



legal compliance newsletter

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New laws to protect small business pass Senate

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Small business will have greater protection from unfair competition by their bigger rivals under new laws passed by the Senate today.

The amendments to the Trade Practices Act will strengthen provisions preventing the misuse of market power and clarify laws on predatory pricing.

The government amended the legislation so that a corporation with a substantial share of a market cannot supply goods or services below cost for a sustained period in order to eliminate or damage a competitor.

Measures protecting small businesses in their contractual dealings with more powerful corporations were boosted. Under existing law, the protection does not apply where the supply or acquisition of goods is worth more than \$3 million. The threshold will be raised to \$10 million.

Retailers were unhappy with the laws, labelling them poor policy. The Australian National Retailers Association called on the government to hold a Productivity Commission review of the changes.

Source: AAP

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