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Submission from the Australian Society of Authors on National Cultural Policy

The Australian Society of Authors (**ASA**) is grateful for the opportunity to make a submission to the Office for the Arts (**OFTA**) in relation to a new National Cultural Policy. The ASA is the peak body for Australian writers and illustrators. We are a not-for-profit membership organisation and charity registered with ACNC.

We are delighted that the Albanese Labor Government has decided to deliver a National Cultural Policy and appreciate the speed at which the Minister and the Office for the Arts is moving to consult and create the policy.

We also appreciate the language Minister for the Arts, Tony Burke MP is using to value the arts and recognise artists as workers; this matters deeply to creators. Government messaging which promotes our creators encourages national pride in our culture and consumption of local content. We wish to thank the Minister for this important positioning.

Terminology

In this submission:

- references to an “author” includes writers and illustrators as both are authors of their work;
- references to “literature” are intended as all encompassing and include all books in any format, for any age readership, of any genre and category, including both fiction and non-fiction.

Executive Summary

Authors are at the heart of our national culture but have been absent from government policy for a decade, and are struggling to make a basic living. In recent years, the outpouring of submissions from authors and writing organisations has clearly communicated that authors are in crisis.

The literature sector needs Government support to reach its full potential and to nurture the talent of the future. There is an exciting opportunity to introduce policy settings to support authors’ work, invest in the creative economy and enjoy the cultural, civic, educational, health and economic dividends that follow.

The ASA calls for:

1. A national plan for literature

We need a funding framework which coordinates funding between state and federal levels of government, defines the priorities for the literature sector over the medium and long-term and locks in multi-year funding. Similar to the Funding Frameworks administered by Australia Council for the performing arts, visual arts and crafts, and contemporary music, literature needs its own vision.

2. Direct investment in authors

- a. Introduce a Commonwealth fellowship and grants program to directly invest in authors
- b. Ensure public funding is contingent on authors being paid minimum rates of pay
- c. Fund an extension of Australia's Lending Rights schemes to include digital formats
- d. Roll out a 'Living Wage' pilot scheme over 3 years.

3. Increase support for the literary ecosystem

- a. A substantial increase to literature funding through the Australia Council will provide significant resilience to the literary sector, including to service organisations which support authors and to literary festivals and journals.
- b. An increase in funding for the Australian Bureau of Statistics would allow for much needed data on levels and type of employment, trends, and revenue across the book industry.

4. Legislative reform which supports creators

- a. Establish a working party to examine and introduce author-protective provisions in the *Copyright Act*
- b. Remove tax from literary prizes and Commonwealth grants to authors
- c. Maintain a meaningful copyright framework.

5. Educational policy settings

- a. Introduce a minimum threshold of Australian-authored content in schools
- b. Better support arts education.

Part 1: Context for this submission

1. Importance of books and reading to our nation

The benefits of books and reading are axiomatic; reading is foundational to a nation's wellbeing. We support a whole-of-government approach to investment in literature given the dividends from a reading nation are relevant to several portfolios, including:

Education: Reading is crucial for literacy, indicative of positive educational outcomes and employment. A reading country is a clever country.

Health: Reading has been proven to significantly enhance health and feelings of wellbeing,¹ including reducing stress, preserving brain health and thus reducing the risk of dementia, alleviating anxiety and depression, and feelings of loneliness, and increasing life expectancy.

Regional development: Books are an accessible art form for regional and remote Australians, particularly assisted by school and public libraries. Attendance at book festivals, especially in regional areas, is growing: 4.5 million Australians attended literary events in 2019, (an increase of 15% since 2016) and on average each one attended 15.6 events.²

Public interest issues: Books and reading are fundamental to a democracy and an informed citizenry. Books spread ideas, and move us forward. Particularly at a time when long-form journalism has declined, many matters of public interest, scientific thought, and new ideas are found in books. Recent examples include: *Banking Bad* by Adele Ferguson, which brought about Australia's Banking Royal Commission, *Witness*

¹A New Approach. *Transformative Impacts of Culture and Creativity*. A New Approach & the Australian Academy of the Humanities, November 2019. <<https://www.humanities.org.au/new-approach/report2/>>

²Australia Council for the Arts. *Creating Our Future: Results of the National Arts Participation Survey*. Australia Council for the Arts, August 2020. <<https://www.australiacouncil.gov.au/research/wp-content/uploads/2020/08/Creating-Our-Future-Results-of-the-National-Arts-Participation-Survey-PDF.pdf>>

by Louise Milligan interrogating our justice system, *See What You Made Me Do* by Jess Hill spotlighting the terrible blight of domestic violence, *White Tears, Brown Scars* by Ruby Hamad which has been globally lauded for its contribution to conversations about race and white feminism, and *The Climate Cure* (and many others titles) by Tim Flannery discussing solutions to climate change.

