



C11/1793

Andrew Barr MLA

DEPUTY CHIEF MINISTER

MINISTER FOR ECONOMIC DEVELOPMENT
MINISTER FOR TOURISM, SPORT AND RECREATION
MINISTER FOR EDUCATION AND TRAINING

MEMBER FOR MOLONGLO

Senator Nick Sherry MP
Minister for Small Business
PO Box 6022
Parliament House
CANBERRA ACT 2600

MINISTER FOR SMALL
BUSINESS

23 JUN 2011

MINISTER ASSISTING ON
DEREGULATION
MINISTER ASSISTING ON
TOURISM

Dear ~~Senator~~ ^{Nick}

Thank you for your letter of 26 May 2011 inviting the ACT Government to comment on the Resolution of Small Business Disputes Options Paper.

The ACT Government welcomes the Commonwealth's interest in this matter. Small businesses make up around 95 per cent of the 25,000 enterprises in the ACT, so it is a significant grouping of economic activity in the ACT.

As the paper notes, there is a wide range of dispute resolution mechanisms and information services currently available for small business at the national and state and territory level. The problem as we see it is the lack of awareness, and reluctance of small businesses to access these services.

In the ACT small business operators have access to a range of services outside conventional litigious avenues, including:

- Conflict Resolution Service (CRS)
- Authorised Nominating Authorities legislated under the ACT Building and Construction Industry (Security of Payments) Act.

The ACT Government also provides a referral and business advisory service through Canberra BusinessPoint, a first point of contact for business operators seeking information and advice, including dispute resolution pathways.

One matter not canvassed was the ACT Government's experience with a Small Business Commissioner role in 2005-06, which at the time was largely modelled on the Victorian Commissioner function. While the reasons for discontinuing the function in the ACT were mostly budgetary related, from a functional perspective we

ACT LEGISLATIVE ASSEMBLY

London Circuit, Canberra ACT 2601 GPO Box 1020, Canberra ACT 2601

Phone (02) 6205 0011 Fax (02) 6205 0157 Email harr@act.gov.au

saw more value in making existing services visible and accessible rather than creating new functions. Further, the experience demonstrated that most small business disputes in the ACT have a business to government dimension and those are best addressed by increasing the understanding within government agencies of how small business operates. There is still work to be done in the ACT on that issue, including at the Commonwealth agency level.

Reflecting on these matters and our experience, the ACT Government's considers that it would be best to pursue Option One – a National Information and Referral Service. This option would see small businesses link up to the existing range of services available to small businesses in this area – services that are in the main well designed, relevant and effective. However, the advisory and information services associated with this option (website, telephone support, etc) and a properly resourced awareness campaign would be critical to its success.

The ACT Government agency contact for further advice or information is Mr Ross James [02 6207 1893 ross.james@act.gov.au].

Yours sincerely



Andrew Barr MLA
Minister for Economic Development

22 JUN 2011

MINISTER FOR SMALL BUSINESS
SIGNATORY - FOR REPLY BY:
 Minister Department
 Chief of Staff/Advisor

DATE RECEIVED 23 JUN 2011

FOR ACTION BY: JSBP

Urgent Reply Copy to: _____
 Appropriate Action Referral to: _____
 For Info (NFA) Other: _____
 Briefing Required

Work Bill 1647