



Australian Government



Australian
Small Business and
Family Enterprise
Ombudsman

QUARTERLY REPORT

Quarter 1

1 January to 31 March 2025



A MESSAGE FROM THE OMBUDSMAN

This Quarterly Report is prepared and published during the official ‘caretaker’ period between a Federal election being called and a government being formed after voting has been counted.

As such, and respecting ‘caretaker conventions’ while also fulfilling the accountability reporting requirements in our legislation, this report seeks to emphasise factual information relating to ASBFEO’s activities and draws from previously published material from the reporting period.

The first 3 months of 2025 saw a continuation of the trend in 2024 of increasing requests for assistance to our call centre, with a significant 21% increase in calls from the last quarter of 2024.

Nearly three-quarters of requests to our call centre were assisted by the immediate provision of information or guidance on ASBFEO’s website to access self-help dispute resolution tools and other resources. The remaining 1 in 4 contacts were responded to by either active ASBFEO case management support or through a ‘warm referral’ to another Commonwealth or State/Territory peer agency better placed to provide specific support, such as a State Small Business Commissioner.

Payment disputes (and the possible consequences of a business customer becoming insolvent) continue to be the most prominent category of case managed assistance (40%). Dispute resolution with matters involving a generally unresponsive digital platform (23%) is the second-most common and rapidly growing category of disputes.

During the quarter, ASBFEO was appointed as the designated alternative dispute resolution (ADR) facilitator for Dairy Code of Conduct and Horticulture Code of Conduct, adding to ASBFEO’s established ADR function for the Franchising Code of Conduct and Oil Code of Conduct. With just a handful of inquiries across the other Codes, ASBFEO’s role under the Franchising Code of Conduct was most notable, rising from the previous quarter (55) to 86 inquiries, roughly the same level (80) for the first quarter of 2024.

ASBFEO’s submission to the O’Connell Review proposed a number of measures consistent with our legislative mandate to improve the dispute resolution toolkit and ensure the full value of our organisation to government, regulators, policy makers and stakeholders can be delivered for the benefit of small and family businesses and the nation.

During the quarter, there was considerable work put into preparing improved education resources for franchise parties, including planning for consultation in quarter 2. These are being developed in conjunction with the ACCC, Treasury and industry leaders in accordance with the Government’s response to the Schaper Review recommendations.

The 2024–25 Budget included a measure also recommended by the Schaper Review for ASBFEO to expand the scope of subsidized legal advice for unrepresentative small businesses in dispute with the ATO to a broader range for commercial matters. The ‘small business dispute help’ service was launched during the quarter, utilising existing resources and modelled on the ASBFEO Tax Concierge Service, with a particular focus on small business parties to a Code-related dispute.

MESSAGE FROM THE OMBUDSMAN

The Tax Concierge Service continued to provide assistance to unrepresented small businesses with adverse determinations that might be formally contested or by providing support and information on a broader range of taxation issues.

Assistance case data continues to provide a 'real time' indicator and unique insight into what small and family businesses are experiencing, and helps inform our active advocacy on issues that can improve supportive conditions of the trading environment.

ASBFEO's 14 steps to energise enterprise present practical and constructive ideas to address these structural issues and sets out how we might improve the prospects for small business success.

The February Pulse was released in the first quarter of 2025 and revealed a levelling off of the continuing and challenging small business conditions at well below the long-term average. The ASBFEO Pulse dropped 0.3% in February 2025 – the tenth consecutive fall.

High business expenses and difficulty finding suitable staff are still weighing on the small business operating environment. Yet enterprising small business people continue to meet these pressures with ingenuity and optimism, exploring ways to improve business prospects and hopeful that a RBA interest rate cut might spark an uptick in activity.

ASBFEO's '14 steps to energise enterprise', released in August 2024, continues to be the primary advocacy focus, enjoying widespread support from small and family business-facing industry associations with many providing their endorsement at the March ASBFEO Policy Forum.

International economic uncertainty is exacerbating existing and persistently strong pressures on many small and family businesses.

Australia will need to address critical and longstanding challenges facing small businesses, including a discouraging risk-reward balance, high regulatory volume with greater complexity, lower investment in digital technologies and innovation than other economies in our region, and a lack of access to affordable, timely and restorative justice.

ASBFEO's 14 steps to energise enterprise present practical and constructive ideas to address these structural issues and sets out how we might improve the prospects for small business success.

If we develop and pursue these steps, it would help put wind in the sails of our 2.6 million small businesses, encourage aspiring entrepreneurs, increase competition and productivity, and boost real wages. These businesses are the economy for so many suburbs, regions and communities.



