



Australian Government



Australian  
**Small Business** and  
**Family Enterprise**  
Ombudsman

# Quarterly Report

Q2, 2024 (1 April to 30 June 2024)

Australian Small Business and  
Family Enterprise Ombudsman

# Message from the Ombudsman



## **One of the core functions of the Australian Small Business and Family Enterprise Ombudsman is to help navigate disputes small and family businesses have with other businesses or Australian Government agencies.**

Over the past 12 months we received 6254 requests, taking the total number of assistance cases handled by the agency since being established in March 2016 to 46,766.

Pleasingly, our latest data, published in this Quarterly Report, shows nearly two-thirds of these calls are helped quickly by our call centre or Assistance Team providing useful information that enables small and family businesses to solve their issue and get back to business.

Our Assistance Team have provided more intense one-to-one assistance for 14,052 cases, including referrals to government support, and arranging alternative dispute resolution. This is in line with our legislation that says we are not to duplicate the functions of other government agencies.

What has become more apparent though is more time needs to be spent on individual managed cases as the issues have become more complex.

As small and family businesses navigate challenging business conditions and the number of corporate insolvencies climbs towards a 10-year high, requests from distressed business owners seeking assistance with insolvency have jumped by 50%. This includes those considering insolvency and those who are concerned that an insolvent business owes them money.

Payment disputes are by far the greatest area of concern for small businesses and now account for 42% of our assistance cases, up from 36% last year.

Payment disputes are often an early warning sign of a cash flow problem and can have a ripple effect that threatens the viability of other businesses. The construction industry had the highest number of payment disputes while payment disputes in the hospitality area tripled over the past 12 months.

Requests for help with a dispute involving digital services, including digital platform providers, software and website design, accounted for just over one-in-four new cases.

The number of cases we've seen involving a small business having problems with a digital platform has more than doubled since July 2022. We have repeatedly called for these platforms to implement clear, appropriate and standardised procedures to enable a timely resolution for small business disputes with clear escalation points and dedicated contacts for dispute resolution agencies so small businesses can have their dispute handled efficiently and resume operating their businesses sooner.

Typically, it involves the nightmare process of restoring an account that has been shut down after being hacked and we have been active in directly seeking resolutions for small and family businesses. This regularly leads to satisfactory outcomes in just a handful of days – but better dispute resolution procedures would negate the need for a government agency to step in every time this happens.

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***...nearly two-thirds of these calls are helped quickly by our call centre or Assistance Team providing useful information that enables small and family businesses to solve their issue and get back to business.***

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As has been highlighted by the Treasury's research and our own observations, small business owners feel acute pressure to 'do it all'. They feel they need to keep up the appearance of being fine even when they are struggling with both the big responsibility of business ownership and viability, and their mental health and team wellbeing.

# Message from the Ombudsman

The livelihoods of others – family, business partners, employees, and suppliers – depend on them.

Their identities are interwoven into their business and the stakes are so much higher than just a job. Many people have invested a lifetime and often their life savings -- and put their family home on the line -- to build up their business, which amplifies the emotional challenges.

There continues to be frequent instances where we are dealing with the substantive matter as well as providing support and resources regarding mental health.

During the quarter we released a guide for helping small business use social media securely. It includes tips about setting up social media accounts, who can access the account and what to do if the account is hacked and/or disabled.

Using social media can be a valuable way to grow and increase awareness of your business with existing and potential new customers, but there are important precautions that must be taken.

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***...small business owners feel acute pressure to ‘do it all’ and to keep up the appearance of being fine even when they are struggling with the big responsibility of business ownership and viability, their mental health and team wellbeing.***

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We strongly encourage small businesses to use multi-factor authentication, choose a strong password and change passwords frequently, update software and back up files regularly and create separate payment methods.

The guide is available at [www.asbfeo.gov.au/sm-securely](http://www.asbfeo.gov.au/sm-securely)

The Australian Government also released our report following our inquiry into the effectiveness of Commonwealth procurement rules for small businesses. The overwhelming response from our consultations with Australia’s small business community was that too many feel excluded from tendering for government contracts because they are not part of the ‘in-crowd’.

Small suppliers repeatedly told us the existing system is just not working as the bidding process is too complicated, not conducive to competition, opaque, inefficient, and incongruent with private-sector processes.

If you run a small business that hasn’t previously been a government supplier, this is a bewildering space. It is really hard to understand how to get involved. The full report with our 11 recommendations is available at [www.asbfeo.gov/procurement](http://www.asbfeo.gov/procurement)

Finally, we celebrated World Micro, Small and Medium-sized Enterprise Day on 27 June and enjoyed spreading the word through social media and some videos. It was great to see the Minister for Small Business, Julie Collins, joining the celebration.

It was a terrific opportunity to say a big thank you to the small and family businesses in our lives for their marvellous contribution to our economy and our society.



**The Hon. Bruce Billson**

Australian Small Business and Family Enterprise Ombudsman

# Key Activities

## Assistance

- Contacted for information and/or assistance 6,254 times over the last 12 months.
- Helped small businesses and family enterprises with a range of payment, contracts, digital platforms and franchising issues.
- Employed a dedicated case manager to help small business in 39 franchising disputes, an increase from 27 in Quarter 1, 2024.

