



Friday 24 August 2007

Committee Secretary
Senate Economics Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

Inquiry into the Provisions of the Trade Practices Amendment (Small Business Protection) Bill 2007

Enforcing the secondary boycott provisions of the Trade Practices Act 1974

To the Senate Economics Committee:

I write this submission on behalf of and in consultation with Animal Liberation Inc. South Australia to comment on the proposed Bill before Parliament to amend the Trades Practices Act 1974 to extend the powers of the ACCC to represent small business in secondary boycotts.

The Trades Practices Act already has provisions for the litigation of groups of two or more persons engaging in activities that constitute recommendations to boycott businesses i.e., a secondary boycott.

"At present, the ACCC is able to investigate and prosecute unlawful secondary boycotts under sections 45D and 45E, but it cannot bring representative actions. That is, the ACCC cannot seek compensation for damages on behalf for (*sic*) parties affected by a contravention of the provisions. " (*Joint media release, Treasurer & Minister for Small Business and Tourism No.075 15th of August 2007*)

The extension of the powers of the ACCC to bring representative actions for small business opens a "Pandora's box" of opportunities to exploit the extensive powers of the ACCC to suppress any collective that informs consumers about dubious business practices. Recommendations that consumers do not give support to any such nominated business or commercial endeavour would constitute a secondary boycott. Instigators of the "boycott" would be subject to ACCC powers, forcing them to either desist the recommending a boycott or face exhaustive litigation using Government resources. This can and will be used to change the nature of Australian society.

An example of the way in which consumers have previously been protected through the provision of information and recommending boycotting products helps highlight this case:

It is currently illegal to import into Australia cat and dog fur or garments and toys containing such. This is the result of community sentiment rejecting the appalling treatment of cats and dogs in the production of fur items. It has not always been illegal, however, and during the period that it was legal, in the process of raising community awareness about this issue, consumers were alerted to not wear fur garments, but to select "faux fur" items instead.

This would constitute a call for a secondary boycott. Under the current legislation, any retailers or

ANIMAL LIBERATION

Animal Liberation Inc. (SA)
PO BOX 114, Rundle Mall, Adelaide 5000

www.animalliberation.org.au
animal.lib.sa@gmail.com

08 8231 8785
0400 016 814



importers can choose to litigate against any group advocating rejection of their product. Under the proposed Bill, these importers would be able to petition the ACCC to represent their interests and prevent community awareness campaigns about the reality of the fur industry and the use of cat and dog fur in everyday garment trims.

The proposed amendment to the Trades Practices Act places enormous restrictions on the freedom of speech in Australia. It places at risk of litigation any collective of two or more persons that opposes any business that engages in practices that may currently be legal, but only because the community is unaware. Using the cat and dog hair analogy above, calls to wear "faux-fur" would be ineffective if there were restrictions on letting people know that they shouldn't purchase items containing dog and cat fur. Boycotts send a clear and financial message to the said businesses and only have an effect if it garners community support. An economic impact often speaks louder than simple requests to engage in more ethical business practices.

Thankfully, for cats and dogs the supply of their fur in Australia is now illegal. However, this is only as a result of groups of concerned people raising awareness about issues that our society clearly opposes.

The proposed Bill threatens the ability of Australians to inform consumers about the reality of production methods involved in their purchases and tangibly encourage businesses to behave in ways that an informed society approves of. In recent surveys, more than 80% of consumers oppose the production of eggs in cage laying systems, yet the majority of eggs still come from these systems due to the economics of production. Community opposition has only come about through community awareness of the abuse of the egg laying hen. The production method is currently legal, yet improvements in welfare conditions have only occurred through community and economic pressure which could soon be smothered by the proposed ammendment.

Are we looking at an Australia that would use tax payers dollars to ensure citizens are kept in the dark?

There are many wider implications of the ammendment that you must consider. We ask you to reject any extension to the powers of the ACCC in suppressing conscientious objection and the right to choose, in an effort to protect economic interests of those that already have the right of self-representation.

On behalf of the Managment Committee of Animal Liberation Inc. (South Australia)

Alistair Cornell.

Campaigner for Animal Liberation.0400 016 814