Submission

by

ISANZ
Interactive Software Association of New Zealand

to the

Productivity Commission

on the

Trans-Tasman Mutual Recognition Draft Report

8 August 2003

Private Bag 92066
Auckland
Ph: 09 3670913
Fax: 09 3670914

CONTACT DETAILS

Garth Wyllie

Executive Officer - Interactive Software Association of New Zealand

Private Bag 92-066 Auckland

Telephone 64-9-3670913

Fax: 64-9-3670914

Mobile: 64-21-649900

E-mail: isanz@dsanz.co.nz

The Interactive Software Association is available for clarification of any points raised in this document.

TRANS-TASMAN MUTUAL RECOGNITION – DRAFT REPORT

SUBMISSION BY THE INTERACTIVE SOFTWARE ASSOCIATION OF NEW ZEALAND

8 AUGUST 2003

1. BACKGROUND

This submission is made by the Interactive Software Association of New Zealand (ISANZ)
ISANZ was formed in 1999. The Association is made up of all major and most minor distributors and resellers of Interactive Software in New Zealand.

A prime purpose of the association was to deal with regulatory issues including censorship and to look at how the industry could combat the serious issue of piracy.

The industry in New Zealand represents approximately $160 million in retail sales per annum with games ranging from traditional computer games to Console games and hand held devices.

While the distributors within the industry number around 12 at any one time they are suppliers to all major retail outlets such as K mart and Dick Smiths and a similar pattern occurs in Australia.
Many of the distributors are part of a Trans-Tasman business and therefore differences between markets place additional costs on the industry.

ISANZ did not make comment on the original discussion paper however since the draft report raised the issue of pornography and while interactive games generally do not include pornography, it was felt appropriate to now submit and raise the issues faced by this segment of the industry in relation to Trans-Tasman trade and operating rules.

2. SUBMISSION

As interactive games fall into the film and literature classification area, these are presently not covered by mutual recognition due to exemption.

ISANZ does not believe that in the long term exemption is the best mechanism for governing our games and may not be the best means for other products covered by film, video, publishing classification.

We accept that each country wishes to protect its people from electronic and visual media that might be harmful to the social fabric of each country, but we would argue that this can be achieved within the TTMRA and within a harmonised system.

We believe that there should be work commencing on how to apply a common system for film, video and published work classification and that part of this work may include the Pornographic materials work identified in the report.

The costs of have the higher rated games for this industry rated separately for Australia and New Zealand is a significant direct cost and in particular the need to specially label for New Zealand and additional compliance cost.

The compliance requirement for New Zealand games which are mostly brought into Australia first for trans-shipment shipment into New Zealand includes the need to open each game place a New Zealand label on the inside of the cover and again on the outside of the cover before resealing in shrink wrap places a undue burden on suppliers.
This same process is required for movies (video and DVD) sold into New Zealand.

Given that we have common cultures we believe it must be possible to establish a common platform for dealing with such products and reducing the compliance costs for both countries.

ISANZ also has issues relating to the lack of commonality for Trademark protection and copyright rules and believe that harmonisation of these along with Commercial laws such as the Fair Trading Acts and Trade Practices Act would have significant benefits to industry operating on both sides of the Tasman.
We would advocate that the Commission should set this as a target area for the next review.