## Advocacy

- Completed advice to government on the implications of ESG for small businesses. In forming the advice, the ASBFEO had regard to the Australian Government's mandatory climate-related financial disclosure requirements for large businesses and the Sustainable Finance Strategy. The ASBFEO examined ESG developments in Australia, including their implications for small businesses and how they are responding to bring their ESG engagement in line with broader market and consumer expectations.
- Completed 17 submissions, including to consultations on:
  - the Joint Standing Committee on Foreign Affairs, Defence and Trade's inquiry into Australia's tourism and international education sectors
  - the Standing Committee on Communication and the Arts' inquiry into challenges and opportunities within the Australian live music industry
  - the 2020 General Insurance Code of Practice Independent Review's initial consultation paper
  - the ACCC's Supermarkets Inquiry issues paper
  - the 2023-24 Food and Grocery Code of Conduct Review's interim report
  - the Rural and Regional Affairs and Transport References Committee's inquiry into the shutdown of the 3G mobile network
  - the Select Committee on Adopting Artificial Intelligence's inquiry into the opportunities and impacts for Australia arising out of the uptake of AI technologies in Australia.

## Outreach

- The Ombudsman delivered 7 presentations and participated in 23 webinars, forums, meetings and roundtables, including the Federal Regulatory Agencies Group and the Small Business Commissioners meetings. These outreach activities covered a range of topic areas including digital marketing, energising enterprise, small business conditions and the need to energise enterprise, insolvency, privacy reforms, food and grocery code review, and natural disaster preparation and recovery with audiences including the Family Business Association, the Australian Finance Industry Association, the Geelong Business Club, Wine Grape Council and other Industry Groups, State Chambers of Commerce and Industry, and Federal Government Departments.
- Promoted the Tax Concierge Service and Assistance function at small and family business focused events, including the Franchising and Business Opportunities Expo, the CommBank SmallBiz Expo, Total Field Day and the Canberra Small Business Expo.
- Coordinated sponsorship arrangements for further small and family business focused events including COSBOA's National Small Business Summit, the Family Business Conference, Expo and the Natural Disaster Summit for Small Business. These events included collaborations with other departments and agencies, ensuring a combined government presence and full-service experience for the small and family business sector.

## Key Activities

- Led Australian celebrations for the global UN Micro, Small and Medium Enterprises Day (27 June 2024), including a social media, stakeholder and media campaign to celebrate small business and keeping them front of mind. Materials included a stakeholder kit for partner organisations and stakeholders, a media release, OpEds and social media videos, animations and posts.
- Released three newsletters and a variety of communications materials in an integrated communications approach to ensure engagement of the small and family business community on key advocacy issues including regional bank closures, digital marketing, the federal circuit court, the federal budget, franchising code review, and the procurement report.
- Used the integrated communications approach to call for more support for small and family businesses due to the economic and regulatory environment and the need to energise enterprise, the need for cheaper and faster justice, insolvencies especially in the construction industry, uncertainty surrounding the instant asset write-off and energy efficiency tax incentive measures, the 3G switch off, promoting digital marketing provider resources and avoiding disputes and celebrating 2024 World Micro, Small and Medium-sized Enterprises Day.
- Convened and chaired the third National Small Business Communications and Media Network meeting for 2024 and assisted in the delivery of the Federal Regulator Agency Group Outreach Group meetings with further planned collaborations identified for 2024.



Click on the image above to view the Ombudsman's World Micro, Small and Medium-sized Enterprises Day 2024 video message.

# Assistance success to date

Since our establishment on 11 March 2016, we have received 46,766 requests for assistance from small and family businesses that are in dispute with other businesses or Australian Government entities.

We received 6,254 requests for assistance from small and family businesses in 2023-24. Nearly two thirds of these enquiries were resolved at point of contact, for example by providing information. For the year, we provided one-to-one assistance for 1,396 cases involving business disputes, including referrals to government support, and arranging alternative dispute resolution.

As specified in our legislation, we respond to requests from small and family businesses without duplicating the functions of other Commonwealth, State or Territory agencies. The legislation provides that we may work cooperatively with other government agencies if it is more convenient and effective to do so and allows us to assist small and family business owners access alternative dispute resolution processes.

