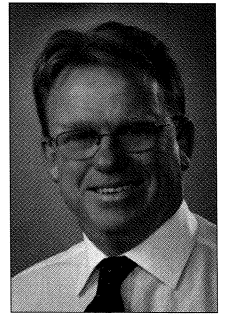




# Martin Whitely

JP MLA

**Member for Bassendean**



Inquiry into Australian Retail Industry  
Productivity Commission  
GPO Box 1428,  
Canberra City ACT 2601

Dear Commissioners Weickhardt and Sylvan

**Re: Submission to the Inquiry into the: Economic Structure and Performance of the Australian Retail Industry**

I must apologise for the lateness of my submission to the inquiry, but was only alerted to it recently in a letter I received from Minister Bill Shorten responding to issues I had raised on behalf of a constituent.

My constituent, Mr Dave Rowland owns a local business, Rovacraft, which imports parts for Land Rover vehicles.

He has two major concerns relating to the importation of parts. The first relates directly to the financial aspect and the other to the safety of the importation and installation of often inferior vehicle parts.

Mr Rowland has advised that as an importer, in addition to GST payments, his business bears a considerable number of costs and duties, which are not applied to those who purchase goods through the internet, with a value below \$1000. Charges he is required to pay include:

- Port service charges
- Maritime security charge
- Aqis processing fee
- Compliance fee
- Quarantine inspection fee
- Customs entry fee

He has also advised that in some cases there is an additional charge if the consignment is x-rayed. In total, about 6.5% is added to his importation costs. In most cases 5% duty is paid which is then uplifted to be subject to 10 % GST. Mr Rowland advises that the total cost to his business is around 22%. This puts his business at a financial disadvantage to those not paying GST and other import related duties. He envisages that in the long term, if the issue is not addressed and this pattern of importation continues, small businesses like his will be severely impacted upon, leading to the layoff of staff and business closures.

With regards to vehicle safety, he has seen inferior imported components fitted, which have been purchased over the internet and which don't comply with Australian Safety Standards.

He further asserts that all importers, including those purchasing goods of less than \$1000 in value, should be responsible for ensuring goods comply with relevant Australian Standards.

In short, he believes that every importer, regardless of the nature of their importation, should be subject to the same rules, taxes and import conditions.

Yours sincerely

Martin Whitely JP MLA  
Member for Bassendean

14 June 2011