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NATIONAL COMPETITION POLICY ON RURAL AND REGIONAL AUSTRALIA

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The opportunity to provide input into this inquiry is appreciated as is the stated aim of the inquiry to examine issues that may "improve the flow of benefits or reduce costs to rural and regional Australia "

The recently published State of the Regions document has spelt out the financial and social inequities experienced by rural Australians. The flow on effect will be detrimental to Australia's growth according to Dr. Peter Brain of the National Institute of Economic and Industry Research .

He is quoted as saying "the greater the inequality between regions the lower the national growth rate."

For reasons of national growth and social equity it is essential these issues are addressed.

The essential ingredient to regenerate regional Australia is provide economical sustainability that accrues back to the region.

Generating regional industry growth flows on to benefit rural sectors. It is interesting that although Rural areas provide through mining and Agriculture approximately 2/3 of the merchandise exports these regions are not benefiting from the wealth they create through exports.

Agriculture contributes approximately 23 billion dollars, including manufactured agricultural exports the figure is larger.

It is apparent those producing industries particularly agriculture ARE NOT SHARING THE BENEFITS .

The committee has been asked to report on the effect on competition policy reforms on the structure competitiveness and regulation of industries and markets supplying and supplied by, rural and regional Australia.

Why - Ever declining downward trend in producing the bulk traded commodity exports.

The commission has also been asked to consider other influences on rural and regional Australia including international trade, foreign investment and globalization.

It is the adaptation to these global markets and their potential that this submission would wish to address and

- 1 the reality of being able to adapt as business' fast enough to the needs and opportunities of the new climate,
- 2 To consider whether the mechanisms in which we have traditionally traded are adapting ==What constraints are there to this adaption?
- 3, Should government question its policy focus in its support to the status quo.

----is the culture of government in framing industry policy matching the need ?

Is it providing appropriate support to empower the regional business ---agriculture to optimise the potential they could have
ie enabling industries to move out of the low cost bulk traded commodities up to the more differentiated market orientated modern marketing systems that have been supported by other competitor economies.

To be successful in the evolving global market place the opportunities offered through the National competition Framework need to be matched equally by the culture of government and the philosophy under which it delivers policy and provides the environment for industry

We need to develop appropriate business marketing and information systems that will enhance our world comparative advantage in food & fibre production to enable the real benefits of reform to flow through and more equitably benefit all Australians.

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