

January 24, 2011.

THE MANAGER,
AUSTRALIAN GOVERNMENT PRODUCTIVITY COMMISSION
LOCKED BAG 2, COLLINS ST EAST
MELBOURNE VIC 8003.

Dear Sir/madam,

I believe that the complaints from Gerry Harvey and Solomon Lew are being forwarded to your commission for investigation relating to on line purchasing, if so it would be appreciated if my comments could be placed before this investigation. I believe that the playing field was made unstable by these large retail stores in the first place and I often turn to on line purchasing as stores such as those operated by these high profile business men do not stock the items that are required by the consumer. They seem to stock the items they believe the consumer requires, perhaps the items that bring to them a larger profit and not those whose profit margin is smaller. For example I have purchased a MP3 player from Harvey Norman and I have been searching for a battery pack to recharge the player after 8 hours usage. None of the major department stores carry these items as they also do not stock the lanyard or neck strap for the item either. So I go on line to try to find them and if they are available in Australia often I use that Australian seller.

Next point is that in the past these department stores have never accommodated the country or semi country folk as it has been necessary to walk through the door to purchase catalogues items, it is only recently that Harvey Norman stores have adopted a policy that allows purchase to be made over the phone and paid either with a debit or credit card and then collect them later. I was not prepared to travel some 2 hours return to hopefully purchase an item from a catalogue. The Good Guys have started a system of on line purchasing and as far as I am aware they are the only store to have this option.

I guess that next questions will be, am I paying tax at the point of sale overseas and are the large department stores also paying tax at their point of purchase or import duties?

If these large department stores were to have fully operational on line purchases and deliveries then I do consider it warranted to have these purchases under \$1,000 to be GST free. Until then I believe that the current procedures are correct and I have a view that if it is not broken then don't fix it.

Yours faithfully,

Michael MacLaurin.