

Dear Productivity Commission,

I write regarding the proposed repeal of Parallel Importation Restrictions (PIRs) on books in Australia. Currently, PIRs in Australia copyright law mean that if an Australian publisher owns the rights to publish a book in Australia, a foreign publisher cannot import the same book in commercial quantities for sale. The Australian publisher must exercise their publication rights within 30 days of publication elsewhere to maintain this exclusive territorial copyright.

The recently released Productivity Commission report recommends the immediate removal of this rule, as well as other measures to update copyright, in the view that introducing foreign imports will stimulate Australian publishing and lower the price-to-consumer of books on the shelves, as well as making books more accessible. What this ignores, however, is the consequence that this pursuit of 'cheaper & more available books' may trigger, without delivering the desired result.

Firstly, let's talk about making books more available. It is worth noting that PIRs only reflect *commercial quantities* of book imports. This means that a normal consumer, not a bookseller, can order any copy of any book they like from any distributor around the world, digital or print. A bookseller can even order them in a single copy of the book for sale. In addition, Australian publishers have all committed to releasing their version of books in under half the time of the current PIR window, committing to 14 days. Not only that, but the book publishing market is a global business, and releases from brand-heavy authors (say JK Rowling's *Harry Potter and The Cursed Child*, to be released in July this year) tend to be synched to a global release date. Put simply, consumers in Australia are not currently disadvantaged in the availability of books, and repealing PIRs will not change their speed or ease of access to authors works.

Secondly, the claims that more flexible importation rules will decrease the price of books are also misguided. Again, consumers have more access than ever to books, and the recent surge in sales from Book Depository and Amazon have seen previously high mark-up prices on international and imported authors all but abolished across the last decade. The Australian Publishing Association conducted a price comparison on Australian books compared to UK, USA, and New Zealand in 2016 and found Australia to be well balanced on the average. Again, consumers have better access than ever before, and the industry has responded to this cost-competitive access with its own natural attrition of prices. New Zealand, which repealed PIRs in the late 90s, has a higher priced book on average than Australia. Hoping that flooding the market with import copies will stimulate further cost reduction is a fantasy on which the recommendation is based, and has no grounds of evidence. Not to mention that price comparison is at best a risky business, dependent on exchange rates and retailers – some books are cheaper here, some are more expensive, some cheaper at Dymocks, online or in Big W. As I've mentioned previously, the consumer themselves is not restricted by PIRs and they can shop around for the cheapest book wherever they want.

So if the consumer is not affected on an availability or price, what repealing PIRs will affect is the income on the book industry. Advocates against PIR reform have been criticised for holding onto an archaic law to maintain their profit margins, and book publishing is no doubt a business based often on the bottom line – as all entertainment businesses are – but it is not simply building the coffers of rich CEO's, profits from the Australian book industry are reinvested in new authors, new ideas, and new stories. Publishing is a thin-margin business, for every book that sells millions of copies there are 50 that sell only a few thousand. Not every book makes its costs back. By the reinvesting of income, the big books prop up the little ones. If people purchase an overseas edition of a book, the

profit from that purchase goes to the overseas publisher. If we take away the ability of the publishers to turn a sustainable income from their most marketable authors, and let those author's works turn profit for foreign publishers instead, that is less money to reinvest in the books that don't frequently land on the bestseller lists. Less new Australian voices, and less Australian authors. Less books published means less staff; designers, marketers, editors, lawyers, printers, and more. The right to exercise territorial copyright on brand authors is what allows publishers to have a stable business on which they can take risks, to create new authors, to employ 20,000 people with all manner of skills nation-wide, and to *make art*.

It is both economically and culturally significant to retain. New Zealand, without PIRs, conducted a Trade and Enterprise report in 2004 that stated that 'New Zealand publishers face an inherent problem in that the domestic market is swamped by imports,' with the only book identified as reliable being 'coffee-table books and books about rugby.' With such vibrant voices in Australian literature, it would be a shame to only sanction art that covers its bottom-line, and revert our industry to just the books you buy last minute for Father's Day.

The government recommending these changes shows a misunderstanding of what and who makes art, and the importance therein. I see no difference between Australian authors, publishing houses and Australian made food produce. If you walk into a shop, everyone is familiar with the green and gold 'Australian-made' logo on foods. The logo, launched in 1986 by Bob Hawke, encourages the purchase and consumption of local produce. The logo is managed by the AMCL, a not-for-profit company under contract from the Australian government. In addition, from July 1st 'Country-Of-Origin' information panels are mandatory on Australian food products. All this is an effort, led by the government, to make sure that we buy our own produce, so that our farming and produce economies stay strong. Even if it costs a little more, don't you feel better eating food that you know is Australian made and owned?

The book industry is the same, and yet repealing PIRs endorses the purchase of foreign goods, instead of those locally made and produced. The Productivity Commission recommends allowing foreign importers to commercially release cheaper books for sale in an attempt to drive down local prices, but in food industry economics this is a fineable offence called 'Dumping', governed by an Anti-Dumping Commission. Dumping was even seen as an election issue by the Abbott campaign, and is against World Trade Organisation principles. So why are tinned tomatoes (SPC not only won a case against dumping Italian tomatoes, but received government subsidies to ensure it maintained operations) more important than our writers and so many that work behind the scenes?

This is only one of several recommendations in the report. One of which, changing the duration of copyright, is actually illegal and show how out of touch the entire report is. The change in PIRs hasn't worked in New Zealand, and the change in "Fair Use" hasn't worked in Canada. And yet USA and UK retain all of these. There is no precedent for these recommendations, and the way the commission flouts international trade agreements in the face of overwhelming industry disagreement is disingenuous.

I am not an author. I am a freelance editor and assistant at a literary agency. I had to have an Honours Degree and a Master's Degree to enter the publishing workforce, and now I work for the minimum wage because I love my job, as many behind the scenes in this industry do. There is too much focus here that those outspoken against the report are merely authors and publishers wishing to protect great stacks of cash while handing the public expensive books. This is not true. I am writing to you because I am worried that I will lose my job.

Copyright is an evolving entity, that certainly requires adaptability and review to be consistent and fair, but I have seen little evidence from the Productivity Commission that repealing PIRs will reduce the price of books nor increase the availability of titles. The consequence will instead be less financial robustness for our local industry; a loss of creators, a loss of books, a loss of jobs, and a loss of one of our great means of expressing our cultural identity. Protect our authors, and protect the thriving industry of hard workers behind it. Let 'Australian-made' mean as much for art as it does for a tin of tomatoes. The publishing industry is not asking you to protect a cash-cow, we're asking you to protect the farmers.

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