

Hon Dr Sally Talbot; Hon Dan Caddy; Hon Jackie Jarvis; Hon Dr Steve Thomas; Hon Sandra Carr; Hon Lorna Harper

SMALL BUSINESS SECTOR

Motion

HON DR SALLY TALBOT (South West) [11.34 am] — without notice: I move —

That this house acknowledges the importance of Western Australia's small business sector and recognises the significant role that small businesses play in supporting the diversification of the WA economy, driving new job opportunities and contributing to WA's strong economy.

We do miss Hon Alannah MacTiernan, do we not? One of the things she is on the record as saying in the last couple of years was how much she looked forward to Thursdays when we can “have a bit of biff” in this place. Certainly the way things have gone this morning, we were heading in that direction. It is very galling to sit on this side of the house and be preached at by members on the other side.

Hon Donna Faragher: And that's coming from you!

Hon Dr SALLY TALBOT: I speak with some experience, Hon Donna Faragher, because I have had plenty of practice looking over the other side of the house and listening to the pathetic contributions made by members opposite, both in government and out, about what goes on in this state.

That is why I put up such a positive motion this morning that I hope we can all agree with. I sit here hour after hour listening to members, many of whom, like Hon Tjorn Sibma, have never even been in government, talk about what it is like to be a government backbencher. All I say to Hon Tjorn Sibma is that I have sat here for many years and watched what goes on on the back benches of the Liberal Party. Frontbench members opposite should turn around sometimes and have a look at what is behind. All I can say is that when they look behind these days, there is nobody. A number of times we look on the other side of the house and one speaker is on their feet and everybody else is out on “urgent parliamentary business”. That is just an observation to set the scene for this positive motion that I am putting before the house this morning, hoping that we can all be in furious agreement in acknowledging the importance of the role that the small business sector plays in the Western Australian economy.

I do not know how many people on the other side of the house would have taken the trouble to either read or listen to the Premier's Statement last week. I listened to it and I subsequently read it. It is a very powerful statement. I urge members on the opposition benches and the crossbench that the next time they feel inclined to get up and have, in Hon Alannah MacTiernan's words, “a bit of biff” and have a go at us, they should read the Premier's Statement first to get a feeling for how the majority of Western Australians feel about how their state is going at the moment. I really ask members to consider who is failing the people of Western Australia at the moment. I can tell members that it is no-one on my side of the chamber. Everywhere I go in the south west, people talk about the failure of the Liberal Party, in particular, to provide any decent opposition in this state. The collapse of the Liberal Party has been a very, very powerful influence on politics in this state. I ask members opposite to look at themselves before they stand and preach to us. I am absolutely with the Leader of the House, Hon Sue Ellery, when she talks about the pure and simple laziness of members opposite.

That brings me —

Hon Peter Collier: Have you mentioned it?

Hon Dr SALLY TALBOT: Hon Peter Collier has not been listening. He will have to read *Hansard* in the morning and then we can have another discussion about this next time we meet in this house.

The small business sector is one of many sectors in Western Australia that breathed a sigh of relief knowing that the McGowan Labor government was in charge over the last few years. Having watched the Liberal–National government drive the economy off the cliff, it knew that when we were hit by a series of economic and social disasters, the like of which we have not often seen in the course of human history, it knew it was in safe hands. I can give members some illustrations of that but I should not have to do this. It becomes obvious that members opposite are not out there talking to people. They are not talking to small businesses in their communities. I think they just talk amongst themselves all the time, not that there are many people to talk amongst. Members on this side of the chamber are out there talking to people. The resounding message out there, particularly amongst the small business sector, is “thank goodness the McGowan Labor government has been in charge since 2017.”

I refer to the Premier's Statement. The reason I want to start with that is that there is a sense in which every time the Premier uses the word “business”—recognising that our economy in Western Australia is based on the success of business—which was in every other sentence of his Premier's Statement, we can hear that what he is saying is specifically relevant to the small business sector. The Premier talked about attracting industry and diversifying our economy because it is by doing those two things that we create jobs. The small business sector is part of the very heart of the Labor Party. We understand that the small business sector is an essential part of the network of connections in respect of attracting industry, diversifying our economy and creating jobs. That is what we are good

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at on this side of the house. We are good at constructing those webs of connection through the community. The other side of politics always talks about hierarchies. Its whole economic philosophy is based on the trickle-down theory, in which there are a few people at the top who make loads and loads of money and some of it trickles down to the people underneath. That is not what we do. On this side of the house, we build networks and communities. Maybe after this debate some members will go back to the Premier's Statement and they will see that what he was actually talking about is developing the strength of communities—liveable, sustainable communities—and the role that business plays in the establishment and maintenance of those healthy, strong communities.

