



Australian Government



Australian
**Small Business and
Family Enterprise**
Ombudsman

27 September 2024

Competition Taskforce
The Treasury
Langton Crescent
PARKES ACT 2600
via email: CompetitionTaskforce@treasury.gov.au

Dear Sir/Madam

Mergers and acquisitions notification thresholds

The Australian Small Business and Family Enterprise Ombudsman acknowledges that recommendations made in our April 2024 submission to the Competition Taskforce on merger reform options have been largely addressed in the consultation paper, notably:

- implementing a mandatory merger notification regime
- taking account of effects that might be considered ‘minor’ for an individual small business, but which are nonetheless felt across a large number of small businesses
- conducting detailed investigations of impacts that are likely to extend or replicate a dominant player’s power into adjacent markets
- appreciating how minimising routes to market (even minor encroachments) can adversely affect specific small businesses in already-concentrated markets, in terms of available customers and scaling opportunities.

We consider that small businesses are the driving force of our economy, and that small and family businesses should be front of mind for policymakers and regulators. Competition analysis should identify and properly weight impacts on small and family business, including by:

- understanding that small businesses are already constrained by significant compliance burdens and resource limitations
- giving due regard to the cost for a small-business owner of changing their business models (that is, not simply assuming that small businesses can easily modify their approach).

The Australian Government and regulators should also bear in mind that for some small businesses, being bought by a dominant player is a preferred exit strategy and this needs to be balanced with ensuring that potentially problematic acquisitions are scrutinised.

If you require any further information, please do not hesitate to contact the ASBFEO Policy and Advocacy team via email at advocacy@asbfeo.gov.au.

Yours sincerely

The Hon. Bruce Billson

Australian Small Business and Family Enterprise Ombudsman