



Australian Government



Australian
Small Business and
Family Enterprise
Ombudsman

QUARTERLY REPORT

1 October to 31 December 2025



A MESSAGE FROM THE OMBUDSMAN

The December 2025 quarter marked the end of another demanding year for small and family businesses that saw rising input costs, squeezed margins, new regulatory demands, ongoing supply chain stress and evolving consumer behaviour.

Yet, resilience prevailed. Released mid-quarter, the [ASBFEO Small Business Pulse](#) showed Australia's enterprising women and men are not waiting for perfect trading conditions – they're backing themselves, leaning on their self-belief, optimism and entrepreneurial instincts to create opportunities.

We saw that optimism begin to translate into renewal, with small businesses increasingly exploring diversification, e-commerce, digital and social marketing, and the practical opportunities from artificial intelligence to streamline admin and lift productivity.

The Pulse also showed increased interest in succession planning, with more family enterprises preparing for generational change. New leaders are stepping forward with a mix of respect for legacy and enthusiasm for innovation. Succession can bring new insights and perspectives that can reinvent a business, and a successful transition is an important part of keeping the entrepreneurial ecosystem healthy.

In the December quarter, news of the extension of the instant asset write-off was welcome and the end of the year saw the Commonwealth, State and Territory Small Business Ministers commit to cutting red tape, boosting disaster resilience and conducting a stocktake of support resources to ensure consistent, clear content can be easily found and accessed when needed.

Mid-quarter, we published our franchising information guides outlining best-practice franchise attributes and managing change within franchise operations. We also collaborated with Chartered Accountants Australia New Zealand to produce an information guide on how Australia's climate-related financial disclosure requirements may impact small businesses.

We continued to advocate for small and family business, calling for reforms to improve business conditions and support growth. During the quarter, we made a dozen submissions to Government consultations, and our Policy Forum held two roundtables on the compliance burden and need for 'right-sized regulation' for small business – one involving the Minister for Small Business. ASBFEO also kicked off its 'white tape' review, where the Minister for Small Business has asked us to take a deep dive into the nature and impact of the regulatory, compliance, reporting and operational requirements imposed on small businesses by larger enterprises in a business-to-business relationship.

Quarter's end saw the start of summer, which is often peak trading season for many small and family businesses, that also bring with it higher prospects of natural disasters with disaster preparedness a continual focus for business survival.

Late December, I warmly welcomed Lynda McAlary-Smith as my successor who will step into the role of Australian Small Business and Family Enterprise Ombudsman in March 2026. Lynda's experience as Victorian Small Business Commissioner ensures a continuing focus on dispute resolution without the need for court action; strong advocacy on practical steps to improve the operating environment; a deep focus on data for insights

MESSAGE FROM THE OMBUDSMAN

and ongoing constructive engagement with stakeholders, regulators and policy makers.

From the small business challenges deep into COVID; through changes in Governments and Ministers; increasing case-load and expanded dispute resolution functions; the building of a highly respected research and analytics capability; key and influential advocacy initiatives including '14 steps to energise enterprise'; thought-leadership leading to policy action in key areas including the need to 'right-size' regulation; nurturing ASBFEO's authoritative voice and the high regard with which it is held; and deep and enduring collaboration with Federal regulatory agencies and state small business commissioners, it has been a demanding and purpose-driven 5 years as Ombudsman. External recognition including the 2025 Ombudsmen and Commissions ADR Group of the Year, ISO certification and International Council for Small Business 2025-2026 'Lighthouse Award' confirm that there is an excellent foundation and positive momentum from which the new Ombudsman can build to the advantage of Australia's small and family businesses.

The momentum we saw this quarter signals that 2026 can be a year of renewal, reinvigoration and reinvestment for the sector. ASBFEO is committed to advocating for practical improvements that help create an environment where enterprise can flourish, where effort is rewarded, and where every small and family business has the best possible prospect to succeed.



The Hon. Bruce Billson

Australian Small Business and Family Enterprise Ombudsman

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To all the enterprising women and men behind our small and family businesses giving it a go – my enduring admiration and respect. It has been an honour and privilege to be your tireless ally, advocate and champion. Your resilience, commitment, drive and enterprising energy is Australia's greatest resource. Small and family businesses remain the beating heart of our communities and the engine room of the economy. I'm inspired by the perpetual optimism and relentless endeavour of enterprising businesspeople who keep serving and delighting customers, innovating and solving problems, creating opportunities and strengthening local economies with your community spirit and leadership.

KEY ACTIVITIES

Assistance



- ASBFEO was contacted for information and/or advice 2,012 times. We helped small businesses with a range of issues with payments, franchising, and contracts. We continue to assist with an increasing number of requests from small businesses that have been suspended from digital platform accounts.
- We released comprehensive guidance on franchising, following development in consultation with industry experts and key regulators.
- We commenced an open approach to market for a panel of alternative dispute resolution (ADR) providers for our upcoming subsidised ADR offering.

Advocacy

- ASBFEO held two ‘right-sized’ regulation roundtables with its Policy Forum:
 - 5 November that included senior officials from the Department of Finance, Productivity Commission and Office of Impact Analysis. The roundtable discussed the cumulative compliance burden on small business and ways to improve government policymaking and regulatory design processes, and opportunities for making compliance easier for small businesses.
 - 27 November with the Minister for Small Business, Dr Anne Aly MP that discussed areas of significant compliance burden and opportunities to inject a small business perspective into policymaking.
- At the Small Business Commissioners meeting held on 25 November, a dialogue with the digital platform sector on issues regarding the deactivation of small business accounts.
- We made 12 submissions during the quarter, including four on Australia’s tax laws, guidelines, and regulatory approach:
 - Tax Ombudsman’s review of the ATO’s management of remission of the general interest charge
 - ATO’s approach to taxpayer relief provisions consultation
 - Board of Taxation’s Red Tape Reduction Review
 - Select Committee on the Operation of the Capital Gains Tax Discount.
- Other submissions we made during the quarter include:
 - ATO’s consultation on draft guidelines for newly introduced Payday Super legislation
 - Treasury’s consultation on Combatting financial abuse perpetrated through coerced directorships
 - National Transport Commission’s Heavy Vehicle Charges Consultation 2026-27.
- We have published all these submissions on the ASBFEO website (see ‘[Submissions](#)’ in the Policy and Advocacy section).

Engagement

- The Ombudsman delivered 11 presentations, participated in 22 webinars, forums, and roundtables, including the Federal Regulatory Agencies Group and the Small Business Commissioners meetings. Presentations were delivered across a wide range of audiences including the ASBFEO Policy Forum focussed on white tape, the Policy Forum with the Small Business Minister, the Collaborative Working Forum, , the Australian Bookkeepers Summit, NT Business Month, National Franchising Convention, ACCI Business Leaders’ Summit, SBAA International Small Business Summit and the Institute of Public Accountants National Congress.