I have some figures to back up what I am saying. I have been self-employed at times in my career, but I have never identified myself as a small business person, so I was a bit surprised by these statistics. It turns out that if we take all the businesses in Western Australia, somewhere north of 95 per cent are classified as small to medium-sized businesses. That surprised me when I saw it; some reports put the figure as high as 99.8 per cent of all WA businesses. From June 2021 to June 2022, the small business sector in Western Australia grew by 5.1 per cent. Look at the economic circumstances that were in front of us in the 2021–22 financial year; yet small businesses grew by 5.1 per cent, and medium-sized enterprises grew by eight per cent. The economic value of small business to this state is very close to 40 per cent of our total economic activity.

I go back to what I said before about the fact that small businesses do not just sit there, trading in silos; they are part of the fabric of our communities, both in areas like the south west, where I live and work, and in the metropolitan area and bigger communities like Mandurah, Bunbury, Albany and Geraldton. Small business plays a part in all those communities. Do members realise that small business employs 38 per cent of the WA workforce? If we include the private sector, 41 per cent of our workforce is employed by small to medium-sized enterprises. It is an enormous constituent part of our economy. That goes some way towards explaining why it is worth focusing on small business in the work we do in this place.

I have one more figure I want to share with members. We are coming up to International Women's Day; in fact, I think it falls during our next sitting week. I was unable to get figures for Western Australia, but Australia-wide, 33 per cent of small business owners are women. That is quite impressive, I think. That figure has grown by two per cent since 2018. Again, I think that is a remarkable statistic, given the rocky economic times we have been through in the last few years.

We really need to extend the time available for motions like this; I think we might talk to the President about changing the standing orders!

I want to develop the notion I just referred to about the role that small businesses play in sustaining communities, and I want to specifically talk about my hometown of Denmark. I refer back to a time that caused a certain amount of angst—I am happy to concede that, because it was not something that we swept under the carpet—which was 2017, when Hon Alannah MacTiernan did a review of community resource centres. That was a very interesting process to go through, and I would go through it again any day, I must say. She asked us to have a close look at what our community resource centres were contributing to life in the towns where they existed. I know that many members opposite were just as vigorous in their enthusiasm for the work of community resource centres as members on this side.

I particularly went in to bat for Denmark, because it is an important regional centre. Denmark has between 6 000 and 7 000 residents and is one of those communities that, in a way, we can use as a sort of microcosm of what is happening outside the metropolitan area in big regional centres. One of the arguments we put forward that resulted in the Denmark Community Resource Centre going from strength to strength was about the importance of small businesses to our community. I will give members a very brief, 20-second version of the argument we put forward. It was that we needed to keep people accessing resources in small towns because if they have to go to bigger towns, including places like Albany, they will also do their shopping there, get their fuel there and do their banking there. We wanted to keep people in Denmark, and the CRC was an important part of that. The Denmark small business owners stumped up in that argument to talk about the fact that we needed to consider their role in maintaining the webs and connections that go into creating healthy regional communities.

The Small Business Development Corporation in Western Australia is one of the major supporters of the small business sector, and I greatly admire the work it has done. During the COVID pandemic it was the first responder, the front line, in supporting small business, and it really stepped up to the mark. One of the programs I am particularly impressed with is the Small Business Friendly Local Governments program. I am not sure how recent these figures are—Minister Jarvis might be able to help me here—but it is my understanding that 51 local governments have signed up to that program as of today, and by my calculation, 10 of them are in the south west. The purpose of that program is to enable small businesses to work efficiently with local government. We know how daunting local government processes can be and that is very much the topic of the day; the front page of *The West Australian* this morning is about an aspect of that problem. But the fact that 51 local governments in Western Australia have come forward to say, "Yes, we would like to work more smoothly with small businesses" is, I think, a major development

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in this state. I note that that program is also supported by the Western Australian Local Government Association and several other organisations that have an interest there.

I also note that it is under the small business heading that we are running the \$4 million community small grants program that will particularly benefit small businesses in the south west that have been affected by the move to transition away from native forest logging—a move that is supported wholeheartedly by the majority, by far, of people in this state. The fact is that we have stumped up the money to support small businesses to transition away from an industry that does not have a future into areas that create jobs, expand local economies and create the diversification that the Labor government has been talking about ever since we came to office in 2017. It is a very proud role. I am very, very happy to see the new minister being given this portfolio. We have a great future in front of us for the small business sector.

