



AUSTRALIAN BUSINESSWOMEN'S NETWORK
PUBLIC POLICY AND ADVOCACY PROGRAM

**2007 Pre-Election
Briefing**

INTRODUCTION

As the federal election campaign reaches fever pitch, we've been flooded with information about interest rates, Work Choices and economic management – but very little about the issues identified by our members as critical to small business survival, including:

- the red tape burden on small business
- the future of the childcare situation in Australia
- the glass ceiling
- provision of government support for women in business and
- the discrepancy in male/female superannuation balances and its effect on women's retirement lifestyle

To fill the information gap and help readers make an informed choice on election day *Her Voice* has taken those issues to senior female members of the Coalition, Labor, Democrats and Greens parties in a series of targeted questions.

We also asked two open questions, the first relating to each party's perspective on the key issues facing women in business; and the second about their priority plans to address the public policy needs of Australian women in business.

The parties' responses are summarised in the following report.

We'd like to thank the **Hon Fran Bailey**, Coalition MP and Minister for Small Business and Tourism; ABN member **Lyn Shumack**, NSW Senate Candidate for the Australian Democrats; and Greens Senator and Representative for the New Economy and Small Business **Christine Milne** for providing us with very comprehensive and considered responses to our questions.

Julia Gillard, Deputy Leader of the Opposition was unable to respond in time to meet our publication deadline, but we've included in our report a link to the ALP website, along with a link to those of the Coalition, Australian Democrats and Greens, and a complete copy of each party's response, for readers' information.

We hope you find our report interesting and informative and invite comment via policy@abn.org.au, by visiting www.hervoices.com.au or direct to Susan McGrath, ABN National Special Projects Manager (Advocacy and Lobbying) on 0439 908 108.

Question 1

What does your party see as the single key issue confronting women in business in Australia and, if elected, what initiatives would you put into place to address it?

Response:

The **Democrats**¹ and **Greens** highlighted paid maternity/parental leave and the availability of quality, affordable childcare as key issues facing women in business.

To address these key issues, the **Democrats** advised that they reintroduced legislation in September calling for a national 14 week government funded paid maternity leave scheme, that they will continue to push for its debate and enactment; and that if elected they will elevate the Office of the Status of Women to the Department of Prime Minister and Cabinet, to give it cross-Government authority.

If elected, the **Greens** will campaign for a national paid parental leave scheme, encourage the creation of greater numbers of affordable, quality childcare places, the linking of childcare with early childhood education and increasing the availability of childcare to better match the working hours of businesswomen.

The **Coalition** took a different perspective, identifying the key issue for all business people as the maintenance of a strong, growing national economy; and acknowledging that small businesses are most immediately vulnerable to a cooling economy.

The **Coalition** has implemented practical policies to address these issues, including an ongoing reform program to cut red tape, extensive income tax cuts to encourage more labour force participation, a commitment to at least 100,000 training vouchers for small businesses and determination to protect small businesses from the return of unfair dismissals claims.

¹ The Democrats provided links to a range of policies and plans in response to our questions. Those links are reproduced on page 9 of this report.

Question 2

The Australian Businesswomen's Network (ABN) recently surveyed its members to find out which areas of public policy were of most concern to them. One of the issues that was identified was the pressure exerted on the owners of small and micro businesses to understand and comply with complex Federal and State governments compliance, reporting and industrial relations laws.

What is your perspective on the red tape burden on small business across Australia? What strategies does your party have to reduce this burden and also to reduce the confusion felt by employers negotiating complex Federal and State requirements, for example with regard to differing Award requirements between jurisdictions?

Response:

The **Greens** believe that the piecemeal, inconsistent nature of regulatory requirements across jurisdictions creates an excessive burden for small business. They believe the GST is a major burden and would conduct an inquiry with a view to addressing its negative impacts on business administration costs, income distribution and environmental sustainability. They support the Award system's provision of an employee safety net and industry-based workplace standards for employers and would consider proposals to reduce its complexity across jurisdictions. The **Greens** believe the Federal government should support long term business sustainability through taxation incentives, competition policy and R&D assistance.

