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Is your submission confidential?

No

Submission type

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Before you consider removing import restrictions, please first look into the lower postage rates overseas suppliers are able to offer, which are then subsidised by Australia Post. According to Australian Booksellers' Association president Patricia Genat, "With no First Class Mail rate, overseas companies are able to post goods under 400g to Australia at the cost of a local stamp. The Book Depository has used this to send orders in individual parcels and to provide free freight to customers in Australia. Under international postal union obligations Australia Post is then forced to deliver overseas parcels at their own cost. It cost 10 times more to send a book from Mosman to Penrith than it did to post the exact same book from the UK to Sydney" <http://www.heraldsun.com.au/business/australian-bookshops-losing-businessbecause-of-high-postage-costs/story-fni0!dcne-1226996559876> If overseas suppliers are able to post items to customers at a lower price, the removal of import restrictions will mean more Australian businesses are going to go under, as happened when the import restrictions were removed in New Zealand. According to Australian Publishing Association President Louise Adler, since their removal "The market has declined with every year since it was initiated – this year by 6.6% after a fall of over 10% last year. There have been no reductions in prices nor improvements in availability. Shops have closed, sales have all gone offshore to the US, all the major warehouses have closed, educational publishers have withdrawn and employment has fallen." <http://www.smartcompany.com.au/legal/43903-book-industrywarns-harper-competition-review-against-scraping-parallel-import-restrictions.html> This concern is echoed in the Australia Post Submission to the Productivity Commission Retail Inquiry, which notes that "in the financial years 2010-2012, Australia Post estimates that it will make a loss of A\$1.06 per inbound international airmail packet (parcels less than 2 kilograms) on a volume of approximately 39.7 million articles." http://www.pc.gov.au/_data/assets/pdf_file/0003/110847/sub120.pdf