

PRODUCTIVITY COMMISSION

Copyright Restrictions on the Parallel Importation of Books

NUW Submission – 19 December 2008

1. The National Union of Workers (Victorian Branch) (“the NUW”) represents employees in a variety of industries, including warehousing and distribution. The total membership of the NUW in Victoria is approximately 32 000.
2. The NUW has members at the distribution centres of a number of publishing and distribution companies, including:
 - Macmillan Publishers Australia
 - Oxford University Press (Australia)
 - Random House Australia
 - 1st Fleet
 - Champion Books
 - Gordon and Gotch
 - ACP Magazines
 - Stomp, and
 - United Book Distributors
3. The NUW is concerned about the potential impact on the Australian publishing industry and workers in that industry should the Australian Government lift the current legislative restrictions on the parallel importation of books.
4. While most arguments against lifting the current restrictions (including in submissions already presented to the Productivity Commission as part of this study) have emphasised the possible cultural impact of

relaxing parallel importation laws, the NUW is especially concerned about the potential impact on the job security of its members.

5. Lifting the current restrictions on the parallel importation of books has the potential to severely harm the business of local publishing companies, and small publishers in particular.
6. Publishers in New Zealand, where parallel importing laws have been relaxed significantly, continue to struggle to compete in the domestic New Zealand market due to the significant number of cheap imports available. ('New Zealand Book Publishing: Industry Development Issues', 2003 Report prepared for the New Zealand Trade and Enterprise by Dialogue Consultants). The possibility of a similar impact on Australian publishers should the current law be similarly changed should not be disregarded.
7. Proponents of the abolition of parallel import restrictions will emphasise the resulting efficiency gains and increased competition in the market, suggesting subsequent benefits for consumers, including lower prices and increased product availability. However, changes in 1998 to the law relating to the parallel importation of sound recordings have not significantly lowered prices for Australian consumers ('Inquiry into the Provisions of the Copyright Amendment (Parallel Importation) Bill 2001', Senate Legal and Constitutional Legislation Committee of the Parliament of the Commonwealth of Australia).
8. While parallel importing restrictions are anathema to free market purists, there is little evidence of significant consumer benefits when such restrictions are relaxed. On the other hand, resulting increased demands on local publishers could severely impact on the job security of many warehousing and distribution employees.
9. Significant changes were made to Australian parallel importing laws in 1991. The NUW would oppose any further relaxing of the parallel

importation legislation unless an extensive study into the potential impact on local publishers and distributors and their employees is first conducted.

**FOR AND ON BEHALF OF
NATIONAL UNION OF WORKERS – VICTORIAN BRANCH**

**Antony Thow – Branch Secretary
National Union of Workers – Victorian Branch**