

When I talk to small

business owners about the modern awards process that the Australian Labor Party is ramming down the throats of small business owners, they make it very clear what the actual impact will be on their businesses.

Take, for example, the owner of South Bank

Beach News and Souvenirs, Tony Philbrick. He wrote sometime ago to the Prime Minister. He outlined to the Prime Minister the impact of Labor's proposed modern awards on his business. He said:

Based on information we have received, we calculate that the Modern Award (to come into effect 1st January, 2010) will force a 14% increase to our weekly wage bill. To protect our family business we will have to reduce expenses to continue to remain cash flow positive.

Do you know how they intend to reduce expenses?

Like so many newsagents in this country, they will reduce expenses by cutting staff. He said:

Due to the specific treatment the proposed Modern Award applies to dramatically increasing weekend penalty rates, the first expense—

and the minister should listen closely—

we will have to consider is reducing the wages of our weekend staff.

There is the concrete evidence from someone in the Prime Minister's electorate about the impact. Lance Barrett, from the Coolum Village News and Casket Agency, also wrote to the Prime Minister, and he said:

Dear Prime Minister,

You might recall late last year whilst attending a function at the Hyatt Regency Coolum, that you came into my beachside shop one Sunday afternoon and chatted with my staff, a delightful 17 year old girl named Emma. Emma, this year her School Captain, is working weekends in order to fund a future university education.

I have to say, Mr Deputy Speaker, she is the kind of girl who is willing to roll her sleeves up and work for her future. What does Lance Barrett say about Labor's modern award process and the impact on his small business? In his letter, he said:

However, with the prospect of wage increases and penalty rate hikes amounting to around 30% of my gross wages, I have no alternative other than to drastically cut back on casual staff hours. This week I have had to tell Emma, and also Melissa, Michelle, Shannen, Georgia and Jess that unless the government of the country sees common sense, their casual hours with us will cease to exist, my shops will be closed every Sunday, and their chance of a good financial footing

when they leave school or university will have evaporated.

That is another example of the feedback that this side of the House not only receives but, in contrast to the government, listens to with respect to the modern awards process. There are so many letters. The member for Canning, Don Randall, who I know stands up for those members in his electorate, received a letter from Lynda Jacobs from the Kelmscott IGA. She said:

The Federal Government has spent the last eighteen months working towards reforming Workplace Relation laws, which include the introduction of a new General Retail Industry Award. If this Award becomes operative it will have a serious damaging effect on our business. We provide an important service to our local community but we may be unable to do that in the future if we are required to pay these large increases.

... ..

As concerned employers, we do not want to reduce staff, but we fear that this may be one of the inevitable consequences of the introduction of this new Award.

Andrew Laming, the member for Bowman, received a letter from Toscani's talking about the impact that would see his labour costs increase by some 20 per cent. The owner said:

This additional cost will make my business marginal. In particular

Sunday trading (which will incur in the new arrangements a 175% penalty) will not be viable and I will have to look at applying a penalty or closing in Sunday.

The member for McEwen received a letter from KoalaCountry saying the same story—increased costs, reduced employment. The member for Macarthur received a letter from the Outback Steakhouse again stating that there will be increased costs and reduced employment.

The member for Forrest, Nola Marino, received a letter from Busselton Fresh IGA stating that there will be increased costs and reduced employment.

River Fresh IGA stated the same story. The member for Dickson received the same story from a small business owner of seven years.

In every single example, we see a message that Labor just does not get. Labor just does not understand small business. It does not understand that there is a link between the costs of operating a business and the employment opportunities that they provide to their staff and to the profitability of that business. I have news for the Australian Labor Party: not every small business owner is rolling in cash; the vast bulk of them basically live from week to week earning a meagre salary. I tell the members of the Labor Party that they

do it by putting their family's future on the line and by putting their homes on the line, and they deserve the support of a government that is willing to stand up for small business—not to increase their costs, not to reduce employment opportunities for young Australians but a serious 'ridgy-didge' government, to use the Prime Minister's language. They deserve a government that is willing to actually do something to help small business. That is what we need and that is part of the reason this side of politics condemns the Australian Labor Party for its exceptionally lacklustre performance in supporting Australia's small businesses. In addition, we have another example of where the Australian Labor Party has been particularly impotent