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HOUSE OF REPRESENTATIVES

PROOF

MATTERS OF PUBLIC IMPORTANCE

Small Business

SPEECH

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Questioner
Speaker Emerson, Craig, MP

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Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (4.10 pm)—On occasion, the member for Moncrieff, the shadow minister for small business, has delivered a passable speech in this parliament, but I thought that was a particularly dusty effort. He obviously had a good time at the midwinter ball last night and is just not firing today. But he made a number of points on an MPI which is about the government's support for small business, and I would just like to take members in the chamber through a couple of statements that he made in his contribution.

The member for Moncrieff said that there are far fewer working people these days. Let us understand what is going on here: this is part of a coordinated effort by coalition members to talk the economy down—to pretend to present to the Australian people that the total number of employed people in this country has fallen in the last few months. These are the sorts of claims that have been made by the shadow Treasurer, who at one point claimed that employment had fallen by 80,000 people. Indeed, it was one of these auctions where the shadow finance minister, Senator Coonan, on *Sky News Sunday Agenda* on 3 May said:

What have we seen, in fact 154,000 jobs lost just since October.

Yet again we have got the shadow Treasurer, the shadow finance minister and now the shadow small business minister all asserting that jobs have been lost since last year. Let us have a look at some of the facts. Between October of last year and May of this year, the total number of people employed has fallen by 24,000, not by 80,000 as claimed by the shadow Treasurer and not by 154,000 as claimed by the shadow finance minister.

I ask members in the parliament to imagine what the total number of jobs lost—the reduction in employment—is in the 12 months to May of this year. I suppose that people, if they were listening to the coalition, would say, 'Well, it might be 20,000 less or 30,000 or 40,000 less.' In truth, in that period—in

the last year—total employment has grown by 35,000. There is employment growth in this country.

From the change of government in November 2007 until the latest figures, which became available in May, the total number of employed people has risen by 145,000. If you were listening to the coalition, you would never pick that, would you? They are always talking the economy down. I have been asked for evidence of the coalition talking the economy down. There is no clearer evidence of the coalition knowing the truth—the figures are produced by the Australian Bureau of Statistics—than the shadow finance minister, the shadow Treasurer and now the small business minister all asserting that there has been a big reduction in employment in this country. There is no more irresponsible way of talking the economy down than coalition MPs coming to this place and trying to tell people that they are going to lose their jobs because there has been a big reduction in employment in this country.

The coalition would rather see the people of Australia fail than see the government succeed—that is the problem. The only jobs that they are concerned about are the jobs of 30 coalition frontbenchers. I understand that the composition of the front bench is going to change fairly soon, because I remember the deputy leader of the Liberal Party saying, only a few days ago, that the problem with the Labor Party—

Mr Laming—Mr Deputy Speaker, I rise on a point of order. The minister has circumnavigated the globe of

relevance. Can I ask the minister to come back to the MPI.

The DEPUTY SPEAKER (Hon. BC Scott)—There is no point of order.

Dr EMERSON—I remember the deputy leader of the Liberal Party saying, ‘The problem with this reshuffle is that there’s not enough women on the front bench.’

Mr Laming—Mr Deputy Speaker, I rise on the same point of order: relevance.

The DEPUTY SPEAKER—There is no point of order.

Dr EMERSON—Mr Deputy Speaker, can I put it to you that, if he gets up again with that same point of order, you deal with him.

The DEPUTY SPEAKER—No, you cannot put it to me.

Dr EMERSON—The fact is the deputy leader of the Liberal Party was saying: ‘There’s not enough women in the Labor frontbench, not enough women in the Labor cabinet.’ There are more women in the Labor cabinet than there are in the shadow cabinet. I can see the member for Moncrieff is sweating already because the deputy leader of the Liberal Party is saying, ‘In the reshuffle, a couple of the blokes have got to go.’ Member for Moncrieff, if you keep misrepresenting the situation about employment in this country, you ought to be the first to go.

Here are some of the real facts about employment in this country. This is a great day on which to be debating this issue of small businesses because there are now 15,250 more Australians employed in the retail sector than there were in November of last year. Why would that be? Could that be related to the stimulus package—the stimulus package that they regard as a low-quality spend, a waste of money? I do not think it is a waste of money to have 15,250 more people employed in the retail sector than there were in November last year when there are 308,000 fewer people employed in retail in the United States, 37,000 fewer in Canada, 32,000 fewer in the UK and 31,000 fewer in New Zealand. It is the direct result of the stimulus package.

I will just show my colleagues—because I know the member opposite will not be interested in this—the economic growth in our country in the March quarter. Here is the chart showing economic growth in this country in the March quarter—it is positive. We are right up there in the right-hand corner. Good on Poland and good on Australia—we are the only two countries in the OECD that have positive economic growth.

If we go to chart 8, we see the same thing on retail sales, the very point I was making. Look at

the retail sales figures there, I say to the shadow minister. Australia, in the orange box, is up there, growing, growing and growing—and in the United States, negative; Canada, negative; Japan, negative; New Zealand, negative; and, the Euro area, negative. So we have growing retail sales in this country. You know what has been going on despite the dishonest scare campaign of the coalition? What has been going on in the last couple of weeks is a lift in consumer confidence and a lift in business confidence, including a lift in small business confidence.

