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## MEDIA RELEASE - Franchise Council of Australia

### Small Business Minister promises franchise community regulatory stability

The franchising sector should be spared further regulatory intervention until at least 2013 according to Small Business Minister Nick Sherry who spoke to over 500 delegates at the 2010 National Franchise Convention today on the Gold Coast.

Using the franchise community's 'main event' for his maiden presentation as Small Business Minister, Nick Sherry reiterated the guarantee made by former Small Business Minister Dr Craig Emerson who promised the sector 3 to 5 years of regulatory stability after delivering changes to the Franchise Code of Conduct in July.

"To provide the sector with the stability and confidence it deserves, the Government doesn't intend to review the code again before 2013," Minister Sherry said.

Minister Sherry also spoke up against the threat of state-based franchising laws being proposed for South Australia and Western Australia.

Answering questions from the floor, Minister Sherry responded - to spontaneous applause - that state based laws, in a country of nationwide regulation, compounds complexity, is inefficient and is just bad governance.

National regulation is a simpler approach and Senator Sherry said he will champion the ongoing national approach to franchising legislation which has been in place for the history of franchising in Australia. Senator Sherry said this had been the agreed approach of the States under the previous Government and the Gillard Government did not intend to change tack.

His comments were welcomed by the Franchise Council of Australia.

FCA Executive Director Steve Wright said they were a positive reiteration of confidence in one of the nation's most vibrant business sectors. "Franchising is a \$130 billion sector earning export income of about \$300 million. The moves planned in South Australia would only drag that number down and undermine investment in a \$9 billion sector of great importance to the State's economic future, so it is good to know that the Federal Government recognises that and will do what it can to stop the SA Government making an easily avoidable mistake," he said.

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