



United Retail Federation

Serving Members Australia Wide™

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July 1st Doomsday Signals Breaking of Australia's Economic Backbone

Driscoll- "Any wage rise will now be erased for workers by increased cost of living"

Thursday, 1 July 2010

The **United Retail Federation**, a peak national industry body representing the retail sector across Australia, has said that the 1st of July represented Doomsday for small businesses and many had already factored in wage increases and the dramatic labour cost increases with 'a prolific number' cutting staff and/or cutting staff hours.

Scott Driscoll, National President of the **United Retail Federation** said that his members were facing monster increases of up to \$1600 extra a week* under the new 'Award Modernisation' provisions in addition to the wage increase both taking effect from today and added that a poll conducted by the Federation showing **89.41% of Small Business owners would cut staff in 2010 due to the new Federal IR Laws** was being borne out and would continue to be.

"Ms Gillard has been sharpening the axe on small family businesses for two and a half years, as Workplace Relations Minister, and today is execution day for the engine room of this country's economy," Mr Driscoll said.

“Make no mistake, the unbearable burden of wage increases, inflexible and unrealistic industrial relations legislation and interest rate hikes will destroy thousands of jobs and many small to medium businesses around the country.

“This will drive up the price of daily items such as food and groceries and this will immediately swallow up any perceived benefit from the imposed wage rise.

“I have had thousands of emails and phone calls from small business people over recent months in complete despair at having to put off exceptional staff while others have tragically lost their family business all together. These are not millionaires living on waterfronts like the elitist AWU Union bosses who have sealed their fate. These are mum and dad café owners, local grocers and fruit shops.

“Our members are absolutely appalled and can not fathom how they are expected to continue as the entrepreneurial small business people employing millions of Australians when they face a Government hell bent on destroying them at any cost.

“How do Ms Gillard and the cashed up AWU expect working family businesses to absorb these enormous costs when they have financial pressures already applied from an inability to access finance through to interest rate rises which are all a direct result of an incompetent Government that has plunged the country into debt and high levels of inflation.

“Ms Gillard forgets that the thousands of small businesses making up the backbone of our economy tend to reside in the most marginal of seats**, of which I am personally one.

“Ms Gillard has broken hearts, heads and now the backbone of Australia’s economy. She stands condemned and will soon pay the price at the polls,” Mr Driscoll said.

For further comment please call Scott Driscoll on 0413 831 045.

*** Based on an average URF small business employing up to 20 staff**

****Small Business Marginal Electorates:** Bass (Tas); Bennelong (NSW); Bowman (Qld); Braddon (Tas); Corangamite (Vic); Cowper (NSW); Deakin (Vic); Dickson (Qld); Flynn (Qld); Hasluck (WA); Herbert (Qld); LaTrobe (Vic); Macarthur (NSW); McEwen (Vic); Paterson (NSW); Petrie (QLD), Robertson (NSW); Solomon (NT); Stirling (WA); Sturt (SA); and Swan (WA).