

Wednesday, 4 March 2015

Dear Commission

Thank you for the opportunity to submit a submission.

My Husband and I are the owners of a small business. My Husband started his business in 1996 and the past 3-5 years have been the worst financially. I attribute this to high taxes in SA and high WorkCover premiums (ours being 6.8%). The business we are in does not have a high profit margin due to being mainly manpower and with high rates of pay along with other costs that I have mentioned. We have found more and more interstate companies are winning tenders in SA this includes SA Govt Tenders which I can give more details on if you like.

I have an experience I would like to share with you and after reading some of the submissions seem to be quite common.

Part of our business is Mobile Patrols and as this involves staff driving vehicles we have a safe driving policy. The safe driving policy was implemented after one of our employees was killed while driving one of our vehicles. This had a huge impact on us emotionally and financially, not to mention the Employees family!!

One of our staff members has had numerous warnings about his speeding. Our vehicles are fitted with GPS that sends an email when the vehicle hits speeds over 70km. It gives the location so we can assess what the speed limit is in that area. The employee initially had verbal warnings (he is not a youth he is a man of 40) then he had written warnings after one of his speeds hit 127km. He then had three accidents close together, one hitting a bridge and two hitting and killing Kangaroos. His speeds on the nights of hitting the Kangaroos had been excessive. As our vehicles are our tools of trade we had to have the vehicles repaired immediately to enable us to service our clients. It was decided we could no longer allow this to happen when we received a speeding fine in the mail going 20km over the speed limit in a main street of a Town in the Adelaide Hills. He was asked to attend the office bringing his work keys with him as we had just received a speeding fine.

When he arrived at the office another staff member was asked to sit in the meeting. He was told of his speeding fine and that we could no longer tolerate him flaunting the law in our vehicles and putting the public to risk. He admitted he speeds and said that's just what he does. He showed no remorse and was asked if he wanted to add anything, say anything but he said no. He gave his keys back and was told he would get two weeks' pay in lieu of notice.

The following week we had a call from United Voice siting unfair dismissal! The worker had a number of issues and after supplying United Voice with lots of

documentation they settled on him not having representation at his dismissal meeting. The principal of the matter (which counts for nothing these days!) meant we were not going to roll over; someone has to start standing up for Small Business and fairness in general. We engaged the services of EMA Consulting to help us through this matter. Yesterday we attended a FWC Conciliation Conference and the worker was awarded \$3500.00.

The Deputy President who headed the Conference said in our separate meeting if this went to court we would most likely win but the cost of engaging our Representative would far out way paying the Employee to get rid of the matter once and for all. The Employee was getting his representation for nothing so it was not going to affect him at all.

So, all I want is for someone to tell me why this is fair! Employers are Guilty no matter what the circumstances. What is stopping this person from doing the same to the next Employer? This is our second case like this in 20 years of being in business and both times we were completely in the right so obviously this information is doing the rounds (validated by other submissions that have similar dealings with Employees) and the unscrupulous people in the community are using it to their advantage.

On other issues for Employers I would like to say Penalty Rates are a huge issue. I don't profess to have the answers but something needs to be done. I understand the point of view from a Worker but also from the Employer. Clients demand competitive rates and with Businesses from Interstate (usually backed by International Investors) able to undercut Australian Businesses it puts enormous stress on local Business like us. Our Employees are all Full Time or Casual we do not use Contractors unlike many other Businesses in our Industry. They are able to avoid Workcover premiums, Payroll Tax etc etc. A fairer system for all is going to be hard to make everybody happy but it has to happen before no businesses are left in Australia.

I like many Small Business owners have lots to say about Workcover and the unfairness of its legislation but this is State driven I am told.

Thank You for reading and I hope the outcome of this Productivity Commission means more Small Business (the largest Employer in Australia) is created.

Kind Regards

Susan Young