The Hon. Bruce Billson

Australian Small Business and Family Enterprise Ombudsman

Assistance



- We were contacted for information and/or assistance 2,283 times during the quarter. A dedicated case manager helped small business in 83 new digital platform disputes.
- We helped small businesses and family enterprises with a range of issues with payments, digital platforms, franchising and contracts. Some disputes we saw involved chargebacks or unpaid invoices worth tens of thousands of dollars.
- We finalised an approach to market and onboarded a panel of highly qualified and skilled legal practitioners to provide low-cost legal support to small and family businesses in dispute to help them reach a resolution without needing to go through expensive and stressful formal legal processes.
- We prepared for the introduction of the new Franchising Code of Conduct which comes into effect on 1 April 2025. The remade code gives the Small Business and Family Enterprise Ombudsman powers to publicise details of franchisors who are unwilling to engage in alternative dispute resolution processes.

Advocacy

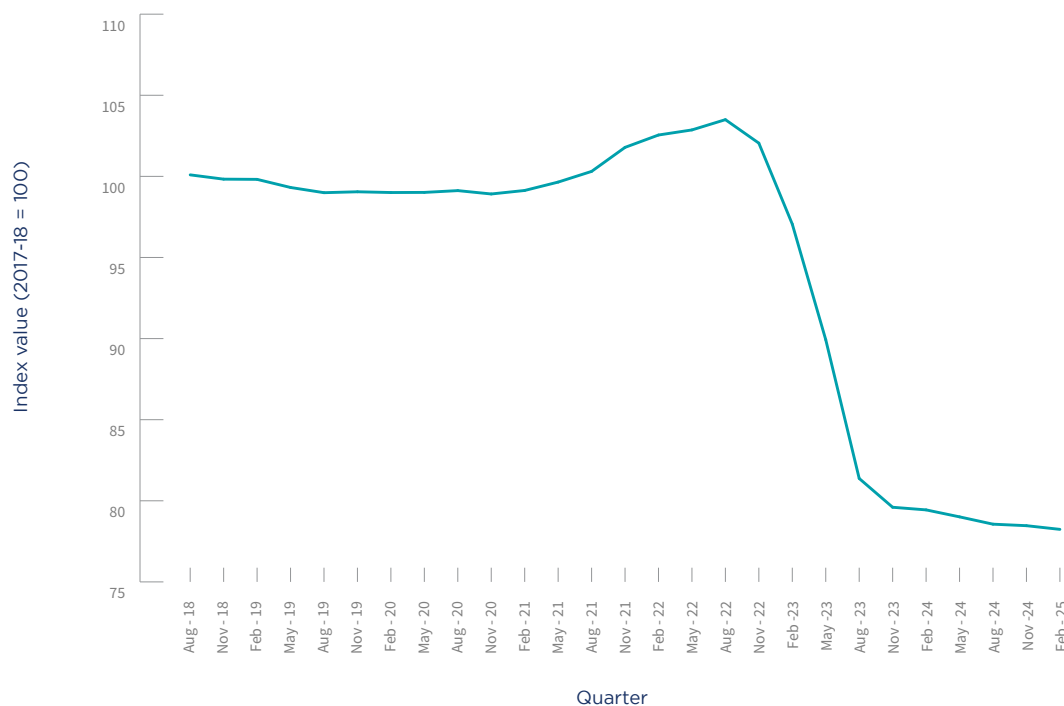
- We continue to progress work on the 14 steps to energise enterprise, including right-sized regulation that is actionable, fit-for-purpose and with appropriate support and guidance.
- We completed 14 submissions, including consultations on:
 - o mandatory climate-related financial disclosure
 - o scams prevention framework
 - o the ASBFEO statutory review
 - o a pre-Budget submission, which highlighted the 14 steps to boost Australia's small and family businesses
 - o mandating cash acceptance
 - o a proposed new digital competition regime.

Engagement

- During the first quarter of 2025 the Ombudsman did 14 radio and newspaper interviews and published 7 opinion pieces on small business issues such as the publication of the ASBFEO February Pulse, the expansion of the ASBFEO alternative dispute resolution service, access to the Small Business Helpline and issues facing women-owned and women-led small businesses.
- The Ombudsman and ASBFEO staff have continued to engage with a wide range of federal and state government and industry groups across the small business sector through ASBFEO-led policy forums, industry conferences and roundtables and stakeholder meetings. These include:
 - o The NSW Taxi Industry State conference
 - o The launch of the CPA's Asia Pacific Small Business Survey
 - o COSBOA Leaders Lunch
 - o The IPA – Victoria Conference
 - o Meetings with state Small Business Commissioners
 - o Accounting Business Expo
 - o National Small Business Communications and Media Network
 - o Small Business Stewardship Group
 - o Federal Regulatory Agency Group
 - o Supply Chain Roundtable
 - o Law Council SME Committee



