

Getting Behind, and Backing, Small Business

Building a Tasmania we
can all be proud of

Change
for a brighter
future

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The Plan to make Tasmania attractive
for investment, and to create jobs

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Creating jobs will be the number one priority of a majority Liberal Government. To show how serious we are about it, we have set a goal of reducing our unemployment rate to at least the national average, within our first term.

Small business is the engine room of the Tasmanian economy, with over 36,000 small businesses operating in Tasmania, employing more than 105,000 people.

If we increased employment in the small business sector by just one percent, we would create another 1,000 jobs for Tasmanians, stimulating the economy, the State budget and, in turn, our capacity to properly resource essential services in health, education and community safety.

Unfortunately, the uncertain economic and political climate under the Labor-Green minority Government experiment, and the increasing red and Green tape has hit small business hard.

Sovereign risk has become a real issue and economic growth and private capital investment has dried up. All of this is contributing to a stagnant economy which makes it difficult for businesses to survive.

The Liberal Plan for Small Business

A key part of our Plan for a Brighter Future is to get behind and back local Tasmanian businesses to create Tasmanian jobs and stimulate the economy to deliver growth.

We will:

- Provide **\$100,000 to create and deliver a new Think Local First Campaign** to encourage Tasmanians to think locally first, supporting local Tasmanian business and industry, before buying over the internet or seeking goods or services interstate;
- Introducing a **Local Benefits Test** for Government purchasing requiring Government to take into account the wider community and social benefits of purchasing decisions to ensure Tasmanian businesses are given a fair go when tendering for State Government contracts;
- Introduce a **\$100,000 New Market Expansion Program** to support innovation and assist business to expand their markets

Innovation is crucial to small business success and it is important for our current and future generation of entrepreneurs to have access to the right advice and encouragement when innovating and expanding. A majority Hodgman Liberal Government will provide **\$100,000** to implement a New Market Expansion Pilot Program to assist small businesses contemplating expansion or new innovation. The program will run alongside existing programs and will be directed at ensuring Tasmania is at the forefront of

exciting new opportunities, as well as encouraging young Tasmanian entrepreneurs to fulfil their ambition of entering business;

- Commence a pilot **Mentoring, Training and Support program** to help small business thrive in the rapidly changing business environment

A majority Hodgman Liberal Government will implement a **\$50,000 pilot program** to assist small businesses remain in business and to help them understand the rapidly changing business environment. The program will provide direct assistance, advice and support to businesses tailored to their specific needs; and

Regulation Reduction Coordinator

Red and Green tape in Tasmania is out of control, acting like a hand-brake on our economy, destroying businesses and investor confidence.

Tasmanian businesses spend a staggering over \$1.3 billion a year on red and Green tape. The cost in hours to businesses of red and Green tape is \$610 million, while the external costs to businesses is a staggering \$713 million.

The Liberals understand that the best thing government can do is get out of the way of business, and create the best environment for it to prosper.

That is why we have already committed to slashing red and Green tape by 20 per cent in the first term of a majority Hodgman Liberal Government.

To help achieve these goals, we will establish in the office of the Coordinator General, a Regulation Reduction Coordinator, with a mandate to deregulate the Tasmanian business environment, boost productivity, and reduce operating costs.

The Regulation Reduction Coordinator will report directly to the Coordinator General, and will spearhead a comprehensive program to slash red and Green tape in Tasmania, and make it easier for businesses and individuals to deal with the State's bureaucracy.

The establishment of a position with a clear mandate to reduce red tape has been proven to work. Victoria's Red Tape Commissioner was charged with waging a war on red tape in that state to boost productivity and reduce costs for Victorian businesses just over a year ago, and as a result of his first report has recommended and overseen a large number of changes that will, for example, allow tour businesses to apply for a permit to operate upright scooter or Segway tours, make it easier for live music venues to stage underage events, and lift a ban preventing minors from buying plastic picnic knives.

Reducing red and Green tape by 20 per cent

Once appointed, the Regulation Reduction Coordinator will commence a comprehensive audit of all government regulations, with the target of reducing red and Green tape by 20 per cent.

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During the audit, the Coordinator will consult extensively with business and industry, to identify a priority list of actions and prepare and provide a report to government on its findings and recommendations by 31 November 2014.

Annual audit

The Regulation Reduction Coordinator will also oversee the drafting of legislation to require an **annual audit of red and Green tape in Tasmania**, and ensure that all new legislation be accompanied by a Regulation Impact Statement to ensure that the amount of regulation is minimised.

Winning Government Work Program

To further assist small business to create jobs, a majority Hodgman Liberal Government will **provide \$200,000 over four years to develop and provide a comprehensive Winning Government Work Program** for Tasmanian businesses that are looking to learn more about Tasmanian Government tendering opportunities and how to develop and submit successful tenders.

The Program will deliver interactive workshops across the State that will inform participants about:

- government procurement policies and processes;
- how to find out about tendering opportunities;
- how to interpret offer and tender documents; and
- how to prepare winning tenders.

Payment of invoices by government

Businesses have told us that the Labor-Green Government does not always pay its bills on time, placing considerable strain on businesses to manage their cash flow.

A majority Hodgman Liberal Government will implement the recommendation of the Auditor-General and require that all government departments pay invoices of less than \$50,000 within 30 days.

Those departments that fail to pay bills within 30 days will be required to pay interest from existing department budgets and will have their details published online.

Supporting Tasmanian retailers

Tasmania's retail sector is doing it tough. Retailers still haven't recovered from the Labor-Green recession that hit in 2012.

Recent surveys have shown that Tasmanian businesses lack confidence in the Labor-Green Government. They don't trust Labor or the Greens to do the right thing by their business and for good reason. When Labor and the Greens shut down the forestry industry, the retail sector was hit hard. Shops in rural and regional areas were wiped out, virtually overnight. The knock-on effects were felt right around the State.

And when Labor and the Greens drove the economy into recession, Tasmanians stopped spending because they didn't feel confident enough about their job or the economy to spend on anything but the essentials.

A majority Hodgman Liberal Government will, first and foremost, restore confidence. Tasmanians will know they have a strong Government with a clear voice and a single direction. We won't be at the mercy of the Greens or any other political party.

In addition to that, a majority Hodgman Liberal Government will **provide \$800,000 over four years to enhance the existing Digital Ready for Retail program** and develop a strategic retail ready for business policy to aggressively target Tasmanian retail businesses that want to understand and find out more about how to operate online.

The enhanced program will provide Tasmanian retailers with the information and tools they require to make the most of online services and the opportunities that are available to them.

Costings

\$1.25m over four years

ⁱ "Measuring Red Tape: Understanding the compliance burden on Tasmanian Businesses" for the Tasmanian Department of Economic Development, Tourism and the Arts, January 2013

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