

Wednesday the 1st of June 2016

Submission to the Productivity Commission Draft Report (April 2016) –
Intellectual Property Arrangements

I am writing to strongly object to the recommendations made in your draft report on Intellectual Property Arrangements, which was released on 29 April 2016.

My name is Rebecca Regan-Coe. I am an emerging Australian author who regularly negotiates with major Australian publishing houses such as Penguin Random House, Simon & Schuster and Hachette in regards to the publication of my work.

My major concerns regarding the productivity commission's proposed changes are as follows:

1. Term of Copyright

While I understand that it is not possible for Australia to reduce the term of copyright to 15-25 years as proposed in your report, due to a range of free trade agreements, the recommendation was nonetheless very disturbing to me as an author. I have the right to retain ownership of my work in the same way that any individual may maintain ownership of any other business that they have built and it concerns me that your report is apparently underpinned by the belief that this should not be the case. Referring to copyright as a monopoly is deceptive and misleading. Copyright is a property right.

Copyright allows our creative community to be properly recompensed for our work. Copyright, and in particular territorial copyright, is the core system by which authors are rewarded for their ideas. The commission's proposed changes place Australian authors in a position where they stand to lose valuable royalties, a considerable loss when taking into account that an author's creative earnings currently average less than \$13k per annum. I strongly oppose any changes that leave authors in a position where they will not be properly recompensed for their work.

2. Parallel Importation Rules

Your draft report proposes a change to Australia's parallel importation rules for books. I am concerned that the proposed changes would result in the mass importation of lower royalty and royalty free editions of books by Australian authors, allowing these editions to compete against full royalty editions of the

same books in local bookstores. The market stands to be flooded with cheap overseas editions of Australian books.

The commission promises changes will result in cheaper books if PIR's are removed, but this will not necessarily be the case. Using New Zealand as an example, we see that while prices fell in Australia, the compromise was a significant decrease in the number of titles available. I urge the commission to also consider the fact that the data analysed is almost ten years old. The price of books has already reduced by 25% since 2008. Is a further reduction in cost really warranted at the risk of jeopardising jobs in Australian publishing, bookselling and printing?

I am concerned that the proposed changes will impede our local publishers, compromising their ability to negotiate foreign rights to Australian author's works because overseas parties can then use those rights to undermine local publishers within their own marketplace. Changes would also restrict our local publisher's ability to distribute local editions of international bestsellers.

I believe that abolishing parallel importation restrictions would result in less money being available to local publishers across the board, and that this in turn would lead to less investment in Australian authors- both new and established.

In contrast, I believe that the current system offers a sufficient safety net to protect the interests of the consumer, while still allowing authors to retain control of their rights and income. This in turn allows a level playing field with our fellow authors in the UK and USA- copyright territories who currently stand for the protection of their own markets.

3. Fair Use

Territorial copyright helps publishers manage risk and support the creation of new Australian stories. Without these rules, as an author, I would lose income and the support of a vibrant local publishing industry. The productivity commission's proposed changes would leave our local publishers vulnerable, resulting in less risk taking and lower advances, leading to a decline in the quantity and quality of work produced by our country as a whole.

Australian law currently sets out a series of clear exceptions to copyright restrictions under "fair dealing". This is a fair arrangement that works well for all parties, including authors. If this were to change to the American-style system of fair use, however, I would lose valuable income. I would also have to pay the litigation costs if I discovered free copying that I considered to be unfair usage. When you consider the current average income of our authors, I believe these costs would be beyond my means and beyond the means of most authors.

In conclusion, I wish to make it known to the commission that as an Australian writer and reader, I want to continue to read AUSTRALIAN editions of the AUSTRALIAN books I love, not cheap foreign imports that rob our authors of the financial recompense I believe they deserve.

I want to see new creative talent published in AUSTRALIA, not looking to other countries to have their stories told and their creative talent nurtured. And as an emerging Australian writer, I want to contribute to a healthy Australian publishing industry where I know my work is valued in the country in which I live. I believe Australian authors deserve a fair day's pay for a fair day's work. Our 'fair dealing' in contrast with US style 'fair use' allows for this equitable remuneration.

I, along with thousands of Australian authors, am deeply concerned that the changes outlined in the productivity commission's draft report will affect my ability to continue to write, earn a living and find a publisher. I believe that territorial copyright protects the publishing industry and makes it viable, allowing for the distinctive literary output of this country and believe that intellectual property needs to be valued as the basis of an innovative economy so our creative industries may continue to flourish.

I respectfully ask that you reconsider your position.

Yours Sincerely,

Rebecca Regan-Coe