

Kooyong Small Business NEWS

WINTER NEWSLETTER 2011



Listening to small business in Camberwell

A message from Josh Frydenberg MP

Small business is the engine room of our economy.

As the Member for Kooyong, supporting small business is a fundamental priority.

Small business owners across the electorate continue to do it tough.

Rising energy costs, higher interest rates and continued economic uncertainty are having a negative impact on consumer confidence. Business feels let down by the Gillard Government's performance after they promised so much, but have delivered very little.

I warmly welcome your feedback and I hope that you can complete the survey included with this newsletter.

I will continue to be a strong advocate for small businesses in Kooyong. Please do not hesitate to contact me should I be able to assist in any way.

Josh Frydenberg MP
Federal Member for Kooyong

Real action to support small business

A Coalition government will support and value small business, the backbone of our economy, by repairing the economy and getting government out of the way.

Small business is struggling with excessive red tape and regulation, higher interest rates and less access to affordable finance.

A Coalition Government will reduce the regulatory burden for small business by cutting red tape and regulation by at least \$1 billion every year.

Our plan includes giving business the option to remit compulsory superannuation payments made on behalf of workers directly to the Australian Taxation Office at the same time as PAYG payments are made.

This will require only one payment to one agency rather than multiple cheques to multiple superannuation funds. The ATO will send the money to superannuation funds directly.

We will also take pressure off interest rates and improve access to finance by returning the Budget to surplus and ending Labor's wasteful spending.

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WITH COMPLIMENTS OF

Josh Frydenberg MP

FEDERAL MEMBER FOR KOOYONG

Julia Gillard's waste and spending means more debt and more taxes

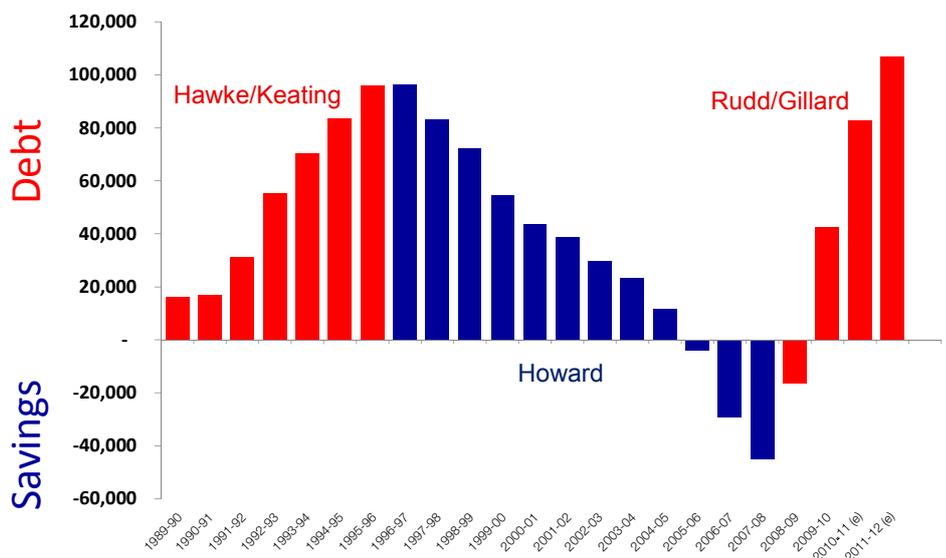
Labor just can't manage money. In just 4 short years, Labor has taken Australia's debt from \$0 under the Howard Government to a record debt of \$107 billion – or more than \$4,700 for every Australian – in the middle of a mining boom!

Even this year they have racked up a \$49 billion budget deficit – the second largest ever – and the Government's daily interest payments are now heading to \$20 million a day.

As small business operators face real challenges to balance their budgets, the Gillard Government continues to waste money, meaning increased taxes, unnecessary pressure on interest rates, and less access to affordable finance.

Labor's economic mess is hurting small business now and will continue to cost us.

Government Net Debt (\$millions)



Source: Budget Paper No. 1, 2011-12

Small business short changed by Labor

The Gillard Government is failing to address any of the key challenges currently faced by 'the engine room of the economy'.

Instead, Labor have 'short changed' smaller businesses, imposing new tax burdens and compliance obligations.

