

Chris Tugwell



Productivity Commission submission

27/05/16

I am writing to express my concern at the Productivity Commission's proposed changes to parallel importation rules and 'fair use' laws for the publishing industry as outlined in its recent interim report.

I note that the Minister, Senator Fifield, recently re-stated the government's commitment to maintaining the current copyright laws. However, he did not mention the Commission's parallel importation proposals, which have the potential to impact directly on the income of writers and other artists and threaten the ability of Australian publishing houses to compete fairly.

It's important to note that Australian published authors earn an average of just \$12,900 per year from their writing, while for visual artists the average is \$10,000.

With that in mind, I refer to the Productivity Commission's statement;

'The concerns of authors that eliminating the remaining PIRs could chill local writing would be addressed by ensuring that direct subsidies aimed at encouraging Australian writing – literary prizes, support from the Australia Council, and funding from the Education and Public Lending Rights schemes – continue to target the cultural value of Australian books.'

In other words, the Productivity Commission is admitting there will be an impact, but suggests this will be compensated by government programs. They are seriously suggesting that, rather than earn their income direct from sales of their books and their own creative work, authors should rely on government handouts. They seem to be unaware of the 70%* cut in Australia Council funding to individual artists since 2013/14.

The interim report also seems to assume that artists receive government funding as a matter of course, and as a regular part of their income.

Nothing could be further from the truth. As a writer with more than fifty works produced, I would be regarded as a success. However, the last government funding I received was in 2005. That is not for want of trying. And while I have been fortunate to have been short-listed for various awards, prizes are never guaranteed and do not provide any certainty of income.

In providing its advice, the Productivity Commission appears to be confusing copyright law with patent law (where a shorter patent life allows for cheaper access to modern drugs and drives competition in multinational industry). There are no such benefits for artists and the Productivity Commission suggests none.

No argument has been made by the Productivity Commission to explain how a reduced price on imports of their own books (and thus a reduced royalty) helps an Australian author in any way.

I won't bore you with the radical impact such changes have already had in New Zealand and Canada.

The current Parallel Import Rules also encourage new work by allowing publishers to take risks on lesser known authors, rather than pitting them against the entire world publishing industry. It allows for risk and innovation.

Australian artists work in what is often a precarious profession. Incomes can vary wildly from year to year. Current copyright laws provide a way of investing in and rewarding artists for their creative efforts without resorting to government funding.

Even so, the Arts are rarely recognised as an economic powerhouse. According to the Australia Council's 2015 'Arts Nation' report, the Arts generates \$93 billion in economic activity annually from a total government investment of \$7 billion (a remarkable \$13 for every \$1 invested by federal, state and local governments) and employs 8% of Australia's workforce. Most banks would kill for that kind of return.

Writers and other artists simply want a fair share, earned through their own talent, and the current copyright regime offers at least some level of certainty.

I ask that you commit to keeping all copyright laws unchanged.

Sincerely,

Chris Tugwell

* according to the Australia Council's 2013/14 annual report, that year it funded 1,340 individual artists and 2,489 total projects. In contrast, the total for the two funding rounds for 2015/16 was 405 individual artists and 694 projects. This represents a fall of 70% for individual artists, and 72% for overall projects. The number of small-to-medium organisations receiving multi-year funding over the same period fell from 178 to 128, around 28%.