

## **Submission to Productivity Commission Inquiry into the Impact of Competition Policy Reforms on Rural and Regional Australia. 1998.**

Australia is an exporting nation where 2/3 of her exports come from Rural and Regional Australia.

Australia should look to what she does best and so support rural and regional Australia so that Australia can continue to compete in the Globalised World economy.

National Competition Policy Reforms (NCP) disadvantages the people it sets out to help through massive cost cutting, some of it probably justified but it has gone too far, the roll of government is to be the umpire.

Government still has a roll to play in ensuring that its citizens are protected and can access vital services as needs be and it can do this by starting to providing better Education, Transport, Communication and Health Services for Rural and Regional Australia.

The government's National Competition Policy has not reduced the costs of living in Rural Australia as we were lead to believe it would. (Fuel, Transportation and general services costs have continued to rise). Rural Health Services have declined, and like everything else we are told that big is better, even if it means a 100-200klm round trip to a health service.

Globalisation and Free Trade would be marvellous in a harmonious world were all where equal unfortunately life isn't like that. The rich are growing richer and the poor are getting poorer. In Rural Australia there is a hidden poverty and unless something is done about it quickly, it will impact strongly on all city based Australians as well, and effect our exporting capability.

There is no level playing field, as we have recently seen with the Government freezing the signing of the Multilateral Agreement on Investments.

NCP has caused many small business to close or been taken over by large corporations, refer Attachment 1.

Australia always follows overseas trends even if they have been proved unwise before we decided to follow. They never seem to learn by overseas mistakes and if there were any good points, picked these up and use in Australia instead of "going all the way".

National Competition Policy has allowed another bureaucracy to grow ----- consultants, lawyers and administrators. ----- Those who are employed through the NCP work longer hours for less pay and less job security because tenders are usually for short term periods 2 - 3 years. People are often casually employed so there is no job loyalty, or security. The long term effect of this will be loss of production and eventually there will be more stress related illness == more cost to the public purse!

Volunteers are becoming disenchanted and resentful of Government who they believe is using them as cheap labour. The loss of volunteers will cost the community far more in the long term, so how will the Government deal with the loss of this human resource.

Centralised control comes at the loss of community involvement and support. As well as the skills that many people have developed over many years in their local community.

Loss of pride in a town and its achievements. Why should we give an outside contractor the job, money goes out of the town which has the effect of less jobs, businesses close, loss of community involvement and so you end up with the snow ball effect.

Example of Tendering. Local council road became dangerous because of loose gravel. Informed engineer. Ok. Nothing happens for two weeks contact made again. Thankyou, unfortunately we don't have a broom to sweep the road and have to call a tender to sweep the road! Another incident tender let for widening the road but drainage was omitted. Corner resurfaced and now we have to go through the whole process again to get the corner re swept, is this saving money!.

**Questions that need answering,-- are, The National Competitive Policy delivering the appropriate results, is it giving rural and regional Australia the skills and support that it requires in a Globalised world?**

**Who is making this decision, do they have the rural knowledge and skills to answer this question have the people been fully consulted how are these results being obtained and evaluated.**

**The assumption is that contestability will produce better quality of service, efficiencies and cost savings "However in Hilmer (1993) when outlining the National Competition Policy clearly pointed out that "there are situations where competition does not achieve efficiency or conflicts with other social objectives".**

*What is the long term effect of Competitive policy on Rural Australia, through the loss of experienced workers through loss of jobs, everyone monitoring everyone else, constant restructuring, at present it is looking very bleak!*

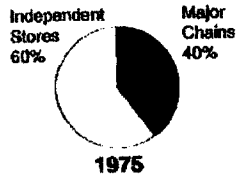
*There is a need for a State and Federal formula so that per capita funding doesn't see regional Australia that supplies 2/3 of Australia's export, continue to miss out Federal funding.*

Susan Stribling  
RMB 3425  
EUROA. 3666  
November. 1998

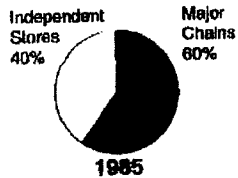


# ENOUGH IS ENOUGH

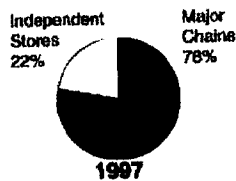
## Facts You Need To Know



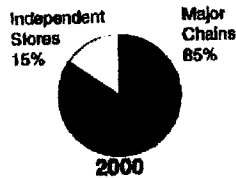
- The growth of the major chains - Coles, Safeway and Franklins - is killing off independent grocery stores.



- Without real local competition you will pay more for your groceries.



- The big three chains take 80 cents in every \$1 spent on groceries.



- Your local family store is being forced out of business and jobs are being lost.

- Independent stores are the lifeblood of rural and regional Australia.

- The big chains' stranglehold on grocery sales must be broken.



**Before prices go up and more jobs are lost!**

*NARGA - Serving Australia through its independent grocers*