



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

16 September 2022

Director  
Small Business Tax Unit  
Treasury  
Langton Cres  
Parkes ACT 2600

*via: SkillsBoost@treasury.gov.au*

Dear Sir/Madam

### **Skills and Training Boost**

We welcome the opportunity to comment on the exposure draft legislation *Treasury Laws Amendment (Measures for Consultation) Bill 2022: Skills and Training Boost* (the Bill) and associated explanatory memorandum. Small and family businesses are facing a significant skills shortage driven, in part, by record low unemployment levels and lingering migration challenges from the Covid-19 pandemic. We support the intent of the Bill to address these issues by providing small businesses an additional 20 per cent tax deduction for eligible expenditure on external training for employees.

To enable the Bill to best support Australia's small and family businesses in developing workforce capabilities we make the following recommendations:

1. Practical guidance should be developed on how to determine whether a training organisation is a registered provider and is providing a course within scope. Further, consideration could be given to the inclusion of a requirement for registered training providers to include on their invoice: their registration number; course registration number; and a link to the training.gov.au site where this information can be verified by the small business.
2. To assist small business operators in understanding the impact of the Bill, the explanatory memorandum could benefit from additional clarity on:
  - the impact of the changes on fringe benefits tax liability;
  - the treatment of employees of Australian businesses permanently working overseas; and
  - how the Bill applies to multi-year courses where enrolment in individual units occurs after 29 March 2022.

We note the proposed exclusions in the Bill for non-employee business owners and the intent of this to support small business growth. However, given that approximately 60% of Australian businesses in are non-employing<sup>1</sup> we recommend further consideration be given to the inclusion of this cohort.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Mr Cameron Dyson-Smith on 02 5114 6105 or at [Cameron.Dyson-Smith@asbfeo.gov.au](mailto:Cameron.Dyson-Smith@asbfeo.gov.au).

Yours sincerely

**The Hon. Bruce Billson**  
Australian Small Business and Family Enterprise Ombudsman

<sup>1</sup> ABS Counts of Australian Businesses, August 2022. ASBFEO calculations.