HON DAN CADDY (North Metropolitan) [11.49 am]: It gives me immense pleasure to speak to this outstanding motion brought by Hon Dr Sally Talbot. The second part of it states —

... the significant role that small businesses play in supporting the diversification of the WA economy, driving new job opportunities and contributing to WA's strong economy.

The reason I am speaking on this motion today is that there are a few small business owners in this chamber—I will not name them—or, in my case, a former small business owner, and I want to reflect a little bit on my time as a small business owner. As anyone who has done it will tell you, owning a small business can be extremely rewarding. All small business owners go on different journeys, but there is one common streak, which is determination. Small business owners need determination to make it work from the second they start. There are inevitably hits along the way no matter what industry someone chooses to go into. We spoke a bit about this yesterday when we spoke about the innovation booster grants and the fact that the hits to small businesses that are on the cutting edge of tech can be sometimes fatal. That is where they choose to go, but many of them will reinvent themselves.

In my journey, I enjoyed building the business—taking a concept, putting together the business plans, working out how it could work, getting all my ducks in a row, so to speak, and then going out there and building it. I still remember to this day the first meeting I had with my first client. It was exciting. I remember the formative years and the planning and seeing it all come together and all work. I mentioned yesterday my former business partner, Suzie Badcock; she is an absolute force of nature. She is one of the most incredible people I know and still one of my closest friends to this day. I think she would agree—this is often unique to small businesses—that neither of us could have done it or had the success in building that business without the other. We are different people but we harnessed each other's energy. She now runs three small businesses on her own and employs a number of people. Anyway, that is enough of my life story.

This motion is great and it picks up a little bit on what we spoke about yesterday with innovation. The small businesses of today, and especially in Western Australia, are often the vanguard of the creation of new and cutting-edge technology. I will look at some of the facts and figures around small business in a moment; apologies to honourable members if I repeat some of the things that Hon Dr Sally Talbot said, but before I go to that, there is something I do not want to miss putting on the record. Small businesses are absolutely critical to communities. Especially in regional areas, it is often the small business that is supporting the local netball club, the local footy club or the local cricket club. As I said, in regional areas we see it all the time. Small businesses in local towns, but also in Perth, provide the sausages and the buns for sausage sizzles and fundraising. It is all that sort of stuff. In a lot of areas, in the suburbs of metropolitan Perth and especially in the regional centres, a lot of these small businesses are the absolute cornerstones of their communities. That is really important. Hon Dr Sally Talbot talked about the web that small businesses create. The web that small businesses create with not only the business community, but also their local communities is an absolutely critical component of what small businesses are in Western Australia and what small businesses are to our society.

If we look at the 2020–21 figures, we see that small businesses made up just over 97 per cent of all businesses in WA, and that 40 per cent of them employed people other than the owner–operators of the businesses. This figure on its own underpins the importance of small business to Western Australia for employment, production and state GDP. Indeed, the latest figures from 2020–21 show that small businesses in Western Australia employed over 460 000 people. That is just under 40 per cent of the entire workforce in Western Australia. Another interesting thing is that many small businesses are located in regional areas. We see from those figures that about 23 per cent of small businesses are in regional areas, which reflects the population spread across the state. This is not particular to the metropolitan area. As I was talking about before, I think small businesses in regional areas do direct community engagement extremely well.

I noticed an interesting statistic when I was looking over what I was going to speak about. This again ties back to what we were talking about yesterday—small business innovation. The second-largest sector, after the construction sector, in Western Australia for small businesses is indeed professional, scientific and tech. I think that shows that

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as a state we are really moving in the right direction. A lot of our small businesses are at that cutting edge, and I think that is really important. The two small businesses I spoke about yesterday in this chamber clearly fall into that category. I echo my words of yesterday that those businesses and the small businesses in Western Australia should be applauded for not only, in that case, their continued focus on innovation and technology, but also their commitment to jobs in Western Australia.

I think it is also important to recognise that the McGowan government absolutely understands how important the small business sector is to the state as a whole. Recent events with COVID were difficult for everyone around the world but they were particularly difficult for small businesses in Western Australia. That is why in the middle of last year the small business hardship grants program was boosted. It was successful in its first iteration. The criteria were changed and businesses in those categories were eligible for grants of up to \$37 500 depending on the size of the business and the number of employees. The original eligibility for small business hardship grants was a 50 per cent reduction in turnover. We changed that and also the level of the grants. That is because the government went out and spoke to the small business sector and listened. An absolute hallmark of the McGowan government is listening to stakeholders wherever it is and in this case it was the small business community. We listened to them. We dropped 50 per cent to 40 per cent. We increased the value of the grants to help these small businesses. I think it is important to note that we are not only providing grants innovation grants. There are a series of government grants to small business but also when small business was in trouble, we saw that and we understood that. We spoke with them and tried to help out.

