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Competition Policy Review
The Treasury
Langton Crescent
Parkes ACT 2600

Submission on the Competition Policy Review

You will have recently received a submission from the Australian Forest Products Association (AFPA) regarding the flaws and loopholes in the provisions of the *Competition and Consumer Act 2010* (CAA Act) that are leading to adverse competition outcomes for some parts of the Australian forest, wood and paper products industry. Over the past few years this loophole has allowed some environmental activists to interfere directly with the market without repercussion. The AFPA recommends that the CCA be amended to prohibit secondary boycotts by environmental activists and subject groups to the same level of social standards and accountability expected of companies with regard to boycotts and the use of false and misleading information.

The state forestry industry associations fully support the AFPA proposal to amend the CCA and ask that you favourably consider this request.

The CCA contains provisions that prohibit secondary boycotts, which involves two or more parties acting together, which hinder or prevent a third party such as a potential customer or supplier, from dealing or doing business with a target (sections 45D-45DB). However, within these provisions lies an exemption from the secondary boycott provisions. If the '*Dominant purpose of the conduct relates to environmental protection or consumer protection*' then the party is exempt from consequences of their actions (section 45DD).

Our industry values the work and role of environmental NGO's in achieving positive change for our environment. However, our industry is concerned with the exploitation of this loophole as some environmental activists continue to degrade the native timber market through both public and social media and direct contact with customers both domestically and overseas. We feel this is an unethical behaviour for activists to publish misleading and factually incorrect information that causes considerable loss and damage to Australian businesses. These organisations have a social responsibility to behave in a manner that enforces the trust the public has in them. This behaviour

by the more extreme environmental activists that would, but for this exemption provision from the Act, be a material and serious breach of the Act places reputable corporations who must comply with the law in all respects at a significant disadvantage when convincing markets of the reputable nature of our products. There are no valid reasons for environment groups to be placed in a privileged position over any other corporations and this is especially true given the history of these groups misusing that advantaged position to the detriment of Australian industry.

Our industry fully supports the AFPA submission proposing to amend the CCA and we ask that our position be considered in the Competition Policy Review.

Yours sincerely,



Melissa Haslam
Executive Director, Forest
Industries Federation WA



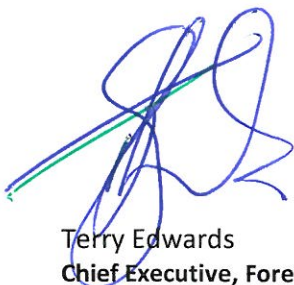
Rod McInnes
Chief Executive, Timber Queensland



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