

Statement of Expectations

Payment Times Reporting Regulator

March 2025

1. In this Statement of Expectations, I outline the Australian Government's expectations for how the Payment Times Reporting Regulator (the **Regulator**) will achieve their objectives, carry out their functions and exercise their powers. It is to be read alongside the *Payment Times Reporting Act 2020* (the **Act**) and other legislation that applies to the Regulator.

Payment Times Reporting Regulator's Role

2. The Regulator is responsible for administering the Act which provides a regulatory framework to improve payment times for small businesses by fostering a culture of prompt payment practices and making transparent the payment times and practices of large business to their small business suppliers.
3. I expect the Regulator to perform their regulatory functions by:
 - 3.1. maintaining the Payment Times Reports Register (the **Register**)
 - 3.2. undertaking activities to identify and address non-compliance by entities required to report under the Act by using their legislative powers
 - 3.3. providing tools and resources for regulated entities to submit payment times reports including guidance material, an online portal and a small business identification tool
 - 3.4. efficiently deliver ancillary regulatory functions provided in the Act, including determining applications made by regulated entities, and
 - 3.5. providing tools and resources that enhance transparency by making Register data available in a format that:
 - 3.5.1. is easy for small business suppliers to access so they can make more informed decisions regarding large business customers, and
 - 3.5.2. can be used to support initiatives that incentivise improvements to payment times to small business.
4. In delivering their functions I expect the Regulator will strive to meet the principles of best practice for Commonwealth regulators to:
 - 4.1. continuously improve and build trust by building a regulatory culture that is fair, transparent and responsive to its operating environment

- 4.2. be risk-based and data driven by drawing on existing government data and resources to inform their activities and evaluating the risks, cost effectiveness and impact of their regulatory actions, and
- 4.3. demonstrate collaboration and engagement by engaging genuinely with their stakeholders, being transparent in their decision making and providing the tools and support to encourage voluntary compliance.

The Government's Policy Priorities

5. The Government is committed to ensuring measures are in place to improve the payment times of large businesses to their small business suppliers and expects the Regulator to identify and pursue opportunities to contribute to this goal. In doing so I expect the Regulator to:
 - 5.1. identify opportunities to use the transparency provided by the Register to improve payment times by large businesses to their small business suppliers and promote the Register and payment times data with small businesses, industry, government bodies and other entities that have an interest in or can influence the payment practices of large businesses and relevant Commonwealth entities
 - 5.2. build confidence in the Register by improving the compliance of regulated entities and the quality of data being reported
 - 5.3. improve accessibility of payment times data for small businesses and other data users by improving tools to search and interrogate Register data
 - 5.4. act independently in performing their regulatory functions, including enforcement actions, and
 - 5.5. contribute expertise to relevant policy issues being considered by Government, including the Government response to independent reviews undertaken in accordance with section 57A of the Act.
6. I expect the Regulator will maintain a constructive and collaborative relationship with me that will assist me to provide an enabling environment to achieve the Government's priorities.
7. To support this relationship, I expect the Regulator will communicate regularly and provide timely and accurate information and advice in their area of expertise, extending to matters that the Government may be required to address in Parliament, important operational or budgetary issues, and Government actions in response to changing economic conditions or market conditions.

Stakeholder Engagement

8. Regarding stakeholder engagement, I expect the Regulator to:
 - 8.1. ensure that their actions and the actions of staff supporting them are not inconsistent with the policies of the Government, in accordance with section 21 of the *Public Governance, Performance, and Accountability Act 2013*
 - 8.2. work closely with the Government including through the provision of information and advice to Ministers
 - 8.3. consult and provide appropriate guidance so that regulated entities have clarity and certainty about how the Regulator will deliver their functions and exercise their powers

- 8.4. coordinate regulatory activities with other agencies to avoid duplication, including through sharing information where possible, and
- 8.5. work cooperatively with the other departments and bodies that have related policy and regulatory objectives, including the Australian Small Business and Family Enterprise Ombudsman and other Commonwealth regulators.

Organisational Matters

9. The Regulator is situated in the Department of the Treasury (the **Treasury**) with the Secretary of the Treasury designating a position occupied by an SES employee as the Payment Times Reporting Regulator under section 24 of the Act.
10. Regarding organisational matters, I expect:
 - 10.1. the Regulator to have responsibility for the executive management of the Regulator's office, within the Treasury, that will be set-up to best support the Regulator in delivering their statutory functions in an efficient and effective manner
 - 10.2. the Regulator to delegate executive management functions to staff of the Treasury wherever they consider this would benefit the Regulator in the executive management of the Regulator's office
 - 10.3. staff supporting the Regulator to perform their duties in a manner consistent with Treasury policies, the *Public Service Act 1999*, the APS Code of Conduct and other relevant legislation and be accountable to the Secretary of the Treasury as the accountable authority of the Treasury, and
 - 10.4. the Regulator to publish this Statement and their corresponding Statement of Intent on their website, and report on performance in line with requirements set out in the *Public Governance, Performance, and Accountability Act 2013* and the principles of best practice for Commonwealth regulators.

The Hon Julie Collins MP
Minister for Small Business