



Ken O'Dowd MP

Federal Member for Flynn

M E D I A R E L E A S E

26RD November 2018

GETTING FLYNN SMALL BUSINESSES PAID ON TIME

The Morrison Government is taking action to ensure small businesses in Flynn get paid on time.

Small businesses in Flynn shouldn't have to wait months and months to be paid for work already completed. They deserve to know that the businesses they engage with are paying on time so that they can get on with business.

"Cash flow is crucial to the prosperity and health of any business." Ken O'Dowd Said.

"Not being paid on time can have a negative impact on competitiveness; increase the cost of doing business and places significant stress on small business." Mr O'Dowd Said

That's why the Morrison Government will require large businesses with turnovers above \$100 million to publicly reveal how quickly they pay small businesses for their services.

This will enable Flynn small businesses to engage with large companies with greater confidence. They'll know when the money will come through the door.

This new Annual Reporting Framework will cover 3,000 of the largest businesses in Australia, including foreign companies and government entities.

Trade between small, medium and large businesses totals more than \$550 billion a year and the Framework will make this trade both easier and stronger.

And the Morrison Government is leading by example.

By 1 July 2019 we are committed to reduce the time the Government pays invoices worth under \$1 million from 30 days to just 20 days.

We will also require large businesses seeking to tender for government contracts to match this policy.

We will also do more to help small and medium sized business compete for government contracts with a new commitment to have 35 per cent of all contracts up to \$20 million delivered by small businesses.

These latest initiatives build on our suite of actions that back Flynn small businesses, including:

- Lowering the cost of funding for smaller banks and non-banks with a \$2 billion fund, meaning cheaper loans for small and family businesses.
- Accelerating tax cuts for 3.3 million small and medium businesses, employing 7 million, down to 25 per cent in 2021-22.
- Improving the ability of small business to offer employee share schemes.
- And extension of the \$20,000 instant asset write off.

Only the Morrison Government can be trusted to back Flynn small businesses because we know that more successful businesses create a stronger Australian economy that guarantees the essential services we all rely on.

ENDS.

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