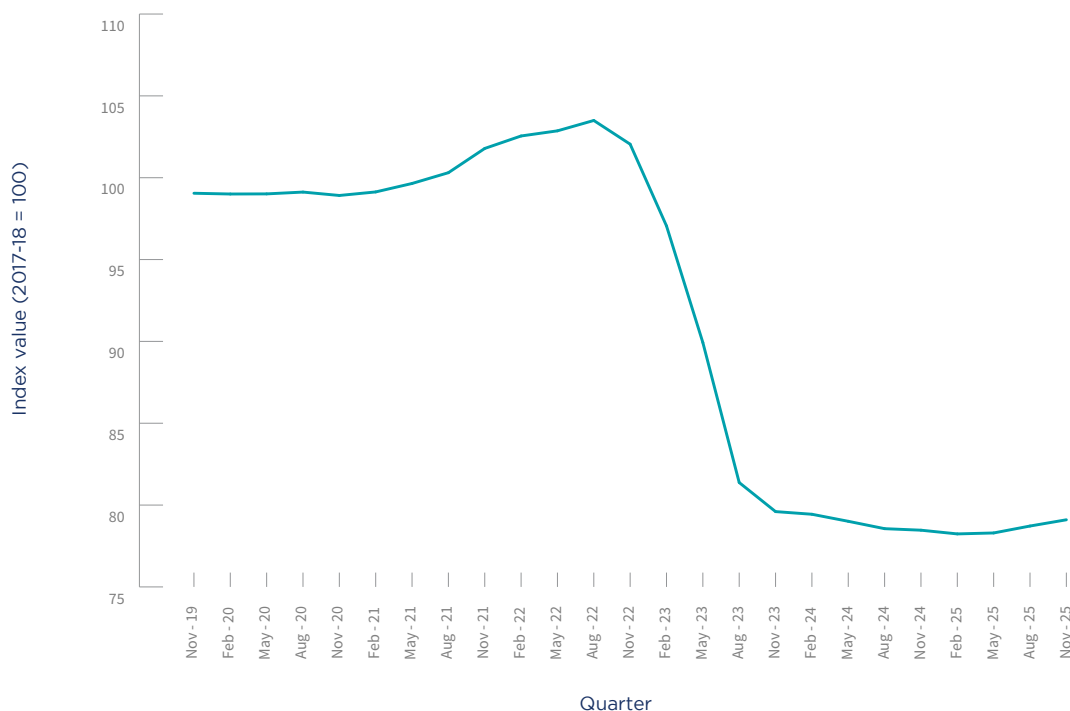
KEY ACTIVITIES

- We took part in a range of expos, conferences and networking events including:
 - National Small Business Communications and Media Network (Chaired two meetings)
 - Federal Regulatory Agency Group's Education and Engagement network meeting
 - October Business Month in the Northern Territory, with events in community and in Alice Springs
 - First Nations Business Showcase in Adelaide
 - National Franchising Convention in Melbourne
 - Institute of Public Accountants National Congress
 - SmartCompany's Smart50 Awards as sponsor of the Rising Star Award
 - COSBOA leaders' lunch in Hobart
 - Community Achievement Awards
 - Australian Export Awards as a sponsor of the First Nations Exporter Award
- Small Business Association of Australia International Small Business Summit
- AusPayNet Summit.



ASBFEO sponsored the Australian Small Business and Family Enterprise Ombudsman Small Business Community Ally Award at the 7News Community Achievement Awards. The Ombudsman gave a speech and presented the award at the awards night.

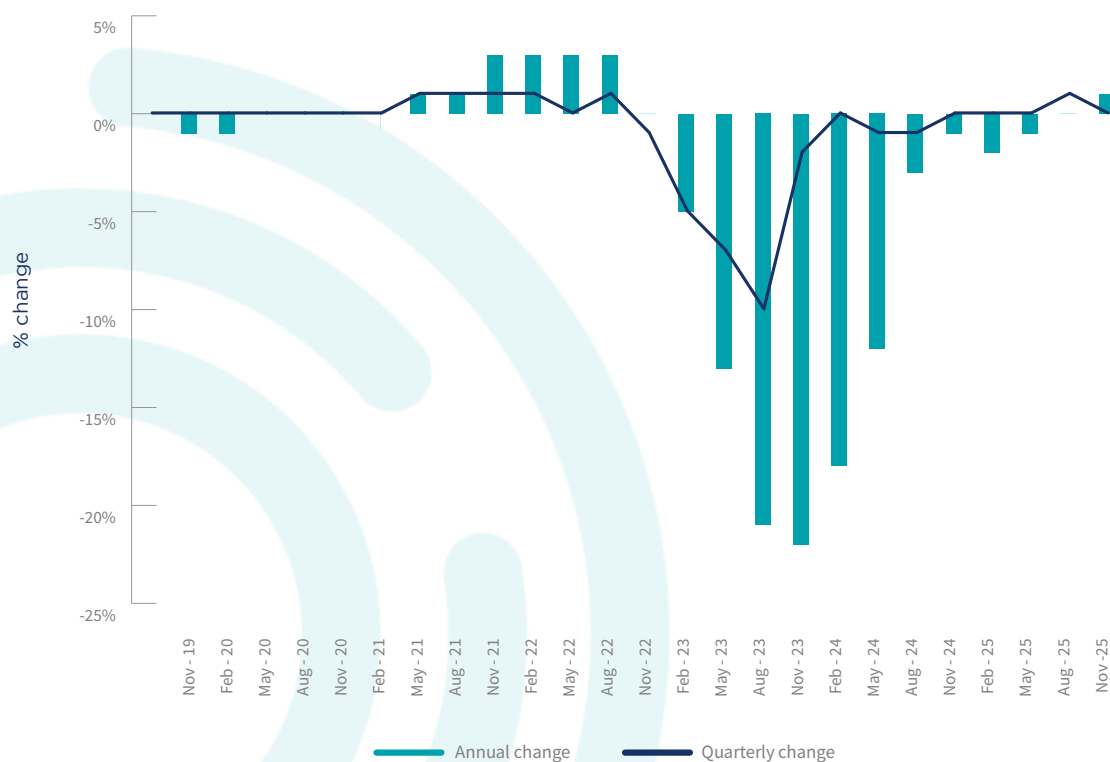
The November 2025 Pulse



Note: Scale starts at 75.0.