**Table 1: Assistance provided to small and family businesses**

	2021-22	2022-23	2023-24	11 March 2016 - 30 June 2024
<b>Requests for assistance</b>				
Calls to contact centre	4,459	4,204 <sup>1</sup>	4,858	32,714
New cases actively managed by ASBFEO	1,601	1,469	1,396 <sup>1</sup>	14,052
Total requests for assistance	6,060	5,671 <sup>1</sup>	6,254 <sup>1</sup>	46,766
<b>Outcome of cases actively managed by ASBFEO</b>				
Resolved by ASBFEO contact with one or more parties	898	897	1,010	8,326
Referred to another Government agency or relevant body	461	274	329	3,382
Referred to Alternative Dispute Resolution	86	28	93	649
Other (including ongoing cases)	156	270	45	1,776
<b>Industry of party the small or family business is in dispute with (% of new cases managed by ASBFEO)<sup>1</sup></b>				
Digital services including platforms, software, website design	17%	26%	26%	Not available
Construction	7%	11%	9%	Not available
Transport, postal and warehousing	7%	8%	8%	Not available

# Assistance success to date

<b>Retail trade</b>	5%	6%	6%	Not available
<b>Professional, scientific and technical services</b>	4%	4%	6%	Not available
<b>Type of dispute (% of new cases managed by ASBFEO)</b>				
<b>Payment</b>	29%	36%	42%	26%
<b>Contract</b>	19%	24%	20%	26%
<b>Franchising</b>	15%	10%	9%	10%

<sup>1</sup> Information is from a live case management system. These figures include minor revisions to previously published data.

<sup>2</sup> Proportions report cases where industry is known. Most industry data commenced in 2020 due to a change in ICT system.

**Source:** ASBFEO, 2024.

Payment disputes are often an early warning sign of a cash flow problem. We provided one-to-one assistance for a record 587 payment disputes in 2023-24. Cash flow is vital for small businesses who continue to face high supply costs, subdued discretionary spending and tightening profit margins. Corporate insolvencies in industries such as construction and hospitality have increased through the year. Payment disputes reflect the industries that are doing it tough. The construction industry had the highest number of payment disputes in 2023-24. Payment disputes in the hospitality industry have tripled over the year.

These payment disputes can have a ripple effect and threaten the viability of other businesses. For example, an independent contractor in the building industry contacted us for help as they had not been paid for their work. They were unable to pay their debts and were unsure what to do as their livelihood supported their family, including family members with disability. We provided information on the dispute process and referred them to the relevant government agency.

Concerningly, disputes between a small business and a large business<sup>1</sup> increased by four per cent over the year. These small businesses simply want payment for the work they have undertaken. Often these large businesses refuse to pay within the small business' payment terms. For example, a small business owner contacted us for information as their standard payment terms were 14 days. The other business had told them that they had to accept payment terms of 30 days as part of their commercial relationship. We provided information on contracts and negotiations.

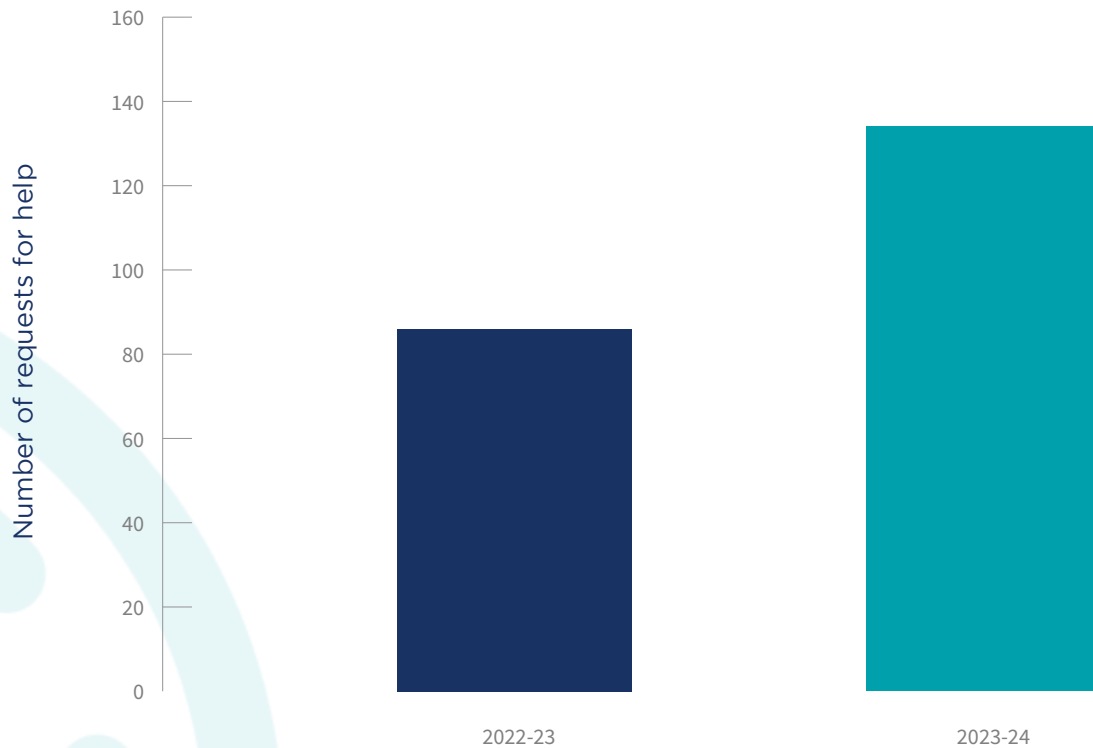
Hidden behind these statistics are individual small businesses who suffer every time a large business fails to pay them. For example, a small business owner contacted us asking what the point of the Payment Times Reports Register is. In their experience, it fails to provide relief to small businesses as large businesses are still failing to pay them on time. Their business was suffering as a result. They were putting their own personal funds into the business to keep it afloat.

