



National Retail Association

MEDIA STATEMENT

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Carbon tax is a missed opportunity for wider reform - retailers

The National Retail Association has today expressed its disappointment that the Federal Government missed an opportunity for wider reform that would secure jobs in Australia's greatest employment sector.

Despite the claims from Treasurer Wayne Swan that carbon tax was "a very very big reform to our tax system", the NRA said the government continued to ignore the deeply inequitable tax arrangements that favour overseas retailers

NRA Executive Director Gary Black said the wide-ranging changes to income and business tax that had been announced over the weekend should also have addressed the GST and customs exemptions that give overseas retailers an unfair advantage in the Australian market.

"Retailers have already expressed deep concern about the potential impact of the carbon tax on their businesses," Mr Black said.

"Clearly we welcome the compensation payments, and are hopeful that they will offset some of the more severe impacts of the new tax on consumer spending.

"However, we believe there was an opportunity for wider reform which would have created an even greater stimulus in the Australian retail sector.

"If the Federal Government had addressed the inequities in the GST, customs and excise regimes, it would have removed one of the most significant issues confronting the retail sector.

"This in turn would have boosted the sector, after more than 12 months in the doldrums, and would have given employers the confidence and breathing space they will need to absorb the next hit to their bottom lines – from the carbon tax.

"It's not too late for the Government to close the loophole that gives overseas retailers tax-free entry to the Australian market.

"If they act on this issue quickly, they will secure the jobs of many thousands of casual and part-time employees in a sector which is highly exposed to the costs of the carbon tax issue.

"If the Government fails to act on this issue, it will compound existing problems with a new, punitive tax regime and jobs are certain to be lost."

Gary Black is available for interviews. Contact Malcolm Cole – 0408 612 603