

# SMALL BUSINESS MINISTERIAL COUNCIL 2002

## FINAL COMMUNIQUE

Wednesday, 3 July 2002

### SYDNEY

The Small Business Ministerial Council held its fourth meeting in Sydney today. The Council, comprising the Commonwealth, State and Territory Ministers with responsibility for small business discussed a range of issues affecting small business operations.

#### **Electronic Commerce**

The Council noted that an array of information resources and business services have been developed by State, Territory and Commonwealth Governments to raise awareness and increase skills in the adoption of electronic commerce by small business. The Council directed officials of their agencies to pursue the active exchange of information, ideas and strategies between all jurisdictions to ensure the best approaches to e-commerce awareness and skills development are implemented around Australia.

The Council committed Ministers to monitoring the development of government electronic trading systems in their jurisdictions to ensure that small firms are ready to maintain their participation as suppliers of goods and services to government agencies, as electronic trading is introduced.

The Council noted actions being taken to address e-security issues and encouraged the Commonwealth to move forward on the development and implementation of the Business Authentication Framework for transactions between government agencies and businesses.

#### **Improving Indigenous Economic Outcomes**

Ministers endorsed a report on improving access to small business assistance programs by Indigenous Australians. The Council agreed that jurisdictions would develop more targeted assistance to Indigenous Australians in the pre-business and post-business establishment phases.

Council agreed that cultural awareness training for staff in mainstream business assistance agencies would be ongoing; and that these agencies would develop business workshops and seminars that are culturally appropriate for Indigenous Australians.

Ministers agreed that States and Territories would develop qualitative data on Aboriginal business development, and agreed to seek the Federal Treasurer's direction to the Australian Bureau of Statistics to collect reliable and comprehensive data on the involvement of Aboriginal people in business.

### **The New Tax System**

The Council received a briefing from the Commonwealth on the take-up of the simplified tax system, noting that a program to brief tax agents had been conducted to encourage take-up of the system. The Council also noted in relation to measures to ensure compliance with the New Tax System, the assurances of the Commissioner of Taxation that people genuine in their efforts to comply will not be penalised for isolated errors.

The Council discussed the issue of cash flow disruption for small business owners caused by slow-paying customers. In recognising the need for fair business practice, the Council called on large businesses to provide timely payment to reduce the impact of slow payments at a time when the ATO is strengthening its audit and compliance approach.

### **Small Business Banking**

The Council noted with concern the unfair risk burden faced by small business merchants in relation to credit card fraud over the Internet. The Council directed the Standing Committee to convene an ad hoc committee of relevant State, Territory and Commonwealth agencies to canvass options to resolve the issue.

### **Privacy Act Implementation**

Ministers noted that, following the introduction of the Privacy Amendment (Private Sector) Act 2000, the new privacy laws will be extended to certain types of business from 21 December 2002.

While not all small businesses are subject to the privacy laws, Council noted that information is needed from the Office of the Federal Privacy Commissioner to permit small businesses to determine whether the new laws apply to them, and how to implement the necessary systems where they do.

The Council asked the Commonwealth, through the Office of the Federal Privacy Commissioner, to produce material targeted for small business and agreed that State and Territory jurisdictions would distribute this material.

### **Insurance**

The Council noted the importance of access to reasonably priced business insurance for the efficiency of the small business sector. The Council further noted progress made by State, Territory and Commonwealth Governments in developing policy measures to ameliorate the problems faced by small business in obtaining public liability insurance.

Ministers called on the insurance industry to match this intensity of effort by developing industry practices, processes and products that will restore a fair and comprehensive insurance service to the small business sector.

### **Review of Trade Practices Act**

The Council was briefed on the Commonwealth's Review of the Trade Practices Act by a member of the Review Committee. The Council agreed that small business needs the Trade Practices Act to maintain an environment where there is fair and equitable treatment of small firms and new market entrants, to ensure dynamism of the economy, particularly in regional Australia, and to provide consumers with genuine fair competition and diversity of choice. The Council called on the Review Committee to recognise and respond to the interests of small business in its work, given the sector's contribution to employment and community well-being.

### **Business Assistance Programs**

Ministers noted the creation of enhanced tools for business program development and delivery by jurisdictions, in response to resolutions at the 2001 meeting of the Small Business Ministerial Council. Ministers agreed to adopt these tools as appropriate to drive better outcomes for small businesses that use business programs from government.

The Council considered two specific programs: the Small Business Assistance Officer Program and the national Business Licence Information Service network. The Council recognised the States and Territories willingness to work collaboratively with the Commonwealth to ensure efficient and accessible licensing information is available around Australia; and that program duplication in small business assistance is minimised.

The Commonwealth agreed to provide a proposal to the Council for a one-stop shop business licence repository.

### **Paid Maternity Leave**

The Council noted the recent release of a paper on options for paid maternity leave by the Human Rights & Equal Opportunity Commission. Council members agreed that any funding model adopted should take into account the needs and concerns of small business, particularly in terms of cash flow and administration costs.

All jurisdictions were represented at the Council meeting:

The Hon Joe Hockey MP, Minister for Small Business and Tourism  
**(Commonwealth)**

The Hon Sandra Nori MP, Minister for Small Business, Minister for Tourism  
**(New South Wales)**

The Hon Marsha Thomson MP, Minister for Small Business, Minister for  
Information and Communication Technology **(Victoria)**

The Hon Clive Brown MLA, Minister for State Development, Tourism, Small  
Business **(Western Australia)**

The Hon Dr Jane Lomax-Smith MP, Minister for Tourism, Minister for Small  
Business, Minister for Science and Information Economy, Minister for  
Employment, Training and Further Education **(South Australia)**

Mr Ted Quinlan MLA, Minister for Economic Development, Business and  
Tourism **(Australian Capital Territory)**

The Hon Paul Henderson MLA, Minister for Business, Industry & Resource  
Development **(Northern Territory)**

Ms Linda Lavarch MP, Member for Kurwongba **(Queensland)**

Ms Therese Taylor, General Manager, Investment Trade and Development  
**(representing Tasmania)**