The **Coalition** strives to minimize the paperwork burden on small business and said it has reformed the way government regulations are made, ensuring they are subject to rigorous cost-benefit analysis, genuine public consultation and only justified when delivering a clear net public benefit, with only essential costs or compliance obligations imposed.

It has introduced several other reforms including those related to national consistency and alignment, business registration and local government red tape reduction and introduced the Simplified Tax System for Small Business in 2001 which on its completion will allow business to automatically pre-fill government reports such as BAS statements.

Through its 25% Entrepreneurs' Tax Discount for small businesses using the Simplified Tax System, the **Coalition** is reducing the compliance burden of business to government reporting and giving up to 540,000 small businesses tax relief.

The **Democrats** advise they support the restoration of the essential features of the pre Work Choices regime; and have long advocated one industrial relations systems, not six. They believe the current WorkChoices IR system is not a truly national system with broad acceptance, because the federal Coalition Government made a hostile takeover from the states, and up to 25% of the workforce is still left under state systems. They would support a unitary single national IR system that is negotiated between the states and federal government; one that is based on fairer legislation.

Question 3

Many ABN members have identified the cost of childcare as a priority issue. They have suggested a number of fiscal strategies that could be introduced to address these concerns. These suggestions include the tax-deductibility of child care expenses; the provision of tax incentives to businesses that provide childcare or support the cost of employees' child care; and the extension of the current childcare rebate to cover all types of childcare, including the use of nannies.

What are your thoughts on these suggestions and what do you see as the future of the childcare situation in Australia, particularly in terms of the continued feminisation of our workforce?

Response:

Building on the support it is already providing to help families with childcare through its Child Care Benefit and Child Care Tax Rebate, if re-elected, the **Coalition** says it will cut the upfront cost of childcare for parents by 30% by paying the rebate directly to child care services. As well, it has increased the Child Care Benefit by 10% on top of indexation.

The **Coalition** says its current child care subsidy system is better than tax deductibility for most families, with families typically having 65% of their fees subsidised by Government. It has already introduced a Fringe Benefit Tax exemption for child care provided on an employer's business premises; and introduced In Home Care for families who are unable to access mainstream child care. Some nannies are employed as In Home Carers; however, their role must be specifically restricted to that of a childcarer only.

The **Greens** believe that accessing affordable, quality childcare is the single greatest challenge confronting Australian businesswomen and that this challenge should be addressed by a comprehensive community response. Tax deductibility, subsidies and rebates are only part of the answer and need to be accompanied by greater overall investment in childcare.

The **Greens** support a removal of the distinction between Federal and State responsibility for childcare and early childhood education and believe all children should have access to two years of quality part-time pre-school education. National standards should be set for childcare operators, there should be more fully federally-funded community childcare services with hours that match those of working women and taxation incentives for businesses that incorporate childcare services.

The **Democrats** policy is to have affordable, accessible and higher quality childcare. They support a national review of early childhood care and education, with the goal of achieving a system that both optimises learning and development for under 5 years olds and provides care during parents' working hours. They support better staff/child ratios and standard childcare fees, with the Childcare benefit paid at 90% of that fee. They would also introduce a 50% Childcare Tax Rebate to cover out of pocket childcare expenses and support a national planning system which would include government grants for capital costs.

Question 4

What are your thoughts on the glass ceiling in Australia; and its impact on entrepreneurial women in business? What advice would you offer women experiencing gender related barriers to business success.

Response:

The **Democrats** believe gender inequity in the workplace is an issue that is becoming more apparent and say they have been at the forefront of calls to implement measures at the national level to reduce gender-based discrimination. Their platform includes encouraging a national review of pay equity, pushing for the enactment of paid maternity leave legislation and encouraging community awareness of existing anti-discrimination laws.

