

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2026–27 Budget Estimates

Melbourne – Monday 25 May 2026

MEMBERS

Sarah Connolly – Chair

John Pesutto – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Richard Riordan

Meng Heang Tak

WITNESSES

Natalie Suleyman MP, Minister for Small and Family Business; and

Matt Carrick, Secretary,

Julian Lyngcoln, Deputy Secretary, Economic Policy, Programs and Services, and

Ylva Carosone, Executive Director, Small Business and Employment, Department of Jobs, Skills, Industry and Regions.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent.

I begin by acknowledging the traditional Aboriginal owners of the lands on which we are meeting, the lands of the Wurundjeri people. We pay our respects to them and their elders past, present and emerging, as well as elders from other communities who may be here with us today.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2026–27 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on the Parliament's website. The broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during hearings, and anything you say may be picked up and captioned, even if you say it quietly.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

I welcome the Minister for Small and Family Business the Honourable Natalie Suleyman, as well as officials from DJSIR. Minister, I invite you to make an opening statement or presentation of no more than 5 minutes, after which time committee members will ask you some questions. Your time starts now.

Natalie SULEYMAN: Thank you, Chair and committee, for the opportunity to present on the small and family business portfolio. Before I begin I would like to acknowledge the traditional owners of the lands we are meeting on and pay my respects to their elders, both past and present.

Visual presentation.

Natalie SULEYMAN: Victoria's small and family businesses are strong, diverse and growing and are the powerhouses of our state's economy. They create jobs and support families and communities around the state. There is really an important story here, and each business has a story to tell. We have over 735,000 small businesses in Victoria, making up 98 per cent of businesses in the state. Over 123,000 new small businesses were created in 2024 and 2025, and one in five small businesses are in the regions. That is not all. New data shows that Victoria's capital, Melbourne, is the most entrepreneurial neighbourhood in Australia.

In this budget we are focused on supporting small and family business throughout Victoria, and that is why we are delivering key investments to back their success with \$1.2 million to deliver the Small Business Activation Fund, which supports locally led initiatives to increase economic activity across our precincts, suburbs, towns and main streets and builds the capability of Victoria's small businesses. Four hundred thousand dollars will go directly to increasing the number of dispute resolution officers at the Victorian Small Business Commission so that small business can continue to access high-quality dispute resolution support, saving them money, effort and resources.

We are focused on backing small and family businesses with the support that they need and when they need it. The small business toolkits program has supported over 3000 business owners with advice, learning and mentoring, and the well-known and locally loved Small Business Bus has helped 445 business owners across 62 locations statewide in the past year. Over 3.4 million visits were made to the Business Victoria website, and 132,486 subscribers to Business Victoria's digital channels accessed online resources with timely information. This demonstrates that Business Victoria is a trusted one-stop shop and connection point between government and the small business community. We are also delivering support to Victoria's vibrant multicultural traders and precincts, with 40 grants to associations and local councils to boost business growth and increase precinct traffic. Our business-friendly councils project is all about making business easier and ensuring councils reduce delays and red tape burden. This initiative continues to grow.

I am really proud that tonight we are hosting the Victorian small business awards. Victorian small and family businesses give so much to their communities and our economy. This ceremony is about recognising and celebrating award-winning businesses and will bring together chambers of commerce, trader groups and industry. Small businesses from right across Victoria will attend. In addition, we have supported several multicultural business chambers and trader groups to deliver business awards in their own local communities. All businesses are local, and we know how important it is to acknowledge their contributions to our communities. This is about thanking our local businesses. Victoria is the events capital and foodie capital and Melbourne is the best city, and it is all because of our small and family businesses. Thank you.

The CHAIR: Thank you, Minister. The first 8 minutes are going to go to the Deputy Chair.

John PESUTTO: Thank you, Chair. Good morning, Minister and officials. Minister, can I take you to budget paper 2, page 13 and the reference there towards the top of the page to the \$19 million to deliver initiatives around business capability. Minister, \$19 million has been allocated to new initiatives described by the Victorian government's own budget website as 'cutting red tape' for small business. Minister, why does reducing red tape require spending more taxpayer money?

Mathew HILAKARI: You have given the wrong budget paper.

John PESUTTO: No, it is a general reference. The minister knows exactly what I am asking about –

Mathew HILAKARI: That is the Department of Education.

John PESUTTO: Page 13, budget paper 2.

A member: No, that does not seem right. That is regional investment.