Many small business operators that rely on their cars will be slugged with higher FBT charges, with those driving more than 25,000 kilometres a year hit hard.

The Government admits that its extra tax on car use for business will earn it \$953 million. Wayne Swan's boast of a cash-flow benefit in 2013 from an increase in depreciation write-off on a new ute is a con.

To receive a tax benefit of \$1,275 a tradie would need to spend nearly \$34,000 in 2012/13 on a new vehicle.

This measure comes at the expense of over 400,000 of Australia's smallest businesses losing up to \$2,500 by the scrapping of the Entrepreneurs' Tax Offset.

“It's becoming harder not to reach the conclusion that the Gillard Government really hates small business people.”

(Independent Contractors Australia, 10 May 2011)

Only the Coalition has a plan for small business

Australia's small business people work hard, take risks and create jobs and prosperity right across the country. That's why the Coalition has a strong action plan to support Australian small businesses and family enterprises. Even the Government's own departments have recognised this:

"During the election campaign, (the Coalition) committed to numerous measures to support entrepreneurial activity and small business. These measures could provide an important boost to productivity".

Department of Prime Minister and Cabinet 'Blue Book', 2010

Little wonder that since the election the Government has simply 'lifted' parts of the Coalition's small business policy, like our plan for a Small Business and Family Enterprise Ombudsman.

And now, the Government has tasked the Productivity Commission to match the Coalition's red-tape reduction plan.

The Coalition's plan for real action to support small business can be found at: www.liberal.org.au/Issues/Small-Business



No Carbon Tax compensation for small business

Small businesses will not receive any compensation to help cover their cost increases under the Labor-Greens' Carbon Tax.

Small businesses have been told by the Government to either suck up the cost impacts or pass them on to consumers. This ignores the fact that most households are already concerned about cost of living pressures and fearful about price rises.

Competing imports will become more attractive, not having to carry Labor's Carbon Tax that will push up costs at each and every stage of service or production that uses energy.

Labor's Carbon Tax will damage our national economy, increase prices, destroy jobs and undermine the viability of Australian small businesses by making already difficult trading conditions even worse.



The Labor- Unions' attack on contractors & self employed

Julia Gillard's promise not to change personal service income tax laws 'or make life difficult for self-employed working people' has been shown to be nothing more than another broken promise.

The Gillard Labor Government has unleashed an assault on legitimate contractors and the self employed by adding new reporting and red-tape requirements for independent contractors in the construction sector.

This new impost, demanded by the union movement during secret meetings with key Ministers, adds to earlier directions from the Government to the Tax Office, FairWork Ombudsman and building industry watch-dog to 'go after' independent contractors.

This is just another part of the Labor-Unions' campaign to hound and harass small business people out of legitimate contracting arrangements and into employee-employer relationships that facilitate union intervention and control.

Small Business Survey

Your views are important to me, so let me know your concerns:

Please number (from 1 to 3) the three issues that concern you most:

- Labor's carbon tax that will push up energy, fuel and input costs
- Cost and availability of finance
- Increased costs for business with the proposed increase in compulsory superannuation payments
- Cutting and simplifying "red tape" for small businesses
- Higher rents and negotiating with landlords
- Increased union interference in the workplace
- Reduced flexibility and increased costs under recent award modernisation
- Unfair trade practices of big business
- Threat to treat independent contractors/self employed as "employees"
- Difficult small business trading conditions in "two-speed" economy



In your view, what is the most important action Tony Abbott could take to help small business?

What is the one thing you'd change/improve to support your business recovery?

Please select one of the following options:

I ALWAYS support the following at elections:

- Liberal Nationals Labor The Greens Family First Independent/Other

OR I USUALLY support the following at elections:

- Liberal Nationals Labor The Greens Family First Independent/Other

OR

- I don't really support any political party

Your details

Please complete the following details so that I can get in touch with you.

Name of Small Business: _____

Title (eg Mr, Mrs, Ms, Dr): _____

Name: _____

Address: _____

Home phone: _____

Mobile phone: _____

Fax: _____

Email: _____

Once you have completed this survey, please fax to: 03 9882 3773

OR Email to: josh.frydenberg.mp@aph.gov.au

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