

Disingenuous, disappointing and misleading comments don't help in a crisis.

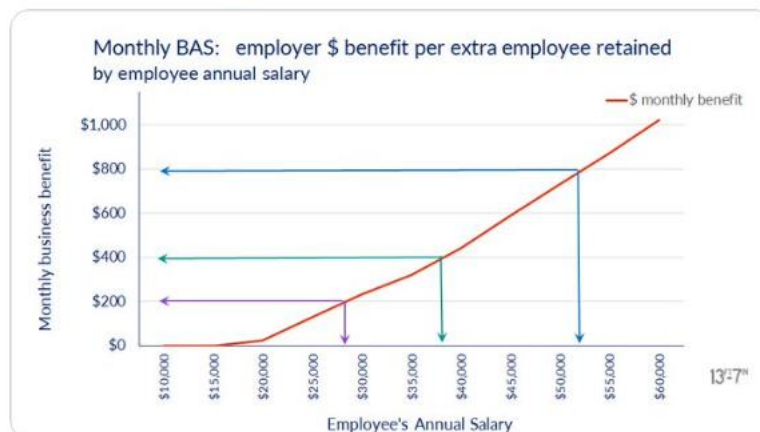


13foot7 @13foot7 · Mar 23

#SME Bus & #NFP mth benefit for retaining 1 extra employee depends on e/ee's salary:

Ann. Salary	Mth benefit
\$10k.	\$0
\$15k.	\$0
\$20k.	\$24
\$25k.	\$130
\$30k.	\$234
\$35k.	\$321

#ausecon #ausbiz #auspol



This ORIGINAL tweet by @13foot7 is innocuous enough, stating a fact. But the re-posted comment by Michael West is wrong and designed to raise alarm with people who are alarmed enough already.

“There is a flaw in the Government’s small business bail-out package; it encourages employers to discard the lowest paid workers and keep the more expensive ones. **Michael West** reports with @13foot7. The Federal Government’s bail-out package appears to be poorly designed. As the chart from @13foot7 shows, employers receive more money from government for their more highly paid workers.”

I’m assuming, because it’s not quite clear, Mr West is talking about the [Government’s initiative to boost cash flow for employers](#), that will provide between \$20 – 100K to SME’s with a turnover less than \$50M (and probably a lot less than that right now....)

It uses PAYG tax as a way to provide scaled, targeted cash straight into SMEs who employ, quickly, so they can keep employees in work. It does not apply if you lay staff off. It’s very clever. It forces employers to really consider ways of maintaining their staff and it puts cash in their hands to do it.

If Mr West and his colleague are talking about this assistance package (and it's not clear as they mention a monthly BAS not a PAYG) this is highly disingenuous.

1. Some employees are more valuable than others to an employer due to many factors, like, longevity, skills, attitude, and generally they are paid more because they deliver more.
2. This is not a capitalist plot to disadvantage low-paid workers. It was designed to encourage employers to keep workers employed. The benefits do not flow to employers who sack staff.
3. Implying this is unfair or "poorly designed" is like saying the tax system, which taxes the low paid little and the high paid more, is unfair.
4. The comments are simplistic. It also has nothing to do with the money provided to the RBA. Linking the two, putting millions of small businesses in the same bucket as banks, is poor comment.

I note the tweet from Mr West has been retweeted many times. Mr West should apologise and remove the tweet. Commentary like this, is unhelpful, misleading and undermines the credibility and authority of independent journalism. Now, more than ever, we need our independent journalists to keep a steady hand on presenting a balanced view, especially when discussing an employer's dilemma. 900,000 small business owners are eyeballing their staff today, after a sleepless night trying to decide who they keep, who they sack, if they stay open and how they manage. Rabble rousing is a fail.