

Recommendations

Chapter 2

Recommendation One – page 20

The committee recommends that governments consider appropriate ways of developing a better understanding of micro-business and home-based business and their potential.

Chapter 3

Recommendation Two – page 32

The committee recommends that the Commonwealth Government resumes the Business Longitudinal Survey, in close consultation with the small business community.

Recommendation Three – page 35

The committee considers that governments should promote awareness among the small business community of avenues open to them to improve business performance and to enhance their attractiveness as employers through improving the quality of jobs without necessarily adding to costs.

Recommendation Four – page 48

The committee recommends that the Small Business Ministers Council commissions research into measures to assist small business to become employment ready and to enhance its capacity to recruit appropriate employees including through identifying:

- **the attributes and skills that small business needs in its employees;**
- **ways in which the Job Network could better meet the recruitment needs of small business; and**
- **tools to assist small business make more informed decisions about employment arrangements, including the basis of employment.**

This research should include consideration of how the competency standards and key performance indicators developed by the Industry Training Advisory Bodies could be more effectively used by small business in recruitment, training and performance management.

Chapter 4

Recommendation Five – page 63

The committee recommends that the Small Business Ministers Council develops a national framework for small business support, with each tier of government having agreed areas of responsibility and more formalised information sharing arrangements. Within the framework, the Council should develop a national strategy with identified priorities for small business assistance based on a thorough needs analysis and evaluation of the effectiveness of current programs.

Recommendation Six – page 69

The committee recommends that the Commonwealth government examines the feasibility of developing a virtual small business department with more interactive support and clearer, simpler information delivery.

Recommendation Seven – page 69

The committee recommends that the Small Business Ministers Council undertakes a pilot project to trial the feasibility of introducing one-stop shops of government information and assistance for small business, with an evaluation of the project to be conducted after the first year.

Recommendation Eight – page 69

The committee recommends that the Small Business Ministers Council develops a national small business support program, incorporating Commonwealth and state and territory programs, within the context of a national framework and with a clear and distinctive national brand.

Recommendation Nine – page 73

The committee recommends that the Small Business Ministers Council considers options to improve the capacity of small business to put its case to government and for individual small businesses to have improved representation in their dealings with government and big business.

Recommendation Ten – page 78

The committee recommends that the Commonwealth Government examines the feasibility of options to improve small business access to finance, including improved information on finance options and pathways and an income contingent loan scheme for small business modelled on Higher Education Contribution Scheme (HECS).

Recommendation Eleven – page 80

The committee recommends that the Small Business Ministers Council considers the following initiatives to foster enterprise development in Indigenous communities:

- financial and administrative support for an Indigenous small business association;
- consideration of ways of adjusting small business assistance programs to better meet the needs of Indigenous people; and
- the development, in conjunction with ATSIC, of guidelines to assist Commonwealth and state and territory agencies proposing regulatory change to better accommodate the information needs of Indigenous entrepreneurs.

The Committee also recommends that the Commonwealth discuss with ATSIC the need for any special provision under the Small Business Answers program for advisers to work with Indigenous business people.

Chapter 5

Recommendation Twelve – page 92

The committee recommends that the Small Business Ministers Council examines the feasibility of introducing a small business training and accreditation program with the following components:

- a start-up kit, including a checklist of the skills required to run a business, contact details for training course providers, and advice on regulation requirements to be provided to all those registering a new business;
- a system of accreditation in business management for those who have successfully completed an approved business management skills course and are able to demonstrate appropriate competencies; and
- an analysis of the availability of training programs for start-ups across Australia against current and future needs, with a view to developing an expanded range of opportunities if required.

Consideration should be given to the introduction of a mandatory licencing regime once the voluntary program has been in operation for two years.

Recommendation Thirteen – page 94

The committee recommends that the Commonwealth Government supports the establishment of a professional development program for incubator managers across Australia.

Recommendation Fourteen – page 98

The committee recommends that the Commonwealth Government undertakes a feasibility study of the establishment of a national mentor program that would include training, accreditation and support for business mentors across Australia. The study should also examine the scope for an online advisory and mentoring service. A pilot study should form part of the feasibility study.

