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Simplified Trade System Implementation Taskforce
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ARA SUBMISSION REGARDING THE SIMPLIFIED TRADE SYSTEM CONSULTATION PAPER

The Australian Retailers Association (ARA) welcomes the opportunity to provide comments to the Simplified Trade System Implementation Taskforce in response to its consultation paper on simplifying cross-border trade and removing barriers.

The ARA is the oldest, largest, and most diverse national retail body, representing a \$400 billion sector that employs 1.3 million Australians – making retail the largest private sector employer in the country.

As Australia's largest peak retail body, we represent the full spectrum of Australian retail, from our largest national and international retailers to our small and medium sized members, who make up 95% of our membership.

A number of ARA members would be impacted by the proposed reforms.

In principle, the ARA supports the objective of creating a less complex and more effective cross-border trade system. This is imperative for Australian businesses, especially retailers, to deliver value for customers and remain competitive globally.

We support the reduction of compliance costs and red tape which has the potential to drive productivity growth and put downward pressure on the cost of importing goods. This, in turn, benefits Australian retailers and consumers.

The proposed regulatory reforms of enabling paperless trade, cutting cross-border trade costs, whilst improving border controls would be of significant benefit to our members and the broader retail sector.

There is also broad support for the digital reforms proposed like developing the Australian Trade Single Window. It is imperative that the regulatory and digital systems are streamlined and working as efficiently as possible.

In addition to the above comments, we make the following specific recommendations, informed by feedback from members.

Recommendation 1: The ABF should provide online access of import / export reports to approved trade entities

The way of currently receiving reports, only once every two months, is too slow for business. Businesses need data at a more frequent rate to ensure operational efficiency. In addition, businesses having to email ABF to request their import/export data is an unnecessary burden that could be fixed by providing online access to the reports to approved trade entities.

We recommend that ABF make these reports available on their portal through a self-service mechanism (instead of through email, as is the current process). Ability to access the import/export data files will enhance businesses' ability to monitor all activities under their ABN. It will also help businesses to monitor when/if shipments they have not imported ("piggy-backed" shipments) are lodged under their ABN.

Recommendation 2: Ensure traders with a demonstrated high level of compliance receive greater relief from physical inspections or audits

We understand that government authorities will inspect/audit a certain percentage of the shipments, however for businesses importing high volumes, even a relatively reduced percentage of physical inspections and audits may cause significant delays. Therefore, we recommend authorities apply a lower percentage of inspections/audits for businesses that have a good track record over a given period of time.

This will result in decrease in delays with less shipments being held at the border, reduce compliance costs, make stock available quicker for customers and give businesses' certainty with their planning and stock ordering. It will also open up government bandwidth and resources to support other areas.

Thank you again for the opportunity to provide a submission to the Taskforce on this important issue. Any queries in relation to this submission can be directed to our policy team at policy@retail.org.au.