

MEDIA RELEASE

For immediate release

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EMERSON DAMAGES RETAIL SECTOR'S CONFIDENCE IN INQUIRY PROCESS

The Fair Imports Alliance said statements made by Trade Minister Dr Craig Emerson about the retail industry* are incorrect, simplistic and undermine the retail sector's confidence in the Government initiated Productivity Commission (PC) Inquiry*.

Fair Imports Alliance Spokesperson Brad Kitschke said it was irresponsible of Dr Emerson to pre-empt the outcome of the PC Inquiry into the Economic Structure and Performance of Australian Retail.

"The retail industry has invested a great deal of confidence in the both PC Inquiry process and in assurances by Assistant Treasurer Bill Shorten that it would get a fair hearing. It's concerning that a senior Cabinet Minister has publicly aired his preferred policy position before the PC has even tabled its draft report.

"The retail industry needs to have confidence the Government will take its concerns seriously; that the structure of the industry will be examined properly; and that any recommendations, insights or outcomes of the PC process will be given proper examination. We now don't have that confidence because a senior Cabinet Minister has already made up his mind," Kitschke said.

"Dr Emerson's idea that concerns are about a 10 percent price differential demonstrate he doesn't understand the market and his analysis is simplistic and wrong. Australian retailers are also subject to custom duties and tariffs up to an additional 10 percent, something of which a Trade Minister should be aware, as well as some of the highest retail tenancy costs in the developed world. Add those things together with the other costs of doing business in Australia and we're not talking about a 10 percent price difference.

"Dr Emerson's comments are a clear demonstration he is out of touch with the retail industry. The Government vested responsibility for the Productivity Commission Inquiry to the Assistant Treasurer but Dr Emerson has undermined the work that Minister Shorten has done to gain the confidence and trust of the retail sector. Perhaps Dr Emerson should spend less time attempting to demonstrate he is the fountain of all knowledge in ill researched opinion pieces and concentrate on his own portfolio responsibilities," Kitschke said.

The Fair Imports Alliance comprises the following organisations: Australian Retailers Association (ARA), Australian Sporting Goods Association (ASGA), Bicycle Industries Australia (BIA), Australian Toy Association (ATA), Photo Marketing Association (PMA), Australian Fishing Trade Association (AFTA), Australian Booksellers Association (ABA), Australian Music Association (AMA) and the Retail Cycle Traders Australian (RCTA). For more information visit: www.fairimportsalliance.org.au or email fairimportsalliance@retail.org.au or call 1300 368 041.

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For interviews with Fair Imports Alliance spokesperson Brad Kitschke call 0403 809 630

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*Weekend Australian, Opinion pages (4 June 2011)