Arts and culture: We define ourselves through our literature and see ourselves reflected within it. Apart from the deep value of literature itself, books fuel the performing arts. Our most formative stories often start as a book and then are adapted for television, film, stage plays and even operas. For example, *Cloudstreet*, *Dirt Music* and *Breath* by Tim Winton, *Rabbit-Proof Fence* by Doris Pilkington Garimara, *The Secret River* by Kate Grenville, *The Slap* and *Barracuda* by Christos Tsiolkas, *Looking for Alibrandi* by Melina Marchetta, *Jack Irish* by Peter Temple, *Puberty Blues* by Kathy Lette and Gabrielle Carey, *The Book Thief* by Markus Zusak, *Big Little Lies* and *Nine Perfect Strangers* by Liane Moriarty, *True History of the Kelly Gang* by Peter Carey, *The Dry* by Jane Harper, *Jasper Jones* by Craig Silvey, *The Secrets She Keeps* by Michael Robotham, *Miss Fisher's Murder Mysteries* by Kerry Greenwood, *Playing Beatie Bow* by Ruth Park and *Boy Swallows Universe* by Trent Dalton. Television and film projects adapted from books perform better at the box office³ and Netflix actively looks for books to adapt for the screen: “There’s just no other substitute for the amount of work and creativity that goes into a book,” said Matt Thunell, Vice President of Original Series at Netflix.⁴

³In research undertaken in collaboration with Screen Australia, Matthew Hancock found: “For titles released in 1999–2008, a comparison of the typical earnings for individual films shows that adaptations perform better in the average than original films. ... the box office earnings for adaptations are more consistent. Their median box office was almost triple that of original films during the study period, at \$1.1 million compared to \$370,000.” - Hancock, Matthew. *Mitigating Risk; the case for more adaptations in the Australian film industry*. Australian Film, Television and Radio School, July 2010. <https://www.screenaustralia.gov.au/getmedia/89914fab-859f-47aa-a82e-950f6ec51474/Mitigating-risk.pdf?ext=.pdf>

⁴Boog, Jason. *The Netflix Literary Connection*. Publishers Weekly, April 2019. <https://www.publishersweekly.com/pw/by-topic/industry-news/page-to-screen/article/79793-the-netflix-literary-connection.html>

Trade and foreign affairs: Books help build Australia's reputation on the world stage and drive 'book tourism'. Authors bring in income from overseas through export sales, international rights sales and screen adaptations developed here. Macquarie University research has found that international rights sales have been increasing in the decade from 2008 - 2018, with China becoming a key market, and there is opportunity to unlock further growth to increase exports in the future.⁵

2. Authors are the primary producers who drive the creative economy

Writers are the primary producers of creative content that underpins and supports not only editors, designers, publishers, libraries and festivals, but also printers and bookstores. When an author writes a book, an industry of jobs is created, as the diagram on page 7 demonstrates. If we don't invest in our primary producers, over time the whole publishing industry and, indeed, broader art forms will be diminished.

⁵Crosby, Paul et al. *Success story - international rights sales of Australian-authored books*. Macquarie University, October 2021.
<https://research-management.mq.edu.au/ws/portalfiles/portal/177288594/177088842_Main_report.pdf>



3. **Australians value books**

It is our submission that Australians want support for authors and a local thriving writing industry. Despite increasing forms of competing entertainment, Australian authors enjoy a genuinely popular and growing national base. Research shows:

- In the Australia Council for the Arts' 2020 Arts Participation Survey, 72% of respondents read for pleasure, up 17 percentage points since 2016.
- 71% of Australians agree with the statement: "Books make a contribution to my life that goes beyond their cost."⁶
- Since COVID, Australians have reported that they have increased the amount that they are reading.⁷

4. **Authors are suffering from a lack of literature policy and funding**

Despite being valued by the community, the status quo is not serving authors. We have not had a national cultural policy for a decade but, additionally, we have not had *any* specific policy for literature. Literature is the only major art form without a national plan. Unlike the National Performing Arts Partnership Framework and the Visual Arts and Crafts Strategy, the Australia Council does not steward a national plan for literature.

