

3 June 2016

In response to the recommendations of the Productivity Commission on parallel importation and copyright.

As an author, I am writing to express my concerns regarding the proposed changes to parallel importation rules and copyright made by the Productivity Commission in their draft report of 29 April.

In an attempt to reduce the price of books in Australia they have proposed:

- a) The removal of parallel importation restrictions
- b) A limitation of copyright to 15 to 25 years from creation
- c) Implementation of "fair-use" laws to the Copyright Act.

The effect of these changes on the publishing industry in Australia, as well as to Australian authors would be devastating.

Removal of parallel importation rules would enable the large US and UK publishers to import books into Australia for sale to the general public. Would it lower the price of books here? Possibly. However, statistics show that between 2008 and 2015 the price of Australian books has already fallen, and that, in 2016, the price of Australian editions of books are now comparable to overseas editions. Some overseas editions are more costly than Australian editions, some are less. So, the benefit to consumers would be a *possible* marginal reduction in the price of books in Australia.

The effect on the publishing industry, however, would be overwhelming. This has been demonstrated by the example of New Zealand, who removed parallel importation rules almost 20 years ago. The NZ book industry has significantly contracted, the availability of NZ books, set in NZ, drawing on NZ history and culture, has fallen, and the ability of NZ authors to be published and earn a living from their writing has been crushed. Yes, the price of books has fallen from 2008 to 2015, but a mere 14%, whereas the price of Australian books have fallen by 25% in the same time period.

In Australia, the average annual income for an author is \$13 000. We do not rely on grants or prize money for income, there is very little available and with the recent cuts to Australia Council funding to individual artists (in 2013/2014), there is now even less. The only way we can make money is to sell books. Australian books to the Australian public through an Australian publisher.

Opening the market to overseas publishers will make it even more difficult to have a manuscript accepted for publication. Australian publishers will not have the luxury to take a chance on unknown authors writing Australian stories that will not sell well to the overseas market. Australian stories are at the heart of Australian literary culture. That will slowly diminish and die. Australian stories will no longer be told. Is that the legacy we want to pass on to our children?

It is not only authors and book publishers who will be affected. The effect will flow on to associated industry involved in book production – small businesses involved in book-selling, printing – even the paper industry. This is an industry that brings in \$2 billion in revenue,

employing over 20 000 people. Is it really worth destroying this industry to *possibly* reduce the price of books?

As an emerging author (with 8 children's books published to date), the road to publication is still a difficult one. I do not earn even close to the average wage of an Australian author (which is still well below an income that can support an individual let alone a family). If these proposed recommendations are accepted, the prospect of ever being a professional, self-sufficient author with no "day job" will be bleak. And to limit copyright to 15 to 25 years? To allow "fair use" of copyright materials? Again, another blow that would further reduce the ability of Australian authors to earn an honest income from their creative works. It is ludicrous.

Accepting the proposed changes would:

- Suppress writer's ability to earn an income from their creative works
- Reduce incentive to write stories of an Australian nature
- Reduce the availability of Australian literature in schools and in the wider community
- Risk losing a wide-reaching \$2 billion industry with a rippling effect across a range of small businesses and individual employees.

The US and UK will not lift their parallel importation restrictions. They will protect their own book industry, and stand up for the rights of their citizens. Australia should do the same.

Sonya Spreen Bates
Author