



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PRIVATE MEMBERS' BUSINESS

Small Business

SPEECH

Monday, 16 March 2015

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Thistlethwaite, Matt, MP

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Mr THISTLETHWAITE (Kingsford Smith) (11:03): I am proud to support this motion from the member for Reid regarding small business and the importance of infrastructure. But forgive me for expressing some cynicism in the irony contained in this motion, particularly given the fact that many of the government's policies have made it harder for small businesses. They have cut back on expenditure for infrastructure that supports small businesses.

In summation, the Abbott government have made it harder for many Australian small businesses. Take, for instance, their repeal of loss carry-back measures introduced by the former Labor government. This measure allowed businesses to carry back a loss of up to \$1 million to one of the two preceding years in which they paid tax. This was a helpful and practical leg up for small businesses and its removal has created a red-tape nightmare for businesses in my community.

Or we can look at the instant asset write-off. Labor increased the asset write-off value to \$6,500, a threshold that was in line with the cost of doing business. We now see that the Abbott government has slashed it back down to \$1,000. That is hardly practical in today's increasingly competitive market. And, worse still, small businesses that submitted their tax documents under the previous regime have had to adjust them, creating another headache for business owners, who are stuck in the back office instead of being with their customers.

The Abbott government has repealed special depreciation rules for motor vehicles, which were introduced under Labor. This reform allowed small business people to write off a value of their car for doing business—another practical step that was put forward and developed in consultation with small business that this government has wiped out.

But the most disappointing aspect of this sorry state of affairs is that, while the government is making it harder for small businesses, it continues to deliver tax concessions to some of the richest Australian corporations. We have seen this government back away from its rhetoric on making multinational corporations pay their fair share of tax in Australia.

I had to laugh when I read the context of this motion about the importance of infrastructure and how an effective infrastructure network is essential for small businesses to survive and flourish. The Abbott federal government and the Baird government in New South Wales are proposing one of Sydney's biggest ever infrastructure projects. In fact, I understand it will be Australia's largest ever road infrastructure project in the WestConnex. That project will run past two of the big economic powerhouses in Sydney, located in my electorate—that is, Kingsford Smith Airport and Port Botany. But, amazingly, this wonderful new infrastructure will not connect up with Port Botany. So, here you have all of these small businesses that operate around the port in Botany—all of the logistics companies in Mascot, Banksmeadow and Botany—that are looking forward to that connectivity with important infrastructure in our community. But—what do you know?—the Abbott government has fluffed it again because the WestConnex will not connect up with the largest port in Australia. What a wasted opportunity from this government!

Electricity has been a big issue for small business, as is the way the regulation in the market works and the role of the Australia Energy Regulator in supporting transmission and distribution companies' capital increases, which have put pressure on electricity prices. What has the Baird government done in New South Wales? The Australia Energy Regulator recommended a reduction in electricity prices, and here we have the Baird government opposing a reduction to electricity prices. They come into this place and talk about supporting small businesses. One of the key price signals and one of the key costs for small business is electricity.

Government members interjecting—

The DEPUTY SPEAKER (Mr Mitchell): There will be silence on the right.

Mr THISTLETHWAITE: And here we have the Baird government actively opposing a reduction in electricity prices in New South Wales. Why? It is so they can fatten up these businesses and make them more attractive for sale through the privatisation process that the Baird government is proposing. That says everything about the Liberal Party's philosophy when it comes to supporting small business in this country and about the irony that is contained in this motion moved by the member for Reid.

Debate adjourned.