

SUBMISSION TO PRODUCTIVITY COMMISSION

Parallel Importation of Books

Our submission to the Commission is in support of the retention of the present Territorial Copyright laws.

We are a small, independent publishing house with more than thirty years experience in the Australian industry. Our programs focus exclusively on promoting original Australian fiction and non-fiction titles, we share with many other members of the Australian Publishers Association grave concerns for the effect that changes to the existing Copyright Protection laws may have on the futures of Australian writers and Australian independent publishing companies.

The Australian publishing industry is vibrant and successful and offers to readers in this country a very broad range of quality publications originating both locally and from overseas. Creating an open market in Australia threatens this publishing industry. In particular, through the prospect of excessive imports of publishers' stocks from other English-speaking markets, it threatens the independent companies which have been responsible for so much innovative programming over many years. There is no evidence that Australian consumers will enjoy cheaper books and there is no evidence that the quality of imported books will match those already available. It should be noted that the major markets (UK, USA and Canada) are not open markets and each supports and protects the activities of their writers and their publishing houses.

Those proposing an open market in Australia have adopted three main themes:

- * that books will be cheaper in Australian bookshops
- * that cheaper books in Australian bookshops will contribute to increased literacy levels in t this country
- * that publishing opportunities available to Australian writers will not be diminished and that Australian writers will still be published on their merits

Books in Australia will be cheaper if an 'open market' is declared

Considerable publicity has been given to this notion, much of it ill-informed. Our investigations suggest that Australian retail prices, particularly if the GST factor is removed, are competitive with those from other countries on a wide range of titles. Australian consumers already benefit from the common practice of heavily discounting retail prices upon release of virtually all of the new releases from best-selling writers. It is debateable whether new releases, sourced from within Australia or from overseas, will be any cheaper than at present.

Our canvassing of booksellers in three states, including franchisees of the chain prominently represented in the argument for an open market, indicates a lack of support for the proposal. Chris Burgess, Executive Director of Leading Edge Books, the body representing independent booksellers throughout Australia, is also on the record opposing an open market on behalf of his membership.

The opening of our borders to publishers in other territories invites the dumping of publishers' overstocks sourced from overseas and is of greater concern to us. Should this eventuate, more, *but not necessarily better*, books at cheaper prices will make the competition for market share even greater. It may be, too, that some booksellers, if they are to source cheaper books from outside of Australia at the expense of Australian originated product, will take the opportunity to improve their existing small margins rather than to offer books to the consumer at any significant reduction of present retail price points.

Australian bookstores offer a wide choice of books originating in countries from around the world and compare more than favourably with the range that is available in, for example, bookstores in the UK and North America. Creating an open market will not improve that range; rather it is likely to see it reduced as the smaller, independent publishers – those who are often responsible for the introduction of new writers to the market place – are unable to compete with the international imported stocks. The Australian film and television industry struggles to maintain any sort of presence in its sector, despite massive financial support from the Federal Government. Why impose a similar challenge on books?

Some media reports have asserted that several large publishers in Australia are opposed to an open market in order to protect their huge profits. It is our belief that the present strong and vibrant local industry delivers a high quality product to Australian readers to the benefit of established and emerging writers and illustrators and to the benefit of the cultural heritage of this nation. Whilst accepting that readers in this country are entitled to the best choice of the best writing from around the world, it is, we believe, imperative that the national voice is not overwhelmed by those from other countries.

It should be noted that the major English-language markets of North America and the UK enjoy copyright protection. Surely our own market is worthy of the same.

That cheaper books will result in an increase in literacy levels

The range, quality and quantity of children's books available in Australia, from both local and overseas publishers, are second to none in the world. Statistics show that young readers in Australia are now close to the largest readers of books in the world. Major sources of books for children are through schools and public libraries.

We know of education research which demonstrates that the principal reasons whether or not children become readers are not retail availability of books – the major sources of books for younger readers are through schools and the library system - but whether there is a family culture of reading and valuing of reading, and whether their experience in schools of being taught to read is positive and encouraging. The present system of copyright protection ensures that Australian originated stories are well represented in the range of books that are available in this country at competitive prices.

Australian writers will still be published on their merits

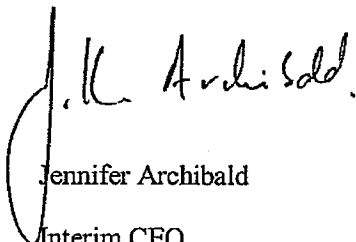
A significant percentage of the opportunities available to Australian writers is offered by the smaller publishing houses. Their programs focus to a great extent on Australian originated material. If the viability of the smaller companies is to be threatened by increased competition brought about by the uncontrolled importing of books, opportunities for new and emerging Australian writers will be significantly diminished. We do not believe that those opportunities will be offered by the

international publishing houses. Our own experience demonstrates the difficulties of securing publication of Australian authors beyond this country, and specifically in the English-language markets. We regularly promote a wide selection of our publications at the international book fairs in Bologna and Frankfurt and have licensed a number of works first published in our program to publishers in overseas territories. However, the number licensed to publishers in the major English-language markets represents less than five per cent of all our negotiated contracts. Often our presentations to publishers in the UK and North America have met with positive responses, but not attracted offers of publications because the books are deemed to be 'too Australian' for their markets.

How then can it be expected that there will be the same level of investment in Australian writing made by publishing houses? The publication of Australian authors will decrease.

Our principal concern is the effect an open market will have on the availability to Australian readers of original Australian writing. We have brought to the market place a number of Australian writers – including Elizabeth Jolley, AB Facey, Sally Morgan, Kim Scott, John Kinsella -who may otherwise not have been published. In our view it is essential that an Australian voice be readily available to Australian readers and we share the concerns voiced by those who worry about the 'Americanisation' of Australian originated texts finding their way back in to our market and selling to Australian readers. This would seem to be compatible with the views of the Federal Government, recently expressed by Senator Conroy in relation to proposed improved funding of ABC and SBS television: *ABC and SBS need to be strengthened so they could be champions of Australian voices and stories to combat the flood of cheap programs from overseas (West Australian 13 December 2008)*

In summary, we strongly oppose the proposal that Australia become an open market, believing that it poses severe threats to this country's publishing industry and risks the loss of the Australian voice in our culture.



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