To overcome the glass ceiling, the **Greens** believe that in addition to robust sex discrimination legislation, there needs to be a substantial shift in the way in which Australian workplaces are structured. Flexible work practices, job-sharing, childcare assistant and adequate parental leave should be facilitated and adopted through mentoring programmes for businesswomen.

While the Greens and Democrats both feel gender inequity is apparent, the **Coalition** says Australia is a place where merit is rewarded regardless of a person's gender. However, it also notes that women in business need to support and help each other so they can find ways to overcome any barriers that they might face in the workplace.

The **Coalition** is strongly committed to building women's participation and increasing the number of women in decision making roles, for example through the Women's Leadership and Development program, the National Strategy for Increased participation of Women on Boards and the Women's Advancement Initiative.

Question 5

In our recent survey, a further issue identified by members was the need for increased Government support and education for women in business, particularly in light of the high failure rate of small business. Members also identified the need for mentoring and business training generally.

If elected, what initiatives and policies would your party introduce to provide much-needed financial, education and tailored mentoring support to women in business and female entrepreneurs?

Response:

The **Greens** believe existing training and mentoring programs operated through professional organisations should be promoted by the federal government. They say particular emphasis should be placed on women who are re-entering the workforce, in employment transition or considering establishing their own businesses, as at those times they are most in need of targeted support most aptly provided by women who have successfully launched and maintained a small business.

While the **Coalition** did not identify any initiatives or policies specifically targeted to support women in business, if re-elected it will invest \$168 million over five years in at least 100,000 new Small Business Training Vouchers, to provide up to \$1,500 matched funding to contribute to the cost of skills and training for small businesses with fewer than 20 employees. The **Coalition** also said it has provided very effective support for business advice, mentoring and related services through initiatives such as the Building Entrepreneurship in Small Business program.

The **Democrats** will establish a well-resourced national funding program for women's organisations, including specific support for young women's organisations, encourage the Federal government to increase the awareness of schemes that are currently available and implement a women's impact statement on all legislation, to ensure the rights of women are adequately addressed.

Question 6

In its recent report "The Voice of Super", ASFA noted that in 2004 women had superannuation balances less than 50% of those of men and estimates that in 2006, average superannuation retirement payouts for women were 35% of those of men (\$130,000 for men and \$45,000 for women). This is attributed predominantly to the multiplier effect of differing work patterns, income disparities and the resultant discrepancy in compulsory and voluntary superannuation contributions of males and females – both employees and self-employed businesspeople.

These are alarming statistics, which represent a policy issue of major concern to our members and their communities. As it is unlikely these work patterns and income disparities will change in the short to medium term; if elected, what strategies would your party introduce to redress the balance and end this indirect discrimination against Australian women?

Response:

The Coalition discussed the importance of encouraging retirement savings and advised it had introduced reforms to remove tax on benefits for most people aged over 60, instituted a generous co-contribution scheme for low income workers and instituted a tax rebate for super contributions for low-income or non-working spouses.

The **Greens** agreed that superannuation policy as it currently stands does not account for the disparities between male and female workers, but rather compounds them over time. Given that the vast majority of retirees will have to rely at least partially on the public pension, the Greens believe the federal government should ensure the pension is appropriately funded and provides an adequate safety net. They also support using a small proportion of superannuation funds to invest in social infrastructure to provide services for retired Australians.

The **Greens** support policies that attempt to compensate for women's disadvantage, but say that policies that increase the on-costs of employing women should be pursued cautiously.

The **Greens** will recognise the work of those involved in homemaking, carers and workers for community organisations by including those activities in the calculation of national economic measures. They will introduce an equitable retirement income system that provides women with financial independence when they retire; and will conduct a full review of our current super system, to reduce its complexities and inequities.

The **Democrats** recognise that under our current system, the majority of women will continue to need the publicly funded pension on retirement, although there have been recent improvements to superannuation legislation. They are conscious of the need to highlight this inequity and to continue to develop measures to address it.

