

## Small Business Reference Group Communique

Members of the NSW Small Business Reference Group (SBRG) met on 24 September 2024. The SBRG supports the NSW Small Business Commissioner (the Commissioner) in identifying the key issues, challenges, and experiences faced by small businesses across NSW.

Members of the SBRG noted the challenging commercial environment, where many small businesses are being affected by rising input costs, higher interest rates, weakening customer demand and escalating regulatory burden.

The group discussed stakeholder feedback concerning the growing impact of regulation on small businesses. They highlighted survey findings from the Commission's ongoing review of small business experiences with regulatory policymaking, including:

- More than half of small businesses reported that navigating regulation had become more difficult in the past year, while only 2 per cent said it had become easier.
- Only 7 per cent of small businesses surveyed agreed that regulations are designed with their needs in mind.
- Just 13 per cent were confident the benefits of regulation applying to their business outweighed the costs.

SBRG members discussed key findings and recommendations to improve the experiences of NSW small businesses, including best practices from other jurisdictions, such as the UK and EU, and the importance of effective consultation and impact assessments in achieving better regulatory outcomes. A key recommendation from the review is the introduction of Small Business Impact Statements which would require new regulatory proposals to specifically consider the needs and impacts on small businesses.

“One of the most frequent complaints I hear is the impact of red tape. Our monthly Momentum survey shows that concern about red tape has increased more than concerns about cash flow, customer demand, or general business costs,” said NSW Small Business Commissioner Chris Lamont.

“Insights from SBRG members and small business stakeholders have been crucial in shaping the key findings and recommendations in our final report, which will be completed by the end of this year,” Lamont added. “At a time of acute cost-of-living pressures, right-sizing and improving the development of regulation presents a significant opportunity to enhance productivity and reduce costs.”

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*“The current burden of red tape on small businesses is unsustainable, stifling growth and innovation across the sector. A ‘regulate-first’ approach, without meaningful consultation with small business operators, creates unnecessary costs and complexity. Small Business Impact Statements, which specifically consider the effects on small businesses, should be a core component of the policy process and implemented as a priority.”*

**- David Bare, NSW Director, Housing Industry Association**



## Small Business Commissioner

*“Many small business owners find the volume of regulatory requirements to be overwhelming. They would benefit from more meaningful consultation and engagement, and this in turn would improve the operating environment for small businesses.”*

**- Yasmin Coe, Founder, Sweet Pea & Poppy**

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### Members of the SBRG:

- Luke Achterstraat - CEO, Council of Small Business Organisations Australia
- David Mumford - Director, RBK Nutraceuticals
- Yasmin Coe - Founder, Sweet Pea & Poppy
- Todd & Jenny Raffin - Owners, Almighty Industries
- Mark McKenzie - CEO, Australian Convenience & Petroleum Marketers Association
- Tim Burt - Director, Future Skills Organisation
- Kylie Yates - CEO, Civil Contractors Federation NSW
- David Bare - NSW Director, Housing Industry Association
- Amanda Gould - Director, Real Estate Institute of NSW