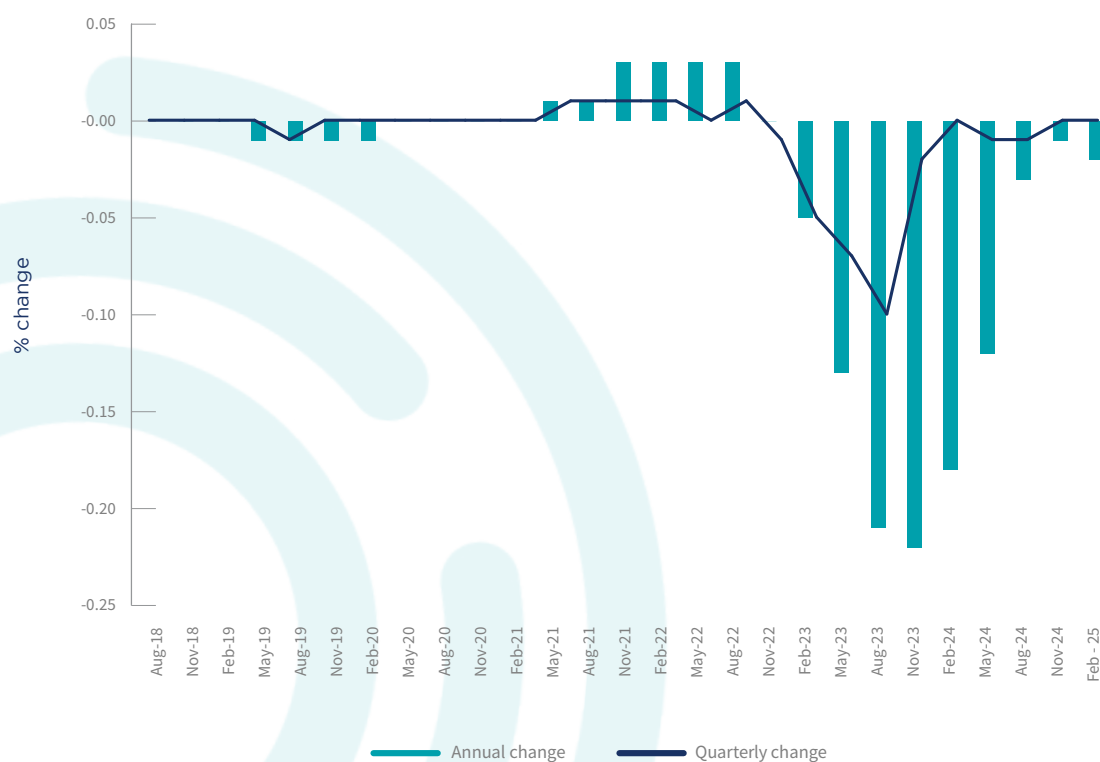
The February 2025 Pulse



Note: Scale starts at 75.0.

Source: ASBFEO, 2025

ASBFEO Small Business Pulse changes



Note: The ASBFEO Small Business Pulse did not reflect a fall in 2020 as government support measures outweighed other economic impacts. As economic activity, including insolvencies, have returned to trend levels, the Pulse has reflected these shifts.

Source: ASBFEO, 2025

Trends

The ASBFEO Small Business Pulse shows that the business environment in February 2025 remains well below the long-term average. The ASBFEO Pulse dropped 0.3% in February 2025 – the tenth consecutive fall. Over the past 12 months it has fallen 1.5%.

It has been a prolonged period of tough conditions that are levelling out well below average. High business expenses and difficulty finding suitable staff are still weighing on the small business operating environment. Yet enterprising small business people continue to meet these pressures with ingenuity and optimism.

Business finance

The reduction in interest rates in February 2025 is likely to provide some modest welcome respite and may encourage investment appetite. Small business owners are already researching financing for capital investment including business vehicles and equipment. Personal interests and assets are interwoven with that of the business in the small and family business community. Small business owners are also comparing costs of using personal loans to fund their business and using personal assets to secure finance.

Research into alternative funding sources such as crowd funding and venture capital has also increased. This is noticeable in startups and small businesses seeking to invest in sustainability initiatives.

Business expenses and staffing

High business expenses continue to put pressure on margins and profitability. Enquiries about profit margins have increased, along with structured monitoring of performance metrics.

The availability of suitable staff remains a constraint for small businesses. Research into alternative options is increasing. These include remote and flexible work arrangements and recruiting skilled migrants. There was a surge in enquiries about staff entitlements this quarter, especially penalty rates. These staffing difficulties are particularly evident in the information, communication and technology, hospitality and disability support industries.

Business conditions

Household expenditure has decreased as budgets tightened in response to cost-of-living pressures. This slightly recovered late last year, particularly discretionary spending in industries such as hospitality. It is uncertain whether this will be a sustained improvement. Many customers are still being more discerning about where they are spending their hard-earned money, and tend to be more price conscious.

This recovery in discretionary spending comes too late for many small businesses, especially in the hospitality industry. Business insolvencies in the accommodation and food services industry between January and February 2025 were higher than the same period last year for both incorporated and unincorporated businesses¹. ASBFEO case managers are increasingly assisting with disputes in the hospitality industry, particularly franchises.

Extended payment times and terms are weighing on small business operating conditions. Payment disputes are an early warning sign of a cash flow problem and can have a ripple effect that threatens the viability of other businesses. 2 out of 5 of the cases that come to our office involve a payment dispute that can put an unpaid small or family business with modest cash reserves in a precarious position.

