

October 2017

Business Migration to Australia

Quasar Advisory Services Pty. Ltd.

Business
Migration is
like winning a
Currie Cup final
in the rain
(video) – *let
me tell you
why?*



Lessons from the 1987 Currie Cup final

- In the week leading up to the final it had been raining across Gauteng
- The match was played in the rain
- Transvaal arguably had the better team
- Transvaal scored two tries to none
- Due to the rain in the lead-up to the match, practice sessions were cancelled
- Despite the cancellation of practice sessions, Northern Transvaal flyhalf – Naas Botha – practiced (by himself) his kicking in the rain
- Northern Transvaal won the final by the boot of Botha who kicked 4 drop goals (one with the left boot) with a very wet *leather* ball

**The key to winning when you face
several challenges is
PREPARATION**



Context

- In relative terms, South Africans are more stressed than Aussies
- Because they have less stress, Aussies have a greater capacity to deal with things calmly and in a level-headed way
- South Africans who migrate to Australia *over time* acquire the means to also deal with things calmly and in a level-headed way
- A greater emotional capacity will afford Business Migrants the ability to deal with the challenges that face them overseas



Context

ESTIMATED RESIDENT POPULATION, Australia - Top 10 countries of birth - 30 June 2016^{(a)(b)(c)}

Country of birth	Persons	
	no.	% of Australian population
UK, CIs & IOM(d)	1 198 000	5.0
New Zealand	607 200	2.5
China(e)	526 000	2.2
India	468 800	1.9
Philippines	246 400	1.0
Vietnam	236 700	1.0
Italy	194 900	0.8
South Africa	181 400	0.8
Malaysia	166 200	0.7
Germany	124 300	0.5

The right attitude

- Understand the following and accept it:
 - Rugby and Cricket give a very small and select group of Aussies a very limited view of South Africa – so, they know little about the country
 - Australians and New Zealanders (2.5% of the population) know relatively little about South Africa and Africa as a whole
 - Australians and New Zealanders' focus is on the US, Europe and China
 - Australians and New Zealanders are ignorant about the problems you may have faced;
 - They may not be interested to hear your story
 - They may not believe your story
 - They may be shocked to hear your story, but they suspect it is not as bad as it sounds
- **Australians' frame of reference does not allow for unchecked violence – so they find it hard to believe your particular story**
- Australians and New Zealanders do not feel they owe you anything because you sacrificed much to leave your country of birth
- It is unreasonable to expect of South Africans and New Zealanders to treat South African migrants in a special way

Business Context

- Federal set-up
 - State/Territory, Federal and Local *regulation*
 - Access to State/Territory, Federal and Local *resources*
- The business sector is a lot more sophisticated:
 - Specialised stores and services
 - More contract workers (tradesmen)
 - Employment options (Full-Time, Part-Time, Casual, Apprentice, Trainee, Contractor)
 - More complex Tax system
 - More regulation (often self-regulation)
 - Sales people are trained and generally well informed
 - Different level of communication between customers and staff
- Government departments are accessible and helpful
- Members of Parliament and Council Members are accessible and helpful

Business Structures

- Types (all must have an Australian Business Number (ABN)):
 - Sole Proprietor
 - Trust
 - Partnership
 - Proprietary Limited company (“Pty Ltd”)
 - Public company (“Ltd”)
- Pty Ltd
 - Registered through ASIC
 - Will have an ACN in addition to an ABN
 - 1 – many Owners
 - 1 – 20 Directors
 - No need to audit
 - If the Business Name (ABN) is different to the company number (ACN), the business may use the term “Trading As”. Thus, ***Alpha Pty Ltd Trading As Big Cloud Enterprises***

Taxes

Regulation

- Regulated by the Australian Tax Office (ATO)
- Tax year – 1 July to 30 June
- Every business must submit a Tax Return every year
- Tax Agents enjoy greater flexibility in submitting Tax Returns

