

ADDENDUM TO REPORT

SENATOR BOB BROWN, AUSTRALIAN GREENS

National Competition Policy (NCP) is seen by many to be an institutionalised cash-cow for large corporations at the expense of small business, the community (especially in the less profitable rural and regional areas), and the environment.

For example –

- ❑ Despite the legislation having been ‘reviewed’ under NCP, native forest wood remains systematically under-priced and directly subsidised, at the expense of both the environment and the competing plantation-based industry.
- ❑ Treating road and rail freight separately – rather than land transport overall -- is absurd. Yet that is the NCP approach. As a result, rail has been left at an even greater disadvantage relative to road (soon to be compounded by the GST impact), and the opportunity lost to improve health, urban amenity and the environment by getting more freight onto trains.
- ❑ The time and money spent preparing expressions of interest or tenders to supply social services discriminates against small local community groups, inhibits co-operation and can lead to more impersonal and less responsive care.

It is heartening that the Committee’s report recognises some of the problems, but they will not be addressed simply by broadening the public interest test, adjusting the implementation procedures, or ‘educating’ the public.

The National Competition Policy legislation and agreements need to be revisited. Local government must be involved and the process as a whole open and rigorous.

Recommendations

1. That CoAG commission an independent assessment of the extent to which consumers in different parts of Australia have actually benefited from NCP and related reforms, not only in relation to prices, but also factors such as choice, availability, service standards and convenience.
2. That CoAG commission an independent assessment of the social and environmental impacts of NCP.
3. That local government participate in the CoAG 2000 review of NCP; and that local government be invited to recommend an appropriate form of representation.

4. That the CoAG 2000 review should:

- ❑ assess the need to revise the agreements and legislation under which NCP operates;
- ❑ ensure that social and environmental goals are not compromised by NCP;
- ❑ address the need to compensate or otherwise ameliorate the impact on people who have been made worse-off by NCP and associated economic rationalist policies;
- ❑ guarantee that processes are transparent and accountable.

Senator Bob Brown