



FAMILY FIRST



Steve Fielding **Family First** Senator for Victoria

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TOUGHER LAWS TO PROTECT COMPETITION

Family First's plan to stop big businesses substantially reducing competition, by softly-softly buying up other smaller businesses over time to dominate an industry, will be investigated by the Senate.

"The problem of 'creeping acquisitions' is a significant one for small business and the *Trade Practices Act* has to be strengthened to deal with it," Family First leader Steve Fielding said today.

"Creeping acquisitions refers to where a company acquires shares, assets or other businesses over a period of time, which results in them becoming much bigger and having substantial power in a market."

Today, Family First's *Trade Practices (Creeping Acquisitions) Amendment Bill 2007 [2008]* was referred to the Senate Economics Committee for inquiry and report by 27 August 2008.

"On its own, each acquisition might appear insignificant, but combined, over a period of time, they could significantly decrease competition in a market," Senator Fielding said.

"For example, 30 years ago Coles and Woolworths controlled about 35 per cent of the grocery market. Today, they control up to 80 per cent of the market.

"Creeping acquisitions can lead to less competition in a market, which is not good. Fair competition is vital as it keeps prices as low as possible for families.

"Currently, the *Trade Practices Act* does not adequately deal with the issue which is why last year Family First introduced legislation to outlaw creeping acquisitions over a six-year period that have the effect, or likely effect, of substantially reducing competition.

"The *Trade Practices Act* must be strengthened so the Australian Competition and Consumer Commission can prevent creeping acquisitions which substantially reduce competition in a market. This was a recommendation of the Senate Committee that examined the *Trade Practices Act* in 2004 and must be implemented."

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