Requests for help from distressed small and family business owners seeking assistance with insolvency have increased by over 50% this year. These include people considering insolvency and those who are concerned that an insolvent business owes them money. These were most commonly in the construction and transport, postal and warehousing industry. Requests for help from small businesses in financial distress in retail trade and personal services (e.g., hairdressing) have surged since January 2024. As well as being highly distressing for the people involved, these requests are often an early warning sign of tightening trade credit. Trade credit accounts for around 40% of debts of unlisted (typically smaller) businesses<sup>2</sup>.

<sup>1</sup> As listed on the Payment Times Reports Register.

<sup>2</sup> Reserve Bank of Australia, "The use of trade credit by businesses", *RBA Bulletin September 2013*.

## Chart 1: Requests for help with insolvency



**Source:** ASBFEO, 2024.

Requests for help navigating the complex regulatory environment increased this year. Information on employers' obligations dominated these requests. These included leave arrangements, superannuation payments, work health and safety, termination processes and working arrangements for apprentices. Too often, small business owners had to contact multiple government departments to understand their other obligations. These were across a wide range of areas including privacy, licensing, import regulations, tax, and the Personal Property Securities Register.

Over 70% of small businesses make online payments to Government<sup>3</sup>. Small business owners have expressed frustration with the time and effort required for these everyday compliance activities. For example, a small business owner contacted us as they were trying to make an online payment to a government department. The multiple factor authentication process was unsuccessful. The only option for help was an online bot, which did not understand the issue. They called the contact number provided but the call terminated several times. They then requested a call back and an email address through the bot, which also failed. The small business owner asked, "how are we to resolve any issue?"

With over 2.5 million small and family businesses operating in Australia, there are a wide range of experiences in this community. Although many of these businesses are facing tough challenges and making difficult decisions, others are excited about what the future holds. Enquiries about growing a small business increased in June quarter 2024. These were most commonly about how to hire a contractor, digitising their business and finding a business coach or mentor. These enquiries reflect the responsibilities of recruiting staff for the first time. For example, a small business owner contacted us for information as they were unsure whether they should be hiring an employee or a contractor and how to go about it. We provided information on the different arrangements, relevant resources and how to prepare a contract.

<sup>3</sup> Australian Bureau of Statistics, *Characteristics of Australian Business, 2021-22*.



# Assistance: Supporting Small and Family Businesses

## Industry Codes: Franchising, Horticulture, Oil, Dairy

We provided franchise participants with information relating to the use of the mandatory dispute resolution process under the Franchising Code of Conduct. We also arranged alternative dispute resolution (ADR) processes and appointed independent ADR practitioners to disputes when requested. For the quarter, this included:

- responding to 61 enquiries from franchising participants
- actively case managing 39 franchise disputes, 31 being initiated by franchisees.

We provided dairy participants with information relating to the use of the mandatory dispute resolution process under the Dairy Code of Conduct. We also arranged ADR processes and appointed independent ADR practitioners to disputes when requested.

For this quarter, we responded to one request for information and managed one case about the Horticulture Code of Conduct. We managed one case about the Oil Code of Conduct.

## Small Business Tax Concierge Service

Our Tax Concierge Service (TCS) continued providing small businesses with information and assistance relating to a range of taxation matters. For the quarter, we received:

- 9 requests for assistance from small businesses seeking assistance with Australian Taxation Office (ATO) negative decision letters received, a decrease from eleven requests last quarter
- 9 additional enquiries about the TCS, an increase from seven last quarter.

The TCS worked with the small businesses and the ATO to help issues to be readdressed and/or referred matters to independent tax lawyers for subsidised advice about appealing negative decisions.



In May, the Ombudsman gave a presentation at the Family Business Association's Family Business Conference.