We submit that, therefore, funding has been invariably ad hoc, short-term and uncoordinated between state and federal governments. In Part 2 of this submission we outline our recommendation for a national plan for literature, supported by a funding framework which binds Australian, state and territory governments.

⁶Macquarie University & Australia Council for the Arts. *Reading the Reader: A Survey of Australian Reading Habits*. Macquarie University & Australia Council for the Arts, May 2017.

<<https://www.australiacouncil.gov.au/research/reading-the-reader/>>

⁷The Australia Council for the Arts' 2020 National Arts Participation Survey showed that 36% of Australians have been reading more since COVID-19 - Australia Council for the Arts. *Creating Our Future: Results of the National Arts Participation Survey*. Australia Council for the Arts, August 2020.

<<https://australiacouncil.gov.au/advocacy-and-research/creating-our-future/>>

We understand the National Cultural Policy will be based on *Creative Australia*, first introduced under the Gillard Government. While that policy was appreciated, unfortunately, there was no vision for literature articulated. Literature didn't feature in the 'Actions' other than an intention to build on the Government's commitment of \$1.3 million for the 2012 National Year of Reading run by the Australian Library and Information Association.

Investment in literature through the Australia Council has declined by 40 percent over the last decade⁸. Further, direct investment in writing and its distribution has decreased at state and territory level over the last decade. In 2019-20, states and territories invested a total of \$110.7 million across all art forms and only \$5.2 million – or 4.7% – of their total investment in literature.

The sidelining of literature is clear from an examination of how the funding pie through Australia Council was carved up in 2020-21⁹:

- 62% of total funding through AusCo was allocated for the National Performing Arts Framework.
- A further 10% was allocated for government initiatives, which included the Major Festivals Initiative, the Visual Arts and Craft Strategy, the Contemporary Touring Initiative, Playing Australia and the Contemporary Music Touring Program. There was nothing for literature in government initiatives.
- A further 15% was allocated for Four Year Funding for 139 significant organisations. (The ASA, the peak body for authors in this country, has not

⁸From \$7.7 million in 2009-10 to \$4.7 million in 2020-21. This is largely due to the discontinuation of reading promotion initiatives Get Reading and Books Alive (2000-2014), which received government-directed investment of up to \$4.5 million per year, in 2014. We have not included an analysis of RISE funding, intended to reactivate artists and organisations affected by COVID-19.

⁹Australia Council for the Arts. *Annual Report 2020-21*. Australia Council for the Arts, September 2021. <<https://australiacouncil.gov.au/about-us/corporate-documents/annual-reports/>>

received Four Year Funding since 2016 and is, instead, primarily supported by writers and illustrators from their meagre incomes.)

- A final 13% was for ‘Council grants and initiatives’, out of which literature received just 6%, meaning that writers are receiving 2.4% of overall Australia Council Funding.
- In summary, in 2020-21 Australia Council invested \$193.9 million in the arts. Literature received a total of \$4.7 million (2.4%).

When then Minister for the Arts, Paul Fletcher, established his Creative Economy Taskforce in 2020 to provide strategic advice for targeted relief for the arts sector in light of the COVID crisis, there was no one on the taskforce with any expertise in literature despite all the other major arts forms (music, the performing arts, festivals, dance, theatre, and the visual arts) being represented.

For too long, the author voice has not been heard by government.

5. Groundswell of author concerns

In recent years, the ASA has made several submissions outlining the increasing pressures on authors and worsening financial insecurity¹⁰. We saw a groundswell of concern about the sustainability of writing careers in Australia in the high number of writers and illustrators making submissions to the Creative and Cultural Industries and Institution Inquiry in 2020. In addition to the ASA’s submission, there was an avalanche of submissions from writers, including Nick Earls, Gail Jones, Susan Hayes, Hannah Kent, Charlotte Wood, Sophie Cunningham, Malcolm Knox, Kate Grenville, Caroline Baum, Christos Tsiolkas, Helen Garner, Leah Kaminsky, Jessica White, Michael Robotham, Ann James, Helen O’Neill, Suzanne Leal, Peter Carey, Trent Dalton, Tegan

¹⁰For example, our submission to the Productivity Commission’s Inquiry into Intellectual Property Arrangements in Australia 2016, submission to the Creative and Cultural Industries and Institutions 2020, our Pre-Budget Submission to Treasury 2021 and our submission on the *Copyright Amendment (Access Reform) Bill 2021*.

