

## **Prominent SA franchise sector voices have concerns about SBC Bill September 23 2011**

Prominent voices from South Australia's franchise sector are united in the opinion the South Australian Government's Small Commission Bill 2011 should either be rejected or referred to committee for proper and thorough assessment.

Individuals from successful franchising brands VIP Home Services, Gametraders and Group7 Franchising have presented a unified front in saying the bill should at least be the subject of a Parliamentary Committee.

Mark Langford, franchisor of Gametraders and South Australian State President of the FCA, says the bill will likely stop him from developing further businesses in South Australia.

"As a franchisor based in South Australia I would most probably halt any further expansion if this bill were to proceed in its current form, which includes, as far as I am concerned, de-facto state-based franchising legislation," he says.

"I have no problem with a small business commissioner based on the successful Victorian model but we do not need state-based franchising legislation in South Australia when we already have federal legislation under the Competition and Consumer Act - Franchising Code of Conduct.

"The Labor party needs to understand that the Small Business Commissioner Bill 2011 in its present form is a detriment to franchising. I am very concerned that many interstate and SA-based franchisors will cease to expand in South Australia due to the risk factor of a commissioner who will have extraordinary powers which could place an entire franchise system including their franchisees at risk."

Bill Vis, founder of VIP Home Services say the bill in its current form would alter his thinking about using South Australia as a base for head office.

"I believe there needs to be federal laws around franchising and not local ones as it makes it too awkward as you have different rules in different places. We would have to strongly consider moving our head office to another state should this bill proceed in its current form," Mr Vis says.

Paul Wheeler from Group7 Franchising says he is disappointed that the South Australian Government had already altered the original bill without further public consultation.

"What was originally put out for comment is vastly different to what we now see before Parliament. This should definitely be put back out to the community for their opinion before any vote is conducted in the Upper House. At the very least it should be debated by Committee," Mr Wheeler says.



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# Franchise Council of Australia Media Release

FCA Executive Director Steve Wright says he looks forward to the bill being debated further so at the very least there can be amendments made to it so it is more in line with the Victorian Small Business Commissioner model as it was first purported to be.

“If it goes ahead with amendment, it would mean franchises under the same brand could be governed under different rules, which is a step away from the over-arching philosophy of franchising which is consistency across the playing field,” Mr Wright says.

**For more information, please contact:**

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