



National Retail Association

MEDIA STATEMENT

January 9, 2011

Australian retailers of all sizes demand a fair go

National Retailers Association and its 3,700 members join the Retail Coalition

The National Retailers Association today confirmed its support for the campaign to level the retail playing field and close the GST and duty loophole that is currently disadvantaging Australian business and penalising consumers.

Australian retailers are required by the Government to levy taxes such as GST and duty on all sales. Australian retailers do not benefit in any way from these taxes – they are collected by retailers on behalf of the Government.

The NRA is at a loss as to why the Australian Government would choose to stand by the current arrangements that explicitly favour overseas retailers and disadvantage Australian retailers.

The NRA has a membership base of 3,700 retail businesses across Australia, many of which are small businesses who are concerned about this issue and who have been lobbying for years to have the loophole removed. Members range from sole operator enterprises to specialty, chain and franchise stores of all types and sizes.

Gary Black, Executive Director of the NRA said: "The NRA does not believe that the Government has to wait for the outcome of the recently announced Productivity Commission Inquiry into the retail sector.

"Every retailer in Australia will inform the Commission that it should remove the exemption, and the case in support of its removal is impeccable. There is no doubt that the exemption from GST and other import costs is being fully exploited by overseas based retailers and is causing significant damage to local businesses.

"It is important that the Australian Government move urgently to remove the current loophole. The importance of this issue is being understated and misrepresented," Mr Black said.

"The Australian community will pay an escalating price for the failure to address this blatant inequity. This price will result from GST lost, from duties and tariffs foregone, from customs fees and charges foregone, from job losses, payroll tax revenue reductions, and the cost to the economy of inevitable business failures."

The NRA emphasises the most recent quarterly employment data reveals the pressure the retail sector has been experiencing over recent times. While total employment for all industries since November 2007 has risen by 6.7 percent, retail employment has declined by 1.14 percent. Significantly, full-time retail employment has declined by 9.6 percent over this period. Victoria was the only state to show growth in retail employment.

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