Recommendation Fifteen – page 102

The committee recommends that the Small Business Ministers Council commissions a needs analysis of training programs targeting established small business and an assessment of the extent to which the current range of training programs meets the needs. This should occur in conjunction with the development of the integrated national framework for small business support recommended in Chapter 4 and the analysis of training programs for start-ups.

Recommendation Sixteen – page 103

The committee recommends that the Commonwealth government undertakes a feasibility study of a program to foster the establishment of several centres of excellence in business development for the small business sector, with a focus on the needs of high growth business. The study should examine international experiences with this approach and ways in which any such centres could be integrated with the broader structure of small business development support.

Chapter 6**Recommendation Seventeen – page 113**

The committee recommends that the Commonwealth Government undertakes a follow-up to the Bell Task Force survey of the time and money that small business spends on compliance related matters. The committee also recommends that the Commonwealth Government, in consultation with state and territory governments, develops a consistent methodology for measuring the compliance burden of government regulations. It also recommends that the Commonwealth proposes to the OECD that it undertakes regular reviews of the effect of compliance on small and medium enterprise, with Australian participation, as a further means of tracking changes in the regulatory burden over time.

Recommendation Eighteen - page 115

The committee recommends that the Commonwealth Government maintains and publishes an annual consolidated register of regulatory changes with a summary of their objectives and impact on business as a tool to monitor the growing body of regulation. State and territory and local governments should consider a similar mechanism.

Recommendation Nineteen – page 117

The committee recommends that all levels of government introduce rolling programs of regulatory review to assess whether existing regulations are continuing to achieve their objectives as simply and efficiently as possible and to identify the need for any changes to regulations or administrative requirements.

Recommendation Twenty – page 119

The committee recommends that the Productivity Commission be asked to report to the Council of Australian Governments (COAG) on the most appropriate body to monitor and manage a continuing program of cross-jurisdictional regulatory review and coordinate the rolling programs of regulatory review to be undertaken by all tiers of government.

Recommendation Twenty-one – page 123

The committee recommends that the Commonwealth and state and territory governments introduce a range of initiatives to assist small business to identify, understand and implement new and existing regulatory requirements. Information programs for small business should involve all components of the small business network.

Recommendation Twenty-two – page 129

The committee recommends that:

- the Commonwealth Government reports to Parliament at the end of 2003 on the takeup of the Simplified Taxation System (STS) across the small business sector and on the extent to which the STS has reduced the compliance burden of participating businesses; and
- in the event that there is not both a significant takeup of the STS and evidence that the STS is producing the benefits expected in terms of reduced compliance burden, the Government should examine other measures to reduce the compliance burden of the taxation system on small business.

Recommendation Twenty-three – page 131

The committee recommends a follow-up education and assistance program for the New Tax System to ensure that all small businesses, particularly in regional areas, are aware of the requirements and have access to appropriate assistance. The program should be developed in conjunction and consultation with the various accountancy organisations, Area Consultative Committees and Business Enterprise Centres from regional areas and other members of the small business network.

Recommendation Twenty-four – page 135

The committee recommends that the Commonwealth and state and territory governments develop a range of strategies, including software tools, information materials and training programs to assist small business to identify and understand their employment-related obligations.

Recommendation Twenty-five – page 137

The committee recommends that the Commonwealth and state and territory governments develop a range of suitable, free of charge, information materials and training programs on unfair dismissal legislation for small business. Information materials should be disseminated widely, including through the small business network. The committee also recommends that the Commonwealth Government introduces a simplified process for considering unfair dismissal claims.

Recommendation Twenty-six – page 140

The committee recommends that the Commonwealth Government amends the Regulation Impact Statement (RIS) guidelines to require that agencies provide quantitative estimates of compliance costs, based on detailed proposals for implementation and administration. It also recommends that the Commonwealth Government commissions regular reviews of the accuracy of compliance estimates in the RISs for regulations with a major impact on business.

Recommendation Twenty-seven – page 141

The committee also recommends that the Commonwealth and all state and territory governments review their current regulation impact assessment arrangements to ensure that they meet best practice standards with regards to minimising the compliance burden on small business.

Recommendation Twenty-eight – page 144

The committee recommends that the Commonwealth and the states and territories, in consultation with local government, develop national model legislation for home-based business.

Recommendation Twenty-nine – page 144

The committee recommends that all states and territories develop model legislation for use by local governments in developing regulations within their jurisdictions.