



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

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MEDIA RELEASE

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National Competition Council Attempts To Replace Public Good Policy With Profit For A Few

The Independent Member for New England Mr Tony Windsor today criticised the stance of the National Competition Council (NCC) directed at curbing NSW Government measures that intervene in the market place to impose public good. NSW has been penalised a total of \$51.4 million in the latest round of tranche payments.

Mr Windsor said, "I have been a long time critic of the failure of National Competition Policy to take into account public good issues, the market does not rule supreme in Australia and the latest NCC forays into removing public policy need scrutiny."

"The process begs further questioning in regard of the total failure of the NCC to ever recommend a withholding of payments when the water reform process in NSW ignored the 1995 COAG agreement throughout entire reform process. Where was the NCC to be found when regional communities needed a strong referee?"

"The NCC process simply places a confidential recommendation in front of the Federal Treasurer who then considers the report. There is no formal process for public debate and no assessment of the public good issues involved via impact statements. The narrow assumption that the pursuit of profit is always a replacement for public policy is the ongoing downfall of competition policy in Australia."

"Clearly when dealing with public policy areas such as farm debt mediation, deregulation of pharmacies, the sale of alcohol and the unbalanced market forces that exist in many farm product supply relationships (in this case poultry meat) this is an inadequate process."

"I was involved as State Member in the introduction of the Farm Debt Mediation Act and I believe it actually brings order into crucial negotiations when relations become difficult between farmer and financier. The Farm Debt Mediation Act has probably cut costs for the Banks by avoiding legal disputes and it has certainly cut down on the social costs by allowing farmers time to negotiate and reconsider their future at times when stress levels are high."

"Alcohol abuse in our society has been subject to great scrutiny with the recent NSW Alcohol Summit as well as positive local measures such as the local Liquor Accord between hoteliers, clubs and the local Police Force aimed at responsible alcohol service in tightly controlled venues. Has the NCC recommendation considered the need to involve retail store managers in local alcohol accords?"

"Poultry meat is also on the NCC's agenda and again this an area where little protection ever seems to be offered to small producers to the market power wielded by corporate processors."

"I will be raising the need to have in depth assessments of the public good impacts of future NCC assessments with the Federal Treasurer," Mr Windsor concluded.

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