

MEDIA RELEASE

Thursday, 16 July

**BIG BUSINESS STRONGLY DISAGREES WITH SMALL BUSINESS
ON SECTION 46 OF HARPER'S REVIEW****THE COMPETITION DEBATE CONTINUES AT NATIONAL SUMMIT**

The debate about the fairness and effectiveness of Harper's Competition Policy Review continued today at the Vodafone National Small Business Summit at the panel: *Will Harper hinder or help?*

Panellists supporting small and big business agreed on the majority of the 56 recommendations from the Harper review, but strongly disagreed on Section 46 and the 'effects test' that governs the misuse of market power.

Su McCluskey who was part of the Competition Policy Review Panel, said "Choice was at the heart of the review and creating a level playing field for business. The reality is small and big and in-between exist, however how do you ensure an open and competitive market where people don't get unfairly treated. Market power isn't a crime: misuse of the power is really what we need to address. What the law should be doing when people are bad.

"We believe the review is strong and robust and we welcome discussion and debate," completed Ms McCluskey.

Representing big business, and on behalf of the Business Council of Australia, Danny Gilbert, Managing Partner at Gilbert + Tobin an independent law firm challenged the panel of majority pro small business.

"This is an incredibly important review that has been undertaken. Business Council of Australia supports the majority of the recommendations, but not all.

"One might be forgiven for being concerned about dominant companies like Woolworths and Coles, but they are what they are. Market power is not a sin - it is the use of market power that matters. Recommendations around governance for competition is in the right direction – except for Section 46."

Responding to the question, Will Harper's recommendations help us? And on behalf of small business, Jos De Bruin, CEO, Master Grocers Australia commented, "Well, Coles and Woolworths must think so because the Big Two have been working ferociously to kill off any change. Coles and Woolworths just do not want to see any strengthening of the ACCCS's hand when it comes to the misuse of market power. And that must tell you something.

Mr De Bruin believes that the Harper review is on the right track. “It is based on the voices of 100s and not just two and is in the national interest. Big businesses have become bigger, small have become smaller, all are eaten alive and the consumers have less and less choice. This is not the Australia that we want.”

Speaking on behalf of the Council of Small Business, CEO, Peter Strong commented, “Any business who is afraid of the effects test must have a very fragile business plan. We fully support all aspects of the Competition Policy Review and continue to recommend implementation on Section 46 to the government and on behalf of small business.”

The consensus from the panel was that a competitive market delivers innovation, flexibility, and customer choice and is the most efficient way for the economy to operate. Reform is needed in the misuse of market power.

Panellists for *Will Harper hinder or help?* included:

- Dr Michael Schaper, Deputy Chair, ACCC
- Matthew Lobb – GM Industry Strategy & Public Policy,
- Jos De Bruin – CEO – Master Grocers Australia & Liquor Retailers Australia
- Su McCluskey – Competition Review Panel
- Danny Gilbert, Managing Partner at Gilbert + Tobin

Chaired by Professor Ian Harper, the Competition Policy Review sought to improve the Australian economy by ensuring a fair playing field in the interest of consumers.

Keep up to date live on the Vodafone National Small Business Summit via the hash tag #NSBS15

For more information visit: www.nationalsmallbusinesssummit.com.au

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For further information please contact:

Debbie Bradley or Zoe Guest, Zadro Agency

E: Debbie@zadroagency.com.au or zoe@zadroagency.com.au

T: (02) 9212 7867

Notes to Editors

1. The Council of Small Business Australia (COSBOA) was founded in 1977 and was incorporated in 1979.
2. COSBOA is Australia’s peak body exclusively representing the interests of small businesses.
3. The VODAFONE National Small Business Summit 2015 will be held at Doltone House Jones Bay Wharf, Sydney on 16 and 17 July.
4. The VODAFONE National Small Business provides the small business sector with the opportunity to discuss and identify relevant issues, promote innovation and generate ideas

to stimulate growth within the industry.

5. For more information about the summit visit: www.nationalsmallbusinesssummit.com.au

6. For more information on COSBOA visit: <http://www.cosboa.org.au/>

7. Interviews with Peter Strong, CEO are available upon request.

8. Connect through social media channels:

Facebook: [/COSBOA](https://www.facebook.com/COSBOA)

Twitter: [@COSBOA](https://twitter.com/COSBOA)

Hashtag: [#NSBS15](https://twitter.com/hashtag/NSBS15)

LinkedIn: <http://www.linkedin.com/company/cosboa>

9. COSBOA is a long-time advocate of small business on issues from taxation and workplace relations, through to competition law and retail tenancy.
10. The goals of COSBOA are to promote and support the development of small businesses in Australia and the council recognises that it is a national imperative for Australia that the needs of small business are on the national policy agenda.