# Assistance: Supporting Small and Family Businesses

## Infoline statistics and contacts broken down from across Australia

**1,269**  
calls to our contact centre

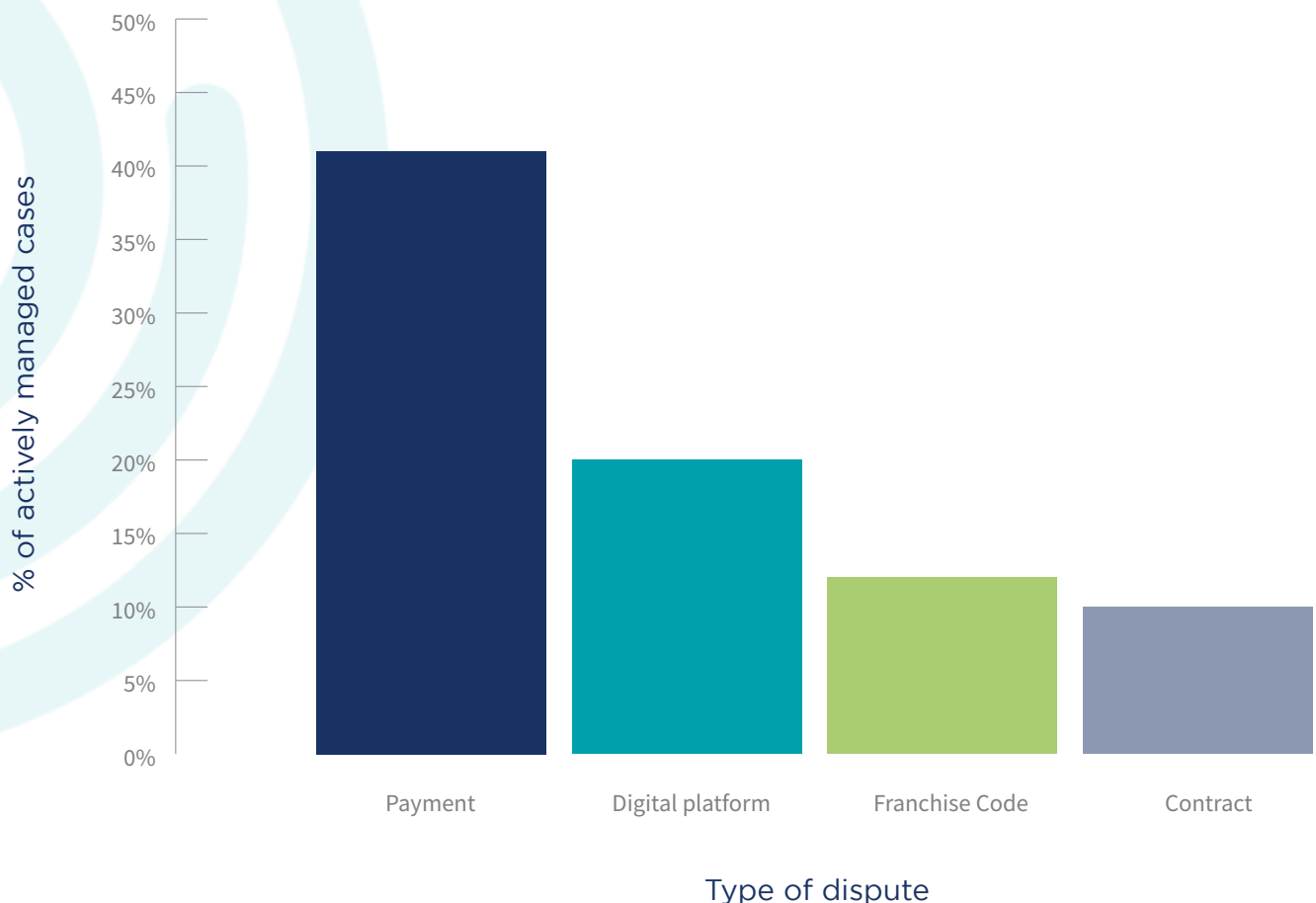
**339**  
cases that we actively managed

**1,608**  
total requests for assistance

**23,893**  
visits to the ASBFEO assistance website information

Payment disputes remain our most requested dispute requiring active case management. They accounted for 139 (41%) disputes where a case manager assisted the small or family business in Quarter 2, 2024. Other frequent disputes requiring case management include digital platforms (20%), franchising (12%) and contracts (10%).

**Chart 2: Type of dispute in cases managed by ASBFEO, Quarter 2, 2024**



Source: ASBFEO, 2024.

# Assistance: Supporting Small and Family Businesses

## Case management outcomes\*

**77.5%**

required active case management support, including providing information to progress dispute

**19.2%**

referred to more appropriate agency (usually relevant Small Business Commissioner, or alternative government agency)

**3.3%**

referred to an Alternative Dispute Resolution practitioner

## How we helped callers to our infoline

**82.2%**

given information and directed to ASBFEO's Dispute Support Tool and web form (for relevant steps to resolve their dispute) or another website

**4.5%**

referred to ASBFEO case management

**13.3%**

referred to another party such as a State Small Business Commissioner

\* Totals may not add up due to rounding.



ASBFEO attended the Family Business Association's annual conference, meeting with small and family businesses and stakeholders, to promote the office's assistance function and the Tax Concierge Service.

## How we've helped - case studies

### TAX CONCIERGE SERVICE GUIDES PATH

We received a request for assistance from the trusted advisor of a client with an intellectual disability. The request related to an Australian Taxation Office (ATO) determination that the client had submitted a fraudulent GST claim for a (non-existent) business that was established in their name. The case had the hallmarks of a Protego-style dispute, with a bank account set up to receive the GST refund. After checking with the bank, the client discovered that the account was not set up in their name.



The ATO maintained its decision that the client was liable for repayment of the claim as they had shared log-in details with a trusted family member that had been assisting with their tax returns. Therefore, the onus was on the client and the trusted advisor to prove that third-party fraud occurred and there was no way the client could prove their account was fraudulently accessed by an unknown third party. A dedicated Case Manager provided assistance through our Tax Concierge Service. This allowed the client to access subsidised legal advice and make an informed decision as to whether to pursue the matter to the Administrative Appeals Tribunal.

