

Export finance and insurance corporation economics essay

[Economics](#)



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It represent the Government's strength of mind to expand an included come up to to trade strategy and make certain it is part of the broader financial policy settings. All weapons of strategy must toil together to make efficiency growth, enhance our level of international competitiveness and get better our export presentation in retail sector. The Government call for to weigh up the challenge and expand a strategic, whole-of-government approach to advance Australia's international economic and commercial comfort. rule are that will support high worth added exports, enhanced levels of productivity plus enhanced worldwide competitiveness near global products. Promote the exporter with financial assistant and various promotional schemes

Various schemes

Export Finance and Insurance Corporation (EFIC)

The Export Finance And Insurance Corporation (EFIC), Australia's Export Credit Agency assists Australian Exporters and investor by given that worldwide bloodthirsty production and certification facilities to prop up their abroad contract and savings

Export Market Development Grants (EMDG)

The Export Market Development Grants (EMDG) scheme is the Australian Government's main financial assistance program for motivate and present exporters. Administer by government. The purpose behind for the scheme is to give confidence small and average sized Australian businesses to develop and manage well export markets. EMDG reimburse up to 48% of eligible export promotion expenses above a doorstep of \$15, 000.

Duty drawback Schemes

The Duty Drawback Scheme provide exporters to getting a refund from the Customs authority duty pays on import goods anywhere persons goods will be treat process or built-in in former products proposed for export; or be exported vacant since import.

Prohibited and Restricted Export

Certain Medicines Wine, Brandy

Import policy for retail sector

Policy recommendations

Throughout across every retailers regardless of their location. Australian retailers and e-tailors should be this submission, the FIA has advocated for a position of competitive neutrality agreed the chance to struggle with their out of the state complement resting on an even in concert field. Within direct to get this; the FIA would like to see reflection agreed to the follow policy

1. Removal of the low value importation threshold

As discussed throughout this submission, the low value importation threshold is having the unwanted effect of ' gifting' foreign retailers with a price reduction of 15-20% on products. Removal of this threshold will ensure that Australian retailers canCompete on an even ground with offshore online sellers

2. Ensure tax neutrality in remove GST plus duties from every domestic retail if the transactional value is less than \$1, 000

One likely way of make sure tax detachment if the low value import is to stay put as it is, is to get gone GST and obligation on or after all sort of family trade if their value is underneath \$1, 000. Surely this would provide Australian retailer the chance to struggle with offshore online sellers.

3. Transition funding for home retailer to better connect in the digital economy

Many Australian retailers (particularly small and medium businesses) may find the transition to an online economy rather daunting. Known that transaction affects a range of persons within the Australian community, administration may desire to invest more funding or provide education to offer the go trade the best possible environment to prosper. This is chiefly critical in a global world anywhere online economies are flattering the standard rather than the exception. The FIA is concerned that the AusIndustry ' Small Business Online' program expires on 30th June 2011 and that there are no plans for a continuation or similar proposal in the public domain.

4. Tariff reductions

The FIA believe, that although such a move would not entirely redress the Overwhelming price differential between domestic retailers and offshore online Retailers, the Alliance believes that some relief could be provided by accelerating the removal of the textile, clothing and footwear tariff and thus provides consumers access to cheaper consumer products. Without the

application of tariffs and duties Australian wholesale distributors and retailers can import product more cheaply from their place of manufacturer and sell to Australian consumers at a cheaper price.

5. A dedicated Minister in the Commonwealth Government with responsibility for the Retail Sector and the creation of retail advisory structures.

The Australian retail sector lacks a dedicated representative and voice in the Commonwealth Government. The appointment of a dedicated Minister for the retail sector would provide the retail industry with a focal point to address concerns. In addition, establishing a representative structure such as a Ministerial Advisory Council on retail will provide government a forum to engage with industry and consider policy options to address industry concerns and the changing marketplace.

