

MEDIA RELEASE

Australian Small Businesses Call for More Government Support to Combat Inflation Ahead of the Federal Budget

- *Inflationary pressure is considered the biggest concern for Australian SMBs with 92% seeking relief measures in the 2023-24 federal budget.*
- *Recession fears are also on the minds of small businesses, with 75% stating that they are worried about a recession in Australia.*
- *Pessimism for SMB support is rife with 13% confident that the federal budget will deliver them positive change.*
- *Small businesses ranked inflation mitigation, healthcare, and tax cuts, as their most pressing desires for the federal budget.*
- *With cybersecurity threats on the rise, 90% of SMBs want to see increased measures to combat cybercrime.*

SYDNEY, Australia – 8 May, 2023 – 92% of Australian small businesses are calling for more support to help mitigate the negative effects of inflation, as revealed by a new study by accounting software provider [Reckon](#) (ASX:RKN). Fears of a recession are also front of mind, with 75% worried about this prospect.

The survey, which includes over 290 Australian SMB owners, reveals their aspirations and mood in the run-up to the 2023-24 federal budget, which will be revealed on 9 May 2023.

Small businesses are not confident that the budget will deliver positive change, with only 13% feeling optimistic. The survey also found that only 15% believed that enough was being done to improve Australia's economic prosperity.

Sam Allert CEO of Reckon said, "Most SMBs are significantly concerned about the pressures of high inflation, as we can clearly see from the survey results. With the cash rate being raised by the RBA yet again, and the cost of living remaining high, SMBs want to see relief for these issues in the upcoming federal budget.

It seems, however, that the vast majority are not confident that the budget will adequately address these concerns. In the current economic climate, this comes as no surprise, and we remain hopeful that the budget will deliver on this front."

Cybersecurity

With cybercrime becoming more widespread and sophisticated, representing a credible threat to businesses and their clients, 90% of SMBs want to see more being done to alleviate cyberthreats and boost cybersecurity.

Sam Allert commented, "It's also no secret that there has also been a significant increase in cyberthreats over the last few years. Cybercrime has grown in sophistication and prevalence, leaving most small businesses looking to the federal government for relief and protection.

The threat of data loss, scams, or fraud for a small business is very real, and would represent an existential threat to livelihoods, business reputation, privacy, and the ability to continue to trade. Let's hope the budget contains measures to mitigate cyberthreats and boost cybersecurity."

Societal issues

In terms of societal issues, the study revealed that 51% wished to see more being done about climate change, while 39% wanted more support for mental health.

Sam Allert continued, "The peril of climate change is a primary concern for Australia and the globe, representing an environmental and economic threat. However, it seems that while this is certainly of concern to SMBs, it's not a primary one.

Similarly with the issue of mental health, which we at Reckon take very seriously, our survey revealed only modest support for assistance in this area.

Taken as a whole, this would indicate that while such societal issues rank reasonably high in terms of importance, SMBs are much more focused on tangible economic support at this time. While I certainly hope to see these issues being addressed in the budget, it would also have to include meaningful economic relief to satisfy Australian small businesses"

Primary areas of concern

The study also revealed and ranked the primary concerns of small businesses, which they want to see included in the federal budget.

The study revealed that SMBs wanted to see more focus and investment in addressing; inflationary pressures (22%), healthcare (21%), and personal and business tax cuts (20%). Interest rates (15%) and power costs (14%) also ranked as of reasonable concern. Lower on the list were defence (9%) and super changes (7%).

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About Reckon

Reckon is a proud Australian, publicly listed company, with strong financials employing over 150 people in our operations across the world. We're sharply focused on supporting small business and providing owners with the right tools to manage their finances and grow their business. With over 30 years of experience in the accounting and payroll software industry, your business is in safe hands. Find out more at www.reckon.com