Source: ASBFEO, 2025

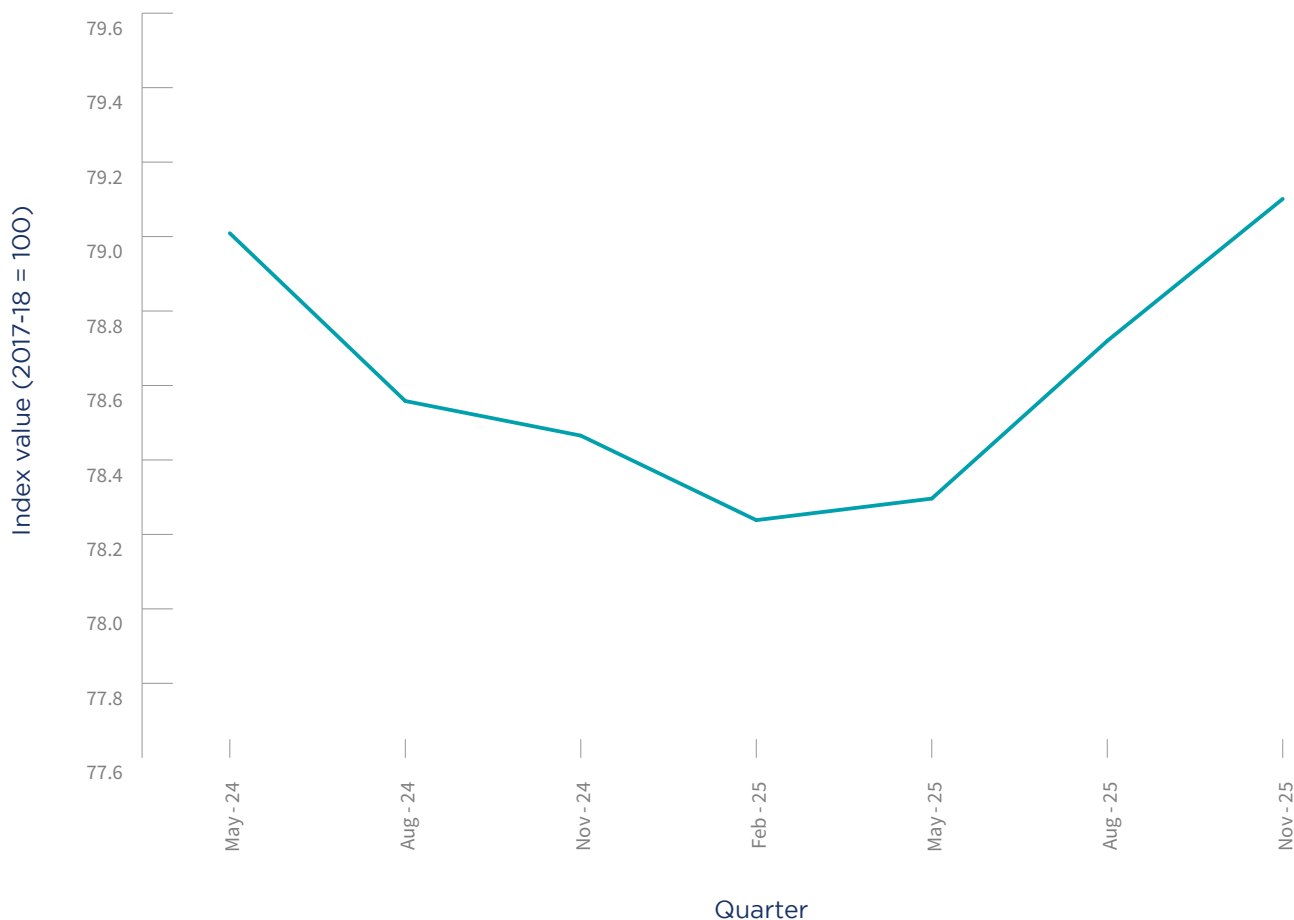
ASBFEO Small Business Pulse changes



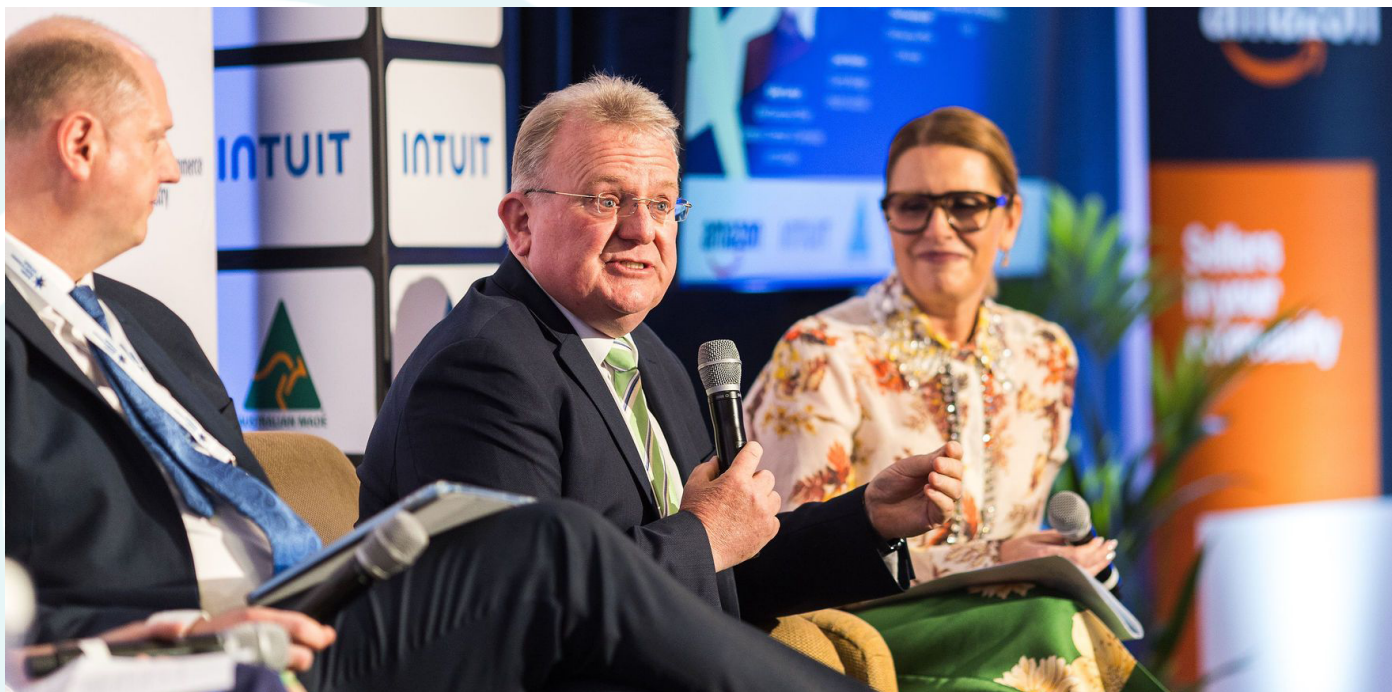
Note: The ASBFEO Small Business Pulse did not reflect a fall in 2020 as government support measures outweighed other economic impacts. As economic activity, including insolvencies, have returned to trend levels, the Pulse has reflected these shifts.

Source: ASBFEO, 2025

Spotlight on the last 18 months



Source: ASBFEO, 2025



The Ombudsman (centre) participated in the Supporting Small Business to Drive Economic Prosperity panel at Australian Chamber of Commerce and Industry (ACCI)'s Business Leaders Summit. The panel touched on the enormous contribution small businesses make to the Australian economy, right-sized regulation and how we can energise enterprise.

Trends

The ASBFEO Small Business Pulse increased by 0.8% in the three months to November 2025 – the third consecutive quarterly increase. It increased 0.5% compared to the same time last year.

The Australian Small Business and Family Enterprise Ombudsman, Bruce Billson, said there is a real tailwind building for small business growth and transformation.

“With relatively stable economic conditions and a reduced likelihood of further interest rate relief in the near term, the Pulse reflects the inherent optimism of enterprising women and men with business owners focussed on creating their own opportunities and positive momentum”, Mr Billson said.

“Small business owners are leaning into fresh ways to expand their offerings and delight customers. There has been continued momentum in research into opportunities to harness technology and artificial intelligence to boost efficiency and power new waves of growth – momentum that’s reshaping the small business landscape.

“There is continuing momentum for small businesses to explore opportunities to expand into fresh markets and investigate the delicious opportunities of digital technologies – including artificial intelligence - to boost efficiency and unlock new avenues for growth.

“Enquiries about the logistics of passing on existing businesses to family members have increased, with signals these new next generation small business owners are implementing new ideas while preserving the family business legacy¹. This is affirmation that succession can bring new insights and perspectives that can reinvent a business,” Mr Billson said.

The Small Business Pulse is a health check of objective vital signs for small business while also taking into account the ‘animal spirits’ that drive decision making.

“There is strong momentum in small business owners’ research into how technology may assist with delighting more customers and boosting productivity by streamlining administrative tasks. Queries about e-commerce and websites, digital and social media marketing and the opportunities artificial intelligence may provide remain elevated. Interest is high in how artificial intelligence may streamline compliance and other administrative tasks, as well business expansion. Risk management is also a key consideration for small business owners, with strong appetite for practical information on how to increase their cyber security,” Mr Billson said.