Bennett Daylight, Kate Larsen, Tracy Sorensen and more, making impassioned pleas for better government support for the next generation of Australian authors.

Why the outcry? The reality is that authors are struggling to earn a basic living.

- According to the ASA's Survey 2021, 81% of respondents are earning less than \$15,000 per annum.
- According to a 2015 Macquarie University study, Australian writers' creative incomes have dropped by nearly 50% in the past two decades, from an average of \$22,000 in the early 2000s to just \$12,900 in 2015.¹¹
- Macquarie University is due to shortly publish its updated research into author earnings. While their findings are still being finalised, we understand their recent data shows only a very slight improvement on the 2015 figures. There has been no significant change to authors' incomes.
- According to the ASA's Surveys in 2020 and 2021, advances are low:¹² in 2021, 58% of respondents received no advances whatsoever, and only 13% of respondents reported receiving an advance over \$10,000; a marginal decrease from 14.6% in 2020.
- Authors are 'gig' workers, usually self-employed sole traders; they have no access to sick leave, annual leave, and very infrequent entitlements to superannuation. As they are not employees, they are not unionised and don't fall under the protection of Awards or industrial agreements or the basic protections enjoyed by an average employee. They negotiate for payment individually without the ability to collectively bargain. Gig workers often find it difficult to

¹¹Longden, Thomas et al. "Australian Authors - Industry Brief No. 3: Authors' Income." *Australian Authors' Income Report*, Macquarie University, October 2015.

https://research-management.mq.edu.au/ws/portalfiles/portal/122625541/3_Authors_Income.pdf

¹²An advance is a sum of money paid against future royalties. It is not a separate *additional* payment to an author, it is advancing monies to help sustain them while they write the book. Authors are then not paid again until the advance is "earned out" and royalties begin to flow.

secure credit cards, take out loans, or refinance existing loans because their work is considered precarious and volatile.

"In the past ten years, despite writing an average of five bestselling books per year, I have seen the impact of heavily discounted pricing strategies - meaning that while my sales have been consistently strong, my income has actually shrunk. Writing is a precarious business, in that royalties are paid twice a year and authors often have no idea what that amount will be. When you consider any other industry outside of the arts - with people who are at the top of their career game - it's unfathomable that they would have no idea what they're likely to earn in a year and that perhaps one year they will receive significantly less than the year before for exactly the same amount of time and effort.

Writers need assurances that their career choice is financially viable. I worked in education for twenty years before becoming a full time writer just on eight years ago (I basically had to juggle two careers for a number of years before I thought I could sustain myself with writing). It was a huge leap of faith to go from a very safe and secure income to one that feels a bit like playing Wheel of Fortune every time royalty season rolls around."

Jacqueline Harvey, Author

Authors patch together incomes from multiple streams, often including a 'day' job. The following pie graph serves as an example of an author's earnings from their creative practice over a year.



It is hard graft to establish yourself as a professional author, requiring years and years of building a backlist of steadily selling titles. So many of our luminaries have talked publicly about the need for government investment during this impecunious time; for example Helen Garner at the Creative and Cultural Industries and Institutions Inquiry explained that her stellar career was made possible by an early government grant.

One of the pillars for the new National Cultural Policy is 'A Place for Every Story'. It is the government's stated intention to improve diversity in our arts and cultural output. Without addressing extremely low author earnings, the writing of the future will increasingly be skewed to the privileged few with independent means of support, we will fail on every diversity measure and miss out on accessing the true depth and range of writing and illustrating talent in Australia.

