



Labor's first 100 days



A 5-point blueprint for business & development

The Department of the Treasury

Federal Government of the Commonwealth of Australia



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During its first term, the Labor government introduced several initiatives for supporting small and medium-sized enterprises (SMEs), including a temporary \$20,000 instant asset write-off, targeted energy bill relief, cybersecurity grants, and funding to reduce regulatory burdens through the National Small Business Strategy. It also expanded access to the NewAccess mental health program for small business owners. However, many of these measures are either short-term or too modest to offset rising operational costs, supply chain disruptions, and inflation-driven wage pressures.

With a renewed electoral mandate in 2025, expectations are high to deliver more durable support for small businesses. On that note, how the Labor government performs after coming back to office within the first 100 days may set the tone for the rest of the term. Here are five key actions that deserve the government's immediate attention.

1. Reduce regulatory burdens on small businesses and simplify compliance.

As of June 2024, Australia had approximately 2.66 million actively trading businesses, with 97.2% classified as small businesses (employing fewer than 20 people). These enterprises employ over 5 million individuals, accounting for 42% of the private sector workforce. To alleviate operational challenges and improve ease of doing business for small businesses, the government should prioritize reducing bureaucratic hurdles and simplifying compliance processes.

For instance, Australia at present has no extensive framework on environmental, social and governance (ESG) legislation for businesses, the obligations under ESG are split under various practices, legislation, and regulation across federal and state jurisdictions, which may be confusing for businesses. Streamlining these processes into a 'one-stop shop' to promote the best practices, rules, and regulations for small businesses would be a timely and much needed step to begin with.

2. Small business tax relief.

Labor claims that on average, approximately 25,000 small businesses were created every month since the party came to power. Currently, small and medium businesses benefit from a reduced corporate tax rate of 25%, compared to the standard 30% rate. The government should consider advocating further tax relief measures, such as lowering the small business tax rate or introducing additional tax deductions. Prior to the elections, Labor pledged to extend the \$20,000 instant asset write-off for an additional year upon re-election. The government should fulfill this commitment by reforming current legislation to prolong the write-off period beyond the previously set expiration date of June 30, 2025.

3. Small business forum.

It is an opportune moment to initiate a multi-stakeholder forum specifically catering to small businesses. This platform should include representatives from the government, opposition, industry leaders, and small business communities to facilitate dialogue and collaborative policy development tailored to the unique needs of small businesses.

4. Digital tools and cybersecurity to simplify business processes.

In 2022-23 alone, nearly 94,000 cybercrime incidents were reported to the Australian Cyber Security Centre, with small businesses incurring average losses of \$46,000 per incident. Many small business owners lack the necessary digital and cyber literacy to effectively prevent or respond to such threats, placing them at greater risk. There is a need for the National Small Business Strategy to focus on expanding access to practical training in areas such as online marketing, cyber preparedness and recovery, the use of automation and AI tools, and financial technology like online accounting platforms.

Required resources should be made available through government-run business hubs, online platforms, and industry partnerships to ensure accessibility across urban and regional Australia.

5. International development with a focus on self-reliance.

In the 2025-26 budget, \$5.097 billion was allocated to the Official Development Assistance (ODA), marking a \$136 million increase from the previous year. The government should advocate for development cooperation strategies that are mutually beneficial with a focus on self-reliance and sustainable economic growth in partner countries. This approach would move away from dependency-based aid, fostering more effective and enduring outcomes.

Setting a strong foundation for a lasting change will place the government in prime position to help reinforce public confidence in the Labor's renewed mandate. Proactiveness and initiatives in the early days will shape not only the future of the small business sector but also the broader pursuit of resilient, inclusive, and forward-looking national progress.