

Clay Brick and Paver Association of New South Wales

8 Cuthbert Avenue, New Homeworld, Kellyville

Note: No mail deliveries to street address

PO Box 6567, Baulkham Hills Business Centre NSW 2153

Tel: (02) 9629 4922 • Fax: (02) 9629 7022



Tuesday, 20 July 2004

Attention : Tania Mayrhofer
Australian Competition and Consumer Commission
P O Box 1199
Dickson ACT 2602

FILE No:
DOC:
MARS/PRISM:

Dear Tania,

In May 1999, the Australian Competition and Consumer Commission made a determination authorising a levy of \$1 per thousand for bricks sold in New South Wales. That authorisation was revoked and a new authorisation made in substitution in October 2002.

The members of Clay Brick and Paver Association of New South Wales commenced charging the levy in March 2000 which was applied to all sales made in New South Wales and that amount matched by the manufacturers.

During discussions with members in March 2004 the Association was made aware that two companies, Boral Bricks Pty Limited and CSR Limited (PGH Bricks and Pavers) were inadvertently charging the \$1 per thousand levy on bricks sold in the Australian Capital Territory. Those companies were instructed to cease charging the levy in the ACT and I understand did so immediately.

I am advised that the problem arose due to the invoicing program used by those two companies which charged the levy on all bricks sold into areas with a 2--- postcode and in doing so picked up sales into the Australian Capital Territory.

I am further advised that during the period in question, March 2000 to March 2004, a total of 66.9 million bricks was sold into the ACT by the two companies (CSR/PGH 37.8 million, Boral Bricks Pty Limited 29.1 million) and it was on this amount that the dollar-per-thousand was charged and an amount of \$66,900 paid into the Brick Industry Group Training Company Pty Limited where it was used to subsidise apprentices throughout New South Wales.

As I have stated earlier, those companies were unaware that the charge was being passed on to their customers in the Australian Capital Territory and that charge was outside the area prescribed in both authorisations.

The Association understands the requirements of the authorisation and took steps to rectify the mistake made by its member companies and will hold discussions with the relevant training bodies in the ACT to discuss this matter and the future levy.

I hope this information setting out how the problem occurred is sufficient. However should you require any further specific information, please contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R F Rushton', with a stylized flourish at the end.

R F Rushton
Executive Director