6. Why is it getting tougher for authors?

Authors have long accepted the need to develop a portfolio career as a writer, but the following factors over the last decade are placing increased pressure on authors:

- lower advances, tightening backlist ranges
- reduction in supplementary sources of incomes:
 - disruption of the print media which has resulted in fewer freelance writing opportunities and lower payment,
 - shedding of casual teaching staff at Universities due to the impact of the COVID pandemic and the Job-Ready Graduates Package
- concern for future Lending Rights payments because of the shift in library borrowings to digital formats
- significant reduction in event opportunities and appearance fees due to COVID

- a significantly higher expectation from publishers that the author will drive the marketing for their book, a role that was previously undertaken primarily by the publisher
- as part of the promotion of their work writers are often asked to write articles for no fee, that run in various publications, in return for ‘exposure’
- particularly for non-fiction work, an increased reluctance on the part of publishers to take risks on new authors unless they have a strong social media following/other existing platform, creating a new source of unpaid labour for authors
- the exponential growth of social media content, streaming and other competitive forms of entertainment vying for attention and reading time
- the shift to a global marketplace as consumers can shop online, including from overseas retailers with loss-leading pricing strategies
- increased challenges in discoverability of new authors by consumers shopping online (a trend accelerated by COVID) when compared to the handselling and championing of Australian authors by independent bookshops
- the growth in ebook piracy; it is simple to illegally download books from ‘whack-a-mole’ websites and larger organisations, such as the Internet Archive, which has a stated mission of ‘universal access to all knowledge’ and has scanned millions of books now freely available to users around the world.

PART 2: Our recommendations

Bearing in mind the context outlined in Part 1 of this submission, we set out our recommendations to improve the sustainability of authors’ careers and drive the creative economy.

1. National Funding Framework

Pillar 4: Strong Institutions

As explained above, we believe that one of the reasons for low funding of literature and a short-term approach to reading and writing campaigns is the lack of a guiding national strategy. The ASA calls for a national plan which identifies medium and long-term priorities, and guides increased, targeted, and coordinated funding at federal and state levels, to unlock the potential of the literature sector.

Priority areas of investment should include: writers and illustrators, First Nations' publishing, a national reading campaign, service organisations, writers festivals, literary journals, digital infrastructure and the development of global markets.

We strongly support the National Reading and Writing Framework submitted by the Australia Council to the Office for the Arts and applaud the recommendations of Australia Council to introduce a funding framework.

2. Direct investment in writers and illustrators

Pillar 1: First Nations, Pillar 2: A Place for Every Story, Pillar 3: Centrality of the Artist

2.1. Commonwealth Fellowships and Grants Program

As the most vulnerable individuals in the entire supply chain, we must prioritise **direct** investment in our writers. We call for a Commonwealth Fellowships and Grants program which includes a focus on diverse publishing and writing from outer-metropolitan, regional and remote areas, designed to fuel the talent pipeline and build the creative economy of the future.

"I received an ArtStart Grant of \$10,000 from the Australia Council about five years ago. You had to have a university degree in a creative course to qualify. The purpose of the grant was to establish you as a business, as an artist.

I paid for my ASA membership with that grant. I paid for a mentorship through the ASA with that grant. I couldn't have afforded the membership fee or the cost of an experienced mentor without it. Through that mentorship, I realised that my writing had to lift. That mentorship was instrumental in making my work publishable. I paid for workshops and seminars with that grant to learn about the industry, who the players were, publishers, agents, how it all works.

Five years down the track, I have a writing career. And it all started with that grant. Young writers need two things: recognition as having the potential to write professionally and seed money to begin. A lot of awards are for people who have already written a book.

When you are starting out, you need someone to invest in you, take a chance on you. Government can build our future creative economy by investing directly in young talent."

Holden Sheppard, Author

The grants program ought to include:

- (a) seed money of at least \$10,000 for at least 100 emerging/new writers/illustrators to upskill, engage in professional development, and undertake mentorships;
- (b) grants of at least \$25,000 per annum over 3 consecutive years for at least 100 established writers/illustrators;
- (c) dedicated funding to support First Nations literature including:
 - (i) support for experienced First Nations creators to mentor First Nations emerging talent (essential if we want to continue and develop the impressive wave of First Nations publishing which has grown over the last five years)
 - (ii) investment in First Nations-led organisations to develop, publish and promote the work of First Nations writers and illustrators.

The ASA endorses the ongoing work of FNAWN. We support embedding self-determination in all First Nations programs and initiatives. We acknowledge that cultural processes cost money and that adherence to Indigenous Cultural and Intellectual Property (ICIP) management and community consultation ought to be an eligible expense in project grant budgets.