Natalie SULEYMAN: Thank you, Mr Pesutto. I think that question relates to the Treasurer, but I am happy to discuss programs and support that we have for small businesses. As I have indicated –

John PESUTTO: No, sorry, Minister, I do apologise for interrupting, but the question is very specific about cutting red tape for small business. You are spending \$19 million. How do you propose to cut regulation when you are spending nearly \$20 million? That is the question.

Natalie SULEYMAN: Mr Pesutto, I will answer the question which relates to my portfolio in relation to reducing red tape for businesses across Victoria. I do thank you for this question, because it is an important question. That is why we have continued to support programs that encourage businesses to open their doors, including better council approvals. If I can unpack that program, it is an important program because we know that most of the red tape, for instance, for local cafes, sits with local governments. That is why we have introduced an initiative that helps councils across Victoria to sign up to the better council approvals process, which is really about councils reducing their time, reducing the red tape and ensuring that there is a speedy, fast-circuit process for businesses in their local areas. I might ask my official – if you can – to list the councils that have actually signed up already as part of the business initiative.

Julian LYNGCOLN: I will not give you a full list because I believe there are 33 councils now engaged, and we are in discussions, so I won't go through a list of 33. But that is the level of engagement now with councils. We are in discussions with further councils to take up that initiative. As the minister said, that is supporting the number of regulatory approvals that local governments are responsible for.

John PESUTTO: Thank you. Minister, can you indicate to the committee how much of the \$19 million will go directly towards reducing or eliminating existing regulations? Not grants, not training programs or industry promotion but actual removal of pointless regulation?

Natalie SULEYMAN: Thank you again for that question, Mr Pesutto, but that question really sits with the Treasurer.

John PESUTTO: But you are the minister for small business.

Natalie SULEYMAN: I think you had the opportunity to ask those questions to the Treasurer last week. But what I can say is we are absolutely committed through our *Economic Growth Statement* to reduce red tape for small and family businesses across Victoria. That is why we have initiatives such as the better council approvals process. We have committed to halving government agencies as well so businesses can continue to be part of a fast-circuited place where businesses can do business in Victoria. It is so important that we continue through our economic growth initiatives. The budget has also invested \$240 million to fully fund our EGS initiatives. This included \$11.1 million to digitalise more regulatory processes and \$3.5 million to cut red tape affecting businesses in Victoria's regional communities. It is so important that our *Economic Growth Statement* –

John PESUTTO: Sorry to interrupt, Minister. Can I just jump on that point there? And thank you for your answer. Minister, I want to put this to you: the Business Council of Australia found that a cafe owner in Victoria needs 12 more separate licences and approvals compared to New South Wales to commence trading. Minister, can you name one current licence or permit that could be removed?

Natalie SULEYMAN: If I could just have a moment, can I just ask which point you are referring to. Is this a general question?

John PESUTTO: It is just a general question about small business. Can you name any regulations, licences or permits that you have removed to cut red tape? And look, I appreciate the references to cutting red tape, Minister. I just want to try to put some meat on that bone. Are there any regulations –

Natalie SULEYMAN: Absolutely there are, and I will pass on to my official to provide you that full detail.

Julian LYNGCOLN: Yes. An example perhaps is there used to be duplication if you had outdoor dining to both need a planning permit and if you were serving alcohol to need a liquor licence. That duplication has been removed. The commissioner for better regulation is taking feedback from stakeholders and looking at further sorts of examples like that where there might be duplication. So apart from the streamlining through the business friendly councils, we are working with the Treasury colleagues who lead that red tape reduction initiative in the *Economic Growth Statement* to identify regulatory burdens, in particular that small businesses face, but that is an initiative led by Treasury rather than ourselves.

John PESUTTO: So in terms of the business council's assertion in its report *Regulation Rumble*, which comes out annually, Minister – it refers to 12 more separate licences and approvals – can you or your officials actually talk about whether you accept that or dispute that?

Mathew HILAKARI: It is hardly a question on the budget. It is just a question on a report from an outside group.

John PESUTTO: They can answer.

Mathew HILAKARI: It is just not relevant to the budget.

Natalie SULEYMAN: Mr Pesutto, both I and my office directly talk to industry and stakeholders. Of course feedback is really important from industry and stakeholders, and we are always open to looking at opportunities. I acknowledge that red tape is a burden for small and family businesses – there is no doubt – but you need to also take into mind that most of the red tape falls under local governments. But I am always quite happy in really looking at opportunities with industry and stakeholders to look at ways that we can, you know, make it easier for businesses.