Small business owners who speak a language other than English at home are more likely to have difficulty recovering the money they are owed. Payment disputes accounted for nearly 60% of actively managed disputes involving small business owners who spoke a language other than English at home. This compared to 36% of those who spoke English.

For example, a contractor in the ICT industry who spoke a language other than English at home was owed thousands of dollars for the work they had undertaken. When the other business refused to respond to their requests for payment, they contacted us for help. The contractor advised the other business that they had contacted us for assistance. The hirer paid the contractor the full amount owed.

¹ These were the most recent available statistics available at the time of compilation. The Australian Financial Security Authority's business-related personal insolvency statistics include people operating as sole traders, partnerships and people in company management roles such as directors.

Small business dispute help - access to low-cost legal support

On 3 March 2025 we announced the expansion of subsidised legal advice for eligible small and family businesses to support them through dispute resolution.

The new service uses existing funding for ATO tax determination dispute support, expanding its availability to broader commercial matters. For a co-payment of \$100, eligible small businesses can now access legal advice to help clarify issues and consider alternative dispute resolution options.

A priority for the expanded service will be to support parties with disputes in industries regulated by codes that seek to ensure fair and good faith conduct. ASBFEO has powers under these codes to support parties impartially to find mutually satisfactory resolutions, without having to litigate.

The ASBFEO's small business help service is available to eligible businesses who have lodged a request for assistance and are actively engaged in seeking to find a resolution. That same 'resolution mindset' is what legal advisers will adopt with the aim of helping businesses constructively approaching disputes and achieve a negotiated outcome.

New powers under Industry Codes

The ASBFEO now has additional powers under a number of industry codes made under the *Competition and Consumer Act 2010*, reflecting the value of the service we provide as facilitators of impartial dispute resolution processes. ASBFEO already has powers under the Franchising Industry Code of Conduct and the Dairy Industry Code.

In February 2025, legislative amendments gave ASBFEO:

- under the Horticulture Code, obligations to compile lists of mediators and horticulture produce assessors and powers to appoint mediators and assessors
- under the Oil Code, powers to appoint a designated mediator to assist in resolution of a dispute.

Following the remake of the Food and Grocery Code in December 2024, we now have a list of arbitrators and mediators who can support parties in dispute under the code, including parties to a grocery supply agreement. The new Food and Grocery Code commences on 1 April 2025.

More information about ASBFEO's role in industry codes is available on our [website](#).

Finding the best services to support small businesses

An important aspect of our assistance function is to work closely with other services to ensure small and family businesses find the most appropriate support. This quarter, we have been working closely with IP Australia and IDCare.

We were pleased to be invited to input into IP Australia's new online resource: [IP First Response](#). This platform offers small and family businesses an accessible starting point to better understand potential options if they are accused of infringing on someone's intellectual property (IP) or they believe their IP rights have been infringed. IP First Response provides clear, structured information on dispute resolution and enforcement pathways in Australia.

ASBFEO continues to receive a large number of requests for assistance with digital disputes. We have been engaging with [IDCare](#) to ensure that collectively we are doing everything we can to support small businesses through what can be a very stressful experience.

IDCare provides a free tailored national identity and cyber support service to Australian small businesses and sole traders seeking support in building their cyber resilience. IDCare can help with:

- recovery from a cyber or privacy related incident, including email and account compromise
- response to hacking and ransomware
- assessment and advice to help businesses reduce their risks
- wellbeing support for mental health impacts.

IDCare is funded by the Australian Government for small businesses (with 19 employees or fewer) and sole traders.

ASSISTANCE: SUPPORTING SMALL AND FAMILY BUSINESSES

This quarter we had:

1,918
calls to our contact centre

365
cases that we actively managed

2,283
total requests for assistance

Calls for assistance to our contact centre increased 21% in March quarter 2025 compared to last quarter. This is the fifth consecutive quarterly rise.

Disputes with a dedicated case manager mainly involve experienced business operators. Over half of the small and family businesses with a dedicated case manager had been operating for five years or more when they contacted our office for help.

Case management outcomes



76.5%
required active case management support, including providing information to progress the dispute



20.6%
referred to a more appropriate agency (usually relevant Small Business Commissioner, or alternative government agency)



2.9%
referred to an ADR practitioner

How we helped callers to our infoline



74.5%
given information and directed to ASBFEO's Dispute Support Tool and web form (for relevant steps to resolve their dispute) or another website



12.9%
referred to ASBFEO case management



12.6%
referred to another party such as a State Small Business Commissioner

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 as requested. For the quarter, this included:

- responding to 86 enquiries from franchising participants
- actively case-managing 32 franchise disputes, 30 of which were initiated by the franchisees.

Actively managed franchise disputes were most commonly in the hospitality industry. One-quarter of franchise disputes with an active case manager were in the accommodation and food services industry in March quarter 2025.

Enquiries from franchising participants increased from 55 in December quarter 2024 to 86 in March quarter 2025. This is also an increase compared to the same time last year (80 enquiries).

