

NATIONAL INDEPENDENT RETAILERS ASSOCIATION



Media Release

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Fears that big business will take over the book selling industry

NIRA is disappointed that the needs of big business has once again been considered more important than small business and the needs of the Australian consumer.

The CEO of the National Independent Retailers Association (NIRA) Peter Strong has expressed disappointment at the Productivity Commissions report on the Parallel Importation Restrictions of Books. "This report continues the focus on the needs of big business and short term gains for consumers and ignores the likely decrease in the number of independent book sellers." He added that "this is a short sighted decision and we call upon the government to focus on the needs of the whole community for the long term and not just the quarterly bottom line of large businesses."

Mr Strong further stated that "family owned stores contribute more to a local economy than the national retailers and we need to ensure that communities maintain a good mix between small and large businesses and that the big players do not force out the smaller shops." Mr Strong highlighted that "the bigger chains have a smaller selection of products when compared to the mix of independent shops that exist in Australia. The finding of the Productivity Commission may force book lovers to go overseas for their books as the big chains and the supermarkets will take up the best sellers and the 'airport novels' and will ignore the slower selling genres. Who will sell the specialist books that people like so much?"

Mr Strong added that "the current financial crisis, caused by poor behaviour from big business combined with bad government policy in America, is proof that we must ensure that the bigger businesses do not dominate the marketplace. The government and its agencies need to consider the long term impact of policy on price, on efficiency and on choice for consumers."

NIRA believes that as the big chains and supermarkets take over the bulk of Australian retail products that all products will become more expensive, especially as competition is forced out of local communities. In the end consumers will not only pay more for their goods but also lose choice in the

range of products. Local suppliers and producers will be forced from the market and this includes Australian authors and publishers.

A healthy retail sector will contain choice for consumers between big and small, between products, between location and between prices; and this applies to books, magazines, gifts, fast food, medicines, bread and pastries, furniture, printing services, fruit and vegetables and all other products. An unhealthy poorly managed retail sector will see short term price decreases result in long term nation wide price rises.

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