

15th January 2009

Productivity Commission GPO Box 1428 CANBERRA CITY ACT 2601

Dear Sir/Ms

Curtis Brown is Australia's largest and oldest literary agency, having started as an off-shoot of the British parent company with one agent, one administrative assistant and a handful of clients 40 years ago, to turning over \$1 million plus and representing over 250 Australian writers in 2009. The growth and health of the Australian publishing industry, particularly since the introduction of the 30/90 day rule in 1991, has enabled the company to achieve independence and a management buy-out from Curtis Brown UK was completed in 2003. There is now a staff of eight and an office in Melbourne. We are very concerned about the prospect of an open market for Australian books, and know that it would be very damaging to our industry as a whole, in particular to local writers.

We represent such established authors as Thomas Keneally, Robert Drewe, Monica McInerney, Garth Nix, Andy Griffiths, Nick Earls, James Bradley, Markus Zusak, Kate Forsyth, Kathryn Fox, Christos Tsiolkas, Pamela Allen, Liane Moriarty and Jaci Moriarty. Every one of these writers is published overseas and every one of them would suffer enormous financial and cultural loss should parallel importation of books be approved. In each case, these authors' local publishers would find it difficult to compete with the overseas publishers, who would publish not only for their own market but for this market as well and export their own, cheaper editions. The authors would receive only a very small royalty on such editions rather than a royalty on the recommended retail price that Australian publishers pay. And the editions most readily and cheaply available would be those with US spelling and foreign cultural references, thus homogenising content and further diminishing our national identity.

While we fully support the notion of books being available at a reasonable cost to *all* Australians, we do not believe that opening the market to overseas editions will necessarily make books cheaper. Direct comparisons between costs in the US, the UK and Australia are misleading since they don't take into account currency fluctuations or the cost of freight from distant warehouses. The practice of some book-selling chains actually charging more than recommended retail price on many new Australian fiction titles in the run-up to Christmas 2008 surely indicates that these retailers' main aim is to increase their own margins rather than passing savings on to customers.

I am enclosing with this submission a confidential case study of one of our most successful clients to show how his future earnings, and those of his originating publisher and of this agency, would be affected should the current restrictions be removed.

An open market would see the demise of many small businesses including literary agencies, upon whom authors depend, and it would also have serious ramifications for our thriving independent publishers. Curtis Brown relies on revenue from local and overseas markets to continue operating and has indeed flourished under the current structure. Our income would be greatly diminished should the market be opened, and significant downsizing would be necessary to survive. Many of our writers would be forced into alternative employment and may even have to abandon their writing altogether. Increased government subsidies could not – should not – compensate for these losses.

Federal Assistant Treasurer Chris Bowen was quoted in the Sydney Morning Herald recently: 'The Government has made it clear that the deteriorating circumstances of the world economy may make a budget deficit unavoidable and indeed responsible. We will do everything we can to protect Australian jobs. We must respond to changing circumstances.' Opening the market to imported books will cost the entire industry countless jobs, at a time when unemployment is supposedly the Government's major concern. We strongly advocate that the current territorial copyright protection be retained.

Yours faithfully

FIONA INGLIS