

Monday, May 05, 2003

Dear ****,

The old slogan "*a leopard doesn't change its spots*" seems particularly apt as we reflect on the Bracks Government in the past week!

Small Business Commissioner

For your information, I have included with this letter two press releases I issued last week in relation to the new Victorian Small Business Commissioner. The Bracks Government appointed Mark Brennan to the new position on Monday, April 28th.

The Liberal Party has welcomed Mr Brennan's appointment but believes the new Small Business Commissioner should, as empowered under legislation, be examining a range of important issues that impact on the small business sector. The Minister is less enthusiastic about using the powers conferred in her legislation!

The most urgent of these issues is the Australian Council of Trade Union's redundancy test case that would rope in small business for the first time. As you are aware, the ACTU claim that is currently before the Australian Industrial Relations Commission would provide for redundancy packages of up to 20 weeks for full time, part time and casual workers.

In the Parliament last week, I asked the Minister for Small Business about her position on the ACTU redundancy claim. The Minister indicated to the Parliament that the Industrial Relations Minister had handled the Bracks State Government's submission to the AIRC and it was apparent in her answer to my question that she had made no representations on the ACTU claim to Cabinet on behalf of the small business sector.

I then asked the Minister for Small Business if she would instruct the Small Business Commissioner to examine the impact of the ACTU redundancy claim on the small business sector, but she refused.

The ACTU redundancy claim is one of the most critical issues currently facing the small business sector yet the Victorian Government and the Minister for Small Business are unwilling to examine the issue properly let alone act to support small business owners. Instead, the Bracks Government is supporting the ACTU claim that ropes in small business for the first time even though Labor state governments in other states have properly argued for a continuation of the exemption for small business from redundancy package claims.

The Federal Awards (Uniform System) Act

At the first opportunity, the Bracks Government used its majority in both Houses of State Parliament to pass the Federal Awards (Uniform Systems) bill to press the Federal Government to incorporate additional benefits for Victoria's Schedule 1a employees.

If there was any doubt about the Bracks Government's position on roping small business in on redundancy claims, this legislation dispels that doubt completely because redundancy claims are one of the award conditions that are sought in amendments to Federal legislation.

The Liberal Party's position on this legislation can be found in a speech by Andrew McIntosh, the Shadow Attorney General, in the Hansard section of the Victorian Parliament website at www.parliament.vic.gov.au

I would point out that one of the key concerns in this legislation is the establishment of so called *information services officers* - State Government officers with wide ranging powers whose role has little to do with information and everything to do with compliance and enforcement.

The Liberal Party is also concerned that Labor will use the Victorian Civil and Administrative Tribunal as an industrial relations court in the event the Federal Government does not amend the Federal industrial relations laws to include the provisions sought by the Bracks Government. In our view, VCAT has neither the competence nor capacity to effectively administer the industrial relations matters prescribed in this legislation.

Outworkers (Improved Protection) Act

The Bracks State Government also used its majority in both houses of the State Parliament to pass this legislation and, in fact, guillotined debate on this bill in both houses!

The Government voted against Liberal Party amendments in the Legislative Council that would have eliminated more proposed information services officers and provisions that create extensive and inappropriate powers to union representatives to enter places of business and to access information.

The Government gagged debate in the Legislative Council before another circulated amendment could be put to a vote. This amendment would have deleted a provision in the legislation that allows a union representative to prosecute an individual or company who engages or contracts with outworkers, deemed by this legislation to all be employees.

The entry powers provided in this legislation to representatives of the Clothing Textile and Footwear Union are greater than those available to the police and the union can exercise those powers on the basis that it **suspects** there is contravention of the legislation!

For your information, I have included a press release issued at the weekend on the Federal Awards (Uniform Systems) Act and the Outworkers (Improved Protection) Act.

The Liberal Party's position on the Outworkers legislation can be found in a speech by Andrew McIntosh, the Shadow Attorney General, in the Hansard section of the Victorian Parliament website at www.parliament.vic.gov.au

The Party's position is also outlined in a speech by Bill Forward, the Shadow Minister for Workcover and Energy, in the Legislative Council debate that can be accessed at the Parliament website.

The Legislative Council debate also incorporates the committee stage of debate on the legislation in which the Liberal Party attempted to amend the clauses establishing the information services officers and conferring the extraordinary powers on the Textile Clothing and Footwear Union. The Liberal Party was gagged in this debate and Labor used its numbers to force the bill through without amendments.

The Dawson Review

Several associations representing the small business sector have raised concerns with me about the outcome of the Dawson Review of the Trade Practices Act, particularly in relation to Sections 46 and 51 dealing with misuse of market power and unconscionable conduct. The concerns stem from recent High Court decisions testing those two sections.

I have raised the concerns expressed to me regarding the Dawson Review and the Federal Government response with Federal Treasurer's office.

I have also suggested to the Federal Treasurer that, from my experience, the proposed \$3 million cap in the collective bargaining provisions should be lifted to a higher and, in my view, a more realistic figure. I have suggested at least \$10 million as the cap for this provision.

The Liberal Party in the Victorian State Parliament recognises the importance of a fair and competitive marketplace and is committed to supporting the growth of a vibrant and successful small business sector.

I would be pleased to discuss further with you any of the matters outlined in this letter and further, I would welcome your comments or advice on any other matters affecting your members or on small business issues.

Yours sincerely,

Bruce Atkinson MLC
Liberal Spokesperson on Small Business

PS If you think that the developments outlined in this letter are not sufficient to prove a leopard can't change its spots, you might also be interested to know that the Auditor General last week reported to State Parliament on a funny money scheme developed by the Minister for Small Business to fund pet Government projects. Then there is the above market leasing deal the Bracks Government has finalised with

union superannuation funds and the success fee paid on the deal to former Cain-Kirner Minister, David White!