



15<sup>th</sup> June 2016

To whom it may concern,

As a bookseller who has worked in and owned bookshops for the past 40 years in various locations throughout Australia, I am deeply disturbed at the moves by the Australian Federal Government to change the copyright and parallel importation restriction rules that have worked to protect the Australian book industry for so long.

After a life time of working across a number of areas within the Australian book industry, I am of the firm belief that bookshops — and the industry that supports them — play a fundamental community role akin to that of the village well. I am concerned, as are many of my colleagues in the industry, that this important function will be eroded more and more, as the book industry is weakened through increased international-scale competition.

As well as managing and owning bookshops, I have also — in my long history with this industry — worked on the supply and distribution side of the book world, and so I have an acute understanding of just what kind of damage these changes could possibly wreak on the Australian book trade. I have also been involved in many cases of breach of copy right throughout the 1970s and 1980s, and thus I have a well-rounded understanding of just how intricate and delicate the Australian book industry is as a whole. This is not a simple or straight-forward case of an open market approach benefitting all involved, there are many investors, businesses, employees, and even readers, who stand to lose out from any erosion of the currently quite strong Australian book industry.

As has been pointed out by a number of sources, the data that the productivity commission report, and the Federal Government, are relying on to make their case for eroding the parallel importation restrictions that have safeguarded the Australian book industry and allowed it to grow strong, is outdated and in many cases even irrelevant. Most importantly, it does take into account the crucial cultural component that is such a part of the Australian book industry. Not only does the Australian book industry support billions in investment in Australian writers, publishers, printers, booksellers, and a plethora of flow-on jobs, it also supports thousands of jobs in small businesses throughout the country. These jobs and this revenue will be highly threatened by the competitive advantage of international book suppliers and book businesses if the changes that are being proposed are actioned. In particular, the local independent bookshop — which as I stated above is in many cases the *only* village well available to communities throughout Australia — provides a hub of community and business activity that draws people together to connect through stories, particularly Australian stories. This crucial business and community activity relies on the strength and independence of the Australian book industry as a whole.



For a number of very specific and important reasons, including both economic and cultural reasons, the Australian book industry should remain protected by both parallel importation restrictions and strong copyright law. The following points are an indication of the economic and cultural damage the Australian book industry stands to incur should the Government's proposed changes go ahead. I would be happy to talk to each point in more detail should you be open to a discussion about these important issues.

- The Australian book industry has grown to become the 14th largest publishing industry in the world
- It currently has the largest proportion of independent booksellers anywhere in the English-speaking world and produces 80% of the 'physical' books Australians read
- In 2014-15 the Australian book industry generated \$7.1 billion in revenue
- The publication print services sector alone generated \$2 billion and employs over 3,600 people
- If parallel importation restrictions are removed the demand for the services of a domestic publication print industry will be reduced beyond the point of sustainability
- Employment in small businesses that support the Australian book industry throughout Australia will be threatened
- Specialised skills relevant to the writing and production of books will be lost to our society
- The government's aim to deliver cheaper books is unrealistic and impractical
- The Productivity - Commission's report is based on out-of-date data and has not taken account the examples of both New Zealand and Hong Kong, where these measures have failed to achieve the stated goal of providing cheaper books
- NZ removed territorial copyright in 1998. Books in NZ are now more expensive than in Australia. Since 2008 books prices have fallen only 14% in New Zealand compared to 25% in Australia
- Canada adopted US-style 'fair-use' and education publishers exited the market.
- Copyright is an international human right that provides a creator with the legal right to own the work they create and decide how it should be used
- Territorial copyright protects intellectual property in a specific country and is recognised around the world — like in the US and UK, it is currently upheld in Australia by parallel importation rules and this protection should be maintained
- Under parallel importation restrictions Australian authors are on a level playing field – they can sell their overseas rights freely, just like writers in the USA and the UK
- Local publishers play by international standards and invest \$120m in promoting Australian authors and books every year



- Booksellers can buy locally and get sale-or-return protection. This means they can return books to the local publishers that don't sell within a 3-12 month time frame
- The only winners of these change will be offshore — it will be the US and UK publishers, printers, and wholesalers at the expense of Australian authors, publishers, printers, distributors and booksellers. If US-style fair use is introduced, big tech companies like Google, wealthy institutions and litigators will benefit at the expense of Australian authors and educational content producers, and they will not pay tax in our country
- A PwC report about introducing fair use in Australia estimated that Australian-produced works would decline with a \$1 billion loss to GDP and a massive increase in litigation
- Australian creativity and innovation will be threatened as we risk the loss of our treasured diversity and as well as consumer choice in what we can buy and read.
- Most importantly, we will lose our Australian literature, our ideas, our innovations, our standards of excellence, our culture — in short, Australia will lose its stories.

For these reasons, and for many more personal reasons, I would like to voice my strong support for both copyright and PIRs to be maintained, in order that the culturally and economically critical Australian book industry be protected against international competitive advantage and lack of investment with Australia itself.

Thank you for taking the time to consider my feedback on this important issue. Should you wish to discuss any of these points further, I can be contacted

. I look forward to further expanding on my submission at the hearing on Monday.

Kind regards,

Bill Concannon

*“Copyright protection is an essential mechanism for ensuring the viability and success of creative industries by incentivising and rewarding creators.”*

*— Minister for the Arts, Mitch Fifield statement, 24 May 2016*