

MONRO'S PLANTATION TEA ROOMS

**372. Mrs C.L. EDWARDES to the Minister for Consumer and Employment Protection:**

I refer the minister to a report in *The Northern Guardian* on 13 November 2002 that one of the most popular tourist attractions in Carnarvon, Monro's Plantation Tea Rooms, was forced to close its doors at the end of October due to the Gallop Labor Government's new labour relations laws and ask -

- (1) Is the minister aware that his laws have made weekend and overtime wage rates so high that Monro's small profit margin was completely eroded?
- (2) Is the minister also aware that his new laws mean not only that a popular tourism business catering for over 30 000 visitors to Carnarvon each year has had to close but also that locals have lost job opportunities?
- (3) Is the minister aware of any examples of the Government's new laws resulting in businesses closing their doors, and will he undertake to carry out a survey over the next three months to determine the impact of those new laws on small businesses throughout the State?

**Mr J.C. KOBELKE replied:**

I thank the member for the question.

- (1)-(3) Some years ago, I was one of the many thousands of people who visited Monro's and enjoyed its hospitality and what it had to offer in the form of a plantation and tourist attraction. However, the member, as is the wont of the Liberal Party, has provided only half the truth in the question; that is, that Monro's had been operating successfully prior to 1993. That means the business operated by paying award conditions. In 1993, when the workplace agreements came in, it then gave the business a lower cost structure. Now it has to go back to the same labour cost structure that it had in the 1980s and early 1990s when it was a successful business. It is illogical to say that its business failure is due to operating on a wage cost structure on which the rest of Western Australian small businesses successfully operate. The original press statement about Monro's actually touched on that issue. However, the member for Kingsley left out that important fact in her question. What Monro's has had to put up with in the past is readjusting to not only the labour change but also, more importantly, the Liberal Party's goods and services tax. What has the GST done for small business? Has the GST helped small business to flourish? The member knows that it has not. Therefore, Monro's and a range of small businesses that have found it very difficult have done so, in part, because of the readjustment to labour costs but primarily because of the GST inflicted on small business by the Liberal Party.