

27 May 2014



Manager
Small Business Ombudsman and Procurement Unit
Small Business, Competition and Consumer Policy Division
The Treasury
Langton Cres
PARKES ACT 2600

CPA Australia Ltd
ABN 64 008 392 452

Level 20, 28 Freshwater Place
Southbank VIC 3006
Australia

GPO Box 2820
Melbourne VIC 3001
Australia

Phone 1300 737 373

Outside Aust +613 9606 9677

Website cpaaustralia.com.au

Via email: small.business@treasury.gov.au

Dear Sir or Madam

THE SMALL BUSINESS AND FAMILY ENTERPRISE OMBUDSMAN DISCUSSION PAPER

CPA Australia represents the diverse interests of more than 150,000 finance, accounting and business professionals in 121 countries. Our vision is to make CPA Australia the global accountancy designation for strategic business leaders.

We are of the view that Australia and Australian businesses are at a tipping point. The global economy, and the high cost of doing business in Australia is hampering our international competitiveness. If we do not remove impediments to business growth then our economic future looks bleak. Against this background, we make the following overarching comments in response to the Small Business and Family Enterprise Ombudsman discussion paper.

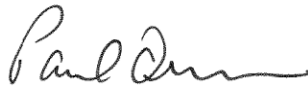
Should the government decide to introduce a small business and family enterprise ombudsman (the 'Ombudsman'), we propose that the government consider the following:

- the Ombudsman should have the power to conduct investigations on the Ombudsman's own initiative as well as at the direction of the Minister
- it is important that in contributing to the development of laws, the Ombudsman should have the authority to recommend that a law not proceed, and for example, an agency deal with the issue by enforcing current laws more effectively or through education
- it will be important for the Ombudsman to work closely with the Commonwealth Ombudsman, the Inspector General of Taxation, the Australian National Audit Office and other like bodies to avoid duplication. For example, the Ombudsman should have the authority to ask the Inspector General of Taxation to undertake a review of the Australian Taxation Office on the Ombudsman's behalf
- if the Ombudsman is to charge a fee for small business to access dispute resolution, the fee should be low to encourage uptake of the service
- dispute resolution undertaken by the proposed Ombudsman should be recognised in some way by the courts
- our general experience is that business are much more likely to seek advice from professionals such as their accountant, than government. The Ombudsman should therefore work closely with third parties, including accountants as a conduit to small business
- we suggest that before the Ombudsman develops any information, guidance and education, that the Ombudsman check whether such services already exist (whether it be from state or federal government agencies or external sources) and if so, promote what the third party's service as opposed to the Ombudsman developing such services. Given the limited resources of the Ombudsman, it should only be developing content where there is an identified gap

- we support the Ombudsman examining and nominating burdensome regulations for repeal. We however note that often it is the administration of regulations that causes burden. The Ombudsman should therefore have the authority to review the administrative practices of government agencies and make recommendations for their improvement
- the Ombudsman should be a statutory appointment
- the transparency of the Ombudsman's operations would be enhanced if the position reported not only to the Small Business Minister but directly to a parliamentary committee.

Should you have any queries in relation to this submission, please do not hesitate to contact Gavan Ord on gavan.ord@cpaaustralia.com.au or (03) 9606 9695.

Yours faithfully



Paul Drum FCPA
Head of Policy

T: +61 3 9606 9701
E: paul.drum@cpaaustralia.com.au