

# CCIWA Pre-budget submission

## Key Priorities



The WA economy has enjoyed extraordinary success during the COVID-19 pandemic, primarily due to booming global commodity markets. But commodity markets will one day turn. Many expect we have a few years at best. Reforming an economy takes time, so WA must take the opportunity now to diversify. In addition to a focus on addressing the skills challenges facing our economy, our Pre-budget Submission includes recommendations that will enable WA businesses and the community to capitalise on our success in managing COVID-19.



Keep the costs of doing business low



Ensure a skilled workforce and efficient infrastructure



Ensure regulation helps innovation and investment



Position WA as an attractive place to invest



### Reduce the tax burden on business to attract investment to WA

#### Why Government must act

Lumped with the heaviest payroll tax burden in the country, it is no wonder the WA economy is failing to diversify. Nearly half of large Australian businesses say our payroll tax regime significantly affects their perception of WA as an attractive place to expand.

#### What Government should do

Increase the payroll tax threshold to \$1.2 million and introduce a 15 per cent rebate on payroll tax liability for businesses with taxable wages below \$4m. The rebate would taper down to zero for businesses with taxable wages at \$7.5m.



### Unleash the benefits of harmonised Workplace Health & Safety laws

#### Why Government must act

The implementation of the *Work Health and Safety (WHS) Act 2020* is the biggest change to our occupational safety and health system since the 1980s. But with less than six months until its intended implementation, employers are unable to fully commence harmonising their existing practices due to delays in the accompanying regulations and codes of practice, and limited funding and resources.

#### What Government should do

Provide sufficient funding to implement the harmonisation process. In addition, the government must commit sufficient funding to WorkSafe WA to deliver the education and support activities necessary for WA businesses to understand and implement these new obligations. This includes reintroducing the ThinkSafe Small Business Assistance Program to provide employers with independent advice on the new system.



### Reform kindy funding to boost women's workforce participation

#### Why Government must act

WA women with young children are the least likely in the country to work more than 20 hours a week, and the gap between women and men's participation is higher here than everywhere else in Australia. WA parents describe the kindy year as a "logistical nightmare" and "the year from hell".

#### What Government should do

Commit to reforms recently announced by the Commonwealth to the National Partnership Agreement on Universal Access to Early Childhood Education. The reforms would see \$1340 in Federal Government funding passed to every child regardless of whether they attend kindy at school or centre-based day care.



## Allow all businesses to choose their electricity retailer

### Why Government must act

The State Government is successfully rolling out energy reforms that will ensure reliable access to energy into the future. However, many small and medium-sized businesses continue to be prevented from choosing their electricity retailer, which pushes up their energy costs.

### What Government should do

Provide choice and price competition for all businesses by changing the retail electricity market contestability threshold and enabling businesses on sub-meters to choose their electricity retailer.



## Invest in digitising regulatory services

### Why Government must act

The slow pace of the WA public sector's digitisation is increasing the costs of doing business in WA compared to the rest of Australia. The WA Government has fallen behind most other jurisdictions on measures of digital readiness, making WA a less attractive place to do business.

### What Government should do

Include significant funding in the budget for implementing the *Digital Strategy for the Western Australian Government 2021-2025*. Funding this strategy properly will create opportunities to improve processes across multiple industry sectors, enabling businesses to focus on their operations and diversifying our economy.



## Remove trading restrictions for a thriving retail sector

### Why Government must act

Western Australia's restrictions on retail trading hours are a textbook example of government red tape unnecessarily holding back the vitality and liveability of our community, while stifling WA jobs in the process.

### What Government should do

Open up Sunday morning trading by allowing all shops to open at 8:00 am; extend Saturday evening trading; formally enact Public Holiday trading extensions; and remove regulations that stipulate what a business can sell and when they can sell it.



## Reframe our approach to international trade and investment

### Why Government must act

Currently WA has no clear strategy for making a hard press into key trade and investment markets. One area that requires a strong focus is the United States. Despite being WA's largest investment partner, WA has no trade and investment office there.

### What Government should do

Immediately undertake a strategic assessment of where WA needs to focus its trade and investment efforts. Consider Austin, Texas, as a location for a new trade office, given its proximity to both the resources sector, and emerging tech industries.



## Develop a comprehensive WA investment deal book

### Why Government must act

There is an opportunity to fill the vacuum in global investment and trade markets by strengthening the value proposition for foreign businesses to invest in WA. This would help us to capitalise on the opportunities created by businesses rethinking global supply channels and investment priorities.

### What Government should do

Develop an online Investment Portfolio Deal Book – a comprehensive and consolidated resource for foreign direct and interstate investors looking to invest in WA, with content made available for multiple platforms (such as the Invest and Trade WA site, [wa.gov.au](http://wa.gov.au), [cciwa.com](http://cciwa.com), etc) and updated regularly.