

DARWIN HARDWARE PLUS

HOPE ST DARWIN 3818

9/12/98

DEAR SIR/MADAM,

ENCLOSED PLEASE FIND COPY OF SUBMISSION
PRESENTED AT THE KOROAMBURRA (VIC) MEETING ON NOV 11TH 1998,
AS I NOTE IT IS ABSENT FROM LIST (ATTACHMENT A) CIRCULAR
DATED 27TH NOV 1998.

I REPRESENT THE DARWIN CHAMBER OF COMMERCE AND INDUSTRY INC
IN THIS MATTER, AND IT IS VITAL TO US AND OUR DISTRICT
FARMERS THAT THIS SUBMISSION IS INCLUDED.

Yours faithfully
D. Eyles

DET EYLES

MANAGING DIRECTOR

Darwin Hardware Plus

DROUIN CHAMBER OF COMMERCE AND INDUSTRY INC.
P.O.BOX 250 DROUIN VIC 3818

SUBMISSION ON IMPACT OF COMPETITION POLICY REFORMS ON RURAL
AND REGIONAL AUSTRALIA.

It is painfully clear to even the most naive that Government Competition Policy Reforms on Rural and Regional Australia has had an enormous detrimental impact. The removal of tariff protection for our industries, the so named "Level Playing Fields", on which we appear to be the only player, has resulted in lower commodity prices in turn increasing "Input Costs" and putting pressure on "Capital Investment Returns", in many instances giving only "break even" or only "very marginal profitability".

The beef industry has witnessed the purchasing of the major Australian abattoirs by foreign companies which has impacted upon the producer through the manipulation of livestock marketing with a large number of pen lots of prime beef being sold at auction on only one bid.

For example a beast sold at auction in Australia for approx \$500-00 has a retail value in Japan of between \$5500-00 - 6000-00.

The producers only have very limited exposure to "over the hook" marketing for our domestic trade.

The dairy industry must compete for trade in world markets with countries that have subsidies for their farmers, disguised subsidies, in the form of expansion or establishment loans that carry little or no interest repayments on very long term agreements, the American dairy industry is subsidised by a monetary figure annually that is larger than the total Australian economy for any one year, which in fact leads to "dumping of product" on world markets.

But we do not protect our industry.

The paper industry invests millions of dollars each year, fighting for Australian market share in our own country against "dumped product" primarily from Indonesian mills, dollars that should be invested in the future of this industry.

This has resulted in mill closures, a severe downturn of employment in the industry and an understandable nervousness when undertaking investment in plant and equipment. These matters are well documented.

Anti dumping legislation is very loose and changes must be made as a matter of urgency.

We are at this time witnessing Social and Economic degradation to rural and regional Australia unsurpassed in the history of this nation.

Once thriving regional centres and country towns are struggling to survive with many at risk in the near future of becoming virtual "ghost towns".

Removal of Government Departmental Offices from regional centres to mainly metropolitan operations has seen a decline of employment opportunities for our younger population resulting in the highest youth unemployment ever experienced in regional and rural Australia.

Re-establishment of Government Departmental Offices in regional centres and larger towns, together with university and college campuses should be undertaken with manufacturing industries having incentives offered for them to invest in rural and regional Australia.

We also have opportunities under the G.A.T.T agreements which number in excess of four and a half thousand different sections to provide strategic protection in many forms for our primary industries.

All forms of agriculture and horticulture in Australia are large employers of labour and it is essential that we revisit the "single desk marketing" concept, when in fact, many of our trading partners at this time have already in place, "single desk purchasing".

This concept must be established at arms length from Government and Industry influences to give it the vitality and initiatives essential for success.

On behalf of D.C.C.I.



Des Eyles
Managing Director
Drouin Hardware Plus.
(Appointed Delegate)

Received 14-12-98
J.P.