

124 Boundary Rd.,
North Epping,
N S W. 2121.

The Secretary,
Trades Practices Act Review.

21st August 2002.

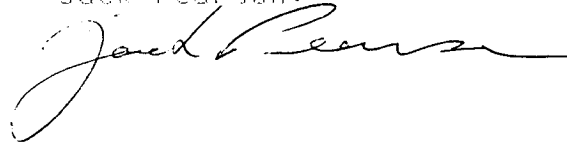
Dear Sir,

I am writing at the suggestion of Senator Ian Campbell to express some views about the ACCC and its responsibility to protect the rights of consumers. Senator Campbell's suggestion was made following representations made to him on my behalf by the Prime Minister to whom I wrote in support of the ACCC and Professor Fels activities as Chairman of that organisation. A copy of my letter to the Prime Minister is enclosed: it is a general expression of my views and concerns. Senator Campbell indicated that my late submission would probably be accepted.

My points for submission are:

1. In considering the flexibility of the Act the review must ensure that any change in flexibility does not provide loopholes which allow "snide" operators to avoid the meanings of the Act or use the Act for selfish mercenary ends at the expense of the consumers the act is meant to protect. Consumer protection must be the key pivot.
2. The Act must ensure that small businesses (the engineering of employment) are not unfairly disadvantaged by big business purchasing power, cut price costing and rebate agreements between businesses and suppliers. A limit to the size of market concentration may be necessary.
3. In examining the processes followed by the ACCC and the laws under which it operates care must be taken that the powers of the ACCC are in no way diminished. Professor Fels has suggested that the ACCC should have increased powers in dealing with certain cases, even to the extent of gaoling the perpetrators of such activities. Professor Fels would not have made this suggestion without careful deliberations. I support his suggestion.
4. Collusion between businesses, organisations or individuals which affects the rights, benefits or entitlements of any other business, organisation or individual must be outlawed.
5. The Act must ensure that the rights and entitlements of employees are protected at all times.

Yours Sincerely,
Jack Pearson.



COPY

124 Boundary Rd.,
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17th June 2002.

Dear Mr Howard,

The Chairman of the ACCC, Professor Alan Fells, has strongly criticised elements of the big business fraternity for a deliberate campaign designed to emasculate the ACCC and so derail the ACCC's efforts to ensure fair competition for consumers and protection for consumers against depreatory activities by big business.

Big business, today, in the mad drive for ever greater profit and shareholder value, seems to have forgotten that consumers are the engine room that sustains business, particularly small business, which in turn sustains employment. Consumers and small business must have rights to fair competition and recognition of their status by big business. The ACCC is the arbiter which is empowered to ensure these things happen.

How important this is was made very apparent on the Channel 9 Business program this morning. During this program representatives from small business organisations pointed out that they faced unfair and predatory competition, such as below cost pricing and cosy rebate agreements between big business and suppliers not available to most small businesses: big business often acts like an economic bully. A spokesperson for the Australian Consumers Association considered recent criticism of ACCC activities by big business representatives to be outlandish, and that requests from the Business Council to have a regulator appointed to regulate the regulator (the ACCC) was actually an attempt to muzzle fair regulation and competition. Small business certainly does not agree with big business on this issue.

The charter of Professor Fells and the ACCC is to ensure fair play and competition. Professor Fells criticism of certain big business activities and innuendo is justified, as is his suggestion that the ACCC should have stronger powers to act against corrupt and depreatory behaviour by business that is not in the best interests of consumers. I would suggest, most strongly, that Government continues to give Professor Fells and the ACCC it's full support and is not swayed against this by the power of big business.

Yours Sincerely,

Jack Pearson.