Hon Dr Steve Thomas has stood in this place many times and complimented this government on the handling of COVID at a personal level looking after the population in direct contrast, I must say, to his party leaders at the time. I will not go into that. I am not standing here today to have a shot. Hon Dr Steve Thomas has complimented us on looking after the population. I look forward to hearing the same and hearing the member wax lyrical and agreeing with me on how we have looked after the small business —

Hon Neil Thomson: You're having a shot.

Hon DAN CADDY: I am not having a shot. I would welcome the honourable Leader of the Opposition in this place to get to his feet and have a chat about this. I will just finish off by picking up one thing that Hon Dr Sally Talbot said—that is, the incredible growth in small businesses in this state despite the circumstances we found ourselves in around COVID.

HON JACKIE JARVIS (South West — Minister for Small Business) [10.50 am]: I thank Hon Dr Sally Talbot for bringing to the house today this very positive motion; it is nice. I, too, miss the fire of my predecessor. We might have to hand over that mantle to Hon Dr Sally Talbot because my personality is perhaps a little different, unless I have missed out on my coffee!

I want to speak about the small business sector in Western Australia. Yesterday I had the great pleasure to meet the federal Minister for Small Business, Hon Julie Collins, MP. It was the first time I had met Ms Collins in person. We met for a coffee in the city and then visited the Small Business Development Corporation. It was interesting to sit and chat. We have a lot in common. I am from Western Australia and she is from Tasmania, so we both feel a bit hard done by by the feds at times. When I asked her what the key challenges she saw for small business across Australia were, she mentioned access to labour supply and housing for staff in regional areas, which we know is a challenge across Australia. We both shared our concern about challenges around interest rates going up, particularly as many small business owners rely on their family home to secure their business finance and when home loan rates go up, so do business interest rates. I was proud to take her to visit the Small Business Development Corporation.

The Small Business Development Corporation has been in operation since 1984—almost 40 years. It provides a number of services. I must confess that before becoming the Minister for Small Business I knew of the Small Business Development Corporation, but I did not fully appreciate the range of services it offered in both a metropolitan context and also regionally. The Small Business Development Corporation offers a free business advisory service both over the phone and in a live chat with experienced business advisers. I have met a number of them and they are highly experienced. It also has a specialist commercial tenancy advice line and some excellent expertise in office. I found it interesting that it offers a free business licence finder. If someone is thinking of starting a business in a particular sector, it will issue them with a report on all the permits their business may need to start operating. It is based on the industry and its location in WA.

The SBDC's highly experienced staff provide a dispute resolution service, which helps to find negotiated solutions when businesses are in dispute with each other. Quite often matters can be dealt with through negotiation rather than through legal action. It also runs low-cost skills development workshops on a number of subjects. When I talked to staff at the corporation, I said that we did not want to be running workshops that took away money from other small businesses or providing accounting advice when someone should be going to an accountant. However, they were very clear on their mission. Quite often, when someone starts a small business, they do not know what they do

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not know. The staff provide workshops to give people a feel for what they are going into. Sometimes the best advice is to talk people out of going into business, which sounds counterintuitive. If someone has a business idea that is not fully formed, giving them some good advice and getting them to go away and think about it is a great thing.

I am proud to say that the Small Business Development Corporation offers these services in regional areas through the Business Local service, which has operated for a number of years. I want to see how we can expand that and improve that offering. Obviously, many things are being moved online, but having that physical presence in the regions is important. I thank Hon Dr Sally Talbot for discussing community resource centres because it had not occurred to me that that could be an important tool to connect into the great Perth-based expert advisers as an addition to the regional advisers in places such as Albany and Bunbury.

I am chuffed to have become the small business minister. Like Hon Dan Caddy, I have run several small businesses, including a retail outlet that sold baby goods in the mid-to-late nineties. My husband and I now run a wine business, which is essentially a retail outlet and a tourism business. We have experienced the highs and lows of small business. The great thing about talking to the federal minister was to find how our services dovetail into each other. When the team at SBDC met the minister they were able to discuss with her how they can refer businesses onto federal services.

It was fantastic to learn that a mental health support line is offered federally and SBDC staff in Perth refer people to it. It is basically a support line that does not require people to go to a general practitioner for a mental health plan. Quite often small business owners are stressed and busy and do not make time for their own health, so that is a fantastic service offered by the federal government. There is also a debt hotline for small business operators who are in debt. Banks are often keen to charge much higher interest rates for small business debt. Even though they might have a mortgage and a heap of equity in the family home, they certainly add a premium to small business debt. The debt hotline that the federal government offers in addition to the business advice we offer here in Western Australia is a fantastic service.