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

For this quarter, we received one request for information about the Dairy Code of Conduct and one about the Oil Code of Conduct. Additionally, we actively managed one case related to the Horticulture Code of Conduct.

Small Business Tax Concierge Service

Our Tax Concierge Service (TCS) continued providing small businesses with information and assistance about 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 15 requests last quarter
- 14 additional enquiries about the TCS, an increase from 10 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.



CASE STUDY: OUTSTANDING INVOICES

We were contacted by 3 independent contractors seeking payment of invoices for services to the same company. We wrote to the company seeking information about why the invoices had not been paid. The company informed us that they were declining to pay because they believed that the contractors were using incorrect ABNs. They also queried the right of the 3 contractors to work in Australia despite hiring them.

ASBFEO confirmed that the invoices contained correct ABNs and provided this information to the company. We also noted that raising these types of issue does not relieve companies from paying for services contracted and received. Following our engagement, the company agreed to pay all 3 contractors.

Advocacy win on unfair business practices

In March 2025, the Australian Government announced its intention to:

- introduce protections for small and family businesses harmed by unfair business practices
- boost funding to the Australian Securities and Investments Commission (ASIC) to combat illegal phoenixing
- ensure suppliers to government pay their subcontractors within 20 days
- resource the Australian Competition and Consumer Commission to more strongly enforce the Franchising Code of Conduct and build case law
- extend protections from unfair contract terms and unfair trading practices to all franchisors and franchisees, including automotive dealerships.

Imbalances in the bargaining power of small business mean that combating unfair contract terms and unfair trading practices is critical for small businesses who otherwise have limited options. We see an unfair business practice as behaviour that is harmful to a small business and not aimed at protecting legitimate interests.

These announcements reflect 4 years of advocacy by the ASBFEO and advance Steps 9 and 12 of the 14 steps to energise enterprise.

The ASBFEO will continue to push for unfair business practice protections to be extended to financial services, to give ASIC the power to address appalling unregulated conduct by third-tier lenders.



CASE STUDY: NON-AFCA LOAN DEFAULT PUTS FAMILY HOME ON THE LINE

Recently the Small Business Debt Helpline referred a matter to our office where the small business had defaulted on a loan with an organisation that was not a member of the Australian Financial Complaints Authority (AFCA).

In this case, a small business owner had borrowed a few thousand dollars from the non-AFCA lender to tide them over while business was slow. The loan required daily repayments. In less than a month, the small business had defaulted on the loan, and every day a payment wasn't made, a penalty fee of \$1,000 was applied to the debt. Even when payments were made, these were applied to repayment of penalty fees rather than the loan amount, resulting in the application of another penalty fee. The amount of debt quickly skyrocketed to tens of thousands of dollars.

The small business owner was very distressed when a caveat was placed on their home and the lender initiated formal legal proceedings. Acting as an independent third party, we corresponded with the non-AFCA lender about the loan contract, the interest rate, the application of default fees and their hardship provisions. Following our correspondence, the lender offered to remove the penalty fees and revert to the original payment schedule. This put the small business owner in the position of being able to retain the family home.

While this was an excellent outcome for this small business, it does illustrate why it is important for small businesses to read contracts and ask questions, and to seek help early if they're in financial trouble to understand all the options before signing up to new contracts. There are likely much better options for small loans than signing up with non-AFCA lenders. The [Small Business Debt Helpline](#) (call 1800 413 828) is a great place to start. It is a free service for small business owners in financial difficulty, offering practical advice from qualified financial counsellors tailored to the caller's circumstances.

The ASBFEO Review

Under the *Australian Small Business and Family Enterprise Ombudsman Act 2015*, a review of the assistance function must be undertaken every 4 years. In November, the Minister for Small Business, the Hon Julie Collins MP, announced the terms of reference for the third independent review of the ASBFEO, led by Ms Judy O'Connell.

As with the previous 2 reviews, the terms of reference provided that the review would be a broader review of ASBFEO's functions and operations and not limited to the matters set out in section 95 of the ASBFEO Act. Written submissions were invited from interested parties and closed on 10 January.

The Review also invited small businesses, family enterprises, franchisors and franchisees, and representatives of small and family businesses to provide feedback on the ASBFEO's remit and performance via a quick online survey.

In our representations, the ASBFEO has encouraged the Review to consider:

- the value of the ASBFEO in helping to fill the 'missing middle' between multiple Commonwealth agencies and approx. 2.6 million diverse small and family businesses
- measures to enhance the ASBFEO's independence and capacity
- the benefits of providing the ASBFEO with additional dispute-resolution tools
- embedding ASBFEO engagement in government policy and regulatory formation and implementation processes
- how best to raise awareness of the ASBFEO and our services among small and family businesses.



CASE STUDY: SELF-HELP TOOLS AND SUPPORT

A small business working remotely for a start-up was not paid for its services. Despite the non-payment, the small business continued working, hoping payment would eventually arrive. However, when the outstanding amount exceeded \$5,000, the small business stopped providing services for the start-up.

