

UNFAIR DISMISSAL LAWS, IMPACT ON SMALL AND MEDIUM BUSINESSES

541. Hon. C.L. Edwardes to the Minister for Consumer and Employment Protection

I refer to the announcement that new research by the Melbourne Institute of Applied Economic and Social Research has shown that State and Federal unfair dismissal laws have cost small and medium businesses \$1.3 billion a year, as well as having a significant impact on jobs, and ask: -

- (a) is there any information regarding the impact of unfair dismissal laws on small and medium businesses in Western Australia;
- (b) if so, what information can the Minister provide;
- (c) if not, will the Minister take steps to ascertain this information and provide it to the House;
- (d) is there any information regarding the impact of unfair dismissal laws on employment in Western Australia;
- (e) if so, what information can the Minister provide;
- (f) if not, will the Minister take steps to ascertain this information and provide it to the House;
- (g) does the Minister accept the findings of the Melbourne Institute of Applied Economic and Social Research;
- (h) if so, will the Minister take steps to exempt small business from unfair dismissal laws; and
- (i) if the Minister does not accept the findings, why not?

Mr J.C. KOBELKE replied:

- (a)-(f) There is currently no specific, independent information on the impact of unfair dismissal laws on small and medium business in Western Australia.
- (g) Not until or unless the findings are validated by subsequent independent research and analysis.
- (h) Not applicable
- (i) There is doubt about the methodology and underlying assumptions used in the research, in particular, its use of closed-ended questions. The Minority reports of the federal Senate Employment, Workplace Relations, Small Business and Education Legislation Committee inquiry of February 1999 deal with this issue. The Minority reports criticised the use of surveys that put leading questions about unfair dismissal to those being surveyed, which resulted in a biased outcome.