John PESUTTO: Well, let me give you one. Minister, the granting of a liquor licence takes far too long in this state. A hotel owner in Ballarat has been waiting more than a year for his liquor licence. They barely survived for the last five to six months of trading. Do you think that delay is acceptable?

Natalie SULEYMAN: Again, Mr Pesutto, can I also state that we have seen in the last 12 months 123,000 businesses open their doors in Victoria, and I think that speaks volumes. We have 735,000 small and family businesses, making up 98 per cent of Victoria's business in this state. We have made it very clear through the *Economic Growth Statement* that we do want to make it easier, and we have already begun.

The CHAIR: Thank you, Minister. We are going to go to Mr Galea.

Michael GALEA: Thank you, Chair. Good morning, Minister, Secretary and Mr Lyngcoln. Thank you for joining us today. Minister, I would like to ask you about the Small Business Activation Fund, which is referenced in budget paper 3, page 62, and was also referenced by you in your presentation. There are two parts to my question really. Firstly, how did this program come about? What does the government seek to achieve from it, but also what specific actions do you seek to undertake within this program in order to support Victorian small businesses? As you say, there are a lot of them in Victoria, and I am very proud of the many that I have got in my electorate too, so I am keen to know what this fund will be able to deliver for my constituents as well.

Natalie SULEYMAN: Thank you, Mr Galea, for that question. I thank you for having an interest in the Small Business Activation Fund. This is really an important program, the Small Business Activation Fund. It will continue to deliver our government's strong track record when it comes to backing local economic growth, in particular in precincts, in towns and of course in suburbs, supporting our proud 735,000 businesses across the state. We know that behind every small business is a story, and of course hardworking business owners are working seven days a week and odd hours to bring their businesses alive in their local communities. They are the bakeries, the suppliers of local coffee, the cafes, the restaurants and the family-run florists. That also has a chain reaction, supporting local sporting clubs and not-for-profit organisations, and most importantly, they are the beating heart of our communities. We know how incredibly hard they are working.

Recently I had the opportunity to visit Shepparton and see firsthand the Greater Shepparton Business Network, talk to local businesses about what they see as opportunity and receive feedback from that particular business network. Around the room I heard firsthand that, for instance, buying local is so important for that region. It might be an opportunity for us to look at programs that invest in a 'buy local' campaign or a community festival night market, for instance, that really does increase activity for that particular precinct and that business. I think the new Small Business Activation Fund is really about investing back that \$1.2 million and partnering with local organisations and business chambers, who have done tremendous work in this space, and ensuring that we can provide that localised campaign. As I said, the recent campaign to support local, the green-and-gold campaign – we can localise that into business precincts across Victoria. That is just one example. As I said, I have included night markets, which have been very successful. I know that out in Wyndham in particular we have seen after 5 that night market experience being welcomed by the local community. It brings in not only the locals but also visitors. We have had night markets in Dandenong, for instance, and I know that those have been very successful – or a street festival. These are some of the initiatives that can be supported through our Small Business Activation Fund.

Michael GALEA: Thank you, Minister. I am very glad to hear you point out the Dandenong Ramadan night markets too. It was an absolutely huge event this year.

Natalie SULEYMAN: It was amazing. I mean, you are looking at over 100,000 people attending. That is direct investment back into that local community through small and family businesses, having that opportunity to trade extra, and it is also good for the local community and council. That was a success story, and we want to be able to replicate that throughout the state.

Michael GALEA: I am very excited to hear that, Minister. As you said, small businesses, whichever sector they are in, are the thriving, beating heart of our community. In fact I do acknowledge as well that, given that I have not had an electorate office for more than two years, I have found many, many effective mobile offices in local cafes. In fact I have had you out to one of my cafes in Scoresby as well, little Birdie Cup.

Natalie SULEYMAN: It was very busy that day, I recall, that local cafe.

Michael GALEA: Very, very busy. It is rare that I go in there and it is quiet, which is great to see. Minister, from past initiatives in previous budget papers, are there any specific learnings, things that have worked or things that have not worked, that you have taken in to incorporate into the design of the Small Business Activation Fund to ensure it can be as successful as possible?