### WIPING OUT FAKE REVIEWS

We assisted a small business who was impacted by a fake negative review that was published to their digital application. The small business owner had made multiple attempts to resolve the matter with the alleged customer and the digital platform, with no outcome. One of the ASBFEO's dedicated Case Managers managed the complaint and within two weeks of making contact with the digital platform, the fake review was removed. The small business owner expressed tears of joy when the review was removed and thanked us for our help.

### UNBOXING A MYSTERY

We helped a small business owner who thought they were stuck. An international customer purchased a product from an Australian small business via an online business, then subsequently stated the product did not arrive as the parcel box was empty. The online business partially refunded the international customer on behalf of the small business, despite the owner providing proof that the parcel was weighed by delivery services in Australia and the other country. The weights were correct, and considerably more than an empty box.

A dedicated Case Manager worked with the online business, explaining the small business owner's concerns. This resulted in the small business owner receiving a full refund within the week.



## How we've helped - case studies

### MANAGING FINANCIAL HARDSHIP

We assisted a small business owner who applied for finance from a financial lender, had it approved and then suffered unforeseen health issues. Because of the health issues the small business owner could no longer work and was living on income support. When the small business owner sought a waiver of payments, the lender only offered a moratorium of repayments until the small business owner could restart servicing the loan. A dedicated case manager assisted the two parties to work together to understand the issues in more detail. They also assisted with options for the small business to apply for financial hardship.



### SETTLING A FRANCHISE DISPUTE

We helped a franchisee who sought to progress to mediation under the Franchising Code of Conduct. A dispute arose about the costs associated with starting up, shop fit out and store occupancy costs that are paid by the Franchisor for the Franchisee under the leasing agreement with the lessor. The parties commenced discussions about exiting the agreement to minimise further costs, as difficulties and costs increased in the fit out and leasing. The Franchisor sought payments to cover the Franchise Agreement, as well as costs owed by the Franchisee and sought to charge interest.

A dedicated case manager organised mediation with one of our independent Alternative Dispute Resolution Practitioners. This dispute was resolved at mediation through a settlement agreement between the two parties.



The Ombudsman appeared on ABC News on 18 April 2024 to discuss the rise in disputes with digital platform providers, the lack of dispute resolution capabilities from companies like Meta, and the impacts this has on small and family businesses who may need support.

## Major input into policy, inquiries and legislation

### Inquiry into Australia's Tourism and International Education Sectors

The ASBFEO made a submission on the inquiry into Australia's tourism and international education sectors to the Joint Standing Committee on Foreign Affairs, Defence and Trade on 22 April 2024. The Minister for Trade and Tourism, Senator the Hon Don Farrell, requested this Committee, through its trade subcommittee, to inquire into Australia's tourism and international education sectors. The inquiry explored the challenges and opportunities presented to both sectors since the reopening of Australia's borders.

The ASBFEO's submission addressed the key challenges the tourism and international education sectors are managing and recommended solutions, including that:

- the Australian Government should encourage industry-led solutions
- the insurance sector should help small business by mapping out pathways to solutions
- the Australian Government should support discretionary mutual funds where appropriate.
- to promote safe practices and effective mitigation of risks, the Australian Government should ensure that mandatory Australian Standards are freely available.

### Inquiry into the Challenges and Opportunities within the Australian Live Music Industry

The ASBFEO provided a submission to the Standing Committee on Communications and the Arts on the inquiry into the challenges and opportunities within the Australian live music industry on 16 May 2024. The Minister for the Arts, the Hon Tony Burke MP, asked this Committee to inquire into and report on the challenges and opportunities within the Australian live music industry.

The ASBFEO's submission outlined the key challenges that are impacting the live music industry and reiterated its recommendations that for this sector:

- the insurance sector should help small businesses by mapping out pathways to solutions
- the Australian Government should encourage industry-led solutions for the Australian live-music industry
- the Australian Government should support discretionary mutual funds where appropriate
- to promote safe practices and effective mitigation of risks, the Australian Government should ensure that mandatory Australian Standards are freely available.

### Review of the 2020 General Insurance Code of Practice

The General Insurance Code of Practice (the Code) sets out that every three years the minimum standards of service and conduct that general insurers must meet in their dealings with customers be independently reviewed. On 21 June 2024, the ASBFEO provided a submission to the Insurance Council of Australia on the review of the Code.

The ASBFEO's submission focused on the key challenges affecting small businesses in relation to General Insurance Code and provided the following recommendations for consideration by the Code Review Panel:

- The Code must retain and provide for meaningful and unambiguous protections that are communicated in an accessible and understandable way to households and small business customers.
- The protections given to retail insurance consumers under the Code should also apply to small businesses.
- The Insurance Council of Australia should consider having small business representation on its Governance Committee.
- Address gaps in the Code's treatment of risk-mitigation strategies pursued by small businesses.

