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## **Dear Commissioners**

Independent bookshops are a distinctive and vital part of the Australian book industry and the local communities in which they exist. They offer readers expert advice and service, are leaders in range and product knowledge and are passionate about the books they read and sell. Having access to a diverse range of bookshops means that Australians have access to a diverse range of books.

As a bookseller we read books. We talk books. We are proud of what we do. And make up around \$500m of the total book market in turnover. As an independent bookshop we feel under direct threat from the removal of the PIRs.

The impact of the draft recommendations on booksellers and our customers will have dire consequences for our business and our industry.

We currently have a system that works pretty well for consumers, booksellers, publishers, printers and authors. Given our position in the global market our books are generally released in a timely manner. If they are not, booksellers can already source from any other market. Stocked titles are released at a competitive price given exchange rates and freight. When titles are not available locally booksellers can source from any available market. When titles are available and stocked with protection books are priced well.

The Australian Booksellers Association, of which we are a member, has drawn to our attention conclusions that were made in your draft recommendation:

- There will be less independent bookshops
- The price difference between the local and overseas markets is effectively zero if the average exchange rates for the last ten years are used.
- That even if there were to be fluctuations in price you have determined that there would be little, if any increase in book sales and little if any effect on literacy rates.

With these factors taken into consideration, and given our lack of resources to provide you with the type of data needed to make a proper determination on the issue we submit the following.

- The closure of independent shops will have a direct impact on the local community through
  - Loss of jobs and income to the surrounding community
  - Loss of access to authors and promotions in local schools and libraries
  - o Reduced access to a wide range of titles as department stores do not supply a full range.
- In looking at the cultural value of the book industry no regard or estimation of value was placed on the role a bookstore plays in their local community through its partnerships with libraries, schools, reading groups, kindergartens, day care centers etc. This role cannot be replaced by a department store.

• Any recommendations that reduce the amount of backlist available through local suppliers will harm independent shops that rely more on backlist than other booksellers.

Given that the commission does not even know the effect of drastic changes to the current rules. The commission even going so far as the say the effects to our market may be negative. In fact I do not even know why we are having this debate. As a bookseller, if I can source a title that is available and stocked locally, 90% of the time that title we be cheaper to buy locally than source from our UK or US wholesaler.

I believe only a small change in the current rule is required to make our industry more efficient. That would be to change to 7/90 day rule to a 30 day rule. This change is due to the new efficiencies in electronic ordering and speed of supply.

We ask that the productivity commission takes these issues into account in its final report.

Yours faithfully

Luke Macartney Owner Thesaurus Booksellers