

Big Plans for Small Business Strategy 2021–2023



Queensland
Government

Message from the Minister



The Palaszczuk Government recognises small businesses as the backbone of our economy with *Unite and Recover: Queensland's Economic Recovery Plan*, a plan that is continuing to deliver jobs and economic growth for communities right across our state.

From February to early March 2021, as part of the Small Business Roadshow, I travelled across Queensland hosting 17 face-to-face sessions with over 1400 small business owners and local chamber representatives. Additional online sessions were held with stakeholder peak organisations, and small business owners were encouraged to complete the online Small Business Survey. Jointly, direct input was received from over 2500 participants.

The Roadshow has given me an even greater understanding of the challenges and opportunities that small businesses in different regions and industries are facing. Tailored support and flexible program offerings to better meet the needs of small business will produce positive benefits for local communities and our economy.

The Palaszczuk Government's commitment of \$140 million over two years through the Big Plans for Small Business Strategy

will directly respond to the clear feedback received during the roadshow, ensuring a strong and resilient small business sector that will not only survive but thrive.

As a part of working together to navigate the new economic landscape, we will hold a Workforce Summit later this year to bring together industry and business leaders, major employers, and training providers. The aim is to identify strategies and partnerships that will assist in providing the workforce that industry and small business need. The Workforce Summit will showcase and share innovative approaches of industry working with local communities and government to address local workforce shortages. It is a Summit that will challenge us all to think in new and creative ways.

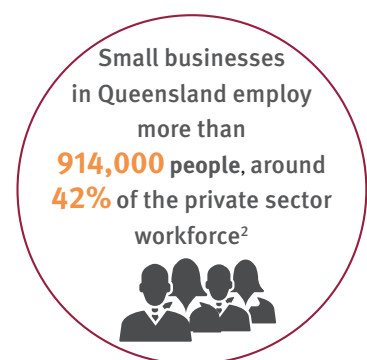
I look forward to continuing to work with Queensland small businesses as we implement the Big Plans for Small Business Strategy to drive economic recovery, prosperity, and job creation across our state.

**The Honourable Di Farmer MP
Minister for Employment and Small Business and
Minister for Training and Skills Development**



Small businesses are the cornerstone of the Queensland economy

Small businesses operate across every industry and are found in every local community. They are an important source of investment and create jobs, particularly in our regions.



1 ABS 8165 Counts of Australian Business, including entries and exits as of 30 June 2020. Australian Bureau of Statistics, Canberra.

2. ABS 8155 (Unpublished data) Queensland Treasury.

3. Derived from ABS 8155 (2018–19) Australian Industry, 2018–19 and ABS 5220 (2018–19) Australian National Accounts: State Accounts, 2018–19 Australian Bureau of Statistics, Canberra.

Our Big Plans for Small Business

The *Big Plans for Small Business Strategy* will run until June 2023. It aims to help small business thrive and grow through a commitment of \$140 million over two years. This includes:

- **\$100 million Business Investment Fund** to invest in small to medium sized businesses with significant growth potential and will create Queensland based jobs
- **\$30 million to increase skills and capability** through grants and other support for small business
- **\$10 million to make the Queensland Small Business Commissioner permanent** and a **targeted engagement framework** that includes, reinvigorating the Queensland Small Business Advisory Council.

Our vision

A small business sector that helps drive economic recovery, prosperity and employment across Queensland.

Our objectives

- Support small business to recover and increase their ability to thrive and grow.
- Increase the skills and capability of small business owners and their workforces to take up new business opportunities.
- Drive jobs growth within small businesses.
- Support local and regional economies and communities.

Achieving the vision

The *Big Plans for Small Business Strategy* has four key focus areas. Each focus area is supported by specific actions to help small business at all stages of the business lifecycle in Queensland.

Harnessing small business diversity

Part of the strength of small business in Queensland is their diversity. The Strategy will focus on supporting the broad range of small businesses across Queensland. Particular focus will be placed on ensuring that our support is responsive to the needs of small businesses in regions, social enterprises and small businesses operated by women, people with disability, Aboriginal and Torres Strait Islander and culturally and linguistically diverse Queenslanders.