The **Democrats** say that the federal government needs to increase the awareness of schemes and options that are currently available and that special attention needs to be paid to indigenous women's needs in this area, for example across areas of disadvantage such as limited life assurance cover. This could be achieved through the use of existing networks and organisations to enhance community awareness of financial management issues as well as superannuation.

Question 7

What message would you like to leave with the ABN community about your party's perspective on Australia's female entrepreneurs and women in business; and your priority plans for addressing this group's public policy needs?

The **Democrats** said they have a full suite of party policy and initiatives in support of women. They are strong advocates for women and women as leaders, with women selected to winnable positions on their ballot paper. The **Democrats** were the first party to elect a woman as federal parliamentary leader; they strongly advocate work and family balance, were the first party to develop a Work and Family portfolio; and they fight for pay equity, non-discrimination and equality in all areas of life.

The **Greens** said Australia is at a crossroads. Responding to the threat of climate change and the need to shift to a low carbon economy means the whole way we approach business and investment will need to make a quantum shift. While this will not be easy, the **Greens** believe it is also a great opportunity for Australian business. The **Greens** want to see Federal government show leadership in making this transition and providing a framework for business to move to sustainable and low carbon practice.

The **Greens** say Australian business women are already very involved in this process and often are offering leadership and new perspectives on how to make the transition. The **Greens** want to work with business on positive ways to make this shift and on leveraging Australia's natural and economic advantages in the new low-carbon economy.

To read a summary of the **Greens'** specific measures to move to a low-carbon economy, they suggest readers download a copy of Senator Christine Milne's *Re-energising Australia* report².

The **Coalition** said it wishes to see Australia develop a stronger, more entrepreneurial culture where everyone is encouraged to pursue their aspirations. It says it has worked assiduously to give people the incentives and support to participate fully in the economic life of our country. The **Coalition** welcomes the efforts of organisations such as ABN supporting business women to advance their business and careers. According to the last ABS Characteristics of Small Business Survey, about one-third of small business operators are women. Most part-time small business operators are women. These businesses are a vital part of our economy.

With more and more women graduating from universities in key disciplines such as science, engineering and management, the **Coalition** believes women will be playing an even greater leadership role in our economy. Organisations such as ABN can provide the support of peers to future leaders and entrepreneurs.

The **Coalition** looks forward to working with the ABN to deliver greater opportunities and support for Australia's business women and entrepreneurs.

² A link to Sen Milne's paper was provided in the Green's response and is reproduced on page 9 of this report.

Links



www.hervoice.com.au

Australian Democrats

www.democrats.org.au

http://www.democrats.org.au/docs/2007/AD_WomenPolicyAudit.pdf

http://www.democrats.org.au/docs/ActionPlans/Women_StatusofWomen_2007.pdf

http://www.democrats.org.au/docs/ActionPlans/Taxation_SmallBusiness_2007.pdf

http://www.democrats.org.au/docs/ActionPlans/Workplace_BalancedandFair_2007.pdf

http://www.democrats.org.au/docs/ActionPlans/Family_Childcare_2007.pdf

http://www.democrats.org.au/docs/ActionPlans/Accountability_AppointmentsMerit_2007.pdf

Australian Greens

www.greens.org.au

<http://greens.org.au/ReEnergisingAustralia>.

Australian Labor Party

www.alp.org.au

Liberal Party of Australia

www.liberal.org.au

National Party of Australia

www.nationals.org.au

Australian Electoral Commission

www.aec.gov.au

[Australian Democrats' response](#)

<http://www.abn.org.au/downloads/election/DemocratsResponse.pdf>

[Australian Greens' response](#)

<http://www.abn.org.au/downloads/election/GreensResponse.pdf>

[Coalition response](#)

<http://www.abn.org.au/downloads/election/CoalitionResponse.pdf>