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Council of Small Business Organisations of Australia Ltd.

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The Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
CANBERRA ACT 2600
economics.sen@aph.gov.au

Subject: Inquiry into Provisions of the Trade Practices Amendment (Small

Business Protection) Bill 2007.

Dear Sir / Madam,

Thank you for the opportunity to provide comment to the above inquiry. COSBOA supports the intent and content of the amendment. We commend the government for taking this step and for providing extra protection for small business.

The main issue, as we see it, will be the implementation and the use of the Bill in protecting small business.

The government provides protection for small business through its enforcement of legislation. The ACCC, in particular, is a great resource to small business, indeed the ACCC is probably the best ally small business can have. The staff of the ACCC are well trained and experienced to deal with the issues facing small business and in communicating with small business operators.

The ACCC will identify instances where the protection provided by the TPA can be applied and they will pursue transgressors diligently and successfully. We take heart when we hear the representatives of big business criticise the ACCC, we believe this is an indication that the ACCC is doing its job.

But for the ACCC, or any government agency, to be truly effective a small business operator will sometimes have to take time from their business and participate in a fight with a larger opponent who has access to more resources and a larger team. The small business operator still has to provide the ACCC with the necessary documentation needed to successfully pursue a large business, or national corporation, through a legal process. If the paperwork is inadequate then the small business owner

is often seen as the problem, as they have not kept adequate paperwork, yet the real issue should be the behaviour of big business. In implementing the TPA government should recognise that small business operators cannot adequately keep all the paperwork on every issue that may or may not become important to them. It is too easy to say "small business operators need to become better managers", the reality is somewhat different. A small business operator may have 90% of the information needed on 100% of issues but when dealing with large businesses, and their highly paid and focused legal teams, that 10% shortfall is enough, or is seen to be enough, for the case to fail.

COSBOA is available to assist government agencies develop improved processes for communicating and engaging small business operators and for modifying processes to limit the effect on small businesses of conflict with big business and the effects of long term legal activity on the individual and the business.

If you have any questions do not hesitate to contact me.

Yours sincerely,

Tony Steven CEO