

Chiropractors Association of Australia

(Tasmania) Ltd. ACN 009591397



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Small Business Employment
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The Secretary,
Senate Employment, Workplace Relations and Education References Committee
Suite S1.61, Parliament house
CANBERRA, ACT 2600

**Submission to the Senate Employment, Workplace Relations and Education
References Committee**

Inquiry into Small Business

Dear Sir/Madam,

The following is the response of the Chiropractors Association of Australia (Tasmania) to your inquiry into the effects of government "red tape" on small business capacity to be an employer.

The CAA(Tas) represents numerous Chiropractic small businesses in Tasmania that hire on average five employees each. We have compiled the concerns of our members for your inquiry.

Some of the issues raised are broader than your scope of inquiry, however any issue that consumes the time of a small business operator does impact on their ability to hire employees.

Issues:

Registrations required.

For a Chiropractor to set up and run a small practice/business, there are numerous registrations that must be met.

- a. Firstly there is the registration of the business name.
- b. Secondly there is professional registration under the Chiropractors and Osteopaths Registration board.
- c. Thirdly there is the registration for tax file numbers, both personal and for a corporation/trust/partnership.
- d. Fourthly there is the Australian Business Number and GST registration.

- e. There is registration required for your logo to be tax deductible with the department of Industry, Science, and Tourism.
- f. The Printing Authority has to be subscribed to for up to date information on Award wage rates.
- g. Private corporations also require registrations such as APRA (Australian Performing Rights Association), Microsoft, and Quicken, to name a few.

Local Government.

When a Chiropractor is setting up a new practice there are multiple restrictions placed upon any new site. This can range from wheelchair access required throughout the site to parking. The details are too numerous to list, suffice to say that it is a major hindrance to a Chiropractor expanding the practice or moving to a larger site, hence limiting the number of employees able to be employed.

Tax Benefits.

There are no tax benefits for a small business operator to meet government requirements. For example, to complete the BAS and IAS require a substantial input of time but there is no benefit to the business owner. A wage earner does not have to meet these obligations, yet has the same tax rate. This is clearly unfair and limits funds that could be diverted to employing extra staff.

Wages.

Small business owners are being asked to pay more for their employees without identifiable benefit. Small business owners do not mind increasing wages in line with worker output or CPI indexation, however they are being required to foot the bill for an ever-increasing superannuation contribution (on top of wage increases). Further, there is now the spectre of maternity/paternity leave for employees. These are real concerns to a business owner.

Hiring employees.

It is a major undertaking to employ new staff in that there is a lack of flexibility in the Clerical and Administrative Assistants Award and enterprise bargaining. Having an enterprise agreement approved by the Commissioner is an onerous task that taxes the small business operator's time. There are changes to staff working conditions that would be mutually beneficial (to the employer and employee) yet do not disadvantage the employee that cannot be legally implemented. For example:

- a. splitting a shift (eg. two of two hours),
- b. a minimum hours of employment, (the cost of a minimum of four hours), so to hold a 1 hour staff meeting becomes an expensive exercise,
- c. double time after 3 hours on a Saturday (makes opening extra hours to help emergency patients unviable).

These problems mean that the patient has to pay a much higher fee or the business operator does not work these times.

There is also the fear that once an employee is hired, dismissal and retrenchment will be difficult and litigious in nature, even if the dismissal was a fair one. This makes the business owner hesitant to hire more people.

Employers and employees should be able to simply agree to employment terms and conditions, and rely upon the relevant awards where the conditions are not covered by their agreement. A commonsense approach is required, where such an agreement does not require the Enterprise Commissioners approval, but would perhaps need to be “registered” with the relevant authority.

Unions should not be involved at any stage for a small business unless employees are members or the union is mutually invited.

I hope this information is helpful.

Yours sincerely,

Dr Jason Lemon (Chiro)
President CAA Tas.