

MEDIA RELEASE

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REDUCE TARIFFS AND DUTIES TO GIVE RETAIL RELIEF

The Australian Sporting Goods Association (ASGA) has called for an immediate reduction of tariffs and Custom duties applied to clothing and footwear imports.

The ASGA says that the imposition of outdated protectionist measures is destroying any chance Australian retailers have of competing in the global retail market place. It says that imposing tariffs is inconsistent with a competitive global retail market.

ASGA Executive Director, Brad Kitschke, says that tariffs should be rolled back immediately, rather than wait for the planned reductions in late 2012 and 2015.

“Australian retailers pay a 10% tariff on apparel imports and a 5% tariff on footwear imports. When a consumer buys something from an offshore online retailer, those charges are not applied when the product is imported into Australia. Australian retailers cannot compete because their own Government slugs them with a penalty for importing products.”

“Why should an Australian retailer have to pay a 10% tariff to import clothing to sell in Australia? There is not justification for maintaining this outdated protectionist regime when retail now operates in a truly global market. The Government has been quick to criticise the retail sector for not maintaining pace with market trends, but its own regulatory regime and the imposition of tariffs is outdated and inconsistent with a 21st century global retail market. “

“The Government’s refusal to reduce the \$1000 GST threshold whilst maintaining the imposition of protectionist tariffs is inconsistent.”

“The best Christmas present the Government can give retailers is to remove the roadblocks to competition. The Government should reduce tariffs and duties immediately so that Australian retailers can import products and compete with offshore online retailers who don’t have to pay these charges.” Kitschke said.

The ASGA is also critical of the lack of thought leadership on issues such as tariffs and Customs’ duties amongst consumer advocates. It says that the imposition of tariffs is a direct attack on the ability of consumers to source products from Australian retailers at the best price possible and says consumer advocates should support retailers’ calls for tariff reductions.

“If we want consumers to have access to products at the cheapest price and if we want Australian retailers to be able to compete globally, then we need to remove the road blocks to competition. This is one road blocks that both consumer and retail advocates seem to have ignored.” Kitschke concluded.

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