

Overnight the Australian Retailers Association (ARA) announced their response to the Low Value Parcel Processing Taskforce final report. Now, it is to be expected that protectionism is the ruling economic policy of the ARA, but their call for Australian consumers to be taxed for purchasing goods online that will see a parcel arrive from overseas shows how out of touch this lobby group is with everyday Australians. I must admit I am unlike many of the good burghers at the ARA, as I am biased towards consumer freedom in a global economy.

Like many friends and colleagues, I shop online for many goods for one reason – the power of my dollar gets a better quality product for a lower price online than if I was to shop in Australia. As an example I unashamedly have expertise in, buying a suit from an Australian retailer doesn't make economic sense because the prices are lower and the quality is better if you visit the online shopping sites of a host of British or American tailors. To tax my purchase and use the reason that "... the additional state revenue will translate to community benefit - police, teachers and nurses." is simply laughable.

The ARA goes on to say that "it also means putting Australian retailers and Australian online retailers on an equal GST footing with the rest of the global retail market to create jobs, pay taxes and contribute to local wealth creation." Why is the predisposition of the ARA to bring equality of competition by raising taxes? Why isn't the aim to lower taxes across the board? Every Australian should be terrified of the most concerning trend today – Governments have no choice but to tax and spend. If the ARA had any ingenuity or economic foresight, they'd be looking at ways of lobbying government to achieve their aims of equal competition but by lowering tax – not raising it, by providing greater economic freedom for consumers – not trying to force Australians to buy inferior goods and services just because it's from Australia and allowing Australians to shop in a global market unfettered by government which in turn forces Australian retailers to be competitive in the 21<sup>st</sup> century economy.

It's time the ARA caught up with modern consumer trends and advocated for policies which ensured their members aren't relying on legislation to stay alive, but by staying alive because they provide quality goods and services at competitive prices. This is the only way to keep up with their international competition.

We are but a small national economy playing in a global marketplace, it's time we stopped pretending protectionism works.

The Australian Retailers Association, advocating that you pay more since 1903.

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