




Don't let a commercial dispute
drag your business down



Victorian
**Small Business
Commissioner**

Resolving business disputes



Every year small business operators are confronted with business-to-business disputes that drain time, energy and money from their normal operations. Often such situations leave many small business people wondering about their rights and obligations and the avenues available to resolve the problem.

In 2003 the State Government established the Office of the Victorian Small Business Commissioner (VSBC) to assist small and medium businesses deal with business-to-business disputes.

The VSBC aims to promote a competitive and fair operating environment for small and medium businesses in Victoria by:

- preventing business disputes arising
- resolving business disputes when they do arise
- investigating unfair market practices.

Each year the VSBC receives about 8000 phone calls and 1550 applications for dispute resolution assistance.

There are four main areas of disputes that the VSBC can assist with:

- General business disputes under the *Small Business Commissioner Act 2003*
- Disputes between retail tenants and landlords under the *Retail Leases Act 2003**
- Disputes between Owner Drivers or Forestry Contractors and Hirers under the *Owner Drivers and Forestry Contractors Act 2005**
- Disputes between farmers and their creditors under the *Farm Debt Mediation Act 2011**

General business disputes can be described as conflicts arising from any commercial agreement between

businesses, or between business and government, such as:

- licensing / agency agreements
- franchise agreements
- distribution agreements
- leases
- partnerships
- supply contracts
- tenders.

The VSBC is the first port of call for guidance on business disputes. We can help you by:

- **advising** on the various dispute resolution options available
- **offering** preliminary assistance, which involves assisting the parties over the telephone to work out a solution to the issue
- **providing** mediation, where the parties are brought together with an experienced mediator to confidentially discuss their issues with the aim of reaching a resolution acceptable to both parties.

* These disputes must first be referred to the VSBC for attempted resolution before they can be taken to the Victorian Civil and Administrative Tribunal (VCAT) or the courts.



So can the VSBC help you with a dispute?

WHAT is the chance that the VSBC will resolve the dispute?

Around 30% of applications for assistance are resolved by the Office through preliminary assistance. Around 80% of matters referred to mediation are resolved successfully.

WHAT size of dispute can the VSBC deal with?

The VSBC can deal with disputes of all amounts, ranging from hundreds of dollars to millions of dollars.

HOW long does mediation take on the day?

The VSBC sets aside 3-4 hours for most mediations. Some matters may be resolved much quicker, while others may take longer.

HOW do I refer a dispute to the VSBC?

Disputes can be referred to the VSBC using the online application forms on sbc.vic.gov.au

WHERE do the mediations take place?

The majority of mediations take place in the VSBC's Melbourne offices. However, depending on where the parties are located, mediation can be held throughout the state.

WHEN does mediation take place?

Mediations can be scheduled within 4-6 weeks of application receipt, subject to the parties' availability. In urgent cases, mediation can be arranged much faster.

WHY refer a matter to the VSBC?

The VSBC's quick, low cost and effective service can save parties time and many thousands of dollars compared with the lead time for Tribunal or Court hearings, and the costs associated with litigation. For some legislation, disputes must be referred to the VSBC before progressing to the Tribunal or Courts.

HOW much does it cost?

Mediation is low cost – each party pays only \$195 for most mediations (\$95 for Owner Driver and Forestry Contractor disputes).

If the matter is resolved through preliminary assistance, the service is free.

Accessible dispute resolution for business

The Office of the Victorian Small Business Commissioner's dispute resolution service:

- is independent and confidential
- is no cost or low cost
- is quick and has high success rates
- doesn't require parties to be represented
- helps to resolve disputes by thinking outside the square
- helps to ensure business relationships continue
- helps parties to avoid protracted, costly, emotional and disruptive litigation.

And what do those who've used the VSBC have to say?



...process is very accessible / client friendly...
– *Management @ Engineering Consultancy.*

...very happy with this mediation process, it is really helpful... – *Franchisee – Cleaning Company*

...professional...with all sides gaining equal hearing... – *Shopping Centre Landlord.*

...too good. I am so happy about your service...
– *Dry Cleaners*

...brought the matter to a conclusion I can live with. And no more stress...
– *Franchisee – Finance Company*

...outcome resolved matter in interests of landlord and tenants. Well done!...
– *Music Recording Studio*

...cost effective and practical path to issues resolution... – *Retail Landlord.*



WHERE do I find more information?

For more information about the services of the Victorian Small Business Commissioner, or for assistance with a dispute, contact:

121 Exhibition Street,
Melbourne Victoria 3000

Tel 13 VSBC (13 8722)
Email sbc@sbc.vic.gov.au
Web sbc.vic.gov.au



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