



MEDIA RELEASE

DR CRAIG EMERSON

Minister for Small Business, Independent Contractors and the Service Economy
Minister for Competition Policy and Consumer Affairs
Minister Assisting the Finance Minister on Deregulation

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CONSUMERS THE WINNERS UNDER STRENGTHENED COMPETITION LAWS

Consumers will be the winners under tough new laws against anti-competitive conduct introduced by the Rudd Government today, Minister for Competition Policy and Consumer Affairs Craig Emerson said.

Dr Emerson said the Government's changes to section 50 of the Trade Practices Act will clarify the ACCC's power to examine the impact of creeping acquisitions on competition in any market, implementing an election commitment.

He said the laws clarify that these powers extend to the examination of the impact on competition of acquisitions in a local market, as well as in regional and national markets.

"The ACCC will be able to look closely when supermarket chains seek to buy up corner stores, independent supermarkets and even vacant land in a small town or suburb if these acquisitions are being made for the purposes of stifling competition," Dr Emerson said.

"Through its consultation process the Government found that the concept of 'market' was not being interpreted consistently."

"Adding this clarification will make it more difficult for a single big business to dominate local markets in sectors like groceries or liquor sales."

Dr Emerson said the law will also be amended to include a clearer definition of 'unconscionable conduct', which will enable the ACCC and the courts to take strong action against business operators who bully, harass or coerce others in a weaker position.

"The changes will make it clear that the law covers bad business behaviour not only before an agreement is signed, but in the actual contents of the agreement and its ongoing operation," he said.

"This clarification will give small business operators greater certainty as to their rights, regulators will have a stronger basis for taking action and courts will have less ambiguity in interpreting the law."

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