

Australian Workplace Relations and Family Business

The report by the Parliamentary Joint Committee on Corporations and Financial Services - *Family Business in Australia – different and significant: why they shouldn't be overlooked* (2013) - noted that while approximately 70 per cent of Australian businesses are family business, successive Australian governments have failed to take note of their particular concerns.

We are pleased that the *Productivity Commission Review of the Workplace Relations Framework* as instructed by the Treasurer, the Hon J Hockey, provides an opportunity to rectify this absence of focus.

In one of the few data repositories about family business – the *KPMG and Family Business Australia Family Business Survey 2013* - family businesses ranked dismissal laws, union involvement, work cover/OH & S regulations as amongst the top five regulatory matters that negatively impacted upon their business performance.

These areas directly link to the terms of reference for the enquiry.

In fact, the aforementioned Parliamentary enquiry concluded inadequate data was a critical factor that contributed to failure by governments and others to consider family business.

A contradiction therefore emerges, whereby the voice of 70% of Australian businesses cannot be heard and accounted for because of lack of understanding.

However, we note that the Review has the ability to commission research where gaps in understanding exist.

We would like to suggest therefore that the Commission consider undertaking research to understand how workplace relations affect family business.

This could be in the nature of a survey and interviews.

While the Review timeframe necessarily limits the scope of data that can be collected, at least the Review Taskforce will have access to some information to consider when formulating their thoughts and recommendations.

Understanding family business is however a complex matter.

One complexity is of course that family business is NOT only small business. Some of the more well known Australian businesses are family businesses, for example Westfield, LinFox; and family business of course dominate certain industry sectors for example, wineries with Brown Brothers, Leeuwin Estate being just two examples.

We therefore suggest the Productivity Commission would be best placed to collaborate with those who have an expertise and reputational status in this area to conduct this research and FBA has extensive contacts in this area.

There are key academics around the country who research and teach in the area of family business.

We therefore suggest that the Productivity Commission consider collaborating with both FBA and these academics (who are known to FBA) to develop an appropriate research strategy to understand how the system of workplace relations in Australia may affect the future competitiveness, productivity and innovation by family business in Australia.

We look forward to your response.