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Productivity Commission
PO Box 80
BELCONNEN ACT 2616

16 December 1999

Dear Sirs,

re: **Public Hearing - Review of General Tariff Arrangements**

We wish to make a submission to the above enquiry as follows:-

1. We are the inventors and manufacturers of our innovative patented powered lawn edger which is 100% Australian manufactured, except for the 31cc and 34cc petrol engines which are not manufactured in Australia and have to be imported. We have to pay import duty on these engines (Tariff Item 8407.90.30) whereas overseas manufacturers can bring into Australia, the same engines we are using, with the entire unit DUTY FREE under the same Tariff Item No. 8467.89.00 that our lawn edger is classified under. We are NOT asking for tariff protection for ourselves.
2. **We are world class designers and manufacturers endeavouring to obtain economies of scale in our Australian market so that we can more successfully export to the world**, but we are hampered by Treasury's discriminating taxes against us of which the imported products do not pay. It is not only the import duty, but this duty cost also attracts further on costs such as extra sales tax on the import duty component, added interest cost on the import duty component, added margins on the import duty component that adds to the final selling price the added burden of that extra additive sales tax as well as the extra import duty, **and this is a clear a monetary advantage and hence subsidy for the overseas manufacturer selling into Australia and competing against us.**
3. We are not asking for assistance or hand outs but we certainly cannot understand the absurd situation of our government giving handouts to overseas manufacturers. We are trying to increase the technical capability of this country to compete in the world market place, for more Australians to be employed, and the result would be a win for Treasury to obtain more in overall taxes as a result of our increased employment and increased local and overseas sales.
4. It would be a win-win situation for Australia for the Government to drop this discriminatory negative employment and negative manufacturing policy of imposing this import duty (plus its on costs) for items that are not manufactured in Australia but which are required as part of our very substantial Australian manufacturing programme.
5. Could anyone ever imagine President Bill Clinton imposing extra taxes on US lamb producers whilst allowing Australian lamb duty free access into the USA? But this parallel situation is

placed upon we Australian manufacturers by our very own Australian Government.

6. Even though we have Tariff Concession Orders (TCO 9312669 and TCO 9612870) and the import duty is 3%, this swells out to approximately 5% with all the added on costs mentioned in 2 above.
7. In the National Interest, all we ask for is for a level playing field and for the Government discrimination against we Australian manufacturers to be removed.

With best regards,

Yours faithfully,
ATOM INDUSTRIES



A. Notaras

Rec 20-12-99

JOHN NOTARAS

GENERAL MANAGER

ATOM INDUSTRIES

John Notaras has been working in partnership with his brother Angelo since 1957. While they work together and their roles overlap, John is mainly responsible for design and Angelo for business management.

Atom Industries exports ignition systems, drill attachments and powered lawn edgers worldwide. John & Angelo have filed approximately 60 patents during their career.

PATENTS & PRODUCTS

- 1959 First patent, for disbursement of air sprayed liquids in banana cultivation.
- 1963 Assembled and sold chainsaws imported from Germany.
- 1963 Designed and built first drill attachment for chainsaws with automatic reverse. This and on-going models of the drill attachment were responsible for about 80%-90% of Australia's farm fencing.
- 1964 Part manufactured and sold chainsaws imported from Germany.
- 1969 Patented world's first turbo charged self-cleaning air cleaner for small engines, now used world-wide.
- 1969 Designed plug-in carburettor system to overcome heat transmission problems, vaporisation, ease of service. Now used worldwide in different variations.
- 1969 Designed and patented anti-vibration system for chainsaws, now used in different variations as standard equipment worldwide.
- 1969-72 Designed and manufactured Australia's (only ever) lightweight chainsaw (high pressure die-cast magnesium).
- 1976 Patented electronic ignition system worldwide.
- 1976 World's first entire chainsaw production using electronic ignition.
- 1992 Patented transistor ignition circuit to overcome problem requirements of various types of engine.
- 1994 Patented revolutionary powered lawn edger. Patents achieved in Australia, USA; other countries patent pending. Three models now available – domestic, professional and electric.

AWARDS

- 1965 Upper Hunter New Rural Implement Award – for chainsaw drill attachment.
- 1970 National Packaging Association of Australia – Merit Award – for consumer packaging.
- 1973 Australian National Field Days – New Implement Award – Certificate of Merit – for Australian-made chainsaw with self-cleaning air and petrol filters.
- 1975 Australian National Field Days – New Implement Award – Certificate of Merit – for chainsaw coupling system.
- 1976 ABC Television – Inventor of the Year - For electronic ignition system for small engines.
- 1977 Australian National Field Days – New Implement Award – Certificate of Merit – for ignition system.
- 1977 BHP Steel - New Implement Award of Merit – for chainsaw drill attachment.
- 1978 Industrial Design Council of Australia – Australian Design Award – for computer ignition system.
- 1978 Industrial Design Council of Australia – Australian Design Award – for chainsaw drilling attachment.
- 1992 Excellence in Housing Awards – Certificate of Merit – Building of a Creative Design \$300,001 and over.
- 1994 BHP Steel - New Implement Award of Merit – for chainsaw drill attachment.
- 1994 Australian National Field Days – New Implement Award – Certificate of Merit – for torque limiter to prevent twisting effect caused by sudden jamming of a chainsaw operated auger bit.
- 1994 Power Equipment Australasia – Product of the Year – Auger-Stop Drilling Attachment.
- 1995 Power Equipment Australasia – Product of the Year – Atom Edge-Eater.
- 1996 Power Equipment Australasia – Product of the Year – Atom Professional Lawn Edger.
- 1997 International Exhibition of Inventions (Geneva, Switzerland) – Gold Medal – for Atom Lawn Edger.
- 1998 Power Equipment Australasia – Product of the Year – Atom Turbo Model 301 Electric Edger.
- 1999 International Exhibition of Inventions (Geneva, Switzerland) – Silver Medal – for Atom Electric Lawn Edger.