

President: Tony Wood
P.O. Box 4269
Dandenong South VIC 3164
Phone: 03-8795-5200
Fax: 03-9799-8911
E-mail: tony@daieiaust.com.au

Secretary: Tony O'Shannessy
P.O. Box 639
Inverell NSW 2360
Phone/Fax: 02-6722-3329
E-mail: tosanda@bigpond.net.au

The Secretary, NCP Inquiry
Productivity Commission
PO Box 80
BELCONNEN ACT 2616

Dear Sir,

Review of National Competition Policy (NCP) Arrangements

I wish to make a further submission to the above-mentioned review on behalf of the Independent Paper Group (IPG).

In the earlier submission we asked that a review be conducted by the Commission of Australia's Anti-Dumping System and legislation on the basis of "outstanding business" under the NCP's initial list of Commonwealth legislation due for review as to possible anti-competitive effects.

This submission draws the attention of the Commission to other pieces of possible anti-competitive Commonwealth legislation affecting the importation of certain products into Australia, namely the Commerce (Trade Descriptions) Act and the Commerce (Imports) Regulations.

In accordance with the requirements of the National Competition Principles Arrangement, a review of this legislation was conducted by a Committee of officials during 2002. The IPG put two submissions to this review stating that the current labelling requirements under the Commerce (Imports) Regulations were unnecessary and were being used as an anti-competitive tool by the local industry. In its final report to Government, the Review Committee recommended that the commerce (Imports) Regulations be repealed on the grounds that these regulations are discriminatory and that the Act itself be retained in case it was required to be used in urgent situations.

In making its recommendations, the Committee recognised that some companies and industry bodies were likely to continue to lobby for the retention of the legislation because they are perceived to confer a competitive advantage in certain sectors of the Australian industry. There is little doubt in our minds that this has occurred as no action has been taken by the relevant departments since the submission of the Review Report some eighteen months to two years ago.

.....2/.

We believe this is an important issue for the Commission to consider in the area of unfinished business. The repeal of the current Commerce (Imports) Regulations would, in our view, be a significant contribution to the further elimination of actual or potential anti-competitive behaviour. We urge the Commission to recommend the immediate implementation of the Review committee's report.

Yours Sincerely,

A. S. Wood
President
Independent Paper Group

Cc. IPG members