When the small business pursued payment, the start-up reassured them that funds would be provided once their clients paid; but they did not pay. The small business then reached out to ASBFEO, where the case manager walked the small business through the ASBFEO 5 steps to resolving disputes.

At step 3 of the 5 steps to resolve a dispute, the ASBFEO case manager worked with the small business to send a letter of demand. The case manager also explained the process and possible timeframes.

The small business sent a letter of demand and was empowered to negotiate directly with the start-up, resulting in an agreement that included a payment plan with specific dates. About a month later, the small business contacted the case manager with concerns over late payments in relation to the agreed payment plan.

The case manager explored possible options with the small business, giving them time to consider the best course of action for their business.

The small business relentlessly followed up payment via email and text messages and eventually the start-up paid off the full amount. The small business informed ASBFEO that the issue had been resolved and thanked the team for their support.

Pre-Budget submission

The ASBFEO made a submission in January 2025 on priorities for Budget 2025–26 that drew on the ASBFEO's 14 steps to energise enterprise. We recommended that the Australian Government:

- explore the potential benefits of a tax discount/offset scheme for new small business owners to allow them to keep more of their income to re-invest in their business during the critical first 3 years
- institute a Prime Minister's Small Business Awards to recognise and celebrate excellence and inspire the next generation
- give small businesses an affordable, effective and timely alternative to defend their own economic interest where fair trading protections and reasonable commercial conduct safeguards are infringed upon, by creating a Federal Small Business and Codes List in the Federal Circuit and Family Court of Australia
- create a dedicated Small Business Commissioner and Division within the Fair Work Commission to honour the 'special circumstances' of smaller employers which existing workplace law is required to reflect and to oversee the implementation of proportionate instruments, procedures, practices and protections
- expand digital learning and practical support via enterprise-specific capacity building and technology deployment and focusing on business system and reg-tech solutions, information management (including cyber resilience, eInvoicing, data management, privacy duties and consumer data right awareness) and practical generative Artificial Intelligence uses
- establish a central resource hub specifically prepared for small and family business use, to help them navigate government supports, resources and information specific to small business.

Sustainability reporting

Many small businesses can expect a growing burden in responding to information requests from large organisations seeking to fulfil their own reporting obligations, whether they relate to:

- modern slavery reporting – required since 1 Jan 2019
- mandatory climate-related financial disclosures – commenced 1 Jan 2025
- nature-related financial disclosures – currently voluntary.

In the case of climate-related financial disclosures, we are concerned that small businesses could struggle with providing greenhouse gas emissions data to larger supply chain partners that is not readily available. Further, some small businesses may be hesitant to decline or negotiate unreasonable information requests from larger counterparties, for fear of retribution such as loss of contract.

In our January 2025 submission to the Australian Securities and Investment Commission's (ASIC) consultation on sustainability reporting guidance material, we recommended that ASIC's guidance include information to reporting entities regarding the collection of emissions data from smaller entities.

We submitted that ASIC's guidance should refer to the Australian Accounting Standards Board (AASB) S2 requirement that requires an entity to use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort. Further, the guidance should reflect that the AASB S2 supports 2 alternative methods of quantifying Scope 3 greenhouse gas emissions: direct measurement and estimation (including using available proxy data and methods).

Beyond compliance and external audience requirements, we continue to urge policy-makers and regulators to also communicate the potential usefulness of sustainability reporting for internal business purposes in supporting efficiency, organisational performance and value-adding strategy.

Scams prevention and digital platform competition

The ASBFEO is acutely aware of the challenges for small businesses when dealing with digital platforms, particularly social media platforms. In our submission to Treasury's consultation on a new digital competition regime proposal, we recommended that the Australian Government:

- assign priority to social media services for designation
- include internal dispute-resolution mechanisms in the proposed service-level standards
- address regulatory duplication issues.

We also advocated for better redress and compensation mechanisms in our submission to the Senate Standing Committees on Economics Legislation Committee inquiry into the Scams Prevention Framework Bill. According to Treasury, the cost to small business of scams was \$17.3 million in 2023, which represented approximately 60 per cent of total losses experienced by businesses.

We recommended that the Committee consider:

- including more detailed provisions in the primary legislation relating to 'reasonable steps' and 'reasonable time', rather than leaving it to delegated legislation
- how to best ensure that scam victims secure redress or compensation in a timely manner
- how best to ensure that small businesses can return to business as usual as rapidly as possible while a possible scam is being investigated.

The Scams Prevention Framework Bill passed the Parliament on 13 February and received Royal Assent on 20 February.

Cash mandate/cash in transit services

The ASBFEO responded to 2 consultations relating to the holding of cash and access to it:

- the Australian Competition and Consumer Commission (ACCC) draft determination grant authorisation for the continued financial support of cash-in-transit provider Armaguard by the Australian Banking Association and government entities
- The Treasury's *Mandating cash acceptance* consultation.

Both consultations were relevant to small businesses, who are often caught between the need to accept and hold cash and the costs of obtaining and handling it.

