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PUBLIC  
ACCOUNTANTS®

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ASBFEO Review Secretariat  
Small and Family Business Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

By email to: [ASBFEOReview@treasury.gov.au](mailto:ASBFEOReview@treasury.gov.au)

Dear Ms O'Connell,

**Independent Review of the Australian Small Business and Family Enterprise Ombudsman**

The Institute of Public Accountants (IPA) welcomes the opportunity to make a submission to the consultation paper for the Independent Review of the Australian Small Business and Family Enterprise Ombudsman (ASBFEO).

The IPA is one of the three professional accounting bodies in Australia, having been established in 1923, and represents over 50,000 accountants, business advisers, academics, and students throughout Australia and internationally. Three-quarters of the IPA's members work in or are advisers to small business and Small to Medium Enterprises (SMEs).

The IPA has been a strong supporter of the Australian Small Business and Family Enterprise Ombudsman (ASBFEO) from the time of its establishment. However, we do not have direct visibility of the operation of its assistance function and limit our comments to its advocacy function.

**Advocacy role**

We regularly engage with ASBFEO in our advocacy for SMEs and in support of our members who provide advice and support to SMEs and are often small businesses themselves.

We find ASBFEO professional and engaging in our interactions with them. They are proactive in their engagement with industry and professional bodies, often reaching out to seek our views and gain a better understanding of issues impacting small business when preparing their responses to consultations.

The Ombudsman readily makes himself available to attend industry and stakeholder forums, roundtables and meetings and is an active and insightful participant. He is also a regular speaker at industry events, which is welcomed and valued by attendees.

ASBFEO's proactive engagement extends to the hosting of their regular policy forums, which provide a valuable opportunity for small business representatives and their advisers to share their views and issues with government ministers and regulators.

A strong evidence base is essential for effective policy development and advocacy. ASBFEO's research and data are cornerstones of their advocacy efforts on behalf of small business and are also highly valued by industry and advisers to small business supporting and reinforcing their own advocacy activities.

Our observation is that the Ombudsman and his office are passionate and independent supporters of small business and fearlessly advocate on their behalf to government. They provide a strong voice to government for small business. However, it can be difficult to gauge ASBFEO's effectiveness in influencing government policy to support and benefit small business.

This is a problem not unique to ASBFEO but advocacy in general. Advocacy is conceptually difficult to measure and often the measures are qualitative rather than quantitative. We suggest ASBFEO explore measures to gauge its effectiveness, possibly looking to other organisations for examples of best practice.

The IPA is also of the view that a forward work program and over-arching vision and strategy agenda would be useful and would allow stakeholders to contribute to the work of the ASBFEO. This is in line with recommendation 2 of the 2021 review.

We have already seen an example of this vision in ASBFEO's release of their *14 steps to boost Australia's small and family businesses*.

A formal framework including criteria for identifying and selecting topics, issues and policies for advocacy would be beneficial for all stakeholders. This would assist in de-politicising issues and would ensure greater buy-in from a wider selection of stakeholders. It may also help in uniting various voices on a particular issue, which would also assist the ASBFEO.

### **Future directions**

The IPA is supportive of renaming ASBFEO to clarify its role, as recommended in the 2021 review. The term ombudsman suggests ASBFEO's role is limited to investigating complaints raised by small business and does not reflect its broader roles of providing support to and advocating on behalf of small business.

We also believe more can be done to enhance ASBFEO's role and effectiveness in promoting the prosperity of small businesses and SMEs.

The IPA supports the establishment or evolution of a model based on the US Small Business Administration (SBA) agency<sup>1</sup>.

Created in 1953, the SBA helps 'small business owners and entrepreneurs pursue the American dream'. It's the only Cabinet-level federal agency fully dedicated to small business and provides counselling, capital, and contracting expertise as the nation's only go-to resource and voice for small businesses. Its resources for small business are extensive, providing business guides, funding programs (loans, investment capital, disaster assistance, grants, surety bonds), federal contracting, a learning platform, and advocacy. There is also local assistance – contracting, access to capital, export and trade assistance, resource partners and so on.

Its strategic goals include ensuring equitable and customer-centric design and delivery of programs to support small businesses and innovative startups, and specifically, to 'build a thriving national innovation ecosystem that promotes investments in all small business communities'.

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<sup>1</sup> <https://www.sba.gov>

We appreciate that Australian agencies undertake many of these functions, though perhaps not as extensively and not in one place. Despite the concierge service at ASBFEO and the state based small business commissioners, there is still confusion and complexity in the Australian model.

Renaming and broadening the remit of ASBFEO could bring all of these enhanced functions and resources into one agency. This would be of benefit to small business and consumers, making it significantly easier to navigate the plethora of government support.

We would be pleased to discuss this model further and share our experience with the SBA and its development of a small business ecosystem.

If you have any queries or require further information, please contact me at [michael.davison@publicaccountants.org.au](mailto:michael.davison@publicaccountants.org.au).

Yours sincerely

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General Manager, Advocacy and Emerging Policy  
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