I want to acknowledge the Small Business Commissioner. In WA the Small Business Development Corporation has a dual CEO-commissioner role. Mr David Eaton has been the commissioner of the Small Business Development Corporation for 11 years. I acknowledge that in the Australia Day honours list this year he was recognised and received a public service medal for the work he did around COVID recovery. Hon Dan Caddy spoke about how the commission played a significant role. The position of Small Business Commissioner is unique. The Small Business Development Corporation provides advice, but the commissioner advocates on behalf of small business and provides advice on policy and regulations. He can also receive complaints about poor behaviour. When small business is impacted by a commercial activity or other entities, he can manage those complaints. It is worth acknowledging that in 2020, when my honourable colleague Minister Papalia was the Minister for Small Business, he introduced legislation that enabled the commissioner to undertake inquiries and investigations so that the government was well-informed when there was poor behaviour and could rectify that and, when required, make improvements to the business operating environment.

The federal minister and I talked about COVID-19 business assistance. States hold very little data on small businesses. We do not hold ABNs or process tax from people. It is difficult for small businesses to gather data and the SBDC stepped up when COVID hit to support businesses and get access to who needed grants and get that money out the door. The SBDC was designated as the COVID-19 business assistance centre and its existing phone service became the first line of contact for business owners. It was able to pivot, as everyone did, to deliver many of its services online. That has been fantastic because that pivot to offer services online gave the government the opportunity to consider a much broader regional offering. As Hon Dan Caddy said, the SBDC was tasked with delivering direct financial assistance and got that \$250 million in business grants out the door.

My hardworking staff provided me with some notes that state that the largest internet provider in Australia, iiNet, began its life as a small business operating from home in Perth. I told my staff, who are much younger than I, that I indeed know that. Although I do not know Michael Malone, the founder of iiNet, his father did some rendering on the house when my husband and I first bought in Wembley. The Malone family are from County Clare, as was my late father. I think the renderer's name might have been Joe. He told me all about his son who was running some sort of business out of his garage—at mum and dad's house—which was, of course, iiNet.

I will let other colleagues speak on this. I commend the motion to the house

HON DR STEVE THOMAS (South West — Leader of the Opposition) [12.09 pm]: I thank the Deputy President for the opportunity to make a contribution to this motion. It is pleasing that a motion from Hon Dr Sally Talbot, member for the South West Region, was responded to by the Minister for Small Business, member for the South West Region. I have to say that I thought the original contribution came straight from *The Comedy Company*, but we will see where we get to with that. I hope the new Labor member for the South West Region to replace Hon Alannah MacTiernan is as comedic and hilarious as existing members. I hope the standard will be kept up. I look forward to seeing them in action in the fullness of time.

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It was a bit funny, though. Hon Dr Sally Talbot stood up and said, “This is a serious motion.” It reads like a serious motion. Certainly, some of the contributions from members opposite treated it like a serious motion. Unfortunately, Hon Dr Sally Talbot stood up and bemoaned the previous government and the current opposition. That is what reminded me of an episode of *The Comedy Company*. It is not a bad show. If the intent was to have a serious debate on this motion, the member who moved it destroyed that in the first minute of the debate. However, there are a number of important issues.

I do not think anybody in the house today would suggest that it is not important to recognise small business, so there is no point in me haranguing the government by saying it does not know that small business is important. The opposition knows that small businesses important. The government accepts that small business is important. It is potentially a slightly bland motion that nobody would vote against if it ever came to a vote, and that is absolutely fine. In terms of intent, I do not think either side of the chamber has an issue with the motion, so I think we should defer instead to an examination of performance because that is probably more valuable. Therefore, the question is not whether the Labor Party, or the McGowan government, has an intent to look after small business. I think that is probably right in the same way that it has an intent, for example, to keep people safe and provide a safe community. I think the intent is certainly there, but there is a failure of delivery, and the same applies to small business, unfortunately.

Members might be keen to recall how the government performed on its support for small business during COVID. Again, that was raised by government members. We saw an incredibly complex process of compensation for businesses that were impacted by the government’s closure of regional and state borders, and a completely embarrassing performance on getting that support to businesses. In fact, it was such an embarrassment that the government is still trying to do it today—years later. It was great to be the shadow Minister for Small Business because I cannot tell government members how many press releases I put out bemoaning the incompetence of the government in getting support to businesses. I was having a crack at the Minister for Emergency Services yesterday. This one gave me an enormous amount of pleasure. The government could not get the support out, and, ultimately, it had to shift. The minister is right; the government had to ship the delivery of this branch system from the Department of Local Government, Sport and Cultural Industries to the Small Business Development Corporation because it acknowledged it had been a failure.

