Office of Shire Solicitor



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ORIGINAL OF

PACHMULE

Contact: Mr R.D. Forbes

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Date:

21 February, 2002

Section 2D Inquiry
Productivity Commission
P.O. Box 80
BELCONNEN ACT 2616

Dear Sir

RE: SUBMISSION - SECTION 2D OF THE TRADE PRACTICES ACT 1974

On behalf of the Council I wish to make a submission to the Commission concerning Section 2D of the *Trade Practices Act 1974*.

In our view there should be no action by the Commonwealth Government to delete 2D from the Act as a local government is entitled to expect consistent treatment with the Commonwealth, the State and Territories in relation to licensing decisions and internal transactions. In its present form, Section 2D provides local government with the minimum exemption and does not include as many exemptions as are available to the Commonwealth, the States and Territories. Any legislative change to Section 2D should be directed at lifting the level of exemptions available to local government so that local government is in a similar position to the other levels of government.

Further, the full impact of Section 2D to local government needs to be assessed for a longer period of time before action is taken to repeal it. The Part IV provisions of the *Trade Practices Act* have applied to local government only since the implementation of the National Competition Policy Package. It is too early to assess the impact on local government should Section 2D be deleted at this stage.

While Section 2D remains, the local government at least has certainty that the activities exempted by reasons of Section 2D cannot be subject to actions under Part IV of the *Trade Practices Act*. This is clearly a benefit to local government.

Yours faithfully

R.D. FORBES SHIRE SOLICITOR