



## Be prepared for natural disasters

In the final newsletter for this year, I want to take some time to share with you the findings of the [Small Business Natural Disaster Preparedness and Resilience Inquiry](#) conducted by my office and just recently tabled in Federal Parliament.

It's particularly timely given the recent floods that have devastated some communities and destroyed many small and family businesses. We hope there are no more natural disasters, but we know floods, bushfires, storms and droughts rip at the heart and soul that enterprising women and men pour into their small business.

In the aftermath of natural disasters, we typically see massive and heartbreaking clean-up efforts, a lengthy and hard-going recovery and questions asked about how small and family businesses, and communities will bounce back and what, if anything, could have been done to better prepare.

Our inquiry found that disturbingly, only one in four small businesses have a current business continuity plan.

Every business should have one.

Taking simple steps to be better prepared, sensible risk mitigation action and bolstering resilience can help small and family businesses to get back on their feet

quicker after suffering the effects of a natural disaster.

We've got a 9-point [checklist](#) to help small businesses to be prepared.

If disaster does strike, small and family business owners also require clarity and certainty of the support available. There are [10 things](#) you should consider to recover and get up and running again.

A strong sense of community connectedness, including collegiate business relationships – what we have called “socio-commercial capital” – leads to more resilient and unified communities that learn from and support each other to work together to prepare for, and respond to, natural disasters.

The report finds the building of socio-commercial capital can be done within existing structures, such as the Small Business Friendly Councils initiative run in conjunction with state Small Business Commissioners.

As a country we have too much focus on the clean-up. Some 97% of money spent by governments on disasters is after the event and only 3% is on preparedness.

Among the 16 recommendations and findings, the report says:

- There should be a “certainty of response” for small business owners, so they are automatically elevated and “front of mind” in disaster response, recovery and funding arrangements. This must include indirectly affected businesses.
- There should be “certainty of support” by establishing a business hub after a disaster as a single point to seek help from federal, state, and local government and non-government agencies.
- A “tell-us-once” triage system should be adopted to save small business owners the trauma and time associated with repeating their story.
- An opt-in “My Business Record” should be created to allow a small business to digitally store all relevant government-held and other vital information it might need after a disaster.
- Infrastructure grants should be provided to ensure critical infrastructure relied upon during a disaster is fit-for-purpose, remains intact and functioning.
- The Australian Government should implement a “good neighbour” program and mitigate risks on land it owns.
- A Government subsidy should be available when workers in a small business are called out for volunteer work for an extended period or a business is required to scale back operations because of volunteer activities.
- When a small business receives an Australian Government grant, an additional amount should be made available six to nine months later for a “business health check”.

- In many cases small business owners are operating uninsured, underinsured, or with excesses payable that prohibit them making a claim, due to extreme difficulty in accessing affordable insurance. More must be done to address this complex market dysfunction.
- Calls for an integrated response to disaster risk management for identified disaster prone areas that incorporates priority access to mitigation expenditure, co-ordinated planning across levels of government, infrastructure hardening, interest-free loans for asset and activity protection and relocation schemes, and possible use of a dedicated reinsurance vehicle.
- Numerous examples of inequity or inconsistency of support created a sense of resentment that some businesses that purchased expensive insurance and had a disaster plan were denied support while others that gave far less attention, time, and effort to protect their own economic interests were helped.

Small business creates vitality in our communities, employs two out of every five people with a private sector job and contributes one-third of our GDP, so it is absolutely worth building its resilience.

The full report is available on our [website](#) where we also have tools, resources and tips to help small business prepare for a disaster and, if needed, to recover after one.

The Tax Office has announced that small businesses who have been affected by recent floods can get support and information about meeting their tax and superannuation obligations [here](#) and [here](#).

## **Fair Work legislation**

Many people have been closely watching the parliamentary debate about the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill.

On behalf of, and in consultation with, the small and family business community, we lodged a [submission to the Senate inquiry](#) highlighting the “special circumstances” of smaller workplaces and provided detailed input to ensure the legislation was more responsive to these particular considerations.

The Parliament has now appeared to have settled on these measures and in the coming months as detailed guidance becomes available, we will pass on important information to assist smaller employers to engage with the new Fair Work system.

## **Hiring for the holidays**

Hiring new employees for the holiday period can be stressful but the Fair Work Ombudsman’s [small business website](#) has information and resources to help streamline the process and get hiring right.

It includes:

- a hiring checklist with tips to help choose the right type of employee and an overview of rules about pay and ending employment
- links to information about minimum workplace entitlements and employer responsibilities
- an online course to explain the hiring process.

Getting their first job is a big milestone for a young person and a smooth transition into the workforce can help them positively participate in the workplace and set you apart as an employer.

The Fair Work Ombudsman's [best practice guide](#) sets out employer's legal requirements and how to support and engage young workers.

## **Be business ready for a cyber incident**

Any business can be vulnerable to a cyber-attack. To support small businesses and organisations, the Australian Cyber Security Centre has launched a new online tool: Exercise in a Box: Be business ready for a cyber incident.

It's aim is to test how resilient a business is to cyber-attacks or security incidents, and evaluate their readiness to respond. It is free and easy to use, and there's no need to be a cyber expert!

[Exercise in a Box](#) works by taking a small group of key staff through a series of structured questions relating to an area of cyber security. A report then highlights where a business can improve its cyber security, the risks it is currently exposed to and what it can do to remediate them.

## **Don't forget your mental and financial health**

It is important those running or managing a small business look after their emotional and financial well-being. Sometimes it can be as simple as making time to pause, reflect and reconnect.

Talking to trusted advisers and networks is a great way to find solutions.

For 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.

Being able to speak to someone who understands the mental load of running a small

business makes a big difference. The [New Access for Small Business Owners](#) mental health support program operated by Beyond Blue offers free one-on-one telehealth sessions with specially trained mental health coaches providing evidence-based advice on strategies for managing stress.

If help is needed to sort and deal with debt or cashflow issues, or to navigate the maze of grants or Government assistance available, the Small Business Debt Helpline operated by Financial Counselling Australia has a team of qualified financial counsellors who can answer calls directly or assist via a web chat function. Whatever your circumstances, the helpline provides free, independent and non-judgemental advice by calling 1800 413 828 or [here](#).

Small and family businesses have shown great resilience this year. Wishing you a splendid festive season and a purposeful and prosperous 2023.

Bruce

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