# Advocating on Policy and Legislation

- Strengthen Part 8 of the Code to improve insurers' response to Catastrophes.
- The Code should be strengthened to better ensure that insurers' internal dispute resolution processes are timely and effective.

## ACCC Supermarkets inquiry 2024-25

The ACCC is conducting an inquiry into Australia's supermarkets sector, including the structure and dynamics of the various markets in this sector, the competitiveness of small and independent retailers, and impediments affecting relevant supply chains.

On 30 April 2024, the ASBFEO made a submission on the inquiry's issues paper, urging the ACCC to holistically examine issues across supermarket supply chains, uncover how supermarkets make decisions and the impacts of those decision on other sectoral participants, and ensure that supermarkets cannot transfer their compliance and regulatory costs onto others.

The ASBFEO also provided the following detailed recommendations:

- The ACCC should closely investigate the nature and effects of bargaining power imbalances affecting small businesses in the grocery supply chain and consider suitable solutions to achieve efficient and equitable outcomes.
- If the ACCC uncovers entrenched practices of significant concern, it should consider whether continued scrutiny and monitoring of the sector is appropriate.
- The ACCC should engage with other relevant inquiries and reviews to ensure that adequate safeguards are introduced to protect consumers and small businesses from harmful conduct and market outcomes in the supermarket sector.

## Interim Report of the Food and Grocery Code of Conduct Review 2023–24

The Food and Grocery Code of Conduct (the F&G Code) is a voluntary code that was introduced to improve standards of business behaviour in the food and grocery sector. On 10 January 2024, it was announced that the Hon Dr Craig Emerson would lead the 2023–24 Review of the F&G Code.

Following its submission to the Review's consultation paper earlier in the year, the ASBFEO made a submission on the Review's interim report on 16 May 2024. The submission focused on improving dispute resolution under the F&G Code and addressing distortionary practices causing significant harms in the supermarkets sector.

The ASBFEO's recommendations included that:

- the Code's dispute-resolution framework should be independent and should not incorporate supermarket-appointed Code Mediators
- the code should consider situating the dispute-resolution advisory and coordination functions of the Code Supervisor in the ASBFEO, noting that additional resources may be required
- the review should consider situating review functions in the ASBFEO to identify where retribution has been meted out on a supplier for raising a dispute under the Code, noting that additional resources may be required
- the review should continue to engage with the ACCC's Supermarkets Inquiry and other ongoing reviews to ensure that improvements to standards of conduct are meaningful and are part of a cohesive policy response.
- infringement notice penalty amounts for the Code should be increased.

## Shutdown of the 3G mobile network

The ASBFEO issued a media release and conducted interviews (in late May and early June) urging small, family and farming businesses to make sure they are not caught out by Australia's major telecommunications providers ending support for the 3G network in August and September 2024.

We have heard from stakeholders that vital equipment and software can still rely on 3G networks, including those relating to record-keeping, accounts, bookings, payroll, telephones, EFTPOS, security systems, cameras, asset-tracking tools, surveying instruments, water and environmental monitors, medical alerts and many of the wireless operating systems on farms. Some of this equipment can be expensive and must be sourced from overseas companies with extended waiting lists.

Additionally, some 4G-enabled devices, including emergency alert systems, have elements or functions that are powered by 3G. Users may be unaware of these components until they stop working.

The ASBFEO made a submission to the Senate Rural and Regional Affairs and Transport References Committee Inquiry into the Shutdown of the 3G mobile network. We recommended that:

- the Australian Government and affected industries should engage in a targeted education scheme
- where upgrades are made to broadband infrastructure, mobile 'phone transmitters should be installed or enhanced as well.

## AI technologies in Australia

The Select Committee on Adopting Artificial Intelligence (AI) was established to inquire into and report on the opportunities and impacts for Australia arising out of the uptake of AI technologies in Australia. The ASBFEO made a submission to the committee noting:

- the productivity outcomes are unevenly distributed, with large well-funded businesses being early adopters
- the ASBFEO has seen anecdotal evidence that some small businesses are already using generative AI for analysis and content production
- the use of AI can drive innovation and entrepreneurship, including amongst young people
- regulatory reform should focus on enhancing AI as a modern economy utility and ensure that it is not constrained to a few dominant businesses
- the government should upgrade its informational resources to include links to research opportunities and grants that may encourage small entrepreneurship in AI technologies.

## National Competition Policy

The Productivity Commission is undertaking a study to assess the impacts of competition reforms proposed by the Commonwealth, states and territories as part of the National Competition Policy being progressed through the Council on Federal Financial Relations.

The ASBFEO made a submission endorsing the study and recommended that at a minimum, it should include how opportunities, incentives and constraints relating to small businesses can be better measured, so that policymakers are aware of the full extent of how policies are likely to affect small business. We recommended that:

- information gaps on the challenges faced by small businesses are addressed including:
  - measures relating to regulatory burden
  - measures relating to small business' access to finance
  - measures relating to business entries and exits
- the discontinued ABS survey on business conditions and sentiment be referred to as an example of relevant information reporting.



