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16 December 2004

NCP Inquiry
Productivity Commission
PO Box 80
BELCONNEN ACT 2616

**PRODUCTIVITY COMMISSION INQUIRY INTO NATIONAL COMPETITION POLICY
(NCP) ARRANGEMENTS**

Whittlesea City Council considered the discussion paper issued by the Productivity Commission in relation to the above Inquiry at its meeting held 14 December 2004 and resolved that it make a submission based on the proposal by the Commonwealth Government to abandon the NCP Competition Payments program after 2006.

The Government introduced the Competition payments on the basis that "much of the direct financial return accrues to the Commonwealth through higher taxation revenue from increased economic activity" (page 3 of the Discussion Paper). As the benefits of the NCP are considered ongoing, Council strongly opposes any diminution of these payments.

Yours sincerely

Graeme Brennan
Chief Executive Officer

Cc: Mr Rob Spence, Chief Executive Officer, Municipal Association of Victoria.