Initially, in the early stages, there was no compensation. Then it was going to go to only metropolitan areas, despite the fact the regions were also impacted. I think there was some great stuff. In April 2001, the Premier basically said in the media that it would be too hard to support small businesses impacted by the shutdown that week. After a long campaign by small businesses, the opposition and people who support small businesses, we saw the Premier; Treasurer make one of his amazing backflips—Olympic standard in its complexity—and introduce some compensation packages. But they were complex and businesses could not get to the compensation. They had to employ people to get compensation out of the government; it was that hard. Guess what, the Premier did another triple pike with a 3.2 degree of difficulty and it shifted all over again. It got a little bit better for small business because the SBDC at least had some understanding of how small businesses operate. We went from the government saying, “We’re not going to give you any; it’s too hard” to “Yes, we will give you some, but we will make it so complicated that you might have to employ a legal team to get hold of it” to “We’re going to make a bit of a difference now”. In the end, support is still trickling out to small businesses.

The support for small businesses impacted by COVID is yet to arrive in some cases. Guess what, small businesses have closed down while they waited. Small businesses went under waiting for the government to respond with the compensation that was in place for businesses because the government instituted shutdowns. I do not disagree with the shutdowns. Surely, if the government impacts on a person’s business by changing the rules, it is normal that the government should compensate them for that. I am not for a minute suggesting that the government should be paying out all the losses suffered by small businesses across Western Australia because that would be a massive amount. It is astounding that the government made it so difficult and so drawn out a process for businesses to receive the small contribution that the government was expected to make; it is still happening, effectively a year or more after the last shutdown.

Government members are happy to stand in this place and say they understand and support small business. If the government understood small business, it would realise that for a business with one or two employees, a complex application process for compensation that requires the owner to study for a commerce and law degree is not the best outcome for small business in Western Australia. I think it is absolutely hilarious. It is a complex process. I am one of the people in this chamber who, as I have mentioned before, ran a small business. I ran my business for 17 years. I then sold it on to somebody and that business is still alive today, which is not always the case. I recognise that it is complex and that it is not easy. One would think that the government would be absolutely focused on making the process as easy as possible, but I do not think that was the case. The Premier said it was too hard. He then said the government might be able to make a contribution.

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I like to keep up to date with events. Members will be pleased to know that in the house that shall not be named the Premier, who is the Treasurer, this morning introduced the Treasurer's Advance Authorisation Bill 2023. He commented —

Consistent with the recent years, COVID-19-related expenditure such as additional funding for small business hardship support grants—

And other parts—

was a significant component of the \$1 848.5 million forecast to be drawn against the Treasurer's advance in the midyear review.

The midyear review was in December. A couple of months ago, COVID-related expenditure such as additional funding for small business hardship support grants was a part of the economic debate of the state. When was the impact of COVID felt most? When were businesses asked to shut down? How long have they been asked to wait if the government was still trying to play with the budget in December to make sure that business can access the compensation they needed two years ago? Bit of a hint—it is in the name: COVID-19. It started internationally in 2019, started hitting Western Australia in 2020 and there were significant impacts in 2021. Government members have a bit of a problem. They like to go back to 2017 and earlier whenever we get into discussions about economic matters. They cannot quite keep up with the current date. Here is the surprise: it is 2023 and the government has been in charge for six years, including the entire period of COVID. The government likes to tell everybody that COVID is why services have not been up to scratch, we have not been able to keep people safe and the hospitals have not coped very well. It is all COVID, COVID, COVID! As a member said, when the government has done the right thing, I have complimented the government. Congratulations, the government implemented the health advice it was given by the Chief Health Officer. I am not sure why it needs a round of applause for that, but I am more than happy to say it repeatedly, and I do. But for all the other things the government has done, in particular looking after small businesses, I think it is a fail. To be honest, it is the second fail by this government that we have had to debate today.

HON SANDRA CARR (Agricultural) [12:19 pm]: I rise in support of the motion raised by Hon Dr Sally Talbot. I am particularly interested in small business. It is an issue quite close to my heart because my sister started and has been running her own small business for coming up to 20 years now. I have seen her develop that from the seed of an idea with very little funds to what is now a very successful and thriving business. That makes me scratch my head in response to the Leader of the Opposition's suggestion that businesses are not doing well and are struggling to access payments, because I know from conversations with my sister that she found those payments incredibly helpful. Yes, she was anxious during the pandemic, as we all were. The world was fairly complicated at the time and we were all very uncertain about how things would manifest. She certainly was one of those people. She had staff who could not come to work and clients she had to turn away or try to reschedule at an unknown date in the future. But I can tell members that following that uncertainty and following some investment by the state and, I acknowledge, the federal government, to keep paying employees to help those businesses that were dealing with hardship, her business experienced its best year ever last year, in 2022.

