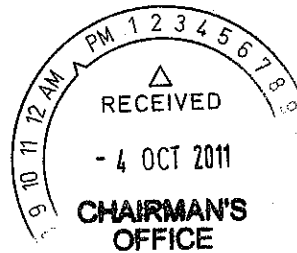


28 September 2011



The Association of Professional
Engineers, Scientists &
Managers, Australia
GPO Box 1272
Melbourne, Vic 3060
Phone: (03) 9695 8800
Facsimile: (03) 9695 8902
163 Eastern Road
South Melbourne 3205
info@apesma.asn.au
http://www.apesma.asn.au

Mr Gary Banks AO
Chairman
Productivity Commission
GPO Box 1428
CANBERRA ACT 2601

Dear Mr Banks,

I read with interest media reports suggesting the Productivity Commission is considering holding an inquiry into the differential pricing of goods in the Australian market compared to overseas markets.

APESMA represents more than 25,000 professional Australians including engineers, scientists, managers and others.

Our members have contacted us to raise this issue as many of our members and the organisations they work for require expensive technical software to perform their work. As you would expect some of these software packages cost many thousands of dollars in Australia.

While many Australian retailers are now not publishing the cost of these products and are now only providing quotes for the software, this has not stopped our members from comparing these quotes to retail prices available in the United States, for example.

The comments below illustrate our members' concerns:

- *We have recently been gouged by KarelCAD the local suppliers of Autodesk software. Other retailers have only been able/willing to offer similar prices. The huge difference in pricing compared to the USA is unconscionable.*
- *Adobe - Acrobat Pro is expensive for what it can do, but I have been able to source or use in-built (Mac) functions to achieve similar results. However, locating and testing the various options of freeware has taken quite a deal of time, which has diminished my productivity*
- *My example of unfair software pricing is Filemaker Pro.International (USA assumed) download cost is US\$299, but any attempts to purchase from the international site switches to the Australian site and a cost of A\$450. I refused to purchase it.*
- *Life Cycle Analysis software - the proprietary packages are expensive, and even more so for databases to use with the software. My solution has been*



to use workarounds with open source software - again the learning effort required is quite high.

- Graphics software - Adobe products (e.g. CS5) are just way too expensive to consider when I can achieve similar results for some functions with open source or in-built software. However, there are some functionalities that I have not been able to achieve despite considerable effort - quite a waste of productive time.*
- While I will not go into specifics one package that I had to purchase was Solidworks and I was forced to pay a 50% premium over advertised US prices...GRRRRRR - But I doubt the govt will do anything about it.*

Some of our members are getting around the issue by using open source software, however often these packages do not meet the technical requirements of our members:

- The cost of software is not holding me back. For the past 10 years, I have exclusively used free and open source software. It does everything I need in 99% of cases.*
- Adobe products (e.g. CS5) are just way too expensive to consider when I can achieve similar results for some functions with open source or in-built software. However, there are some functionalities that I have not been able to achieve despite considerable effort - quite a waste of productive time.*
- Statistical software - same again, either basic statistical software or advance (multivariate) are quite expensive. Open source alternatives are available, however they do take a lot of time and effort to learn how to use, which has impacted productivity.*

It is highly likely that some of the competitors of these APESMA members are using illegal pirated software for commercial use, giving these organisations an unfair commercial advantage.

APESMA would welcome any inquiry into this matter as we believe that there is no real reason why software should be sold in Australia at much higher prices than in other parts of the world.

Yours sincerely,

Chris Walton
Chief Executive

Cc: The Hon. David Bradbury MP, Parliamentary Secretary to the Treasurer
Ed Husic MP, Member for Chifley