



United Retail Federation

Serving Members Australia Wide™

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Gillard Backflips on Small Business and Halves Tax Cut

Driscoll – “Julia Gillard and Wayne Swan are ignorant liars”

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The **United Retail Federation**, a peak national industry body representing the retail sector across Australia, has said that Prime Minister Gillard’s decision today to renege on tax rate cuts promised to struggling small businesses would mean the average small business was now thousands of dollars worse off and would lead to more job losses.

Scott Driscoll, National President of the **United Retail Federation** said that the backflip on the tax rate cut was a “political face saving measure not a tax reform measure” and left small family businesses funding a ‘business tax’ in the form of superannuation increases and a halving of the company tax rate cuts that were promised in assistance to small business to fund the superannuation increases.

“The Labor Government has lied and reneged on its promises to the Australian small business community which employs the vast majority of all Australians. This will unfortunately cost jobs and reduce available hours for many retail workers,” Mr Driscoll said.

“Today the average small business owner is conservatively \$30,000 worse off from Julia Gillard’s decision to halve the company tax rate cut and retain the extra 3% superannuation ‘business tax’ on small businesses.

“This highly regressive and inefficient method of forcing small business owners to increase superannuation from 9% to 12% is effectively a further tax on small business that will result in further job losses. The government is asking family businesses around Australia to fund a 30% increase in superannuation charges and then welching on their promise of a 2% company tax cut.

“This is in addition to the already dramatic increases in electricity costs across Australia right now which will only get worse under Ms Gillard’s new mutant Super Tax arrangement.

“What this all means, of course, is higher food prices, widespread job cuts and the crippling of Australia’s economic backbone, the retail and small business sector, which employs the majority of all Australian workers,” Mr Driscoll said.

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