



MEDIA RELEASE

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Minister for Competition Policy and Consumer Affairs
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WHEREFORE ART THOU, TONY ABBOTT'S TRADE PRACTICES ACT REVIEW?

The Liberal Party must come up with its terms of reference for a promised review of the Trade Practices Act, Small Business Minister Craig Emerson said today.

Dr Emerson said in light of self-professed Trade Practices expert Frank Zumbo introducing himself as the Liberal Party Campaign Manager for Craig Kelly, candidate for Hughes, the Coalition must come out with its ideas on competition policy.

He said Frank Zumbo has been outed as a Liberal, wearing a Liberal Party T-shirt, after many years of calling himself an 'independent expert' on competition policy.

"I'm hoping that with Frank on board the Liberals will finally release the terms of reference for a review of the Trade Practices Act – something which Joe Hockey announced in his disastrous Budget reply a month weeks ago," he said.

"Frank Zumbo is the author of some of the zaniest policies ever to be considered in the Senate.

"His 'Blacktown' and 'Richmond' amendments are ill-conceived, anti-competitive measures reminiscent of the centrally planned economies of Soviet Russia and Albania.

"As recently as March this year Mr Zumbo was advocating for the Government to amend the Trade Practices Act to provide for a general divestiture power giving courts sweeping powers to break big companies up into smaller ones.

"The Birdsville amendment, which Frank Zumbo scripted for Barnaby Joyce and was passed by the Coalition Government, has to date not been able to be used due to uncertainty surrounding some of the provisions."

Dr Emerson said that now Frank Zumbo is a proud Liberal insider, he will have a strong influence on the development of the Coalition's competition policy.

"Frank wants to allocate market share to different companies regardless of how well or badly they perform for consumers," he said.

"This heavily interventionist approach is supported by Senator Barnaby Joyce, who will be able to tell every business group in the country that he'll make a law to protect them."

Dr Emerson said Joe Hockey's announcement of a review of the TPA, which was met with Frank Zumbo's endorsement, ignores the fact that the Rudd Government has been comprehensively rewriting Australia's competition laws.

Dr Emerson said the Rudd Government is still mopping up the mess the Howard Government left after their years of inaction on the Trade Practices Act.

"A review by the Howard Government included recommended gaol terms for serious cartel conduct, which was ignored by the Coalition but implemented by the Rudd Government," he said.

The new Competition and Consumer Law will replace 17 different Commonwealth, state and territory competition and consumer laws as one of the 27 area of regulatory reform under the National Partnership to Deliver a Seamless National Economy agreed by the Council of Australian Governments in November 2008.

These reforms will result in the Trade Practices Act being replaced by the Australian Competition and Consumer Law from 1 January next year.

Attached: Zumbo's Zany Ideas

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ZUMBO'S ZANY IDEAS

The Birdsville Amendment	Introduced uncertainty into well understood legal provision
The Blacktown Amendment	Attempted to force corporations with two sites within a 35km radius to charge the same price for a particular product
The Richmond Amendment	Attempted to protect businesses from fair competition, to the detriment of the consumer and introduce Albanian style market share caps
Forced divestiture	Wants to give the Courts sweeping powers to break up large companies into smaller ones
Unconscionable conduct	Wants to bypass the existing Common Law and introduce an untested and overly complex definition of unconscionable conduct into the TPA