



## **Julie Collins MP**

Minister for Housing  
Minister for Homelessness  
Minister for Small Business

### **ALBANESE LABOR GOVERNMENT DELIVERING A FAIRER DEAL FOR THE FRANCHISING SECTOR**

The Albanese Labor Government is committed to a fair playing field in franchising and is taking new action to improve the \$135 billion sector which includes thousands of small businesses.

Today the Government has released its response to the Independent Review of the Franchising Code of Conduct by eminent small business expert Dr Michael Schaper.

The Government has agreed, or agreed in principle, to all of Dr Schaper's 23 recommendations.

Our actions will improve the Code's effectiveness, and make it easier for small businesses to operate in the sector.

We will also provide guidance and education materials to support and promote better franchise relationships.

These changes will improve protections and streamline processes for franchisees and franchisors who are doing the right thing, while increased penalties will make it tougher for those who don't.

This will provide certainty for, and confidence in, the franchising sector in the immediate term.

The Government is also looking to the future of the franchising sector's regulatory framework and has agreed to look at the feasibility of introducing a licensing regime. The Government will work with the franchise sector to determine its design.

In addition, small businesses, including franchisees, will benefit from the expansion of the Australian Small Business and Family Enterprise Ombudsman's dispute resolution service.

This will provide more support to small businesses who are navigating disputes, including by improving access to low-cost legal advice.

Later this year Australians will have an opportunity to comment on an exposure draft of the new Code that is expected to operate from 1 April 2025.

The full Government response to the review is available on the Treasury website:  
<https://treasury.gov.au/publication/p2024-525558>

**Quotes attributable to Minister for Small Business, Julie Collins MP:**

*“The Albanese Labor Government is committed to supporting Australia’s franchisors and franchisees to grow and strengthen their business.*

*I have heard the challenges in the franchising sector, particularly in relation to imbalances of power between franchisors and franchisees, which is why our response is targeted at improving partnerships in the sector.*

*We want a fair playing field for the sector, which is better for everyone, and this is what our response delivers.*

*This response complements other actions the Albanese Government is taking to deliver a better deal for small businesses, including improving payment times for small businesses, making unfair contract terms illegal and establishing a small business designated complaints function.*

*I would like to again thank Dr Schaper for his thorough approach to the review.”*

**TUESDAY, 7 MAY 2024**

**MEDIA CONTACT: STEPHANIE ANDERSON 0431344056**