

1. WHAT ARE THE EFFECTS ON BUSINESS AND THE WIDER COMMUNITY OF THE RULES OF ORIGIN ARRANGMENTS WHICH UNDERPIN CER?

The effect of The Rules of Origin is that it allows access for clothing exports to Australia on a competitive base.

2. WHAT EFFECTS, IF ANY, DO THEY HAVE ON YOUR BUSINESS?

Exporting to Australia has increased Company turnover by 44% giving us the opportunity to employ more staff in our company and in the out work factories in NZ which assemble the garments. With this volume increase the infrastructure and supply line also increase.

3. ARE THE RULES OF ORIGIN CONSISTANT WITH THE OBJECTIVES OF THE CER?

The Rules of Origin are consistent with the objectives of the CER but could be improved.

4. TO WHAT EXTENT (IF ANY) DO CER RULES OF ORIGIN INCREASE TRANS-TASMAN TRADE AT THE EXPENSE OF TRADE WITH OTHER COUNTRIES?

We do not think CER affects trade with other countries.

5. DO THE CURRENT RULES OF ORIGIN INFLUENCE DECISIONS ABOUT THE LOCATION OF INVESTMENT?

The Rules of Origin increases the volume of manufacture which requires reinvestment in the company.

6. WHAT IS THE EVIDENCE FOR THIS?

The evidence of this is that the company has increased turnover through the finance reinvested.

7. ARE THERE ANY PROBLEMS WITH THE DESIGN AND /OR ADMINISTRATION OF THE CURRENT RULES OF ORIGIN? IF SO, WHAT IS THE NATURE OF THESE PROBLEMS?

We believe that to simplify administration all labour used in the producing of a garment, providing it is in the exporting country should be included in the 50%.

With material cost escalating in both countries through exchange rates, 40% would be more appropriate figure perhaps in the current economy.

8. HAVE THERE BEEN ANY UNINTENDED CONSEQUENCES ARISING FROM THE RULES OF ORIGIN?
We have not noted any unintended consequences arising from the Rules of Origin.
9. WHAT CHANGES MIGHT BE MADE TO IMPROVE THE DESIGN AND ADMINISTRATION AND ENSURE THAT THEY BETTER PROMOTE THE GOALS OF THE CER?
We feel that the changes mentioned in note 7 would improve the design and administration and would end confusion which would help the goals of CER.
10. WHAT WOULD BE THE ADVANTAGES AND DISADVANTAGES OF ANY SUCH CHANGES?
The advantages of changes would be that both countries understand the Rules of Origin.
11. WHAT CRITERIA SHOULD BE USED TO DETERMINE WHETHER TO AMEND THE RULES?
An enquiry around the industry as this one would determine whether to change the rules.
12. WHAT ARE THE IMPLICATIONS OF INTERNATIONAL DEVELOPMENTS FOR AUSTRALIA'S FUTURE APPROACH TO RULES OF ORIGIN UNDER CER?
CER is designed as an NZ/Australia agreement to stimulate trade between the countries.
13. WHAT ARE THE MOST IMPORTANT OF THOSE DEVELOPMENTS AND WHAT ARE THE LIKELY EFFECTS?
Production from international sources could be included in the CER agreement but have a tax increment when exported so as to give an incentive to companies in the two countries to manufacture locally to stimulate employment.
14. IS THERE A CASE FOR INDUSTRY SPECIFIC RULES OF ORIGIN OR SHOULD THESE BE AVOIDED?
Industry-specific rules of origin should probably be avoided as they could cause complications.
15. WHAT IS THE REGULATORY AND COMPLIANCE BURDEN OF THE RULES OF ORIGIN UNDER CER?
The regulatory and compliance burden at present is difficult through the misunderstanding of interpretation.

16. HOW READILY CAN PRODUCERS MEET THE EVIDENTIARY REQUIREMENTS?

Producers are confused as to what evidentiary requirements are needed.

17. HOW ONEROUS ARE THE INFORMATION GATHERING AND RECORD KEEPING REQUIREMENTS?

The information gathering in its present state is time consuming through uncertainty.

18. IS THERE SCOPE FOR REDUCING THE COSTS TO FIRMS AND TO GOVERNMENTS OF MEETING AND ADMINISTERING THE CURRENT SYSTEM OF RULES OF ORIGIN?

If the rules were clarified and made more simplistic in their format this would reduce costs for exporters and the government.

19. HAVE INTERNATIONAL DEVELOPMENTS ANY IMPLICATIONS FOR THE REGULATORY AND COMPLIANCE BURDEN?

World production and trade agreement should not be allowed to have a negative effect of this.

20. IF PARTICIPANTS SEE A NEED FOR CHANGES TO CURRENT ARRANGEMENTS, WHAT WOULD BE THE ADVANTAGES AND DISADVANTAGES OF ANY CHANGES THEY PROPOSE? WHAT MIGHT THE REGULATORY AND COMPLIANCE COST OF EACH OPTION BE?

If the rules were clear and fair there would be advantages to all and a reduction in compliance costs.