The ACCC sought views on its determination to authorise short-term financial assistance to cash-in-transit provider Armaguard to allow it to continue operating.

In our response to the ACCC, we supported the draft determination as cash-in-transit services are critical to small businesses in remote and regional areas, particularly given the proposed cash mandate. Our submission emphasised that any agreement between the parties should commit to measures that guarantee regional small businesses have access to suitable cash deposit and withdrawal services.

The Treasury's proposed cash acceptance mandate would require businesses who supply essential goods and services to hold cash on their premises. At the same time, widespread closures of bank branches and automated teller machines mean regional small businesses have significantly reduced access to cash deposit and withdrawal services. The mandate excludes small businesses but will likely impact them if it creates an expectation among customers that all businesses will accept cash. We also noted that the issue of cash supply and storage is critical in regional areas. We made the following recommendations:

- That the Australian Government continue to work with the banks to ensure banking services remain available in regional and remote areas
- That the Australian Government continue to monitor the cash-in-transit industry to ensure cash can be transported from the RBA to banks and retailers.
- That the Australian Government engage in an education campaign to promote awareness of the mandate.
- That, if a cash acceptance mandate is enacted, private enforcement not be recognised as a viable option.

Parliamentary inquiries

The ASBFEO made 2 submissions to state parliamentary inquiries pertinent to small businesses: An ACT inquiry into the cost and availability of insurance and a NSW inquiry into the application of the contractor provisions of the Payroll Tax Act.

The Inquiry into Insurance Costs in the ACT by the Australian Capital Territory Legislative Assembly Standing Committee on Economics, Industry and Recreation was asked to inquire into and report on the cost and availability of insurance in the ACT, with a particular focus on the impact of much more costly and less available insurance on the viability of small and medium-sized businesses.

We recommended the Committee encourage the ACT Government to:

- undertake further research to understand the drivers of increasing insurance premiums, across all commercial lines including workers compensation
- promote industry-led solutions and urge the insurance sector to map out solutions to help small businesses
- explore the use and extension of its own insurance purchasing arrangements, to improve the availability and accessibility of necessary insurances for small businesses
- investigate whether regulatory settings support the use of discretionary mutual funds by small businesses, as a viable alternative to public liability insurance.

An invitation to appear before the Standing Committee was declined as the hearing was scheduled to fall within the 'caretaker' period.

Our submission to the NSW Legislative Council Portfolio Committee No 1 – Premier and Finance inquiry into the application of contractor and employment provisions in the *Payroll Tax Act 2007* (NSW) conveyed our concern that self-employed Australians are being captured by the interpretation of the provisions in the Act. We reported the provisions were causing confusion, uncertainty, and unnecessary costs for many small businesses, as they seek to understand the application of the law and whether they need to account for payroll tax.

We urged the Committee to:

- consider if the objectives of the Act and the provisions are sufficiently clear and well defined for parties to interpret them with confidence
- recognise the long-standing common law distinction between a contract of service and a contract for services, a distinction enshrined in *Independent Contractors Act 2006* (Cth)
- take into account the adverse effects on the multitude of small businesses that supply services to another organisation and the consequential cost implications for their customers.

Submissions

Recipient	Number
The Treasury	7
Parliamentary Inquiries (including state Parliamentary Committees)	3
Attorney General's Department	1
Australian Competition and Consumer Commission	1
Australian Securities & Investment Commission	1
Fair Work Ombudsman	1

Highlights for the quarter

ASBFEO were out and about at Accounting and Small Business Expo talking to trusted advisors about the services, support, information and advocacy we provide to small and family business owners.

We released the ASBFEO Pulse on 26 February 2025 and it highlighted that the small business operating environment had deteriorated 0.3% over the past quarter. It showed high business input costs and difficulty finding suitable staff continue to put pressure on the small business operating environment.

During this quarter the Ombudsman welcomed the expansion of our subsidised legal advice service for eligible small and family businesses to support them through dispute resolution. This will be a priority for ASBFEO over the coming 12 months.

The Australian Government's commitment to introduce protections for small and family businesses harmed by unfair business trading practices was enthusiastically welcomed by the Ombudsman as a real support for small and family business.

The extension of the protections against unfair business practices to small businesses is another positive step to address harmful conduct in the construction sector and is an area ASBFEO will continue to monitor.

The modest and targeted measures announced in the 2025–26 Federal Budget are hoped to help with current pain points and issues in the small business ecosystem, giving them the confidence to thrive and get small and family business back on track.

Traditional and social media statistics



Facebook

8,560 followers
40 posts



Instagram

1,227 followers
46 posts



LinkedIn

ASBFEO:
5,846 followers
37 posts



X

ASBFEO:
2,091 followers
32 tweets



YouTube

629 subscribers
0 videos published



Newsletter

3,880 subscribers

Ombudsman:
5,007 followers
17 posts

Ombudsman:
6,813 followers
17 tweets



Website

50,185 visits to
the website



Media releases

4 media releases
published



Opinion pieces

7 published
opinion pieces



Interviews

14 radio, TV and
media interviews

INFORM: COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT

OPINION

SMALL BUSINESS IS IN DECLINE AND IT'S A BIG DEAL

BY BRUCE BILLSON FEBRUARY 11, 2025 6:10 AM

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The Ombudsman published an op-ed on Kochie's Business Builders on 11 February 2025 discussing economic headwinds faced by small and family businesses.

