

Video transcript

Does it pass the small business test?

Kate Carnell with COSBOA Chair Mark McKenzie

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Kate: And of course the other thing that small businesses bring up with us all the time is energy costs. Tell me how both parties rate in energy costs?

Mark: In terms of energy, you can't really disconnect energy from climate. When we looked at this, we were looking at what's the longer term policy in relation to renewables? We're seeing a situation now that coal generation assets are beginning to be retired out because they're getting quite old. Businesses, the energy companies, are starting to make incremental investments. So we effectively have investment in energy stalling which means that supply is tightening. From a small business, whether you believe in climate change or not, the issue here is the fact that we have got a situation where no one is moving in this space – this means we'll just see continued increases in energy. Both parties have indicated they'll do some things, short term, to reduce costs. The coalition is advancing the thing called the standing offer and lowering that. But we don't see a longer term strategy coming through from the Coalition. On the Labor side we're certainly seeing a broader target being articulated in terms of a 45% reduction in climate change. That's a positive, but there have been mixed arguments about what it would cost just to get there. We don't see a lot of detail that can tell us they have the ability to lower energy costs as well. On this one, we've marked the Coalition below a pass. We've given a conceited pass to Labor to say you've got 50%, you have the framework there but we haven't really seen the detail behind it.

Kate: The pressure for us is making both major parties focus on energy costs as well as long-term plans for how we address climate change and CO2 in our environment. The other thing that small businesses always raise is being able to get the staff they need with the right training. What're both parties doing in relation to skills and vocational training?

Mark: In terms of vocational education and training, the Coalition recently completed a review called the Joyce Review to have a look at the way VET is delivered. They're doing new things in this space in terms of innovation hubs and other things being presented. They also have a major focus on growing apprenticeships. If I flip over to the ALP side, at one level these VET policies seem to be in a bidding war on how big they can offer apprenticeships. It's a reality when you talk to most small businesses that they're really struggling to get apprentices, full stop. If we park that issues at the moment on the basis of saying that both parties have a policy that is advancing a focus on apprenticeships and they're both talking about an increased focus on VET in the longer term. What you effectively have is the ALP announcing they'll have a landmark review, more than what we've seen from the Coalition in recent times. This would be a review we haven't seen the likes of in 40 years. Then look at the relationship between that and academic training and on the Coalition side we have the existing system but we're going to supplement that system. So the key difference really is that they both have big, different numbers in terms of apprentices but on the whole, they're pretty well similar.

Kate: So we're rating them about even in that space?

Mark: Yeah about even.

Kate: I must admit, some of the things I liked about both policies is that focus on rural and regional areas because as we know, it's those areas that really struggle for skills and accessible training. It's

good to see both parties have realised this is a big gap. One thing COSBOA, Peter Strong in particular, has put real pressure on is not just mental health of people in the workforce but those small business owners. Tell me about what's happening in that space.

Mark: The conversation has been, for the first time, a focus on mental health and youth suicide. Certainly PM Scott Morrison has been pretty hard on this issue and it's been good to see the ALP and Bill Shorten come in behind that. I think the key thing we've been concerned about is that most of the focus is on employees. If you have a business of five people and the owner is struggling with mental health, those other four are impacted as well as the owner. A key thing Peter's been on about is a policy gap in terms of what support is provided to the business owner.

Kate: Because they can't have time off.

Mark: Exactly, because they're struggling, the whole enterprise is suffering and the livelihood of the people working in that business is put at risk. What you've seen from the Coalition for the first time is a good suite of policies. On the ALP side, unfortunately they're very silent in that area.

Kate: They've really focussed more on employees, haven't they? Rather than employers.

Mark: Yes and within that context, we're saying there's a bit of a gap.

Kate: Well, we'll both keep the pressure on, whoever is in power after next Saturday. In the COSBOA document, there is a whole range of other areas that's covered such as access to finance, competition policy, NBN, construction/infrastructure, a whole range of areas that you can have a look at and see how the major parties compare. It's really important from a small business perspective that you have a look at what parties are actually offering and make a considered decision in the best interests of you, your family, your business and your employees. Let's all focus and hopefully whatever happens next Saturday there is a real focus on small businesses, the engine room of the economy and the place where jobs will be created.