

Franchisees add voice to the Small Business Commissioner debate

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South Australian franchisees have added their voice to the growing debate surrounding the Small Business Commissioner Bill 2011, due to go before the Upper House of the South Australian Parliament this week.

Franchise Council of Australia Executive Director Steve Wright says the Bill in its current form is not the same as the one originally presented to the public for consultation earlier this year.

“It now includes de-facto franchising legislation, which will be an extra hindrance for small business in South Australia. SA already trails the rest of the nation in terms of business confidence. This can only make a bad situation worse,” Mr Wright says.

Cartridge World Master Franchisee Kurt Muller says the Government should be assisting small businesses, not adding more stumbling blocks.

“As a master franchisee based in South Australia with franchisees also in Victoria, Tasmania, West Australia and Northern Territory, I believe that if the South Australian Government was to pass this legislation it will add further complications to our business by adding additional legal fees, red tape and paper work in an already very challenging business environment,” Mr Muller says.

“The Government should be focused on assisting small business to get on with the job of creating employment, growing business, and kick starting the economy, not adding additional road blocks when the current Franchise Code of Conduct offers all stakeholders consistent, national guidelines and protection.”

Outside Concepts’ Jock Dean says the legislation will cost small business in South Australia money.

“My initial concerns with the Bill is that it may well decrease the value of my franchise, because there is the potential of the whole system being devalued because of the new layer of laws that would be imposed by it being passed,” Mr Dean says.

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Note: The comments of Messrs Dean and Muller are echoed by those who attended a franchise conference in South Australia earlier this year. See attached release from July.

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