“Small business owners are comparing tools and looking for clear information on how this might work for them, particularly through workshops or face-to-face meetings to explore their unique business prospects. There is a clear expectation that regulators will provide small businesses with practical information to use these tools to comply with changing requirements, such as single touch payroll and payday superannuation requirements.

“Enquiries about hiring staff have increased, with many small business owners wanting clarity on the differences between employees and independent contractors so they can get things right from the outset². Interest in remote workers remains elevated, driven by more small businesses operating from digital offices and the ongoing challenge of finding the right staff in many regional communities. In sectors where hands-on workers are essential – like construction – the struggle to fill vacancies has remained a persistent pressure throughout the year. Employers are also concerned about ensuring that they are paying staff appropriately, with key areas of concern including penalty rates, casual staff and staff aged under twenty-one.

“Concerns about other regulatory requirements have eased this quarter but remain stubbornly high. In addition to employer responsibilities, tax obligations continue to prove challenging, particularly for sole traders and new businesses unsure what startup costs they can claim as tax deductions³. Regulators’ terminology can also be confusing for entrepreneurs. For example, confusion on whether personal services income is business income remained elevated throughout the year.

¹ Department of Industry, Science and Resources Contact Centre Operational Data (August to October 2025).

² Department of Industry, Science and Resources Contact Centre Operational Data (August to October 2025).

³ Department of Industry, Science and Resources Contact Centre Operational Data (June to October 2025).

“Business registrations are also a key area of confusion. Many small businesses are uncertain whether they can expand their business services and products under their existing business or require a new business entity or structure⁴. Finding information can be especially challenging for some cohorts. Small business owners from a culturally and linguistically diverse background report less confidence in finding business information than the general small business population⁵.

“Interest in starting a new business remains elevated. Over the last two years, this has been evenly split between men and women⁶. Health care and social assistance and transport, postal and warehousing had the highest percentage increases in businesses in 2024-25⁷.

“This shift in business composition is reflected in requests for ASBFEO’s help. Disputes requiring a dedicated ASBFEO case manager were most commonly in the transport, postal and warehousing industry this quarter. Nearly one in five of these small business owners had been in business for less than one year, with most of these early-stage business owners speaking a language other than English at home.

“Small business owners’ enquiries exploring closure or sale are elevated – often from people who still have choices on the table and are seeking clear guidance on the practicalities: how to transfer tangible and intangible assets, what a sale involves, and the capital gains considerations that follow. At the same time, there’s been slight rise in owners facing genuine financial distress, with the lingering effects of natural disasters adding extra pressure for many already doing it tough.

“Strong, well-sequenced and timely support can help small businesses navigate change with certainty, invest with conviction, and contribute more boldly to Australia’s economic dynamism.

“That’s why we have proposed 14 Steps to ‘energise enterprise’ designed to provide policy settings to provide a clear pathway for renewal and transformation. We’re not just setting out practical and constructive actions to support enterprising women and men – we’re seeking to reduce the complexity of owning and running a business, improve incentives, boost confidence, and create the conditions for businesses to thrive,” Mr Billson said.

You can find them here www.asbfeo.gov.au/14-steps

MEDIA CONTACT: 0448 467 178 / www.asbfeo.gov.au

⁴ Department of Industry, Science and Resources Contact Centre Operational Data (June to October 2025).

⁵ Defined as speaking a language other than English at home. ASBFEO research for the *ASBFEO Small Business Natural Disaster Preparedness and Resilience Inquiry* (2022).

⁶ Self-identified gender. Australian Survey of Social Attitudes 2024 Waves 1,2,3, 4 and 5, Version 3, Accessed 27 November 2025.

⁷ Australian Bureau of Statistics, *Counts of Australian Businesses*, July 2021 – June 2025.

ASSISTANCE: SUPPORTING SMALL AND FAMILY BUSINESSES

Franchising guidance now on the ASBFEO website

This quarter we were excited to release comprehensive practical guidance material on franchising. The guidance is targeted at current and prospective franchisees and franchisors and includes information on what to think about when considering a franchise opportunity, what franchising done well looks like and options for exiting a franchise. There are also valuable resource materials to help with managing change in a franchise.

The need for enhanced franchising information and guidance was one of the themes that emerged from the recommendations of Dr Michael Schaper's 2024 Review of the Franchising Code of Conduct. In June 2025 we hosted a workshop bringing together industry experts from across franchising to help us identify information gaps and key messages. We have developed the materials drawing on the insights and suggestions shared by the experts during and after the workshop – as well as findings from our own case study research. We are very appreciative of the generosity of our stakeholders in sharing their time, expertise, and considered input and feedback - it has been invaluable in the development of the materials.

Our next step will be to consider how we can complement the materials with different media, such as explainer videos, to further assist with the accessibility of the information. The new pages are available at www.asbf eo.gov.au/franchising.

Subsidised mediation is on the way

This quarter we continued to work on establishing services that support small businesses to maximise their opportunity to resolve disputes without having to go to court. Earlier in 2025, we introduced a pilot of subsidised legal advice to support small business to clarify issues in dispute and prepare for alternative dispute resolution (ADR). This advice is provided by a panel of highly qualified and experienced legal practitioners.

In late October 2025, we released an open approach to market seeking to establish a standing panel of ADR practitioners to provide services under a proposed subsidised ADR arrangement. Once established, subsidised ADR will be available for disputes involving at least one small business engaging in an ADR process such as conferencing, mediation, or case appraisal.

Access to the service will be through the ASBFEO's assistance function that helps with dispute resolution via case management after considering the circumstances of the matter including when the small business became aware of the legitimate matter and good faith engagement. Subsidised ADR will also be available for industry code matters, such as under the Franchising Code of Conduct. Each party to the process will make a copayment.

The new service will be established later in 2026, and more information will be available once launched. In the meantime, ASBFEO continues to help with organising ADR processes for parties in disputes.



ASBFEO's Small Business Policy Forum met with the Minister for Small Business, Hon Dr Anne Aly at Parliament House in Canberra. There was much discussion about the challenges and opportunities facing small businesses, including compliance burden, right-sized regulation and supporting small business uptake of digital tools and AI technologies.

ASSISTANCE: SUPPORTING SMALL AND FAMILY BUSINESSES

Quarterly statistics

In this quarter, we had:

1,406

calls to our contact centre

606

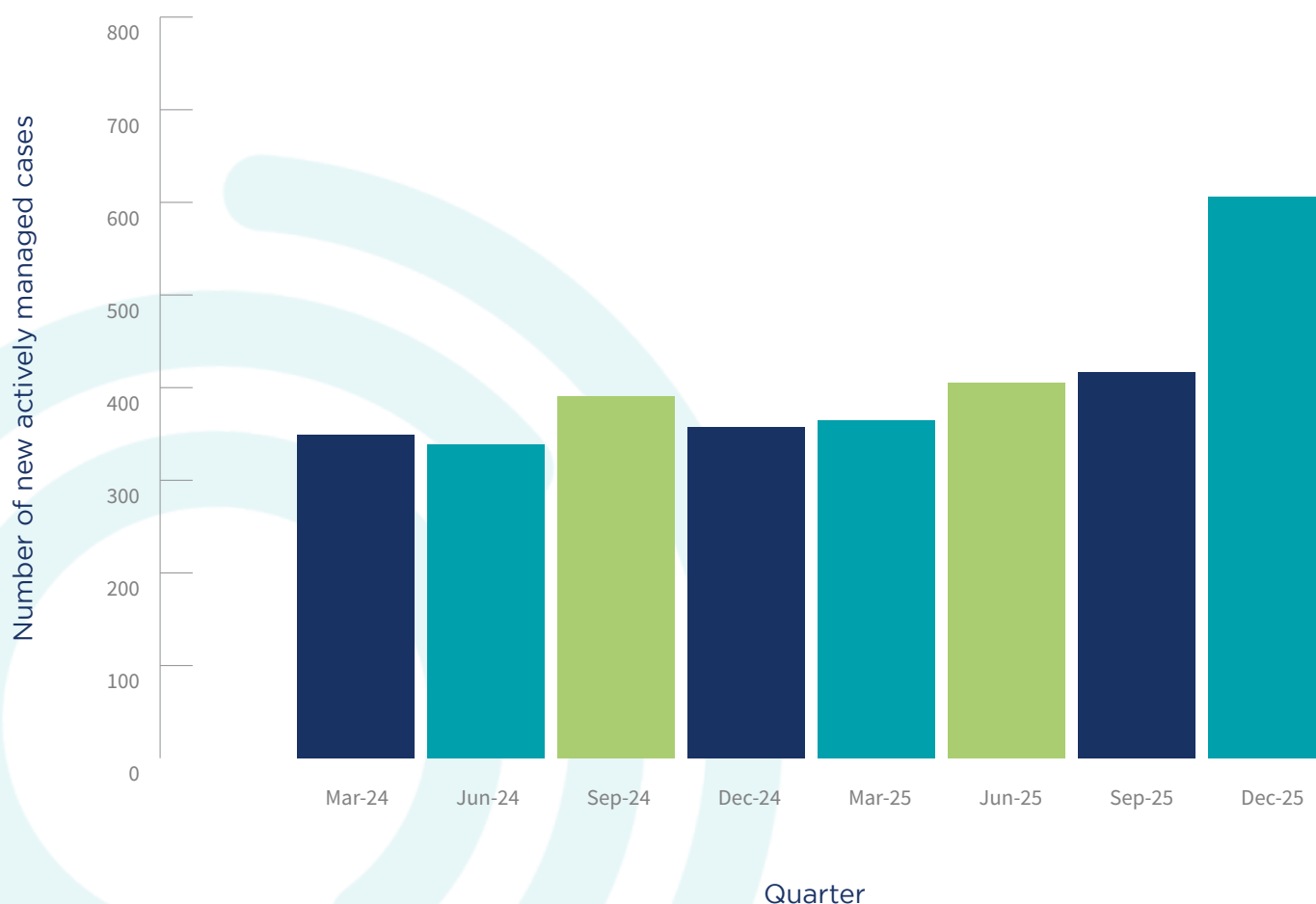
cases that we actively managed

2,012

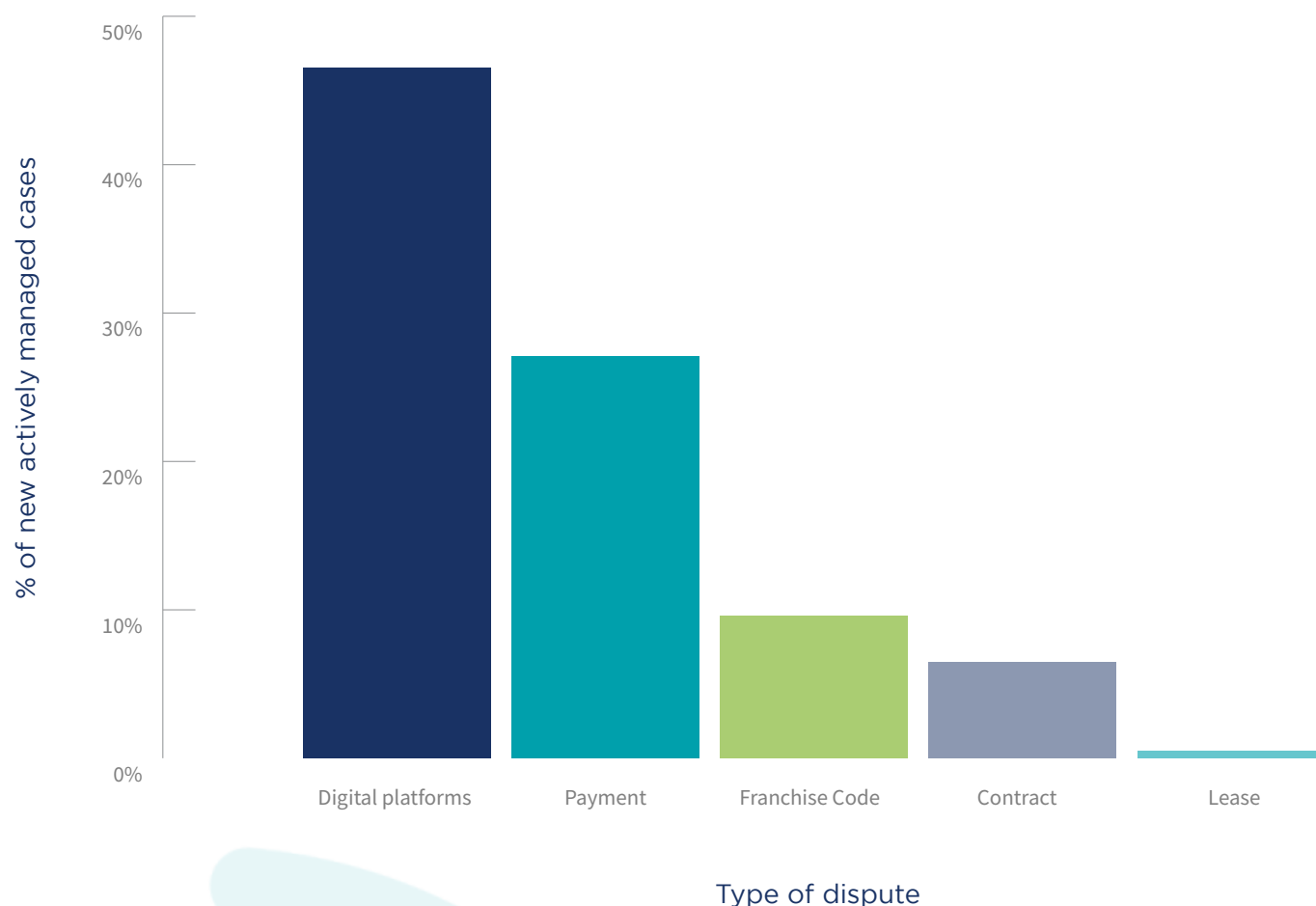
total requests for assistance

Digital platform disputes is the most common type of dispute where ASBFEO provides one-to-one support. They accounted for 46.5% of new actively managed cases in December quarter 2025. Other common types of disputes were payment (27.1%), franchise disputes (9.6%) and contracts (6.4%).

