



United Retail Federation

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SMALL BUSINESS 2010 MID-ELECTION REPORT CARD



A-/B+



C-

<i>Company Tax Cuts</i>	
<i>The Coalition</i> will cut company tax from 30 per cent to 28.5 per cent. This will provide a tax cut to all Australian companies.	B+
<i>Labor</i> is committed to a company tax cut to 29 per cent, however some offsets to achieve this gain include concerns about an unsustainable rise in superannuation to be covered by small business and a mining tax that will inevitably negatively affect small business. There is also uncertainty as to a Greens-Labor controlled Senate with Greens committed to restoring the tax rate to 33%.	C+
<i>Small Business Minister to sit in Cabinet</i>	
In a <i>Coalition</i> government, the Minister for Small Business will sit in Cabinet and will make an annual statement to Parliament on progress and Commonwealth departments and agencies will be required to publish their small business guidelines in their annual reports.	A+
<i>Labor</i> has no commitment to have the Minister for Small Business in a Gillard Cabinet.	F-
<i>Paid Parental Leave</i>	
The <i>Coalition's</i> paid parental leave will help small business attract and retain workers. Small businesses, independent contractors and the self-employed will benefit from the Coalition's plan to provide paid parental leave to working women for six months at their full salary. The Coalition's plan will not disadvantage small business and will help attract and retain a stable workforce.	A
<i>Labor's</i> parental leave scheme will provide up to 18 weeks' Government-funded parental leave pay at the National Minimum Wage (currently \$543.78 per week) for eligible parents of children born or adopted on or after 1 January 2011.	B-
<i>Industrial Relations</i>	
The <i>Coalition</i> has pledged to give certainty to employers and employees by not amending the legislation in the next term.	B
<i>Labor</i> has not ruled out making further changes but has also not indicated what changes they foresee.	C

<i>Levelling the Playing Field for Procurement and Government Contracts</i>	
The <i>Coalition</i> will improve small business access to Commonwealth contracts. We will require government departments and agencies to use tender procedures and procurement practices that do not disadvantage small business participation and instead, actively encourage it.	A+
<i>Winning Business Online</i> is a <i>Labor</i> commitment to equip small business owners with the skills to work the web and prepare them for the opportunities.	C-
<i>Small Business Finance Reforms - Personal guarantees and private asset management</i>	
The <i>Coalition</i> will reward calculated risk-taking to grow small businesses by working with regulatory authorities to ensure that the commitment of personal guarantees and private asset mortgage is rewarded by more affordable and improved access to small business finance.	A-
<i>Labor</i> has no specific commitment in this regard.	F-
<i>Unfair Contract Protections for Small Business</i>	
The <i>Coalition</i> will extend Unfair Contract protections for small business. The Coalition will provide a ‘fair go’ for small business by extending the unfair contract protections currently available to consumers to cover the small business sector.	A-
<i>Labor</i> has no plan to extend Unfair Contract protections for small business.	F-
<i>Certainty on Personal Services Income</i>	
The <i>Coalition</i> will provide small business with a fairer deal on personal services income by not changing current laws relating to the treatment of personal service income.	B+
<i>Labor</i> has no measure regarding personal services income.	F-
<i>Red Tape Reduction</i>	
The <i>Coalition</i> will ensure departments and agencies pay small business bills on time by adopting a ‘pay on time or pay interest’ basis. Unlike Labor, this won’t be limited to only ‘formal’ contracts, it will apply to any small business that provides a service to the government. If an account is not paid within the 30 days, interest will be applied at the same rate as the ‘General Interest Charge’ applied by the Australian Taxation Office to late tax payments. As an additional incentive to encourage on-time payments, department and agency budgets will not be topped up to cover their delinquency.	A
<i>Labor</i> has a commitment to introducing <i>standard business reporting</i> , to reduce red tape and make it quicker and simpler for them to complete and lodge reports to government.	B+
The <i>Coalition</i> will reduce the compliance burden on small business and will adopt the principle of minimum effective regulation for proposals to amend or extend compliance burdens on small business.	B+
<i>Labor</i> has a commitment to introducing <i>standard business reporting</i> , to reduce red tape and make it quicker and simpler for them to complete and lodge reports to government.	B+
<i>Small Business Representation</i>	
The <i>Coalition</i> will establish a dedicated small business advocate – the Small Business and Family Enterprise Ombudsman. The Ombudsman will be empowered to ensure that small business concerns are registered and understood across all levels of government and the bureaucracy. In addition, the Ombudsman will be an advocate for the small business sector, able to help small businesses resolve disputes with government departments and agencies.	A+
<i>Labor</i> has a commitment to a Small Business Advisory Committee to complement the Government’s existing regulation assessment framework.	B-
The <i>Coalition</i> will give small business a say in taxation. We will ensure through future appointments that the Board of Taxation will always include a small business presence. Board members who have practical day-to-day experience of running a small business would be included and have a say on matters affecting taxation policy and administration.	A+
<i>Labor</i> has no commitment for small business representation on the Board of Taxation.	F-
The <i>Coalition</i> will encourage a better understanding of fair commercial conduct. The Small Business & Family Enterprise Ombudsman, in conjunction with the ACCC, will prepare and publish a series of ‘better practice’ guidelines to explain and encourage ‘fair commercial conduct’.	B
<i>Labor</i> has offered no specific commitment in regards to ‘fair commercial conduct’.	F-