



BRUCE'S 2022-23 BUDGET BRIEF

The Australian Small Business and Family Enterprise Ombudsman Bruce Billson says tonight's Budget handed down by the Australian Government will provide welcome capability building, mental health and financial advice support for small businesses and incentives to grow, transform and become energy efficient.

The Budget includes:

- \$62.6 million over 3 years for small and medium sized businesses energy efficiency grants to reduce energy use and lower bills. The funding will support studies, planning, equipment and facility upgrade projects that will improve energy efficiency, reduce emissions or improve the management of power demand.
- \$10.9 million in extra funding for the New Access for Small Business Owners mental health support program operated by Beyond Blue, which offers free one-on-one telehealth sessions with specially trained mental health coaches providing evidence-based advice on strategies for managing stress.
- \$4 million extra for the Small Business Debt Helpline operated by Financial Counselling Australia offering free, independent, confidential and impartial phone-based support to small business owners.
- \$5.8 million over 4 years to support education and compliance associated with introducing the positive "respect@work" duty on employers; and \$2.1 million

over 4 years to establish one-stop shop for workplace sexual harassment information including support service referrals and employer responsibilities.

- \$3.4 million over 4 years to support the development and delivery of education, technical advice and support services targeting the needs of small business employers to support the implementation of 10 days of paid family and domestic violence leave.
- \$7.9 million over 4 years for the Fair Work Commission to support uptake of enterprise bargaining for small business.
- \$15.4 million over 4 years to establish the Startup Year program to deliver HELP loans to graduates, postgraduate and final year undergrad students. The business focussed accelerator program will encourage innovation and support Australia's startup community.
- \$18.6 million in Digital Solutions grants for advisory service providers to help small businesses wanting to get online to access high quality, independent advice at low cost.
- Funding to improve mobile and broadband connectivity and resilience in rural and regional Australia.
- Reaffirms tax deductions – the Technology Investment Boost and Skills and Training Boost providing an extra 20% deduction.
- More funding for childcare, increased fee-free TAFE and vocational education places, extending the relaxation of work restrictions for student visa holders and a one-off incentive for older Australians to work more hours without losing their pension will assist in helping combat skills shortages.

Mr Billson said the combined \$15 million in the budget for mental health and financial counselling support was really important.

“For many small and family business owners, 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 in some cases their family home, into building up their business, which amplifies the emotional challenges,” he said.

Mr Billson said while that support was extremely welcome, it has been partly paid for by redirecting \$8 million announced in the March budget for the My Business Future program.

The extra childcare funding will particularly support the growing cohort of female entrepreneurs starting or leading a new business in recent years.

Along with the one-off incentive for older Australians to work more hours without losing benefits it will also go some way towards helping mitigate skills shortages and the extra fee-free TAFE and vocational education places will address some of the longer-term skills challenges.

“Small and family business owners are literally exhausted. They are struggling to make rosters work and keep doors open due to labour and skills shortages; grappling with supply troubles that means critical inputs, goods and services are not always available, on edge about cyber security fears and some are fighting floods and other natural disasters,” Mr Billson said.

The Budget forecast that inflation will be 7.75% at the end of this year and still high at 5.75% by the middle of next year and 3.5% in mid-2024, tells small and family businesses they will face sustained cost pressures on their businesses.

At the same time, the Budget forecast of lower economic growth and a rise in the unemployment rate, plus the likelihood of further interest rate rises from the Reserve Bank, show conditions will be more challenging.

“Small businesses have a proven track record of lifting our nation. Remember, coming out of the global financial crisis, almost 60% of the new jobs were created by small employers even though the sector only accounted for 40% of the workforce,” Mr Billson said.

“We continue to urge the government to support small businesses and believe energising enterprise can deliver a stronger economy.

“Small business is a dynamic and fast-growing sector that allows people with an entrepreneurial spirit to pursue their dreams and energising this will help increase the \$438 billion contribution small business makes to the economy.”

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October 2022 Budget Snapshot for Small Business

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