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April 7, 2015

The Manager

Small Business Ombudsman and Programmes Unit

Small Business, Competition and Consumer Policy Division

The Treasury

Langton Crescent

PARKES ACT 2600

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

Dear Sir or Madam:

Intuit Australia welcomes the opportunity to providing comments on the exposure draft legislation to ensure that the Australian Small Business and Family Enterprise Ombudsman (the Ombudsman) provides effective services to small businesses and family enterprises.

Intuit's interest rests on the fact that as a leading provider of business and financial management solutions for small and mid-sized enterprises, Intuit champions the interests of small business and recognizes the need for the Ombudsman to be an effective Commonwealth-wide advocate for family and small enterprises.

Intuit's core offering in Australia is QuickBooks Online, a cloud-based, easy-to-use, feature-rich business and financial management software designed for small businesses. QuickBooks Online helps Australian businesses stay on top of their business finances by providing powerful insights for quick and informed business decisions, anywhere and anytime.

While Intuit may be a relative newcomer to the Australian marketplace, having entered in 2012, it was founded in the United States in 1983 and has offices in the United States, Canada, the United Kingdom, India, France and Australia, with approximately 8,000 employees worldwide. QuickBooks Online is number one in cloud accounting for small businesses supporting more than 841,000 paying companies worldwide. As such we are passionate about small business and are driven by the desire to help solve the problems their owners face every day.

With regard to the exposure draft legislation, Intuit has a particular interest in the proposed functions of the Ombudsman:

- advocating for small businesses and family enterprises in relation to relevant legislation, policies and practices (the advocacy function);
- quarterly reporting requirements to the Minister under Division 2 of Part 3; and
- promoting best practice in interactions with small businesses and family enterprises under Division 6 of Part 3.

Advocating for small businesses and family enterprises

As an independent advocate, Intuit supports the Ombudsman 'advocacy function' to listen to small businesses and present their views to the Government to better inform the successful implementation of the Government's deregulation policy agenda for small business.

We agree that the extended functions of an Ombudsman will help to contribute to this outcome by improving engagement between the Government, agencies and the small business sector to ensure that small business interests are at the centre of policy and program design and that, where possible, red tape burdens are minimized or reduced.

One of the areas of government engagement that significantly impacts small business is in the area of reporting information to regulators. According to Intuit's recent research relating to the administrative understanding of regulatory compliance for small business[1], on average, small business owners spend around a third of their time on administrative tasks (40 per cent of their time). Thirty-nine per cent of small business respondents report that having to undertake administrative tasks makes running their business less enjoyable.

Therefore, we welcome the removal of any unnecessary complexity in regulatory requirements and ensuring information is reliable and in user-friendly formats, which is consistent with the adoption of an educative and facilitative approach to achieving compliance.

Intuit strongly supports the Ombudsman's advocacy function in identifying and reporting on the administrative and compliance burdens on small businesses.

Reporting requirements

Improving information available on regulator websites is a positive step as 49 per cent of small business owners consult government websites to help them understand the policies, legislation and laws affecting their business.

Intuit supports quarterly reports required under s 3.2.40 to the Minister for Small Business on his/her activities and small business concerns to ensure timely accountability and effective monitoring of relevant legislation, policies and practices. These reports and the data contained in them is essential to the effective management of legislation, policies and practices and as such are a vital source of information for small businesses themselves, champions of small business in Australia, small business associations and policy makers.

We strongly support and recommend that there be an educative and facilitative approach adopted, involving working more closely with small business owners, and those that support them (like accountants and bookkeepers), to assist with their compliance. Small businesses benefit from a proactive approach to the dissemination of information – 68 per cent reported relying on their accountants to keep abreast of regulatory requirements.

Intuit strongly supports that the publication of reports relating to small business currently released under the auspices of the Australian Small Business Commissioner should continue under the extended activities of the Ombudsman.

Promoting best practice

We support the intention in s 3.6.64 to establish the Ombudsman as a best practice model of engagement with small business, as well as the key mechanism for government engagement with small business.

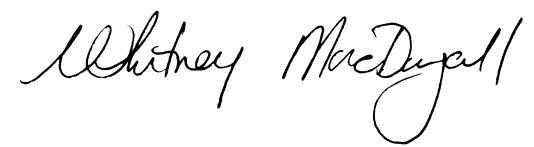
Further demonstrating the value of the Ombudsman to be that connection to government, Intuit found in an August 2013 survey, that small businesses face complexity when deciding how to engage with various levels of government and would welcome assistance and opportunities to help them engage. For example, a third (30 per cent) of small businesses said that the Federal Government was the most complex to understand, while 26 per cent identified State Governments as the hardest to understand and 15 per cent thought local governments were the most complicated.

Intuit would value the opportunity to work with an engaged partner like the Ombudsman to create optimal outcomes for small businesses and we appreciate that this section empowers him/her to be that connected advocate between government, industry, and these entrepreneurs. We look forward to working together to support small business growth in Australia.

We commend these comments to your consideration. For further information or clarification, please contact me.

Yours sincerely,

Whitney MacDougall

A handwritten signature in black ink that reads "Whitney MacDougall". The signature is written in a cursive style with a large, looping initial 'W'.

VP Corporate Affairs

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