New actively managed cases by quarter



Common types of new disputes actively managed by ASBFEO, December quarter 2025

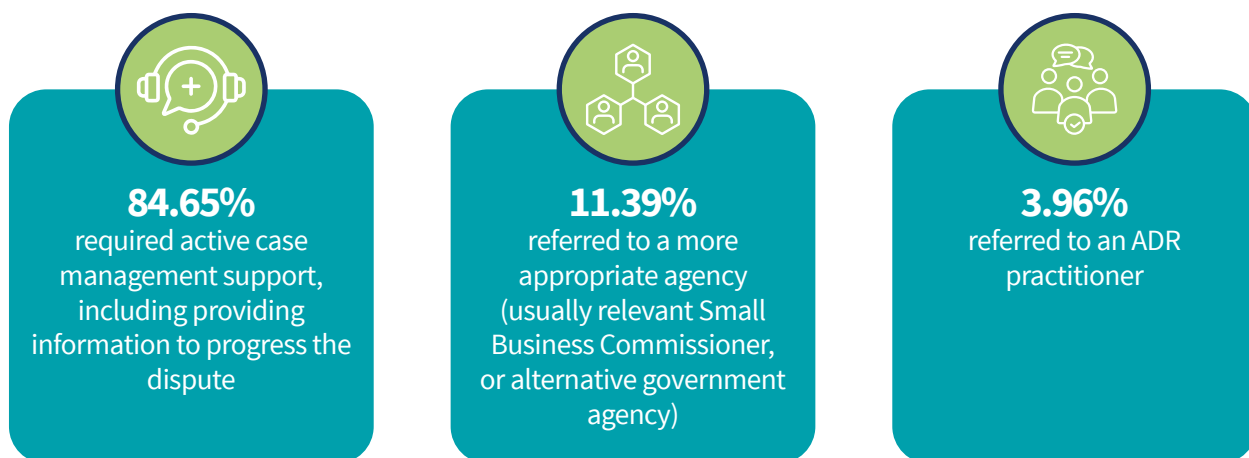


In this quarter, there has been an increase in the number of requests for assistance where we were unable to verify that the requester was eligible for assistance under our legislation. These cases are actively case managed to ensure that we provide appropriate assistance should requesters be identified as eligible or, if not, provided with targeted information to independently resolve their disputes. The increased volume largely relates to requests for assistance with digital platform matters where platforms appear to have been unresponsive in resolving issues in a timely way.

Nearly one quarter of the new disputes with a dedicated case manager in December quarter 2025 involved a small business owner who spoke a language other than English at home. These were most common in the transport, postal and warehousing, administrative and support services, and accommodation and food services.

ASSISTANCE: SUPPORTING SMALL AND FAMILY BUSINESSES

Case management outcomes



In the same way as already noted for new disputes, case outcomes this quarter include requests for assistance where eligibility as a small business could not ultimately be confirmed. In these instances that mostly relate to digital platform issues, general guidance was provided rather than more direct support.

How we helped callers to our infoline



Note: Totals do not add to 100% due to rounding.

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 ADR processes and appointed independent ADR practitioners to disputes as requested. For the quarter, this included:

- responding to 98 enquiries from franchising participants
- actively case-managing 58 new franchise disputes, 44 of which were initiated by the franchisees.

Accommodation and food services and Administrative and support services accounted for over a quarter of these new actively managed franchise disputes in December quarter 2025.

We provided participants with information relating to the use of the mandatory dispute resolution process under the Dairy Code of Conduct, Oil 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 three requests for information about the Oil Code of Conduct, one for Horticulture Code of Conduct and one for Dairy Code of Conduct. Additionally, we actively managed one new case related to the Horticulture Code of Conduct and one about the Oil Code of Conduct.

ASSISTANCE: SUPPORTING SMALL AND FAMILY BUSINESSES

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:

- 11 requests for assistance from small businesses seeking assistance with ATO negative decision letters received, a decrease from 15 requests last quarter
- 7 additional enquiries about the TCS, an increase from 6 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.



Low-cost legal Support Service

Earlier this year we launched a new low-cost legal support service to assist small and family businesses navigate dispute resolution. This initiative was developed in response to the growing need for accessible legal assistance to help small businesses resolve issues early and avoid costly, formal legal proceedings.

Since its implementation in March 2025, the service has been offered in 60 matters, with almost half of eligible small business taking up the offer. This growing uptake highlights the service's value in helping small businesses move through disputes with greater clarity, understanding and overall preparedness, and demonstrates how it is becoming an increasingly important part of the assistance we provide.



CASE STUDY: Choosing an ADR practitioner

Alternative dispute resolution is a highly effective way of resolving a dispute without the cost and stress of going to court and is commonly included in industry codes of conduct as a mandatory step. Part of ASBFEO's function is to assist parties to arrange ADR with a skilled practitioner. Our process for referral to an ADR practitioner usually involves offering the parties the option to select a practitioner from a suggested shortlist based on location, areas of expertise and availability.

All the ADR practitioners we refer clients to are required to declare any conflict of interest with the parties (which would preclude them from proceeding) – to ensure that they are unbiased and independent. We encourage parties to work together to agree on a suitable practitioner. Reaching agreement on an ADR practitioner is often the first successful negotiation in the process and set the parties up for success in negotiating the issues in their dispute.

Of course, where the parties cannot agree, we also have the power to appoint or recommend a practitioner to ensure the process proceeds in a timely way.

This quarter, we have helped many small businesspeople in dispute agree on an ADR practitioner and proceed to resolve their dispute through an ADR process. In one urgent matter, we were able to find a highly skilled available practitioner at short notice who was able to help the parties reach a resolution before the end of the year, which was a huge relief for the stressed small business owner.

ASBFEO Policy Forum – Right-sized regulation

On 5 November, the ASBFEO Policy Forum met to discuss regulatory reform, inviting officials from the Department of Finance, Productivity Commission (PC) and Office of Impact Analysis (OIA). The forum discussed the significant cumulative compliance burden faced by small businesses and opportunities to enhance the operating environment, focusing on:

- regulatory reform opportunities raised in the PC's Five Pillars of Productivity inquiry
- Australian Government reform initiatives being progressed by the Department of Finance including operationalising the 'tell us once' principle
- OIA guidance on good practice policymaking and opportunities to inject a small business perspective to support 'right-sized' regulation
- ways to make compliance easier for small business, including through better tools and a regulator posture that helps businesses meet their obligations.

This discussion informed a 27 November Policy Forum roundtable with the Minister for Small Business, the Hon Dr Anne Aly MP. At the roundtable, forum members shared their insights on the current compliance burden in areas such as tax administration, corporate and personal insolvency, and anti-money laundering and privacy, and the need to have small businesses front of mind in the regulatory design process.

Deactivation of small business accounts on digital platforms

The ASBFEO has been actively advocating for digital platforms to address the growing number of small business account deactivation disputes on their platforms. The issue was discussed in our quarterly meeting with state and territory Small Business Commissioners on 25 November, where we shared our insights with the Digital Industry Group Inc and several of their members.

We will continue to advocate for the sector to take prompt action to exercise greater oversight over decision to deactivate accounts and implement accessible and responsive internal dispute resolution mechanisms to manage complaints. Urgent action is needed given the devastating impact a social media account deactivation can have on a small business, whether through lost sales and bookings, an inability to communicate with customers and potential reputational damage, not to mention emotional stress on the business owner.

Coercive directorships

In December, the ASBFEO made a submission to the Treasury's consultation on *Combatting financial abuse perpetrated through coercive directorships*, a form of conduct which has appeared in several small business disputes received by our office. Our submission made several recommendations to address misuse of company directorships through coercive control, including to:

- broaden public awareness about this form of conduct as part of government domestic violence public campaigns
- strengthen relevant parts in the Corporations Act 2001, such as ID verification requirements to register directors, ASIC's powers to remove non-consenting directors and allow non-consenting directors to resign, and recognise family and domestic violence as a reason why a director may be regarded as not in fact managing a company
- expand defences available for breaches of insolvency related directors' duties and Director Penalty Notices (DPN), and response times relating to DPNs
- establish a streamlined process to enable the ATO to waive the victim-survivor's debt due to coercive directorship

ADVOCATING ON POLICY AND LEGISLATION

- provide resources and training about financial abuse and coercive directorship to professional services providers, including agents, accountants, finance professionals and lawyers
- increase free and affordable assistance provided by government and the not-for-profit sector for victim-survivors experiencing financial abuse.

