to work but can't due to closures. And when businesses close customers miss out and governments lose revenue.

Let employers and employees make agreements with the protection of a safety net

We don't live in a one-size-fits-all world and neither does small business. People should be free to enter in mutually beneficial arrangements that fit their particular circumstances, while enjoying the protection of a global no disadvantage safety net.

Guarantee a person's right to work as a self-employed independent contractor

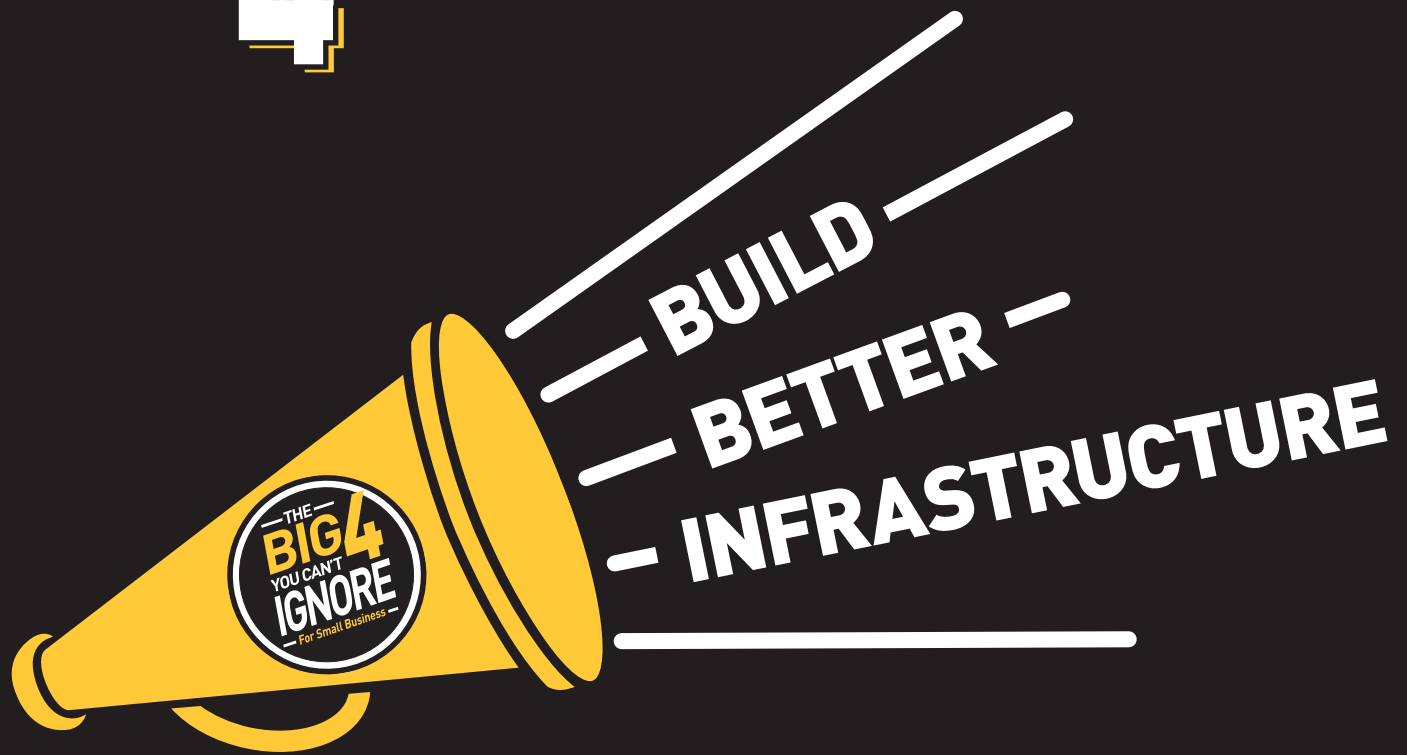
Trade unions often use workplace bargaining for reasons that have nothing to do with the direct relationship between employers and employees; such as limiting the use of independent contractors who are themselves small businesses. We need to limit unions' bargaining demands to matters directly related to employment relationships.

Ensure that increases to superannuation costs for small business are offset with income tax cuts

Recent changes to the superannuation levy make it more costly for small business to employ people. In many cases the increases come straight from the bottom line of small businesses that are struggling to stay open. We need to give small business a break and make sure they don't get stuck footing the bill for others' retirement at the expense of their own.

**But that is just the beginning for employment reform.
Government needs to listen to small business,
with less talk and more action.**

#4



Our roads are congested, our ports bottlenecked and our rail networks groaning with overuse. Energy costs are skyrocketing and making us less competitive. This affects us all, but is particularly hard on small business. It's time to actually do something about it, let's build new and better infrastructure. We need to consider and where there is clear value get cracking to:

Victoria:**Build the Melbourne East-West Link**

The project will increase the capacity of Melbourne's transport network and unlock productivity gains for business by making transport more efficient.

New South Wales:**Commit to a Western Sydney Airport at Badgerys Creek**

A supplementary airport at Badgerys Creek will provide massive employment and investment opportunities for Western Sydney and ensure that the growing demands for aviation services within the Sydney region are met.

Queensland:**Deliver the Bruce Highway Upgrade**

The project will strengthen an integral part of Queensland's road network and have a significant impact on national productivity and the competitiveness of businesses.

South Australia:**Build a 275 KV electricity line for Eyre Peninsula**

The much needed high voltage line is a missing piece of critical SA infrastructure. It will support greater resources, energy, tourism and agricultural projects.

Western Australia:**Break open infrastructure bottlenecks that are restricting growth.**

Much of WA's essential infrastructure is old and is restricting growth. The next Federal Government needs to prioritise investment in WA projects in order to help the national economy grow.

Tasmania:**Build the Four Lane Midlands Highway**

The project will increase the capacity of the main arterial route between north and south Tasmania. This vital connector will improve efficiency of transport for business.

Northern Territory:**Build a second port dedicated to bulk ore load out**

The second port will increase capacity, create efficiencies and produce downstream value for small businesses in the Northern Territory.

Australian Capital Territory:**Build the case for a High Speed Rail network linking East Coast capitals**

High Speed Rail can improve cross border connections, deliver positive economic returns and provide opportunities for business including in the ACT and region.

**But that is just the beginning for infrastructure.
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