Engaging small business

To support the delivery of the *Big Plans for Small Business Strategy*, Queensland Government will engage with Queensland small business to ensure we are:

- connecting small business to support and services
- capturing small business feedback and collaborating on solutions
- promoting small business to consumers through our range of communication strategies and channels.

Our support for small business to date

Small businesses have been amongst the hardest hit by COVID-19 and are recognised within *Unite and Recover: Queensland's Economic Recovery Plan* as the backbone of our economy. Additional support put in place to assist small businesses manage the impact of COVID-19 includes:

- **\$196 million in Small Business COVID-19 Adaption Grants** to help small businesses adapt, sustain operations and build resilience
- **\$1 billion in interest free/low interest business loans** with 86% going to small business
- **more than \$1.3 billion in payroll tax relief** and land tax relief including refunds, payment holidays and deferrals for eligible businesses
- support for eligible small and medium-sized businesses with **\$100 million in electricity bill rebates**
- **400 free online courses** made available for businesses and their employees through the **Small Business Skills Hub**
- introduction of a Queensland Government **SME procurement target** of 25%, increasing to 30% by 30 June 2022
- establishment of a temporary **Queensland Small Business Commissioner** to provide information and advocacy support to small businesses and assist in resolving commercial tenancy disputes
- **\$1.2 million to establish a regional network of business support officers** in partnership with the Chamber of Commerce and Industry Queensland.
- tailored support for small businesses impacted by COVID-19 through the **Mentoring for Growth** program.

The *Big Plans for Small Business Strategy* builds on the Queensland Government's broader investment in helping to set the right environment for business to operate in and have the confidence to grow. Programs supporting small business include:

- **\$885 million Payroll Tax Package** increased the payroll tax threshold to \$1.3 million and introduced a new payroll tax rebate of up \$20,000 for new full-time employees
- delivering **ecoBiz**, to help small businesses save money on energy, water and waste
- delivering the **\$2 million Tourism Business Financial Counselling Service** to provide free advice to tourism operators who need guidance on adapting their business
- **\$7 million Growing Indigenous Tourism in Queensland Fund** to support Indigenous tourism attractions, businesses and regional ecotourism experiences
- building stronger regional economies through **Building our Regions, Works for Queensland**, and investing in **regional tourism infrastructure**
- delivering the **Advancing Queensland Deadly Innovations Program** and **One Business Program** to create pathways for Aboriginal people and Torres Strait Islander people to increase participation in Queensland's innovation economy.

What small business told us

This Strategy has been informed by over 2,500 small business owners and industry representatives across Queensland.

In early 2021, the Minister for Employment and Small Business and Minister for Training and Skills Development toured the state to exchange ideas and insights with small business owners. The Small Business Roadshow included a series of face-to-face and virtual forums, and a small business survey on the Business Queensland website that provided a clear and unambiguous feedback.

Top two issues raised



Workforce skills: Recruitment and retention of suitably skilled staff is a major issue for small business, particularly in regional areas where attracting staff to relocate is a barrier.



One-on-one support: Small businesses highlighted the need for support that is specific to the challenges and opportunities of each individual small business and provided by experts that understand local small business issues.

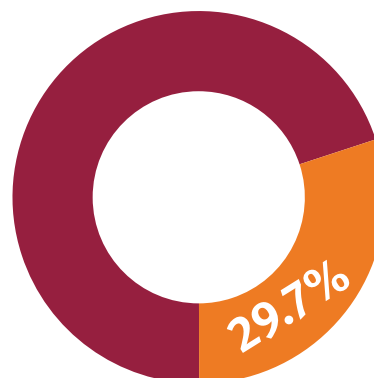
In the small business survey, the top three challenges for business growth identified by survey respondents were:

- economic impacts outside the business' control
- finding customers
- managing cash flow.