General interest charge

In September, the ASBFEO made a submission to the Tax Ombudsman's review of ATO decision-making in relation to the general interest charge (GIC) on tax debts. Our submission:

- noted that the ATO's more recent stricter approach to debt collection and interest charge remissions risks putting small businesses already facing financial distress under greater pressure
- called for the ATO to consider individual circumstances in GIC remission decisions, ensure a consistent approach to assessing GIC remission applications, and make publicly available the criteria used for GIC decision-making and supporting guidelines
- advocated for a mechanism to independently review remission decisions, noting existing processes allow taxpayers to appeal GIC decisions in the Federal Court.

ATO's approach to taxpayer relief provisions consultation

In October, the ASBFEO made a submission to the ATO's review of its administrative policy settings, practices, and processes around taxpayer relief, including its proposed five guiding principles. Our submission recommended the ATO:

- consider adopting the Inspector-General of Taxation's and Taxation Ombudsman's nine principles of good tax administration instead of, or embedded within, the five proposed principles
- publish detailed, practical guidance and decision-making criteria for all forms of taxpayer relief, including remission of interest and penalties, to support both taxpayers and their representatives
- clarify that it will apply the same criteria and considerations when considering a request for taxpayer relief regardless of who makes the request
- advocate for amendments to tax law that enable it to adopt a more flexible and responsive approach to tax relief, aligned with best practices observed in comparable international jurisdictions.

Payday Super - first year ATO compliance approach

In November, the ASBFEO made a submission to the ATO's draft Practical Compliance Guideline 2025/D5 *Payday Super - first year ATO compliance approach*, which sets out the ATO's proposed compliance approach for the first year of the law's operation. Our submission encouraged the Government to consider practical adjustments to the new Payday Super obligations, which commence on 1 July 2026, including to:

- adopt a pay date (payment-based) model whereby employer responsibility ends once contributions leave their bank account
- extend the implementation period from 12 to 24 months to ease the transition for small and family businesses
- provide small businesses safe harbour from enforcement actions arising from administrative or timing errors
- introduce a graduated enforcement framework proportionate to employer size and risk profile, including first-time error relief or administrative penalty waivers for small employers who act in good faith and remediate within a defined period
- maintaining a workable compliance framework through the provision of clear, practical guidance with examples and tools for managing complex scenarios and exceptional circumstances.

Board of Taxation's Red Tape Reduction Review

In September, the Government announced the Board of Taxation (the Board) would review ways to reduce red tape in the tax system. The Ombudsman attended a consultation session on 14 November where he raised several key opportunities for red-tape reduction, including to:

- streamline and better synchronisation of various ATO (and State Revenue Office) lodgement, reporting, and payment program
- focus on simplification and right-sizing duties, obligations, and support with compliance for the micro-business sector and 'unintentional' entrepreneur ABN holder
- improve the clarity and predictability of PAYGI obligations
- initiate a down payment on 'tell us once' ambitions by extending the expanded information sharing powers/ tailor tax secrecy duties being sought by the ATO for law-enforcement purposes with other agencies. This would include sharing changes of business and taxpayer details available to the ATO (as often the first-to-know) with other economic regulators.

The ASBFEO also made a submission to the review, highlighting recommendations it made in recent submissions on the ATO's management of remission of the general interest charge, the Tax Practitioners Board's proposed integrity guidelines, and the ATO's approach to taxpayer relief provisions.

Capital Gains Tax Discount inquiry

In December, the ASBFEO made a submission to the Select Committee on the Operation of the Capital Gains Tax (CGT) Discount, which is seeking to gain a better understanding of the impacts of the CGT Discount on inequality, productivity, and investment decisions in Australia. Our submission highlighted three areas the committee could investigate with respect to how changes to the CGT Discount could improve (or harm) outcomes for small business:

- the potential impact of changes to the CGT discount on small business' access to external capital via the Venture Capital Limited Partnership Fund (VCLP) and the Early-Stage Venture Capital Limited Partnership Fund
- how changes to the CGT discount could impact the financial position of small business owners who are transitioning to retirement and relying on retirement savings from selling their business, property or other assets held through the business
- the potential boost to the economy if a greater number of small businesses could access the small business CGT concessions, by lifting the threshold on turnover to less than \$10 million to align with other tax concessions.



Submissions

Recipient	Number
1 October to 31 December 2025	
Australian Taxation Office	2
The Treasury	2
Board of Taxation	1
Department of Agriculture, Fisheries and Forestry	1
Department of Climate Change, Energy, the Environment and Water	1
Department of Home Affairs	1
Department of Industry, Science and Resources	1
National Transport Commission	1
Parliamentary Committees	1
Taxation Ombudsman	1



CASE STUDY: Low-cost Legal Support Service

A small business has been in a long-running dispute with another business about fees paid for services. The parties exchanged several offers but were unable to reach agreement, although both were open to further negotiation.

The small business sought assistance through our Low-Cost Legal Support Service to better understand its position.

The legal practitioner provided the small business with preliminary guidance to help it understand the strengths and weaknesses of its position in the dispute. This included clarifying the nature of the parties' communications, the status of negotiations, and the practical considerations involved in progressing the matter.

The legal practitioner recommended ADR as the most suitable pathway to help the parties work toward a settlement if they are unable to resolve the matter directly.

Highlights for the quarter

Throughout the quarter we have continued to review and redesign sections of the website to accommodate new and updated advice and information for the small and family business community, and to better support our increased scope of assistance services.

A focus this quarter has been finalising materials from the June 2025 franchising workshop and better highlighting our own research and case studies, with new franchising information and guidance material for franchisors and franchisees on:

- best-practice franchise attributes
- exiting franchise agreements
- managing change within franchise operations.

We have also created and published some new resources and practical guides based on real cases to help protect businesses, including default credit listings, disputes with overseas businesses, resources for starting a franchise, updating of the dispute support tool, publishing of new case studies, and updated information on handling debts.

We have further built on our cross-government communication through participation by attending expos and events with our FRAG Education and Engagement network and the Top End Business Support meeting.

A highlight for this quarter was participating in the annual NT October Business Month, where we listened and participated in a variety of informative events hosted in Alice Springs. Here, we heard about the unique challenges NT small businesses face. We heard first-hand how small businesses employ people in their community and are essential in driving development and growth. We also heard about how we, as government, can help bolster their efforts: being more present, more active, more united, more consistent, and more connected.

But being connected is not just about pushing messages when we feel is the right moment – it's more about having an ear to the ground and listening to what's really happening in different communities. Because – as the community made clear – trust is the driving force of good relationships. And trust isn't assumed or demanded. It's built and earned.

We have made some significant updates to our website, with more changes to come in early 2026, including upgrading the website to Drupal 11 which will enable better security, functionality, and will allow us to make changes to the website to improve our user experience and getting people to the information more easily, when they need it.










Social, digital and traditional media statistics

Our social media and digital channels experienced significant growth throughout Q4. This impressive performance was supported by a combination of organic and paid strategies, along with a refined content approach that prioritises platform-specific formats, timely messaging, and active two-way engagement with our audience.