I reckon that the reason for that lift in small business confidence is that small business know that on our side we are sticking up for them, on our side we are supporting small business with our small business tax break, with our stimulus package—70 per cent of which is investment in nation-building infrastructure—and with the biggest school modernisation program in Australia’s history. Less than a year from now there will be 35,000 construction sites.

Who is going to be working on the construction sites? The tradies, the carpenters, the plumbers and the electricians. They are supposed to be, as far as members opposite are concerned, the core constituency of the coalition. We are supporting them and the coalition is doing nothing to support them—worse than that, they are talking the economy down, trying to smash consumer confidence and small business confidence. Why? For their own miserable gain. They only want gain for themselves, for those 30 jobs on the front bench—not the hundreds of thousands of jobs that are being preserved and protected by this government.

Treasury estimates show that 210,000 Australians are in jobs now because of the stimulus package, because of the investment allowance and because of the nation-building infrastructure. I think that is great news, and do you know what? So do small business. Surveys have been released just today, such as the *ACCI-Westpac survey of industrial trends*, which says that general business confidence has seen its largest improvement since 1975. Could that be right? I know that the coalition gets that survey—why didn’t the member for Moncrieff mention it? Why aren’t you there talking the economy up instead of talking the economy down? The answer is: because it does not suit you to talk the economy up. It does not suit you to join this government in supporting small business and small business confidence.

Another major survey was released today specifically related to small and medium enterprises, and do you know what it shows? The strongest quarterly increase in the survey’s 16-year history. They are good results. They are great results. Go the small business community of Australia! We are sticking up for the small business community of Australia. This

Sensis survey is interesting because it is about small- and medium-sized businesses. Small businesses were also reported as being more confident than medium businesses for the first time since November 2000. So the small and medium businesses are especially confident.

Opposition members interjecting—

Dr EMERSON—The small ones. Why do you reckon they are so confident? Because of the support. It is the support of this government that is engendering confidence in that very important part of the community—the 1.9 million small businesses employing almost four million working Australians. Ms Christina Singh, who is responsible for the Sensis survey, said:

The latest data suggests Australia's economic environment is starting to rebound, with businesses expecting their operations to perform significantly better in the next 12 months.

So there you go—confidence on the rise.

Consumer sentiment figures were released just a few days ago. What do they show about consumer sentiment? The second largest recorded increase in the last 22 years. So things are on the up. We do have a long way to go. We do need to work in partnership with the small business community, and we will continue to work in partnership with the small business community.

The member for Moncrieff raised in his contribution the issue of modern awards, as if to suggest that all these cost increases that are being claimed have already occurred or that they are inevitably going to occur. He knows and the shadow minister for industrial relations knows that the award modernisation process is a very necessary reform in this country that has been called for for decades by employer groups, large and small. They want to reduce the compliance costs of around 1,600 individual state based, industry based and even business based awards and have only 18 modern awards. He has raised issues about two or three of them. You heard the Deputy Prime Minister talk about what we have done in relation to the restaurant and catering industry, where we have in fact asked the Industrial Relations Commission to have a further look at that. We are in dialogue with others who are affected by the modern awards system. It is a reform to reduce compliance costs, and what do we get? Opposition from the coalition to the award modernisation process.

I remember the then Minister for Industrial Relations coming into this place and saying, 'Shearers under this award have to be provided with tapioca pudding,' criticising but never doing anything. That is the problem. The shadow minister for small business for

one year and one month has not been able to get a question up through the tactics committee, which is chaired by the member for O'Connor. I saw the member for O'Connor walking around today with a document, which was obviously tactics—

Mr Ciobo—Mr Deputy Speaker Scott, I rise on a point of order. I am loathe to stand up, but the minister knows that that is completely untrue. He means 'a question to him', and I am not interested in asking him a question.

The DEPUTY SPEAKER (Hon. BC Scott)—The member for Moncrieff will resume his seat. The minister has the call.

Dr EMERSON—The tactics will not allow you to ask a question of me, because you are afraid of the answer and afraid of the truth, which is what I would give to you: the truth, so that we cut through this rubbish, this recklessness and this opportunism of the coalition, which is seeking to talk the economy down at every opportunity and seeking to misrepresent the employment figures for this country. They entered into this debate on a day in which business surveys are revealing good and encouraging news. What did they do? They came in here and complained, saying, 'It's really bad; you're not doing enough for small business.' If you had supported the stimulus package, you might have at least a little bit of an argument. You could say, 'We could do a bit more.' But no, you opposed the stimulus package and you opposed the investment in nation building infrastructure.

There is a member on the back bench nodding proudly: the member for Bowman. 'Yeah, we opposed it; look at us; we're the heroes of small business.' What are you doing for our tradies? Just yesterday, the Australian Business Investment Partnership hit the fence. Why? Now the jobs of 50,000 tradies are at risk. You should be ashamed of yourselves. And you come into this parliament asking, 'What are you doing for small business?' I say: what are you doing for small business? Why are you talking the economy down? Why are you betraying our tradies? It is because of base political instincts to do with your self preservation and your desire to remain on the front bench in the reshuffle. It has been a poor performance by you: dusty at the midwinter ball; dusty next week. You should give it away and get someone who can come in here and engage in a proper and constructive debate and talk the economy up instead of talking the economy down.