



The Ombudsman Bruce Billson (centre) with Phillipa Leggo (left) and Scott Leggo (right) at their Gallery in Kingston, Canberra. Read the Scott Leggo business success story [here](#).

Big business needs to pay up

It was really disappointing to see the latest data on payment times by big businesses to small businesses.

We all know cash flow is king and such a vital ingredient of small business survival, particularly at these challenging and uncertain times.

And the latest report card from the Payment Times Reporting Regulator revealed more than half of the nation's big businesses are missing their own deadlines for paying their small business suppliers.

There's been a marginal improvement in what they say they are going to do, but actual delivery of payment has slipped to the point where even the mediocre 30-day payment goal has not been met.

Big business must show leadership, respect and care for our small businesses and

pay their bills on time. And for big business leaders urging support for small business 'doing it tough', a practical and achievable measure is to get serious about improving payment performance to small business.

Good businesses pay. That's a vital part of business relationships.

According to the regulator's update:

- only 47% of big businesses paid more than 80% of their suppliers by their own agreed payment deadline.
- the average contract terms for payment marginally dropped to 36.2 days, from 36.6 days.
- only 31% big businesses paid more than 80% of their small business invoices within 30 days, which is the benchmark set by the Business Council of Australia.

There are some big companies that pay on time. There are those who pay their small business customers in far fewer than 30 days. But this report tells us that far too many big businesses are falling well short of paying their bills on time.

COVID-19 has made the problem worse. Payment disputes represent 40% of requests for assistance received by our office. Prior to COVID-19, this proportion was around 25%.

About one-in-four calls for assistance we receive about payment issues centre around construction businesses and 17.5% were in the transport, postal and warehousing sector.

If small and family businesses are paid on time, the benefits spread through the entire economy. Let's not forget that two out of every five people with a private sector job, work in a small business.

I'd also remind small businesses that a great way to improve payment times is to adopt eInvoicing.

It enables more timely payment, cuts the administrative burden and is more secure than posted or emailed invoices, so it reduces the chance of invoice fraud or scams.

About 1.2 billion invoices are exchanged in Australia every year but 20% are sent to the wrong person and 30% have incorrect information. It costs around \$30 to process a paper invoice while an e-invoice costs less than \$10.

Later this month, the Tax Office will be running eInvoicing week (from 15-21 August) so it's worth checking out their [website](#) for more useful information.

Some good news is the Albanese Government has moved quickly on its election promise to introduce legislation to ban unfair contract terms for small businesses.

This is another real problem for small and family businesses and it is very pleasing to see this being progressed by the Small Business Minister, Julie Collins, and the Assistant Minister for Competition, Charities and Treasury, Andrew Leigh.

The Ministers said the government would be introducing civil penalty provisions 'outlawing the use of, and reliance on, unfair terms in standard form contracts'.

I have met with many, many small businesses who have highlighted this very problem and we see examples of unfair terms in countless contracts we review. This is an area ripe for change.

Power imbalances between small business and large enterprises are exacerbated by unfair business practices and unfair contract terms and addressing these issues will aid in rebalancing these relationships and promote economic growth.

Finally, we have released our latest Quarterly Report for the June quarter highlighting the range of work we have been doing. You can read it [here](#).



An exciting resolution from our office

A surgeon lodged a dispute with the ASBFEO regarding medical claims from 2019 totalling more than \$50,000 that, due to administration errors, had not been paid by a federal government department.

The complainant had written to the department and received a response declining the claims as they were lodged outside the relevant timeframe.

The ASBFEO then wrote to the department who have now agreed to an extension to lodge the claims, and to pay the claims in full.

On hearing the good news the surgeon wrote to our office "Wow - *that is such good news! I have never won a lottery, but doesn't this come close?*"

What can the ASBFEO do for me?

We're inviting small and family enterprises and our stakeholders to let us know how the ASBFEO can help the community by improving the business operating environment.



Are you a small business looking to grow your online presence?

Grow with Google is delivering free in-person digital skills training to small businesses around Australia. At the event you will:

- Hear how you can **reach new customers** by getting your business found online.
- Discover how to get started with Google Ads to **drive conversion**.
- Learn about the power of analytics and the easy-to-reach data that can help you make better-informed business decisions.

