

Dear Committee Members,

I wish to support Nick Xenophon's bill of abolishing the weekend penalty rate for small businesses. The removal of the penalty (punishment) to small business means that small business operators would be more willing (able) to put on additional staff or giving their current staff additional hours that the staffs currently seeks instead of working their butts off themselves. This means it will create a win-win situation for everyone.

I understand that there is a group of individuals that have prepared set lines for many people to fill in the blanks (perhaps on the street) regarding their disapproval of the bill. But many of them I believe have not been properly informed about the benefit the bill brings and the conditions required for the removal of the penalty rate that Senator Xenophon would like to pass in parliament. One of those condition is that it has to be a small business and not a greedy large corporate as some have made you to believe.

In the lines of those that have submitted all on the 13<sup>th</sup> of September, I am a retail owner/operator. I am scheduled to work around 50 hours a week but in reality I work in excess of 60 hours per week. I too have a young family, a large mortgage (not your million dollar mansion) and a business loan. I work Sunday to Friday for approximately 10 hours a day (plus more when I get home) not by choice but as a mean of survival for the business. I would love to spend the Sunday with my family but with penalty rates that penalise businesses I am forced to work every Sunday as the business cannot afford the ridiculous penalty rate simply because my business needs to open on a Sunday.

Don't get me wrong, I sympathise that there are people doing it tough out there but as you can see small business like myself aren't doing much better. But what this bill will bring is that business operators like myself can afford to have a day off so we too can spend time with family and recuperate, and because of that it will allow business to be able to put on more staff and give others more hours thus creating better customer service and giving employees more hours that they seek. The reduction of penalty rate will be more than compensated by the additional hours that the staffs will get, thus, a win for the employer, a win for the employees, a win for the customers and a win for economy as more people will have more money to spend and the cycle continues.

Many people criticise business operators should have already factor penalty rates as a part of their business and if their business cannot survive it is simply their poor management skills. This is very naïve and most ignorant. Yes this may be true for a minute minority, but businesses today faces ever increasing challenges not seen in history. It is a very tough retail environment we live in today. Business are still facing the fallout GFC for years to come, we are facing the ever increasing rent, large business loans repayments, fierce competition locally (Coles/Wesfarmers and Woolworths Duopoly forcing an end to many small business, we all know soon there would only be Coles & Woolworth petrol station but what's next) and globally from online retailers in China, India and countries you never heard of. And unfortunately many small business have closed off in the last couple of years and many staff have been laid off because of that. I was appalled by a recent letter to our community paper in response to an article about an Australian surfboard maker doing it tough competing against the cheap Chinese imports. The arrogant writer said that the board maker should cut out the fat (wages) so he can be competitive, what was he thinking. Could the poor bloke possibly reduce his employee's wages so they can be competitive with the Chinese labour market? Who do you think will be the first scream heck no, the employer or the employees?

About 15-20 years ago, the Australian government was promoting support Australian workers by buying Australian made products. Sure I would like to support Australian products but as we all know that Australian made products are far more expensive than products imported elsewhere. Why, because we have one of the highest wages in the world and we know more and more jobs will be shifted to overseas where production will be much cheaper. Ask yourself, how many products you buy today is actually made in Australia, the answer to that would be not many. Unfortunately, Australian operators will never be able to be anywhere near competitive as our wages are one of the highest in the world. This is why you will find that many businesses, especially the hospitality industry will hire foreign students and overseas holiday workers and pay them a substantially less cash wage not because of their greed but a necessity to combat the penalty rates punished upon them, this might be a shock for some, a wakeup call for many and nothing new for those who just turn a blind eye because it means they can have an affordable meal outside of home.

There are those out there who says that business have factored in the penalty rates and pass it on to consumers. Yes this is true for those are the labour market such as tradesman who does pass it onto the consumers. But in reality is that most businesses do not and cannot charge extra for weekend work. Think about it do the local grocer charge you extra 30% just because it is a Sunday? Do the hairdressers charge you an extra \$10 for a haircut that normally cost \$25 because it is a Sunday? Do you have to pay more to purchase your clothing on a Sunday? I think we all know the answer to them all. I will be the first to say outrageous if that was ever to happen. Think about the possibility of not require to pay extra/surcharge to get a tradesman who already charge you a fortune to do your job over the weekend.

There are beliefs out there in the public that simply because you run a business you make a fortune. And weekend where it is busier than weekdays, business should pay more for employees. 2 things here: 1. most retail business is busier on Saturday only, Sunday for most business struggle just to break even. 2. Although it is busier for some business on Saturdays, businesses have to employ more staff to accommodate the busy period so the workload is not greatly increased.

There are some stubborn public in WA that thinks that other members of the public think the way they do. That say they do not need Sunday trade and other people will think the same. About 20 odd years ago, I remember clearly I walked about 30-40 minutes to the Palm Beach bus stop and took another 30 minutes on the bus to Pacific Fair in Broadbeach (prominent shopping centre) only to find the centre closed. But how many shopping centres is close over the weekend these days.

Some critic say that business have a choice whether to be open over the weekend or not. This is not true for most, rent will still need to be paid and think about those elderly people that buy their newspapers every morning.

Finally, there is news that Myer one of the leading retailers in Australia will no longer open on Sundays due to penalty rates. I wonder how many will follow soon.

To sum up, in contrary to what employees say out there. Most business have factored the cost of penalty rate, that's why business owners are forced to work weekend because of the excess penalty rates instead of spending time with family or taking time off. Many employees envy their bosses but do not see the amount of hours that these business owners put in. Many employees feel they are overwork as they are doing 38 hour work but does anyone sympathise with the business owners

who will have to work up to 60 to 80 hours a week just to put the food on the table. Most businesses owners make far more sacrifice then the employees out there. Yes we all would love to work less and earn more, but that's not how our society works or should work. Our Australian culture has made our children to believe that we do not need to work hard and their employers earning come easy for them. I hope this will be an eye-opener for every employee out there.

Kind Regards

**Hard Working Business Operator**