6. Branding of domestic e-tailors as ‘ Australian’

The FIA strongly opposes e-tailing and believes the Government has a role to play in supporting domestic e-tailors, chiefly as customers may not of need recognise the potential penalty of their purchase (for example, purchasing a Product from an offshore online seller is a defeat to the Australian economy). Administration may wish to examine an online version of the ‘ Australian Made’ logo to readily show consumers whether their product is a price add to the economy or an Export of wealth. While this may not discourage Australian consumers from shopping offshore and online, it may give confidence them to believe previous to the purchase and let them to create a knowledgeable decision.

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Restricted import goods

Cosmetic toxic material
Toys
Cigarette lighters
Chewing Tobacco and Oral
Snuff

Taxation in Australia

There are many kinds of taxation in Australia. Persons and firms in Australia need to be compulsory to pay job or charge to all level of administration local, state, and federal governments. Taxes are collected to pay for public services and move payments (redistribution of economic wealth). Income taxes are the main significant kind of taxation in Australia, and collected by the centralized government from side to side the Australian duty Office. Australian GST income is calm by the middle direction, in adding up to after that rewarded to the state under a portion method resolute by the Commonwealth Grants task

Forms of taxes

Income Tax:

Income tax are imposed by the federal government on the Income on individuals are imposed at the federal level. This is the most significant source of revenue in Australia. The state governments do not impose income taxes, and have not done so since World War II. Individual income taxes in Australia are levied on the individual income of each person on a enlargement base with upper tax charge applying to higher income levels. Unlike some other countries, individual profits tax in Australia is imposed on an personage and not on a family unit unit.

Capital gain tax:

Capital gain tax is levied on the background of the Australian duty scheme applies to the capital added resting on the base discarding of one advantage apart from for precise immunity. The mainly notable immunity is the people home. Overturn needs relate to a number of disposals, solitary of the mainly important is adapt to beneficiary on death. Operate by have net gains extravagance as assessable profits in the tax year an advantage is sold or else disposed of. If an asset is held for at least 1 year than one gain is first inexpensive by 50% for individual taxpayers, or by 33% for superannuation funds. Net assets losses in a accountability year might be carried familiar and offset touching future cash gains. However, principal losses cannot be making up for against income. Human being use possessions and collectables are treating as divide category and injured on persons is quarantined so they can only live realistic next to gains in the the same bunch not past gains. These mechanism to stop tax payers support fiscally hobby beginning their savings income.

Corporate taxes:

Company and corporation pay company tax on profits. Duties which use corporate taxes in Australia are designed at a flat 30% rate. Tax is paid on company profits at the commerce period former than it is extend to entity shareholders as dividend

Good and service tax:

The central Government levy a value added tax of 10% on the provider of most commodities and military by entity register for Goods and Services Tax

(GST). This excise arrangement was set up in Australia on 1 July 2000 by the then Howard open-minded government. A many of kit are GST-free (e. g., many basic foodstuffs, medical kit and informative services, exports), input-taxed (residential accommodation, financial services, etc.), exempt (Government charges) or outside the scope of GST. The revenue from this tax is distributed to the States. Condition governments do not charge any sales duty though they do impress stamp duty on a range of dealings. The GST rate of 10% will be emotional on mainly supplies and military inspired in Australia. Stipulation you are register for GST, you require to contain GST in the cost you charge your clients for supplies and military they pay for from you (called sales). However, you will be able to argue a credit for the GST you have waged on your industry fee and other inputs (called a GST credit). You have to pay the difference flanked by GST emotional on sales and GST credits to the Tax Office like clockworkSales Tax: GST apply to most of the imported goods, with a some exemptions. The major exemption is for confident compose several health check aids and import that meet the criteria for certain duty concession. GST is applied at the rate of 10% of the value of the taxable import goods and services which are the sum of the customs worth any liability owed the value of cargo and insurance, and any Wine Equalisation Tax.

Excise duty:

The Centralized Government impose Excise duty on a number of Goods Such As Cigarettes, Petrol, and Alcohol. The Rates Imposed May Change on the basis of change The Consumer Price Index.

Customs duties

Customs duties are imposed on many import goods item such as alcohol, tobacco products, cologne, plus other item. a many of these goods can be purchased duty-free at duty free shops.