



**CHAMBER OF COMMERCE AND INDUSTRY
QUEENSLAND SUBMISSION**

◀ *Modernising Business Registry Services*
Australian Government Discussion Paper

September 2017

Introduction

1. The Chamber of Commerce and Industry Queensland (CCIQ) welcomes the opportunity to provide feedback to the Australian Government on the consultation into Modernising Business Register.
2. CCIQ is Queensland's peak industry representative organisation for small and medium businesses. We represent over 414,000 Queensland businesses on local, state, and federal issues that matter to them. Our guiding focus is to develop and advocate policies that are in the best interests of Queensland businesses, the Queensland economy, and the Queensland community.
3. CCIQ supports any measures targeted at easing the red tape burden faced by the Queensland business community. A reduction in red tape would allow businesses, particularly Small and Medium Enterprises (SMEs), to focus on sustaining and growing their operations as opposed to completing paperwork and complying with excessive layers of administrative requirements.

The red tape burden

4. CCIQ's 2017 [Red Tape survey report](#) revealed that 7 in 10 businesses believe there to be moderate to major impact on their businesses in needing to comply with government regulatory requirements.
5. Responding businesses ranked completing paperwork and reporting requirements as the costliest regulatory measures plaguing SMEs.
6. In the specific context of the Federal Government's Business Registry Services, over 40 per cent of respondents rated the burden of regulatory compliance in dealing with Australian Securities and Investments Commission (ASIC) as moderate to high. While the Australian Tax Office (ATO) ranked as the government agency that imposed the highest burden of regulatory compliance.
7. These figures are a strong indicator that a streamlining of the current regulatory processes surrounding business registration would be a reform welcomed by Queensland's business community.

Small business support

8. Changes to any regulatory requirements can put pressure on small businesses owners who do not have the time or resources to understand what is now expected of them.
9. As such, CCIQ recommends that a targeted education campaign for small business on the new registration system precede the changes to ensure business owners have a thorough understanding of what the changes are and how they impact on their business activities. This should include information presented in clear and concise language, an online inquiry form and a dedicated phone line.

10. We further recommend the incorporation of a “grace period” into any legislation affecting the proposed changes, whereby businesses will not be penalised for failing to adhere to the new requirements for a set period of time.
11. In light of the reliability concerns surrounding the ATO online lodgement systems over the last 12 months, business may be understandably cautious about changes to any government IT infrastructure. We recommend comprehensive testing of the new systems to provide assurances to the business community that the implementation will not be excessively disruptive. Testing of the system by small businesses owners themselves would also be a valuable exercise prior to formal commencement of the changes.

Consultation

12. Effective industry consultation is critical to the success of any changes to government requirements. Notably, 47 per cent of respondents to CCIQ’s Red Tape Survey expressed dissatisfaction with State Government consultation and engagement prior to introducing new regulation.
13. We acknowledge that the proposed changes to business registers is a federal government matter. Nonetheless, this feedback suggests the need for businesses to be involved in the policy development process in order for government initiatives to achieve their intended objectives. For this reason, we urge government to continue to consult with business as the details of these changes are refined and continue throughout the implementation phase.

Conclusion

14. We thank the Treasury for the opportunity to provide comment and welcome any feedback. Please contact Kate Whittle on kwhittle@cciq.com.au for matters relating to this submission.