

We wish to contribute to the Harper Review on unfair competition in the following:

My partner and I own and operate an IGA in the regional town of Childers, Central Qld. We have an immediate catchment area of 4500 people and a Woolworths approximately 500 metres north of us. We employ currently over 40 local people across different age groups and skill sets to make up our team. Many of these people would be forced to travel great distances or leave the local community should they not have been able to gain employment within our store. We also support our local schools along with sporting and recreational clubs both in wholesale goods and in donations towards their individual or group goals.

We don't have a problem with competition and think it is healthy, however that competition needs to be on a level playing field. Both Coles and Woolworths have money, power and the ability to crush us, the independents, to the point where we won't be able to have competition....we will just have to close our doors. They have more poker machines than the top five casinos in Las Vegas combined to fund their onslaught through their hotel ownership...they don't pay huge workers comp fees as we all do, they choose who will represent them under their self insured licence on a pay as required basis. Woolworths and Coles have payed members sitting on the credit card interchange board for Visa and Mastercard determining the rates all business pay for the privilege of Eftpos. They use their size and might to demand lower prices from their (and our) suppliers. They "land bank" so they can build their huge stores in regional centres way ahead of population growth pushing the independent out so they can "own" the town. How can any of this be construed as equal competition!!

Currently we have regulated trading hours and in our case here in Childers we still have Sundays and Public Holidays. These days are important to us and are the busiest days of week enabling us to stay afloat and make a few extra dollars in a very tough industry. Almost 12 months ago Bundaberg opened to 7 day trade which has had a negative effect on our Sunday/Public Holiday trade even though Bundaberg is a 100klm round trip. If our local Woolworths gets 7 day trade and deregulated hours we will have no option other than to stand down a large number of our staff. With our current overheads of rent and electricity we could possibly cease to exist as a business allowing Woolworths to take control of our regional town and once that happens no other independents will get a look in. Our fuel will go to Woolworths, our bottle shops, our newsagency and probably our chemists, our local florist and eventually our local hardware stores once their massive hardware stores move in. We can't sit back and let this happen. We are the only country in the world who has 2 large retail chains holding 80% of the market and rapidly consuming many other types of proudly independently held businesses.

Regional Australia is doing it tough, we need to employ our locals, we need our locals to be able to trade up and down the main street, to open businesses and compete on a level playing field with each other.

Please help us to survive and keep at least some of our money in our already struggling regional towns. We ask you to help us to keep employing our local people and helping our local charities and clubs. We ask you to consider the damage being done to small and medium businesses across the country by the market dominance and bullying by the 2 large chains. We ask you to put "competition" back onto a level playing field where we can all survive and thrive.

We thank you for taking the time to read our submission.

Bruce & Deb Mahoney

Owner Operators

Childers IGA