[Register for an event near you](#)



“ Studying at INSEAD was a magic combination of learning, growth and connection with new friends and colleagues who are leading incredible work across the globe. Without the support of the CEW Scholarship this would not have been possible for me, I'm so grateful for the opportunity. ”

Melissa Reader

MD & CEO of The Violet Initiative
INSEAD AVIRA program
2021 CEW Entrepreneur Scholar

Small Business/Entrepreneur Scholarship

Women lead more than one-third of Australian businesses. However, they can struggle to find the resources to develop their leadership capabilities.

Chief Executive Women (CEW) is offering a scholarship to an outstanding woman entrepreneur or small business owner/ co-owner. This scholarship will help the recipient acquire skills and knowledge to grow their business.

Applicants can choose the course that best suits their learning needs.

[Find out more and apply here](#)

HAVING FINANCIAL DIFFICULTIES?



Australian Government
Australian Financial Security Authority

Having financial difficulties?

The Australian Financial Security Authority (AFSA) has launched a social media campaign to support individuals and businesses that may be experiencing financial difficulty as a result of recent factors such as the COVID-19 pandemic, rising interest rates and natural disasters such as floods and fires.

AFSA's campaign is informing Australians of the importance of seeking professional help early, and outlining options to navigate your way out of financial hardship.

For more information, visit AFSA's website or follow **AFSA** on [Facebook](#), [Twitter](#) and [LinkedIn](#).

[Visit AFSA for more information](#)

eInvoicing Week

15–21 August 2022

eInvoicing is here!

Spend less time doing paperwork and more time growing and running your business with eInvoicing. Send and receive invoices automatically, securely, and quickly in your software. No more PDFs, emails and falling victim to billing scams. To learn more about eInvoicing, visit ato.gov.au/eInvoicing.

There will be many great opportunities to attend events during eInvoicing Week including demonstrations, forums for asking questions, and learning from those who know.

eInvoicing Week events are held in several formats and will be regularly updated.

[Check out the calendar of events](#)



AUSTRALIAN BUSINESS GROWTH FUND

What is growth capital and is it right for your business?

Ambitious business owners and entrepreneurs always have one eye on the future. But whether you want to strengthen your team, ramp up sales and marketing, build out your capabilities or expand your operations, securing the right capital is an important step in making your vision a reality.

This guide provides an overview of growth capital, explains how it differs from other types of equity funding and details how to decide whether it is right for your business.

[Check out ABGF's guide to growth capital](#)



New voice for small business in South Australia - Commissioner announced

The Office of the Hon Andrea Michaels MP has announced that Nerissa Kilvert, has been formally appointed as South Australia's new Small Business Commissioner for a term of three years.

Since acting in the role in September 2021, Nerissa has instigated a strong strategic direction for the office. This focuses on delivering a fast and fair alternative dispute resolution service for South Australian small business operators and providing advice to inform and improve Government policies and services.

Nerissa is privileged to serve South Australia's small business sector by listening and helping to amplify their views and experiences.

[**Learn more about the South Australian Small Business Commissioner**](#)




Super Stapling – Are you complying?

Stapling was introduced on 1 November 2021 to limit the unintended opening of new super accounts for workers every time they change jobs.

This generally means an employee's existing super fund is now 'stapled' to them for their entire career unless they choose another fund. Given the scope of the change, the ATO supported employers during the early phases of transition.

Since it is almost a year since the introduction of stapling, the Australian Retailers Association and Rest is providing a refresher and links to more information.

[Learn more about super stapling](#)



Suanne Russell
Lead Ombudsman
Small Business

AFCA releases small business complaints data from 2021-22

Small businesses in dispute with financial service providers lodged 3,490 complaints with the Australian Financial Complaints Authority (AFCA) in the past 12 months, down 3 per cent from the previous year. Those that succeeded in their complaints secured more than \$18 million in compensation and refunds.

Business loans were the product most commonly complained about in 2021-22, while service quality was the issue with the most complaints.

AFCA has helped secure nearly \$80 million in compensation and refunds for small business complainants since starting operation on 1 November 2018. It has registered more than 14,800 complaints from small businesses in that time.

[**Learn more about AFCA**](#)

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Australian Government



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Family Enterprise
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