

NATIONAL OFFICE

Level 6, 50 Clarence Street
Sydney NSW 2000
GPO Box 56
Sydney NSW 2001

T. 02 8252 6700
E. info@consultaaustralia.com.au
W. www.consultaaustralia.com.au
ABN. 25 064 052 615



Driving business success for consulting firms in the built and natural environment

28 Oct 2021

Committee Secretary
Education, Employment and Training Committee
Parliament House
BRISBANE QLD 4000

By email: EETC@parliament.qld.gov.au

Dear Committee,

Small Business Commissioner Bill 2021

Thank you for the opportunity to comment on the Small Business Commissioner Bill 2021. I am writing on behalf of Consult Australia member businesses. We support the reforms and note the concerns of members that could be alleviated through the passing of this bill.

Consult Australia is the industry association representing consulting businesses in design, advisory and engineering, an industry comprised of over 55,000 businesses across Australia. This includes some of Australia's top 500 companies and many small businesses (97%). Our members provide solutions for individual consumers through to major companies in the private sector and across all tiers of government. Our industry is a job creator for the Australian economy, directly employing 240,000 people. The services we provide unlock many more jobs across the construction industry and the broader community.

Consult Australia has been conducting industry health checks to measure the ongoing impact of COVID-19 and the current economic environment across our membership. For your information, here is the latest survey results – [Industry Health Check Sept 2021](#).

Most members participating were small to medium businesses, with the survey identifying:

- a real disparity between large businesses and small businesses in terms of upturn/downturn of work, with no small businesses reported an upturn in work
- 90% of small and medium businesses are experiencing a downturn – a significant increase from our previous survey in April 2021, the cause being the economic downturn from COVID-19 lockdowns and construction shutdowns in mid-2021
- 85% of members reported experiencing accessibility and affordability issues with professional indemnity (PI) insurance, an average of a 20% premium increase was reported.

There is an invaluable opportunity through the establishment of a permanent Small Business Commissioner to support small businesses in addressing the above issues. Insurance issues are hitting businesses of all sizes; however, our small business members advise that PI insurance premiums are their largest business expense and year on year premiums are increasing while coverage amounts decrease –irrespective of claim history. The number of underwriters providing any sort of coverage has become extremely limited. Small companies providing specialised design, advisory, or engineering services will struggle to survive unless action is taken. While affordability is a key issue, we are now seeing small businesses and sole traders face forced business closures and early retirement based solely on the fact they can no longer get insurance at any price (let alone at an affordable premium).

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In other jurisdictions Consult Australia has found that Small Business Ombudsman and Commissioners can effectively voice the concerns of small business and we have an interest in working collaboratively with these entities to find solutions.

For this reason, Consult Australia strongly supports the Small Business Commissioner Bill 2021, which establishes a permanent Small Business Commissioner and a supporting office in Queensland. Consult Australia looks forward to working with the Small Business Commissioner to advocate for and provide support to our small business members on key issues and member concerns.

If you have any further questions, please contact me by email at [REDACTED]

Yours sincerely,

A handwritten signature in black ink that reads "KBanks".

Kristine Banks
Manager – Qld