I know a number of small business operators in my region, one of them being my next door neighbour, who also recorded his best two years of business since he has been operating in his 20s. I will not give away his age, but it is pretty close to the big 60. How are you going, Mark Fox? There is evidence throughout the community that, yes, small business is complicated, and we are here to celebrate small business within our community and the work they do and the jobs they produce and the funds they inject back into the community, but no-one is standing here saying that being in small business is easy or that small businesses will always succeed. No-one is saying there will not be unpredictable outcomes or pandemics in the community or the world that will not place some small businesses under strain or that some businesses will not survive. Yes, we want to look for people to blame for some of those things, and they might be external factors, but when we look around our state, we can see small businesses doing particularly well, small businesses like my sister's that have recorded their best profits and their best years in the last couple of years, which is fantastic. They were not only getting great profits, but also spending them in the state, so the money was being circulated back into our economy. My sister's family holidayed within the state consistently as a result of doing well. She does not always get to take a lot of holidays, but there is a lot to celebrate in the way we have handled the pandemic and the way we have supported small businesses through it. Although I appreciated the 10 minutes of comedy from Hon Dr Steve Thomas, it was pure comedy and nothing more.

On that note, I would like to talk about some of the ways that we have —

Hon Dr Steve Thomas: I was just keeping up.

Hon SANDRA CARR: Not very well, I might add.

I would like to comment on some of the ways that the government has continued to support small businesses over the last few years in terms of our regional economic development grants. They have been really great and we get to

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see a lot of that on the ground. I want to talk about a \$230 000 grant in particular that was given to Sun City Produce, which is a market grower in Geraldton. It is doing a really great job of utilising all the resources at its disposal. It is also being quite inventive in managing uncertainty. One of the ways it managed employment uncertainty when the owner of the business was struggling get people to pick cucumbers—I point out that Sun City Produce is one of the largest producers of cucumbers in the winter months in Australia; it is a great business that is doing really well and I congratulate the Nguyen family for that—was the owner used a bus to pick up kids of working age after school who worked for him for a couple of hours to get pocket money. Those young people got work experience and he got some of the staff he needed. That is another example of our small businesses being inventive in solving problems, which is one of the things we all have to do if we take on the challenge of running a small business.

RED grants has also injected funds into things like tourism facilities throughout Western Australia. I will focus here for the sake of this discussion on the midwest. Greenhead Caravan Park got \$150 000 to attract more visitors to stay in the area. If members have ever been to Greenhead, they will know that it is a beautiful place with magic coastlines. Some of the best sunsets in WA can be seen from there. I highly recommend going there. Dongara is one of the undiscovered gems of the state. We gave Seaspray Beach Holiday Park in Dongara \$153 910 as part of the expansion of its local development plan to allow it to attract more tourism and accommodate more people as they come through. Dongara is a beautiful place. The tree-lined streets are absolutely stunning and it is definitely worth a visit. Our coastline there is magic.

Going all the way up to Kalbarri, we gave just under \$80 000 to Rainbow Jungle to allow it to accommodate some glamping up there. That is another way we are supporting small business to really harness the tourism interest that has been generated throughout Western Australia as a result of our pandemic response. We have really focused on improving and increasing WA's tourism capacity. I think an almost unexpected benefit of what was a terrible situation is that Western Australians have rediscovered the love of our state as part of that response and as part of our tourism promotion. We can see that across the state and from the tourism operators who are booked out and who need more staff. Yes, there is a staffing issue in Western Australia, and across the globe, and people are working really hard to find solutions to that. It is a great example of the way that Western Australia has harnessed opportunities, and I am particularly proud of the way we have supported small businesses in that area.

We also gave just under \$70 000 to the Burnt Barrel, which is a restaurant and function facility out in the Chapman Valley off Nanson–Howatharra Road. I hope I have that right so I do not misdirect people to that beautiful facility. It does amazing smoked meats. If people are rabid meat eaters like me, they will love it there. It is fantastic. The facility also hosts weddings on the beautiful grass patch that has gazebos. There is also an off-shoot in town. The Beached Barrel in Geraldton makes the best donuts members will ever eat. We gave it some money to create a nature-based playground. We are creating those types of family opportunities for our small businesses. The state government is looking at ways we can enhance tourism opportunities within the state.

