

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
AUSTRALIAN CUSTOMS AND BORDER PROTECTION SERVICE

Question No. 103

Senator Brown asked the following question at the hearing on 25 May 2010:

Regarding the ABC radio program 'Background Briefings' report last weekend:
Will Chinese toilet paper imported to Australia, in any form, be able to be sold here as 'Made in Australia'? If so, why?

The answer to the honourable senator's question is as follows:

The *Trade Practices Act 1974* (TPA) requires that a good represented as 'made in *country*' or 'manufactured in *country*' must pass two tests:

- it must be "substantially transformed" in the country that is the subject of the representation; **and**
- 50 per cent or more of the cost of production or manufacture of the good must be incurred in relation to processes that occurred in that country.

If goods pass both of these tests for a particular country, the manufacturer (or distributor or retailer) may make a claim that the goods are made in that country.

Therefore it is possible that toilet paper made from imported pulp or paper may be able to be sold here as 'Made in Australia', providing that the two tests are passed. Toilet paper imported in retail packaging ready for sale would not satisfy the legal requirements to be sold here as 'Made in Australia'.

If it emerges that a good offered for sale claiming to be "Made in Australia" does not meet the tests set out in the TPA, the Australian Competition and Consumer Commission would consider the circumstances and determine the appropriate response.