Company Tax

- Generally at **30%**
- Small Business Entities (T/O < \$2 million p/a) – **28.5%**

Goods and services tax (GST)

- Turnover of \$75,000 or more, or you provide taxi travel you need to register for GST at the ATO
- GST is a broad-based tax of 10% on most goods, services and other items sold or consumed in Australia
- Quarterly Business Activity Statements (BAS) submitted to the ATO



Australian Government
Australian Taxation Office

Management Communication

- Managers and Business owners own the initiative, which is communicated through;
 - Monthly 1-on-1
 - KPI's (Key Performance Indicators or 'targets')
 - Informal staff meetings
 - Formal Performance Appraisals
- Use a 'Chisel' and not a 'Sledgehammer'
 - **"a display of failed common sense"** (Aussie) vs. **"that guy was just stupid!"** (Saffer)
 - **"Can I challenge you in that?"**
 - **"There are better ways of doing that"** (Aussie) vs. **"That guy is useless!"** (Saffer)
- Regular and engaging
 - **'How do you see us doing (this or that)?'**
 - **'What may be a better way of doing (this or that)?'**
- Greater emphasis on Coaching employees
 - Patience
 - Correct procedure
 - Genuine desire to help



Employment

- **Minimum Wage:** \$18.29 per hour (2017)
- **Superannuation Guarantee:** Employer contributions at 9.5% p/a (2017/18)
- **Full-Time:** up to 38 hours per week
- **Part-Time:** any portion of less than 38 hours per week
- **Casual employees:**
 - can be asked to work at short notice, with no guarantee of regular hours
 - are not entitled to annual or personal/carer's leave
 - can be terminated without notice, unless they are covered by an agreement or contract that specifies otherwise
 - are good for irregular and short term work demands
 - offer a flexible arrangement for the employer and employee.
 - Casual employees are paid an extra 20-25% above the base rate of pay to compensate them for not receiving the above entitlements.
- **Full-Time Equivalent (FTE):**
 - FTE of 0.6 equates to a 3-day work week
 - **Job sharing:** two or more Employees sharing the workload and time spent on 1 (one) Full-Time Equivalent.

Lessons from Migrant Business people (video)



Mentorship for Growth



Happy 15th birthday to Mentoring for Growth

Small Business Minister Leeanne Enoch marked the 15th birthday of Mentoring for Growth by hosting a reception at Parliament House on 9 August. This vital program provides small businesses with free access to business experts who provide insights and advice on business challenges and opportunities.

Queensland Government support for Business

The next round of the [Small Business Digital Grants](#) is now open, and we invite you to apply.

This grant program is aimed at moving Queensland's small businesses to the top of the digital economy and providing funds for them to access digital technologies to make the most of today's online business world.

The Small Business Digital Grants provide up to \$10,000 in matched funding to eligible businesses to enhance digital capabilities such as website optimisation, receiving online payments or creating a social media plan. The minimum grant funding amount is \$1,000.

digital tools and how to leverage digital technologies to create business opportunities.

The Queensland Government has allocated \$6 million over three years to the Small Business Digital Grants program as one of the key drivers of the [Advancing Small Business Queensland Strategy 2016-20](#) which will strengthen small business and help them meet the challenges of a changing economy.

You are able to choose your own supplier or coach, and grant payment will be made on completion of the project and after the business has supplied proof of payment for the service to the Office of Small Business.

To be eligible the business must:

- have fewer than 20 employees at the time of applying for the grant
- have an Australian Business Number (ABN) and be registered for GST
- be based in Queensland
- have a turnover of \$2 million or less in the last financial year
- declare if any owners or directors of the business are an undischarged bankrupt or insolvent.

We also have two other grant programs.

The [Accelerate Small Business Grants Program](#) provides targeted assistance to small businesses that demonstrate high-growth and employment aspirations to enable them to engage high-level expertise for their business. Matched funding of up to \$10,000 (excl. GST) may be provided to eligible businesses to

Questions