A big ask but an essential mission

BRUCE
BILLSON



The Ombudsman published an op-ed on the urgent need for small and family business support in the Canberra Times and across the ACM media network on 17 March 2025.

New low-cost support to help small and family businesses resolve disputes

ASBFEO released a media release on 3 March 2025 welcoming the expansion of subsidised legal advice for eligible small and family businesses to support more effective engagement in dispute resolution processes.

Relief on the horizon for weak SME conditions, says ASBFEO

BUSINESS

The reduction in interest rates is set to bring "modest relief" to SMEs as they continue to battle constrained demand and financing costs, according to the ASBFEO's latest Small Business Pulse.

By Imogen Wilson • 03 March 2025 • 8 minute read

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Article by Imogen Wilson, published online on Accountants Daily on 3 March 2025.

TRANSCRIPT

Australian Small Business and Family Enterprise Ombudsman Bruce Billson interview with Leon Delaney, 2CC Canberra

Subject: Low cost support to help small businesses resolve disputes and the Small Business Pulse

The Ombudsman spoke to Leon Delaney on 2CC Radio Canberra on 4 March 2025 about low cost support to help small businesses resolve disputes and the Small Business Pulse.



The Ombudsman gave a presentation at the Institute of Public Accountant's 2025 Victoria Conference.

ASBFEO helps over 50,000 small and family businesses

The Ombudsman published an op-ed highlighting ASBFEO's work in the Canberra Times and ACM media network on 20 January 2025.



The Ombudsman published an op-ed in the February 2025 edition in Convenience World focusing on disaster preparedness.

I fear we are sleepwalking into a 'big corporate' economy

By Bruce Billson
February 17 2025 - 5:30am

Comments



The Ombudsman published an op-ed the headwinds faced by small and family businesses and the urgent support needed. The article appeared in the Canberra Times and across the ACM media network on 17 February 2025.

TRANSCRIPT

Australian Small Business and Family Enterprise Ombudsman Bruce Billson interview with Stephen Cenatiempo.

Radio 2CC Canberra

Bruce Billson spoke to Stephen Cenatiempo on 17 February 2025, discussing the 2025-26 Federal Budget, instant asset write-off, insolvency and small business conditions.

Checking on the pulse of Aussie small businesses

By Bruce Billson

Updated March 3 2025 - 12:26pm, first published 5:30am

Comments



The Ombudsman published an op-ed focusing on the February 2025 Small Business Pulse. The article appeared in the Canberra Times and across the ACM media network on 3 March 2025.



ASBFEO staff members attended the Accounting Business Expo held in Sydney during March 2025.

Assistance

- Continue to enhance program guidance and tailor small and family business support with a particular focus on filling information gaps for franchises.
- Implement improvements to our customer relationship management system to enhance our ability to respond quickly to requests for assistance and extract insightful data.
- Roll out a satisfaction survey to better understand the impact of our services and where we can improve.

Advocacy

Noting conventions of the caretaker period:

- Continue to develop options to deliver affordable, timely and restorative outcomes at the federal level, when alternative dispute resolution does not resolve disputes and court action is impracticable for the small business party. Investigate drivers and obstacles to entrepreneurship and consult on proposals to energise enterprise
- Explore regulatory reforms and process improvements that benefit small businesses, to complement and assist the government's efforts to make regulatory obligations both easy to comply with and hard to avoid.
- Make submissions to:
 - o the Treasury's consultation on draft legislation and regulations for payday super
 - o the Department of Industry, Science and Resources' consultation on a draft information standard to country of origin labelling for seafood in hospitality settings
 - o the Productivity Commission's consultation on opportunities in the circular economy
 - o Independent Review of the Insurance Brokers Code of Practice.

Inform

- Continue to broaden and strengthen our audience reach and engagement through our social media and newsletter, to inform and support small and family businesses to grow and thrive.
- Connect with small and family businesses and key stakeholders through our sponsorship program, gathering valuable insights from real business owners and their interactions with government, industry and market across the small and family business ecosystem.
- Increase ASBFEO's visibility, presence and participation at key events including the International Council for Small Business World Congress which is being held in Australia this year, COSBOA National Summit, Family Business Australia Conference, Franchising expos, Accounting expos, Small Biz Weeks and more.
- Continue to share the personal experience stories of 2.6 million small and family businesses to celebrate their vital contribution to community, society and the economy.
- Strengthen strategic stakeholder engagement opportunities to advance energising enterprise, improve access to justice for the small and family business sector and ensure right-sized regulation is at the forefront of mind for policy and of key decision-makers.

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