



9 May 2024

Simplified Trade System Implementation Taskforce
Australian Trade and Investment Commission
GPO Box 5301
Sydney NSW 2001
via webform

Dear Sir/Madam,

Submission to the 2024 consultation on the Simplified Trade System reforms

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO) appreciates the opportunity to provide comment to the 2024 consultation on the Simplified Trade System (STS) reforms.

Small businesses are a key contributor to Australian economic growth, employment and training. They represent 97.3% of all Australian businesses, produce approximately one-third of national GDP and employ 42% of the private sector workforce.¹ Despite this, small businesses are underrepresented in their contribution to the value of Australian exports, contributing to only 2% of the value of Australian exports (excluding mining exports).²

Feedback to the consultation paper

The work of the STS Taskforce to streamline relevant government processes (by reducing duplication, enhancing interoperability and coordination, and improving the use of automation) has the potential to encourage small businesses to participate in cross-border trade. The ASBFEO commends this work and the continuing industry consultation run by the STS Taskforce to ensure reforms are effective and fit-for-purpose.

The ASBFEO broadly supports the principles that support the Trade Identity Policy Framework, the Fit and Proper Person Assessments Reform and the Border Controls Policy Framework. However, as a general comment, the ASBFEO recommends that efficiency improvements that require changes to how small businesses can gain access to government services or report information should be clearly communicated in advance. Where practicable, significant changes that require, for example, the use of online and digital services in place of existing paper processes, should provide for a reasonable transition period. Tailored guidance material should also be prepared to assist small businesses in managing this change.

The ASBFEO also encourages the STS Taskforce to consider how the security risks of the reforms should be managed. This may require not only ensuring that the infrastructure being used is secure, but also that suitable guidance is given to small businesses, which are increasingly being

¹ Employment figure excludes finance and insurance industry statistics. Australian Small Business and Family Enterprise Ombudsman (ASBFEO), *Number of small businesses in Australia*, ASBFEO, Australian Government, August 2023, p. 2; ASBFEO, *Contribution to Australian gross domestic product*, ASBFEO, Australian Government, June 2023, p. 4; ASBFEO, *Contribution to Australian employment*, ASBFEO, Australian Government, June 2023, p. 2.

² Based on the latest data publication available. Australian Bureau of Statistics (ABS), *Characteristics of Australian Exporters 2019-20* [data set], ABS website, 2022, accessed 4 May 2024.



affected by cyber incidents.³ Despite this, small businesses are generally resource-constrained from dedicating significant staffing or spending to cyber security, with nearly half of surveyed small businesses spending less than \$500 on cyber security each year.⁴

Some organisations, including the Victorian Chamber of Commerce and Industry, have focused on communicating simple steps (such as multi-factor authentication) that small businesses can do to protect themselves from cyber incidents. Another example of how relevant, concise and accessible information on cyber security can be communicated to small businesses is the ASBFEO's cyber security checklist, which consolidates and provides links to government-produced cyber security information and resources for small businesses.

If you would like to discuss this matter further or require any further information, please contact the ASBFEO via email at advocacy@asbfeo.gov.au.

Yours sincerely,

The Hon Bruce Billson

Australian Small Business and Family Enterprise Ombudsman

³ Among cyber incidents reported by small businesses to the Australian Cyber Security Centre (ACSC) in 2022-23, the average loss to the business was \$45,965, which represents an increase over the previous year. Australian Signals Directorate (ASD), *Small Business Cyber Security*, Australian Cyber Security Centre website, n.d., accessed 21 March 2024.

⁴ ASD, *Cyber Security and Australian Small Business*, ASD, Australian Government, November 2020, pp. 11, 14.