

## **Peter Strong – National Press Club Address 29 July 2020**

### **JobKillers Versus JobMakers**

### **Small business creating jobs**

Small business is the backbone of the economy and jobs. The reality is so are big and medium businesses. Small business is also the backbone of community sport and community charities. They are a big player in the health of the community and that is why, thank you to the federal government, we have our campaign – **Go Local First!**

In 1989 I was the manager of the Commonwealth Employment Service in Inverell, a beautiful country town on the Qld NSW border. I came to work one day at 8am and found 120 people milling around at the front waiting for us to open. I asked what happened – they were abattoirs workers who came to work at 6am and were duly told they didn't have a job. There was no other abattoir in Inverell and basically no other jobs. We worked hard to help these people move to where there were jobs. We used wage subsidies, the processes of industry restructuring, the proactive training sector and community support groups to assist these families get an income. This is what we now face magnified a hundred times.

### **Ladies and gentlemen - JobKillers versus JobMakers**

**A JobKiller is a system or process or a regulation or an organisation or an ideology that makes it hard for a small business people to operate and employ other people.**

**Instead of spending time on our business we spend time on someone else's business.**

**A JobMaker is a process that motivates small business people to start a business and employ people. A JobMaker removes fear, complexity and uncertainty.**

**This is about the future for our daughters and sons, our parents, our siblings and our friends – will they have a job?**

A JobKiller is the current Workplace Relations system, the jobmaker is a Small Business Industrial Award. (as highlighted by Kate Carnell),

A JobKiller is Payroll tax – when you employ more you get taxed. The JobMaker is a new tax system that allows for the removal of payroll tax and streamlining of interaction with the ATO.

Shadow regulators inhibit business activity

OneMusic, APRA AMCOS, PCCA, Copyright Australia & other collection agencies are JobKillers. We have the highest copyright licence fees in the world. Why is that? The music and entertainment and university sectors have taken a huge hit and continue to do so. How do they recover when our fees are the highest in the world? In music over 80% of funds collected by collection agencies are sent overseas.

In one example a group called Strawberry Fields runs outdoor music events. Last year, due to the high costs of the licence fee, they could not afford to employ DJs and those that support DJs. Jobs killed.

Another example, OneMusic's own information shows that a nightclub with a 300 square metres premises, a capacity of 200 people, operating 6 days a week would pay a licence fee of \$1354 in Canada, \$3,109.71 in New Zealand (that is also run by OneMusic), \$12,103.11 in the UK and \$51,436.36 in Australia. That's more than a lot of venues pay in rent. That kills jobs.

The JobMaker can only be developed by a parliamentary review into our copyright laws and our collection agencies. This is an area that needs fixing for the sake of the recovery of our music and entertainment sectors and our education.

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GS1 – is another monopolistic organisation, they manage barcodes and for some reason Australia has the most expensive barcodes. Why is

that? This extra cost and process would have an impact on manufacturing in particular. And we want manufacturing to increase. GS1 must meet the needs of business not the staffing needs of GS1.)

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Another JobKiller is the Superannuation collection process which involves a large group of shadow regulators – the Industry Superannuation funds. The JobMaker is to put super into PAYG payments to the ATO This would give employees more certainty, the ATO more access to the process and the small business person more time

Because in the superannuation process small business do the funds collection work for no pay and get fined if they don't. Jobs Killed.

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A JobKiller is Safe Work Australia – who writes 1400 pages of guidance for a small business to deal with in COVID times. Also under SWA rules a self-employed person (or as they call them a PCBU) is legally responsible for the mental health of workers and their own mental health This stops people from employing – it is impossible to be responsible for someone else's mental health. The JobMaker is to make safety laws understandable, achievable and fit for purpose – and give small business people the same rights as anyone else.

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Now we come to the group of people who don't understand economies and human beings and that is - Laissez-faire economists. They are the people who, when ever they are asked a question, will state blandly *Let The Market Decide* – we state *Let's make sure the market CAN decide.*

The situation we confront (besides COVID) is: reliance upon one country for too much of our import and export activity; our manufacturing sector ignored for too long; our value adding capacity treated with disdain and arrogance; and competition policy that does not consider health as an outcome.

Here is what Robert Menzies, our longest serving PM and founder of the Liberal Party had to say in his very famous Forgotten People speech in 1942, about Laissez-faire economists:

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*..... we must be not pallid and bloodless ghosts, but a community of people whose motto shall be, "To strive, to seek, to find, and not to yield." Individual enterprise must drive us forward. That does not mean we are to return to the old and selfish notions of laissez-faire. The functions of the State will be much more than merely keeping the ring within which the competitors will fight."*

If we are to have a healthy community then we need diversity and choice. Can you imagine if in March this year that all shopping and service were to be found in a small number of very large shopping centres and malls? We need a geographically diverse shopping sector for the management of any economic shock such as a pandemic. Without community pharmacy and suburban butchers and small business for example this crisis would have been much more difficult to manage.

We have to be proactive if jobs are to be created and maintained. We often talk about targeting and assisting businesses that want to start up and grow.

How will we discover the people that want to grow? It won't be a few people in Sydney, Melbourne and Canberra who will spot from afar the growth businesses. It will be obvious at the local level. We need a program of Local Economic Development – then manufacturing can grow and communities can add value to the overall economy without being supervised by a few in ivory towers.

We also need to prepare for job creation, industry restructuring, specialist programs to develop manufacturing and we must confront the value adding capacity of Australia.

It's not good enough that we export more Lithium than any other country or that meat exports make up the largest part of our . We export rare earths - we must add value to our own ore and also more value to our agricultural products.

It is not good enough that we rely upon other nations for our health materials. We need to be self- sufficient in PPE and other health products. That means we need support for industry.

We do not believe in protectionism or tariffs. We do believe in a pro active and inclusive approach and we must empower the small and medium business community to have a greater say in their local economies.

Then we can confront the new world whatever it might look like.

Without small business in all the communities of Australia we cannot survive-  
so Go Local First.