Priority challenges identified

- **Skills and capability development:** Business owners and operators often need staff to respond to the changing business environment. Having the time and resources to undertake training is a common challenge.
- **Government communication:** Small businesses have reported being confused by multiple government websites and communication channels, and find it difficult to locate and understand what is available. They would like to have a single point of contact to get information and advice that applies to their individual business needs.
- **Awareness of support:** Many businesses are unaware of government support available for small business and thought better promotion of programs and services is needed.
- **Access to support:** Accessing government support programs and services is often complex and time consuming for small business. Small businesses asked for more support outside of standard business hours and from people with local knowledge of small business issues.

Percentage of businesses feeling well prepared for future challenges (as identified by survey respondents)



KOKOPOD Chocolate – Hope, Joy, Love and Chocolate

From a Brisbane kitchen table nine years ago, Brigid Woolnough has grown her passion into a thriving small business with a factory, production centre and a retail store at the Buderim Ginger Factory.

KOKOPOD received a State Government **Artisan Grant** in 2019 and in 2020 a **Small Business COVID-19 Adaption Grant** funded a digital upgrade.

In 2019 KOKOPOD was recognised for its high quality, innovative range of chocolates by winning the Sunshine Coast’s Small Business Award for Food & Agribusiness.

In the same year, KOKOPOD opened its first shopfront at the local Ginger Factory and launched its second brand called NOMU NOMS.

The business is increasing the market reach of their uniquely flavoured chocolates which include caramelised liquorice, lavender and honeycomb, orange and fennel, lemon myrtle and macadamia grazing chocolate to serve with cheese and a range of vegan products.

The company began with former school teacher Brigid as a sole operator and has grown to employ seven staff. After the set back of COVID-19 it is growing again as orders for the hand-crafted chocolates continue to climb.

Brigid says the State Government’s small business grants have helped give the business a greater visual presence and increased sales through website development.





Focus Area 1 – Skills to succeed

Small businesses told us clearly that recruiting and retaining skilled staff is a major issue. This was one of the top two issues raised during the Small Business Roadshow. We also heard that new technologies, emerging industries and the impacts of COVID-19 are creating new and different skills needs across many small businesses.

The availability of a skilled workforce is essential to Queensland's economic recovery and the Queensland Government invests significantly in training and skills for Queenslanders. We will target this investment to build foundation skills, minimise skills shortages and focus on jobs in demand. We will also provide enhanced avenues for small businesses to identify priority skills needs and inform training investment in their industry and region.

How we will support this

Actions



Target the **\$1 billion investment in training and skills** to focus on training for jobs in demand and increase the availability of skilled workers.



Industry engagement arrangements to help the government identify priority skills needs for small businesses.



Hosting a **Queensland Workforce Summit** to identify strategies and innovative approaches to assist industry access the skills and workforce they need.



Free Apprenticeships for under 25s to cover the costs of training for employers who commence a new apprentice or trainee aged under 25.



Regional Jobs Committees to help businesses, industries and employee groups address local employment and training needs and solutions in six regions across Queensland.





Focus Area 2 – Building business skills

Small business owners and operators told us that they need a range of skills and capabilities to start, run and grow their business. Having access to the right skills, information, tools and support is fundamental to ongoing business success, particularly in times of change and uncertainty. We also heard that time and resource constraints make it difficult for small business owners and operators to develop their skills.

We will provide small businesses with a range of options to build their skills and capabilities in areas that are important to their business. This will include tailored one-on-one support, access to new information and online tools and formalised training pathways to provide flexibility for small businesses.

How we will support this

Actions



Small Business Grants package to support small businesses to build capability with a focus on increasing access for regional businesses and priority sectors.



Provide **subsidised qualifications** for eligible small business owners, managers and employees in relation to managing a small business and across a range of industry priorities.



Provide small business with easy access to information on running a business through the **Business Ready initiative**.



Launching a **Business Health Check** to help small businesses identify changes they can make so they can survive and thrive.



Case study



Little Aussie Monster – Ann Granger

Awarded Cairns businesswoman Ann Granger says support from the State Government has helped grow her environmentally friendly cloth nappy business.