INFORM: COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT

Social and digital media subscribers/followers and posts, Quarter 3, 2025

 <p>YouTube 642 subscribers 0 videos published</p>	 <p>LinkedIn (ASBFEO) 6,291 followers (140 new followers, 2.31% growth rate) 61 posts 8,890 users reached 6.4% average engagement rate 807,531 page impressions</p>	 <p>Ombudsman 5,421 followers (141 new followers, 2.6% growth rate) 19 posts 11,852 post impressions 3,143 users reached</p>
 <p>Facebook 9,276 followers (170 new followers, 2.07% growth rate) 73 posts 76,243 users reached 5.46% average engagement rate 184,042 page impressions</p>	 <p>X ASBFEO: 2,075 followers 17 posts</p>	 <p>X Ombudsman: 6,742 followers 7 posts</p>
 <p>Newsletter 3,929 subscribers 3 editions</p>	 <p>Instagram 1,663 followers (97 new followers, 6.2% growth rate) 90 posts 38,643 users reached 12.56% average engagement rate 66,307 page impressions</p>	 <p>Website 58,155 visits to the website</p>

Social media post topic breakdown				
	LinkedIn	Instagram	X	Facebook
Small business data	3	2	2	1
ASBFEO educational resources	13	15	15	0
ASBFEO publications (quarterly reports, pulse, op-eds, media releases, newsletters)	12	11	10	12
ASBFEO advocacy	5	2	3	2
Events and sponsorships	10	7	7	0
Stakeholder shares	12	6	10	0
Other (trends etc.)	6	32*	26*	1

* This includes promotion of the 14 steps to energise enterprise.

INFORM: COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT

Traditional media, Quarter 4 2025

Media releases

3 media releases

Opinion pieces

12 published opinion pieces

Interviews

5 radio, TV and other media interviews

Through our traditional media (print, audio and online) news channels, we continue to achieve national coverage across all jurisdictions, including major capital cities, regional centres, and rural communities. We also had our traditional media coverage picked up and re-shared in sectoral and industry association publications.



Executive Director - Policy and Advocacy, Aidan Storer (right) with the winners of the Smart50 Rising Star Award (sponsored by ASBFEO), Tack Lee (left) and Hoe Ping (centre), founders of TernX.

INFORM: COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT

GHG EMISSIONS REPORTING MAY IMPACT SMEs SOONER THAN EXPECTED

Joint media release with Chartered Accountants Australia & New Zealand, published 9 October 2025.

THE VITAL CONTRIBUTION OF FAMILY BUSINESSES

Some of Australia's most prominent and successful businesses are family businesses. They are also some of the most enduring, over generations, building a legacy in name and value to the Australian community. And for some of Australia's largest businesses that once started out as a family business, their business success is also part of Australia's economic fabric.

By Australian Small Business and Family Enterprise Ombudsman Bruce Billson.

Op-ed by Bruce Billson. Published in the October 2025 edition of Convenience World.

OPINION

WHY THE RIGHT-SIZED REGULATION FOR SMALL BUSINESSES WILL SUPERCHARGE PRODUCTIVITY

By Bruce Billson October 15, 2025 10:47 am

Share [f](#) [x](#) [in](#)

Op-ed by Bruce Billson. Published online to Kochie's Business Builders on 15 October 2025.

Awareness is not enough, and a fatalistic attitude to risks will only make things worse

Op-ed by Bruce Billson, originally published in the Canberra Times and across the ACM media network on 13 October 2025.

WE MUST DO JUSTICE FOR SMALL BUSINESS

For small businesses facing harm or difficulty remedying a situation that impedes their economic interests and legal rights, there are still too many barriers in accessing justice.

By Australian Small Business and Family Enterprise Ombudsman Bruce Billson.

Op-ed by Bruce Billson. Published in the November 2025 edition of Convenience World.

BUSINESS TIPS

FRANCHISING – DONE WELL – CAN BRING SMALL BUSINESS SUCCESS

By Bruce Billson November 12, 2025 2:20 pm

Share [f](#) [x](#) [in](#)

Op-ed by Bruce Billson. Published online to Kochie's Business Builders on 12 November 2025.

TRANSCRIPT

Australian Small Business and Family Enterprise Ombudsman Bruce Billson interview with Rod Henshaw.

2CC Canberra

Subject: Perils of fringe financiers for small businesses

On 24 November 2025, the Ombudsman was interviewed by Rod Henshaw on Radio 2CC Canberra where he discussed the perils of fringe financiers for small businesses.

OPINION

NATURAL DISASTERS ARE NO LONGER RARE FOR TOO MANY SMALL BUSINESSES, PREPAREDNESS CAN HELP

By Bruce Billson December 10, 2025 2:23 pm

Share [f](#) [x](#) [in](#)

Op-ed by Bruce Billson. Published online to Kochie's Business Builders on 12 November 2025.

TRANSCRIPT

Australian Small Business and Family Enterprise Ombudsman Bruce Billson interview with Leon Delaney.

Radio 2CC Canberra

Subject: ASBFEO Small Business Pulse

On 3 December 2025, the Ombudsman was interviewed by Leon Delaney on Radio 2CC Canberra where he discussed the ASBFEO Small Business Pulse.

It's not all doom and gloom. Here's why businesses are feeling more optimistic

Op-ed by Bruce Billson, originally published in the Canberra Times and across the ACM media network on 8 December 2025.

FOR SMALL BUSINESSES, IT'S A SEASON TO BE ... PREPARED!

Over the past few years, Australia has endured an onslaught of natural disasters. Floods, storms, cyclones and bushfires have devastated communities, and the impact on too many small and family businesses has been just as severe.

By Australian Small Business and Family Enterprise Ombudsman Bruce Billson.

"While not a cure-all, better preparedness and resilience can help soften the blow and shorten recovery times for small businesses."

Op-ed by Bruce Billson. Published in the December 2025 edition of Convenience World.

Small businesses renewal accelerates as owners embrace growth and transformation

Media release exploring the key highlights from the November Small Business Pulse, published 3 December 2025.

Assistance

- We will continue to work on establishing services that support small businesses to maximise their opportunity to resolve disputes without having to go to court.
- We will publish further information material, including guidance for building and maintaining good business relationships and work on complementary franchising information material.

Advocacy

- As requested by the Minister for Small Business, the Hon Dr Anne Aly MP, conduct a review into the nature, prevalence, and impact of business-to-business regulatory burden ('white tape') on small businesses to identify key sectors and practices where white tape is most common and its impact on small businesses. Feedback received through this review will inform advice to the Minister provided in the second half of 2026.
- Make submissions to a range of Government consultations, including:
 - Joint Parliamentary Committee inquiries into small business insurance and the value of skilled migration to Australia, and
 - Treasury's consultation on the Scams Prevention Framework.
- Continue to advocate for right-sized regulation – i.e. proportionate, risk-based and informed by deliberative consultation with small business – and digital platform action to address small business account deactivation complaints.

Inform

- Confirm outreach events for the first half of 2026 with our Australian Government colleagues. With this in mind, we will continue to expand and strengthen networks across governments and industry to make messaging timely, consistent, and relevant to small businesses.
- Welcoming our new Ombudsman and assisting her in her forward plan for 2026.
- Increase the reach and effectiveness of our newsletter by promoting subscriptions at expos and events and tailoring content and approach to increase click-throughs and engagement.
- Continue to build on our social media engagement and following success that was achieved in later 2025.
- Continue to improve the user experience of the website through functional amendments and updates, including updating to Drupal 11.
- Expand on new franchising materials on our website, including bite-sized pieces of information to help franchisors and franchisees in their franchising journey.
- Progress analysis of the ABS Datalab on sole traders to better understand the extent of entrepreneurship and diversity, and implications for public policy and programs.

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Youtube: Australian Small Business and Family Enterprise Ombudsman



Our systems have met the International Organisation for Standardization's requirements and are now certified in managing high-quality external dispute resolution services (ISO 10003:2018). This means small businesses can rely on ASBFEO for trusted, high-quality support.

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