

Parallel Importation of Books  
Productivity Commission  
GPO Box 1428  
Canberra City ACT 2601

To the Commissioners,

I write to express my disappointment in the recent findings of the commission in relation to the Parallel import of books in Australia.

Submissions received by the commission were overwhelmingly against the removal of restrictions. Authors and publishers, who generally have a good understanding of how their industry works, were straightforward in explaining how changes could affect the book market in Australia. Yet the commission gave these submissions very little consideration, preferring to give most weight to the uncertain arguments of price.

If restrictions are limited, will there be lower book prices for the consumer? Possibly. (Although in a book industry that is currently thriving, consumers are clearly coping already.) But the commission itself has found that data is in short supply, and the price effects of PIRs are largely unknown. With the lack of evidence, why are we having this discussion?.

It would be nice to believe that the Coalition for Cheaper Books is truly looking out for consumer interests. But it is FACT that many retailers already charge several dollars above the recommended retail price for many books, taking a cut on the sale well above what the author receives. Cheaper books?

Knowing that they are big businesses, and that profits are what drives them, how can we believe their motives? What evidence do we have that any possible saving on imports will be passed on to the consumer? If savings are passed on initially, how long before profit margins are increased, and prices along with them?

What is wrong with the following paragraph?

*Likewise, opportunities to import remainders from abroad could greatly increase price competition for parts of the trade back list – remainders are often available for a minor fraction of a title's normal price (although it is relevant to note that authors receive little or no royalty from them).* (Pg XIX Discussion draft)

The commission is openly suggesting that we IMPORT books we could have made in Australia, EXPORT jobs, and treat our Aussie authors as though they are sweatshop factory workers. HOW ON EARTH could the final 'relevant note', that authors may receive 'little or no royalty', not be in bold type and twice underlined? It is shortsighted to assume that this will not have major implications for the health of our industry. How will these authors continue to write if their income is so undermined? (Unless, of course, 'psychic income' becomes acceptable currency. I am stunned that this term could have even been used in an official draft, as though it's something that can buy milk or bread, or be claimed as a tax deduction. I wonder if any members of the Coalition for Cheaper Books enjoy their job? And members of the Commission?)

The Commission has suggested retaining restrictions for 12 months after publication, as a way of protecting our authors and publishers from immediate competition. This does not take into account the way the industry works. It takes time for new authors to get a foothold, and much commitment from their publishers. It can take several years, and several books, for an author to become known by the reading public. As a reader and buyer of books, I can say that last week I bought two books (published several years ago) by an emerging Australian author I've only just discovered. If PIRs had been removed on these books, the likelihood is that the bookshop would be stocking cheaper, foreign editions – complete with foreign spellings and adjusted content. In addition, the author may have received reduced royalties, or perhaps none at all!

The Commission also appears to view 'Educational titles' very narrowly. The Education market is far bigger than text books. Children's literacy books, sold in schools around Australia, are known for their rich Australian content. My own first title, an early reader for primary school children, is one of a series entitled "Aussie Aussie Aussie" – fictional books with Australian themes and settings. (published by Aussie School Books) Books such as these make their money over a number of years. The publishers do sell foreign rights for these titles – but in future, this could come back to bite them! The lifting of restrictions after 12 months will be devastating for this market – and devastating for our children who need exposure to this Aussie content.

I believe the long term view is not being properly considered by the commission. An initial (possible, but very uncertain!) drop in book prices may look good, but what happens then? What happens when authors need to write to please an international audience, because this is where their opportunities lie? We know that the US, for example, has different words and spellings, but what about their 'flavour'? (flavor!) It is hard to know what exactly makes 'flavour', but it certainly exists - and we *taste* it when we get something that Americans don't, or laugh at something they don't, or accept something they find unacceptable. Flavour is about what makes Kath and Kim a success in Australia, but a mystery in the US. That's something we don't want to lose.

Will reduced book prices (IF we get reduced book prices!) increase literacy? Is a non-bookish family suddenly going to buy books because they're a few dollars cheaper? The option of libraries has always been there for those who love books but can't afford them. I cannot believe that a few dollars is the barrier for those who choose not to read books.

But can good, strong Aussie content improve literacy? Surely! If a kid can read about a story set in a place they know, with familiar names, humour they appreciate, events that make sense to them, and spelling and grammar that is line with what they learn at school, their reading experience is so much more likely to be positive. **THIS IS WHY** we need to make sure that our kids get good Aussie books to read!

The issue of removing parallel imports on books is a huge one, and encompasses much more than price. It is terrifying to think that this is where and how the decision is being made. Consumers may naively put their hands up for cheaper books – but when you explain the full implications - the likelihood of a dumping of cheap books

from overseas, an Americanisation of our market, the loss of Aussie flavour – you will find that consumers are worried. Price alone is NOT what sells books.

I urge the commission to take the time to more widely consider the consequences of removing parallel importation restrictions on books. The realities of price are such a small part of this equation, and what we gain in dollars (if indeed we do!) could be so little compared to what we lose in quality.

This is too important to mess with.

Yours Sincerely,

Kim Rackham (Smyth)  
(reader, parent, buyer of books, part-time author.)