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story

Tobacco control of small business 'inherently wrong', says whistleblower

- by: Russell Emmerson
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COSBOA has previously been critical of the Federal Government's increases to cigarette taxes and plain packaging reforms. Picture: Kym Smith

Source: AAP

FORMER small business chief Ken Phillips says he was prepared to blow the whistle on tobacco's control of the small business lobby because "it was inherently wrong".

This week Mr Phillips publicly declared that "tobacco interests" had control of COSBOA, saying it had taken him two years to realise the full extent of control, even underpinning the organisation's solvency.

"There is nothing sinister about it, I just found it inappropriate that big tobacco has that level of control," he said.

Mr Phillips was on the board of the Council of Small Businesses in Australia for more than two years and chairman over the last year but resigned all positions and membership after the last annual general meeting.

COSBOA's annual reports had still not been audited and News Limited has been told "the accounts were in a mess".

Mr Phillips said today his whistleblower status had raised the profile of the problem, but it was now time to focus on challenging the government on its small business policy.

"There's only one thing the ALP respects, and that's toughness," he said.

"We need to be robust, out there calling the shots."

He said both sides of politics needed to resurrect their promise to reinstate unfair dismissal protection for small business.

It is understood tobacco companies last paid \$44,000 to COSBOA in early last year, and may still be financially supporting some COSBOA members.

COSBOA has previously been critical of the Federal Government's increases to cigarette taxes and plain packaging reforms, saying small business would bear the brunt of lower sales.

Chief executive Peter Strong today confirmed the organisation was solvent and denied Big Tobacco was effectively controlling the organisation.

"What he's (Mr Phillips) saying is completely wrong," he said.

He said COSBOA accounts would be finalised by February.

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