We have also done some great things for businesses that are trying to attract and keep businesses and keep business opportunities in the region. I will touch on one that I have spoken about before, which is the JMH Group. It brought a new brake-testing facility to the Geraldton area. That enabled the transport services to stop their trucks and get their brakes tested and serviced in Geraldton rather than having to drive outside of the midwest and head straight to Perth for all those services. JMH has expanded what is on offer. When we bring those truck divers into the community and keep them in the midwest while they stay overnight, they buy the food they need and they might catch up with people and discover how fantastic the midwest is. We are attracting people into and keeping them in the regions. JMH has won from the Mid West Chamber of Commerce and Industry the business excellence award and business of the year award, and it continues to value-add to its growing business. JMH now also has offerings in Perenjori as well as the transport and roadworks and mechanical services it offers.

A lot of great things are happening in the way we contribute to small business through the RED grants. We also gave some money to Illegal Tender Rum Co some years ago. I would like to point out that that business, which distils its own rum, has won the best rum in the world award for a number of years in a row. We have a world-class rum distillery in the midwest. People can do rum tasting at its facility. That award has enabled it to have confidence in its small business and it is now expanding and building function and accommodation facilities. Some really exciting things are happening out that way and other businesses are feeding into that via the tourism opportunities that that business brings. Small business is thriving and doing well in Western Australia and I am really proud of the McGowan government's contribution to that.

HON LORNA HARPER (East Metropolitan) [12.29 pm]: I want to apologise for the stomach rumbles after hearing about rum and jam donuts from the wonderful Geraldton area.

Hon Sandra Carr: Come on down!

Hon LORNA HARPER: Yes, the member did not mention it when I was last standing. I, too, rise to support this wonderful motion moved by Hon Dr Sally Talbot. Communities rely on small businesses. We would probably not have

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a lot of our communities if we did not have small businesses. Small businesses are part of what makes a community. I would like to thank my small business hairdresser Tanya—who I am visiting very shortly, as members can tell—for all the hard work she does, and all the other people in the local area of Ellenbrook and across the eastern suburbs, including the wonderful Swan Valley and all the small businesses there. If members have not been there, please have a wee wander through the Swan Valley. It is absolutely stunning. If members like cheese, wine, chocolate or coffee —

Hon Samantha Rowe: Who doesn't?

Hon LORNA HARPER: It can be all found in that place. More small businesses there now run especially for families, bringing families into the Swan Valley. It is not only the wine, but also other things that now attract people to that beautiful area. That then leads people into the absolutely stunning Ellenbrook area or to the wonderful villages of Guildford and Bassendean, which, again, are filled with small businesses.

I used to manage a small business, so I really appreciate the hard work that goes into doing that. A person has to not only make sure that the finances are fine, but also manage staff. I was very lucky. The business I managed was an early childhood centre. Without these centres, Australia would actually stop working. We have to acknowledge that early childhood centres allow people to work and support our economy. Imagine what our economy would look like if we did not have those facilities to assist families to care for their children. We also have a lot of entrepreneurs who set up small businesses from home. Yesterday we talked about innovation. This is where a lot of innovation can come from. People can come up with these smart ideas and then access the service that Hon Jackie Jarvis talked about—the Small Business Development Corporation—that can lead to these wonderful ideas coming to fruition. There are some great ideas out there, and we cannot deny that there are some whacky ones too, but people are out there trying to create business, jobs and wealth. Not everybody wants to work for a large traditional company. Not everybody works well in that environment. Some people with neurodiversity issues may work better as a small business owner or for themselves, because it is hard to break the rules if you are the one setting them. I have tried to on several occasions, but it is still very difficult to do.

Having small businesses in our local communities creates local job opportunities. Sometimes people do not have the ability to drive or public transport to their area has not kept up with the population growth in Western Australia. I am proud to say Labor is doing its best to remedy that with our wonderful Metronet service, which, again, will hopefully attract small business to the areas around these train stations, which will be fantastic. That encourages more people to come into the area. Hopefully, it will not only be the cafes, but also a few bars that take up this opportunity, but that is just a request from the people in Ellenbrook. It is important that we have a diverse economy made up of not just big business, but also small business that has people working at home or allows other people to go out and make a profit, and for those profits to benefit the business owners as well as all Western Australians.

HON DR SALLY TALBOT (South West) [12.35 pm] — in reply: I have 25 seconds in which to say thank you to my colleagues for their very elegant support for the motion. I was less impressed by Hon Dr Steve Thomas, but, then, I always have been. What members heard in the last hour or so demonstrates how well-connected Labor members are to their communities and I was pleased to give them the opportunity to put that on the record.

Motion lapsed, pursuant to standing orders.