# Advocating on Policy and Legislation

## Submissions

Recipient	Number	Recipient	Number
Parliamentary Committees	4	Department of Infrastructure, Transport, Regional Development, Communications and the Arts	1
Treasury	4	Department of Agriculture, Fisheries and Forestry	1
Australian Competition & Consumer Commission	2	Simplified Trade Systems Implementation Taskforce	1
Department of Home Affairs	1	Productivity Commission	1
Department of Finance	1	Insurance Council of Australia	1



The Ombudsman presented at COSBOA's National Small Business Summit.

# It's time to incentivise enterprise

Op-ed by Bruce Billson, published in the Bendigo Advertiser, 24 June 2024.

## Celebrating small business heroes on world micro, small, and medium-sized enterprises day

Op-ed by Bruce Billson, published on Kochie's Business Builders, 16 May 2024.

## ASBFEO breaks down what the budget means for business owners

BRUCE BILLSON- MAY 16, 2024

Australian Small and Family Business Enterprise Ombudsman Bruce Billson says the 2024-25 Federal Budget offers targeted support for small and family businesses to ease current pain points and headwinds, but is it enough?

I don't think small and family businesses will be punching the air with excitement, thinking the budget is a real game changer for them.

A Future Made in Australia must be founded on harnessing the innovation and drive of our small businesses. Small businesses have a proven track record of lifting our nation – coming out of the global financial crisis, almost 60 per cent of the new jobs were created by small employers.

Op-ed by Bruce Billson, published on Kochie's Business Builders, 16 May 2024.

## Don't get caught out by the 3G switch-off

Article published in The Eurora Gazette, 5 June 2024.

# Outcry over five-day energy incentive

Article written by Matt Bell. Published in The Australian, 17 May 2024.

## Millions of 3G devices including vending machines and pay stations to stop working on August 31

Aussies are being warned of looming chaos in just a few weeks when millions of devices including phones and vending machines suddenly stop working.



Frank Chung Senior reporter

@franks\_chung 7 min read May 30, 2024 - 7:45PM news.com.au

Article written by Frank Chung. Originally published on News.com.au, 30 May 2024.

## Time to celebrate small business

Our small businesses are working extremely hard but being forgotten in Australia's big corporate economy.



Op-ed by Bruce Billson, published in The Examiner, 15 April 2024.



Op-ed by Bruce Billson, published in Convenience World, April 2024.



The Ombudsman spoke to WIN News about Least-Cost Routing. The interview aired on 18 June 2024.

# Outreach: Communications and Stakeholder Engagement



We're celebrating



Micro, Small and Medium-sized Enterprises Day  
*Celebrating small business*

and the enterprising spirit of our small and family business owners!

Thursday, 27 June 2024

We're celebrating



Micro, Small and Medium-sized Enterprises Day  
*Celebrating small business*

and the hard-working nature of Australian small and family businesses!

Thursday, 27 June 2024

We're celebrating



Micro, Small and Medium-sized Enterprises Day  
*Celebrating small business*

and creating a supportive ecosystem to give enterprising people the best chance at success!

Thursday, 27 June 2024

ASBFEO celebrated World Micro Small and Medium-sized Enterprises Day on Thursday, 27 June 2024.

## Assistance

- Following the Government's response to the Independent Review of the Franchise Code (the Review), commence the implementation of a number of recommendations of the Review.
- Review and enhance the Alternative Dispute Resolution (ADR) guidance and Dispute Resolution Tool.
- Continue our community engagement by participating in a number of small and family business events and expos as part of our outreach program.

## Advocacy

- Explore policy options to deliver affordable, timely and restorative outcomes when alternative dispute resolution does not resolve disputes, including the utility of a Federal Circuit and Family Court of Australia Small Business and Codes List.
- Investigate drivers and obstacles to entrepreneurship and consult on proposals to energise enterprise.
- Continue to advocate for right-sized regulatory reform; that is proportionate, risk-based regulation, informed by deliberative consultation with small businesses.
- Make submissions to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, regarding:
  - Transport and Infrastructure Net Zero Consultation Roadmap
  - 2024 Regional Telecommunications Review.
- Make submission to the Select Committee on the Impact of Climate Risk on Insurance Premiums and Availability.

## Outreach

- Progress 2024 sponsorship program with collaboration from other government agencies and state-based Small Business Commissioners. This includes coordination of the ASBFEO's participation at the Franchising and Business Opportunities Expo, Connect (Supply Nation Trade Show), the Henty Machinery Field Day and Startup to Scaleup Summit, and judging of awards that the ASBFEO is sponsoring, including the Rising Star award at the Smart50 Awards and the Small Business Community Ally Award at the 2024 Community Achiever Awards.
- Enhance the ASBFEO website with Data Portal updates, Dispute Support Tool improvements, and auto-translate tool.
- Progress work on revised Tax Concierge Service and Franchising responsibilities as outlined in the 2024-25 Australian Government Budget.
- Deepen strategic stakeholder engagement activities with key stakeholders on advancing energising enterprise, improving access to justice for the small and family business sector and ensuring right-sized regulation is at the forefront of key decision-makers minds.

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