Her Little Aussie Monster company has been recognised for reducing the number of disposable nappies in landfill through the production of innovative reusable cloth nappies.

Ann’s company received a **\$10,000 Small Business COVID-19 Adaption Grant** in 2020 to develop a new website and logo and undertake advertising to boost product sales. The business is thriving again and Ann has increased the workforce to three staff.

Little Aussie Monster had secured a **Small Business Entrepreneur Grant** in 2018 which helped increase sales by more than 50% within 12 months.

Ann’s company has also benefitted from the State Government’s **Back to Work Youth Boost scheme** and **Mentoring for Growth** sessions.

“The mixture of assistance has been really helpful and has taken the risk away, freeing up more time to do other things for business growth,” Ann said.

The birth of her first son brought a lifestyle change and the lack of cloth nappies revealed a gap in the market. Ann developed a large local client base through markets and pop-up stores in shopping centres before opening her own store and warehouse in October 2018.

“Now we sell our nappies Australia-wide and ship them overseas to the United Kingdom, Canada, New Zealand, Mauritius and Egypt.”



Focus Area 3 – Grow your business

Small businesses clearly told us that tailored and one-on-one support is important to help them thrive and grow. This was one of the top two issues raised during the Small Business Roadshow. To assist businesses in taking advantage of new opportunities, we will support small business to access new customers and international markets, adopt new processes and implement new ways of doing business. For businesses with significant growth potential, we will also drive job creation by providing funding to support private investment, innovation and expansion into new markets.

We also heard that small businesses are particularly vulnerable to economic disruptions and extreme weather events. By supporting small business to adapt, innovate and adopt new technologies, we will help build business flexibility and resilience in a changing environment.

How we will support this

Actions



Invest in small and medium businesses that have significant growth potential and will create Queensland based jobs through the **Queensland Business Investment Fund**.



Provide **\$25 million in Small Business Grants** to assist small businesses to:

- Increase core capabilities and keep up with best practice (Business Basics Grant)
- Advance efficiency and productivity (Business Boost Grant)
- Accelerate and seize growth opportunities (Business Growth Fund).



Support small businesses ready to enter international markets through the **Go Global Export Program**.



Enhance the **Mentoring for Growth Program** to continue to provide tailored support, including financial mentoring and business planning.



Celebrate success, share information, facilitate training opportunities, foster innovation and build connections through the **Queensland Small Business Month**.





Focus Area 4 – Doing business better

Small businesses told us that it can be difficult for small business to navigate and understand regulatory requirements and supply to the government. We are committed to assisting small businesses to understand their regulatory requirements and work with the government. This includes reducing compliance, connecting businesses with the right information at the right time and providing clearer pathways for small businesses to resolve disputes.

We are also increasing opportunities for small businesses to supply to the government and ensuring they are paid on time and in full. Enhanced advocacy and engagement functions will ensure a strong voice for small business that captures the diversity of Queensland's small business community.

How we will support this

Actions



Establish a permanent **Queensland Small Business Commissioner** to provide information, advice and advocacy for small business.



Strengthen the **Queensland Small Business Advisory Council**, which provides advice to the Minister on significant small business issues.



Provide a customised regulatory guide for small business via the **Queensland Business Launchpad**.



Assist understanding of Vocational Education and Training (VET) regulatory obligations through the **VET Informed Consumer** project.



Maximise opportunities and make it easier for small business to supply to the government through the **Queensland SME Procurement Target** and **On-time Payment Policy**.



Recognise and support local councils in Queensland that are actively supporting small businesses through the **Small Business Friendly Councils** initiative.



Explore how businesses can move outside and revitalise dining precincts and CBDs through the **Summertime Taskforce**.



Undertake **Digital Transformation Program Business Case** to investigate how to bring better connectivity to other areas of Queensland.



Find out more

To find out more about support available for small businesses through the *Big Plans for Small Business Strategy*:



business.qld.gov.au



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