



MEDIA RELEASE

SENATOR THE HON NICK SHERRY

Minister for Small Business
Minister Assisting on Deregulation and Public Sector Superannuation
Minister Assisting on Tourism

NATIONAL APPROACH BEST FIT FOR FRANCHISING

The West Australian and South Australian Parliaments are being urged to get behind a national approach to the regulation of franchises following the findings of the latest committee to examine the issue.

Minister for Small Business, Senator Nick Sherry, has welcomed the West Australian Parliamentary Committee's recommendation to oppose a state based franchising bill and he urges both West Australian and South Australian parliaments to adopt the committee's recommendation and vote down any such bills.

"It's important we have a national approach to franchising - it's the best way to avoid regulatory duplication and makes it as easy as possible for businesses to meet their obligations," Senator Sherry said.

"We recently spent two years in extensive consultation with business and expert advisers to review the Franchising Code of Conduct.

"The WA Committee examined the same issues and reached the same finding – that franchising is best regulated at the Commonwealth level.

"The Australian Government supports the Committee's recommendation that amendments to the Franchising Code of Conduct be reviewed in 2013 – in fact, it is our policy.

"A South Australian Parliamentary Committee is currently revisiting the same issues.

"I urge South Australia and Western Australia to refrain from passing their own legislation and instead join the rest of their state and territory colleagues in getting behind the national system and provide certainty for the industry."

Senator Sherry said franchising was an important part of the Australian economy, with almost 70,000 franchise arrangements in place and annual turnover of around \$128 billion.

"Franchising makes up a large part of Australia's small businesses – involving individuals or partnerships who look to a franchise as an opportunity to do better for themselves," Senator Sherry said.

"Through extensive consultation we have an effective system of national franchise regulation and it's important all States ensure this national system continues."

CANBERRA

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