Natalie SULEYMAN: Yes, absolutely. Again, thank you for that question. I think what is important with these sorts of programs is having those local partnerships, whether it is supporting the local mechanic or signage or ensuring that a real estate agent, for instance, might sponsor the local footy club – so that chain reaction of support that these events may have. We have already seen a significant amount of work through our multicultural business precinct revitalisation program, and that has been a huge success across the state, which we have seen in parts of Melbourne by partnering with local councils to be able to deliver, again, innovative opportunity for precincts from Footscray to St Albans and Sunshine. I was very pleased to announce a couple of months ago the multicultural business precinct revitalisation program, again, supporting the local community, and also the multicultural business chambers and trader groups grants. Again, I really do believe when you have strong partnerships with local organisations and the community you can deliver the best outcome for businesses. In particular I think that these programs have focused on what we do at a precinct level and at a street level, and it is not only about increasing economic growth, it is also the ability for small business owners to provide awareness. That is one element.

I do also want to just briefly touch on the fact that through some of our programs there are also training workshops and networking with other local businesses in that area. We know that businesses at times can feel isolated, so it is so important to provide that opportunity to network with other businesses in that precinct. It really does give that opportunity for businesses to discuss issues that the other businesses may be facing as well and get ideas and feedback. I know that bringing in this new fund is about the power of initiatives and the power of programs, and it will be designed for communities because we are working in partnership with our communities.

To conclude on that question, that local knowledge is absolutely valuable for this program and also for the new program. That is why we will get it absolutely right from the beginning, ensuring that we have that local content and those local partnerships and build on the work that we have been doing in the last three years through our programs and initiatives to support small and family businesses, which is absolutely something that I value and I know that the industry and small business value as well.

Michael GALEA: Absolutely. Thank you, Minister. We have spoken in the context of local economic growth and community area economic growth. The night markets are probably a great example of it. We know as well that these sorts of economic initiatives can have a multiplying virtuous cycle effect. What kind of impact, Minister, can we expect to see from these projects under the Small Business Activation Fund?

Natalie SULEYMAN: Mr Galea, you have raised again the success of night markets in Dandenong, where we saw thousands of visitors not only through the Dandenong region but across Melbourne and Victoria. I met, when I actually had the opportunity to attend one night, thousands of people from all across Victoria. Not only is it supporting small and family businesses, putting dollars back into that local economy, it is also putting Dandenong on the map throughout the state. We know that when we invest, whether it is a night market – it has a huge impact for business and a huge impact for visitors and the local community. So I am very excited about the Small Business Activation Fund because it will have that sort of impact. It is not just a localised program; these programs can have a statewide attraction. Again, I will go back to the Dandenong night market. We had people from Sydney travelling to attend the night market.

Michael GALEA: Thank you, Minister.

The CHAIR: Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good morning, Minister and officials. I am on budget paper 3, page 62. Minister, as you are aware, small and family businesses are the heart of so many of our communities, and they provide huge benefits to our economy. I am proud to represent many areas with thriving local business districts. As an MP representing a region with the largest Chinese diaspora community in the country, it is absolutely clear that shopping districts in and around Box Hill and Glen Waverley and some of those areas in my electorate are wonderful examples of the success of our multicultural society. As you would understand,

with so many small businesses, they need support. Can you highlight specifically what you are doing to support small and family businesses in Box Hill and Glen Waverley?

Natalie SULEYMAN: Thank you very much for that question. I will not be a moment, just one second. I am very proud that our government have continued to work hard in supporting our multicultural small and family businesses. It was one of our election commitments, which has been delivered, supporting multicultural shopping precincts across Melbourne. In the last financial year we have added 123,000 new businesses across Victoria, and that is a net growth of 2.3 per cent. I have had the opportunity to also visit Box Hill and be able to support in particular Whitehorse City Council as part of the Box Hill activity centre. We have invested \$150,000 in particular for that activity centre as part of our multicultural business precinct grants. Our multicultural business precinct grants were very successful. We were able to really support, in partnership with local councils, our trader groups across Melbourne to be able to activate precincts. For instance, in St Albans the Lunar New Year festival is a highlight of the calendar which attracts 80,000 visitors at that particular event. Of course that has a chain reaction for our small and family businesses. As I said, the Box Hill activity centre has received some of that funding. We also worked with the traders association, acknowledging the contribution of our multicultural businesses in particular in that area through our awards night as well.

Aiv PUGLIELLI: Thank you.

The CHAIR: Thank you, Mr Puglielli. Minister and officials, thank you for talking to the committee this morning. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request. The committee will take a short break before beginning its consideration of the employment portfolio at 9:05 am. I declare this hearing adjourned.

Witnesses withdrew.