

PARALLEL IMPORTATION OF BOOKS STUDY

My views in relation to the Campus Textbook market and the possible removal of parallel import restrictions:

Firstly, there could be so many variables that come into play that it is difficult to project exactly what position to take or where the market will head should the current restrictions be removed. I ask, what is the most probable outcome of change...favourable or unfavourable?

The current system provides an expedient delivery service and relatively competitive pricing in an education system that is facing continued pressures on funding of education organisations and therefore costs for students. The textbook costs for students are relatively minor compared to the increasing cost of education fees.

(If the Government is concerned about equity and access regarding the textbook/material costs of education, outside of course enrolment fees, perhaps a Federal funded scheme to allow greater self-education tax deductibility (allow for future career training not just current work related activity) or a funding support programme for students with cost issues could be introduced).

If the market moves towards removing parallel import restrictions, it is my view that this will unlikely lead to positive outcomes once the market settles.

It is unlikely overseas Publishers and international parent owners will allow Asian market priced books to enter into the Australian market at the expense of their Australian distributors.

If this were to happen, there would be a dramatic effect on Australian Publishers, distributors and Campus Bookshops which would most likely devalue and undermine the distribution and supply process. It is more likely that the supply process will become more costly and less efficient without the aggregation via the current national supply chain.

International Australian campus operations may hope to legally order books overseas from their host country supplier, and ship them to Australian markets to circumvent Australian Publisher distributors. This is unlikely to be condoned by parent owner Publishers/distributors.

In addition, the current protections and trading terms offered by Australian Publishers, to preserve a better system for genuine on-campus bookshops, would be jeopardised. 'Cherry pickers' and 'back of truck' operations would foreseeably become an opportunistic nightmare destabilising the market. Greater access to overseas imports would most likely proliferate such opportunistic proprietors and increase the number of illegal copies being made overseas and brought into Australian markets.

The key adoption services provided to educators for textbook materials with teaching faculties to deliver the best textbooks or custom published books to education facilities may also be jeopardised. The current system supports important interaction between campus bookshops, teaching faculties and publisher representatives to determine optimum support resources. How would this be sustained in a market with diminished financial capacities for key players? Will there be deterioration in the quality and selection of important textbook support materials needed by students to succeed in their endeavour?

The possible severe consequence for printers and local small publishers has been identified. The local publishing industry produces a great deal of custom made publications for educational facilities. This would also most certainly face competitive pricing pressures in an open market. The removal or reduced supply of Australian Publishing and local printing, would most likely diminish the quality and range of materials available for students and increase reliance on overseas publishers. The market would become less competitive and dominated by the major players. The market pressure of the major international publishers to dominate the market is a concern regardless of current import restrictions.

In summary, I feel that with no import restrictions, the market will become less efficient, quality outcomes will deteriorate and this will ultimately undermine viable and productive industries and employment in Australia without sufficient gains or improvements for students or educators.

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