Productivity Commission
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Response to Discussion draft:

Thank you for forwarding a copy for review and comment. The time lines are, as you have noted, extremely short for a topic of this magnitude and with such wide ramifications for so many sectors of the Australian community.

As I will be overseas on the two optional dates listed for the presenting of verbal submissions I will instead submit further written comment and trust it is given some hearing.

In previous occupations I have submitted to various Federal, Commonwealth and also State enquiries, and have had cause to review many other reports and discussion papers. I feel moderately able to pass comment on this interim report. I seek here to address not only the hard content but perhaps more importantly the tone and unsupported imputations made throughout the paper.

Does the Commission or the Minister seriously believe an entire multi layered, educated, literate and observant industry will accept a report so riddled with ideology as this? The best which can be said of the discussion draft is that it recognizes after it draws its conclusions that there is insufficient data from which to draw valid conclusions. It makes a final recommendation that in 5 years the Commission reassembles the same ideologues and examines what it hopes will be improved data. All this in time to take a final, lingering look at an industry by then in terminal agony. Battered by offshore printed and authored texts that will do little to promote a better education system let alone promote greater reading by Australians of Australian authored material.

Comment:

What I submit is more of a critique on both the style of the interim report and the unsupported assertions it makes than an attack on its findings. I do however find that the report fails in not addressing the open ended availability to external producers of all material falling directly under and within the ambit of this report to act unfettered by any reciprocal barrier. Once PIR’s are removed or lessened these offshore parties suffer not at all in respect to any loss of the economic, cultural and social benefits to the Australian community. Our market has no such reciprocal benefits in the countries of those producer’s own markets, which by and large are highly protected.
My position re your overall response

I support the majority of your findings but am bemused by the route you took in reaching the conclusions. I look forward, as you propose, to better intelligence gathering during the period of industry adjustment to your proposed “new” PIR regime and to a further, better informed, review by the Commission in 5 years. Doubtless it will not be fettered by looking backward and justifying its now current recommendation.

Without such data being collected properly, the Commissioners will again be required to fall back on bald assertion which is unsupported and open to bias from sectors of the Parliament of the day or industry players with axes to grind. It will be a shame, resting as a desiccated laurel on your heads, if a portion of your list of recommendations is acted upon without any commitment to a soundly based, post action, independent and critical review.

Tone:
In a report, to which almost 300 parties responded (despite the very short time frame) it should be important to justify each assertion made by reference not only to the submission but to some authoritative source such as the ABS. The Overview of the report fails this test.

In the Overview too often unsupported generalities are used to support assertive positions taken elsewhere at various points in the report.

To wit: pg xviii. “Experience in other sectors has shown that import restrictions typically also adversely affect consumers ...” please expand or justify such sweeping, absolutist, statements. Without trouble I could provide dozens of other, equally disturbing, examples of either bias or sloppy reporting. These are extremely worrying when read in light of the authority of the Commission.

Page xix has several glaring exemplars where insufficient detail is provided in support of matters asserted as fact. “No clear pattern” somehow provides support for “cherry picking”. Too often we are treated to “some study participants” or “some segments” rather than by including the name or number of such parties, who it appears are giving us the benefit of their strength of opinion.”

Economic theory

The report seems to utilise fundamentally differing economic models as its paradigms depending on what point it seeks to assert. So we read (page xx Para 6) that expansion of book production “reduces the resources available to other industries”. This is simplistic, reductionist and overly effusive when the same is true of the manufacture of every good in the entire national and international framework. Such phraseology does not advance or justify one atom of the premise being put.
I cannot imagine that the Commission will hold similar inquiries into repeated weekly supermarket specials, car manufacturer’s discount sales and the dysfunctional effect of massive increases in use of mobile phones brought about by inequalities in unit prices for the services offered to youth. These, however, have a far more dramatic effect on the options available to the spending of the consumer dollar and arguably provide minimal additional net benefit to the community.

**Cultural issues**
The notes you make in relation to the community benefit from the cultural impact of Australian authorship are valuable as are the associated observations about the “evidence from other sectors... that government interventions.... usually lead to less efficient resource use...”

I remain yours faithfully,

Ian Horrocks
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