2.2. Minimum rates of pay

As mentioned above, authors do not fall under the protection of awards or industrial agreements and, as freelancers, have to negotiate on a case by case basis to be paid fairly. For years, the ASA has received feedback from authors struggling to be paid properly when they appear at festivals, in schools, at events, as mentors, as freelance writers for magazines, journals and other media outlets, or even just for their work to be used.¹³

When the ASA ran an authors-in-schools program, we heard disadvantaged schools express sincere regret at not being able to afford to pay the author, who sometimes volunteered to visit the classroom anyway.¹⁴ Some small publishers have started to ask authors to purchase a guaranteed number of their own books to underwrite the print run.

We acknowledge that the widespread underpayment of authors is symptomatic of an underfunded literary ecosystem. The consequence, however, is that we have arrived in an unsustainable position where authors subsidise the business models of other organisations in the literary community.

¹³For more information see the submission made by author Jennifer Mills for the National Cultural Policy.

¹⁴Anecdotally, private schools book authors more frequently than public schools, a fact which distresses many authors who may then decide to lower their fees for public schools, in effect subsidising the education system.

The government may help solve this problem by ensuring that public funding for projects that engage authors is **always contingent** on the payment of authors at or above ASA recommended rates of pay.¹⁵

2.3. Modernise Australia's lending rights schemes

Lending rights payments, administered by the Office for the Arts, represent the most reliable and significant government investment in authors. The Public Lending Rights (**PLR**) and Educational Lending Rights (**ELR**) schemes are intended to compensate creators and publishers for lost earnings when physical print books are made available for free borrowing at public and educational libraries.

The PLR / ELR schemes are world-leading and lauded by authors but, unfortunately, have fallen out of date and require urgent modernisation. Currently, lending rights payments to authors and illustrators are limited to **print** books and do **not** include ebooks or digital audiobooks. Changing technology and COVID has seen an enormous shift towards e-borrowing, and an increase in libraries' digital collections. The PLR/ELR schemes must be updated to reflect contemporary library collections which include digital formats in addition to print books.

PLR/ELR payments are a critical income source for Australian creators and a recognition of the enormous public benefit of having Australian content freely available in public libraries for years to come.

"PLR and ELR have been fundamental to my ambitions as a writer. The incentives for my work existing in Australian libraries contributed to the time and support I needed to write all of my books, but especially *The Book Thief*. What every writer needs most is time, and PLR and ELR, combined with a necessary Digital Lending Right, would give upcoming Australian writers that necessity, to have the same opportunities I had."

Markus Zusak, Author

Expanding the eligibility criteria for lending rights to include digital formats is universally supported by all stakeholders: authors, illustrators, publishers, libraries, agents.

Australia should join Canada, UK and Denmark which already cover digital formats in their PLR schemes.

We request that:

- (b) the *Public Lending Right Scheme 2016* and the *Educational Lending Right - Policies and Procedures 2011* be amended to expand the eligibility criteria for the lending rights schemes to include digital books, and
- (c) the budget for PLR / ELR be increased by at least 20% (\$4.4 million) to allow for:
 - (i) digital books to be included in the PLR /ELR schemes
 - (ii) forecast growth in digital collections,

along with an assurance from the Office for the Arts that the current rate of \$2.19 per book for creators won't be diminished.

2.4. Living Wage pilot scheme

Even many of our award-winning authors find it almost impossible to make a living wage from their creative practice.¹⁶ We encourage the Government to think

¹⁶This difficulty is referenced time and again in acceptance speeches and associated press. For example, see Richard Flanagan's comments following winning the Booker Prize - Flood, Alison. *Booker win saves Richard Flanagan from life down the mines*. The Guardian, October 2014. <<https://www.theguardian.com/books/2014/oct/23/booker-win-saves-richard-flanagan-from-life-down-the-mines>> - Melissa Lucashenko's comments following winning the Miles Franklin Award - Reich, Hannah. *Australian artists reveal how they maintain a living wage and a creative practice*. ABC News, September 2019.

boldly about tackling financial insecurity for our authors. We support the introduction of a ‘Living Wage’ pilot to be rolled out in Australia, similar to the Basic Income for the Arts (BIA) scheme currently being run in Ireland. The Irish scheme pays €325 (AUD\$470) per week to artists (including writers and illustrators) to address the financial instability faced by many working in the arts. The Irish pilot includes 2,000 artists and runs for 3 years.

A substantial percentage of places in any Living Wage pilot ought to be reserved for authors, particularly given that authors have been disproportionately disadvantaged through Australia Council funding. The pilot ought to be reviewed after an initial 3 years and outcomes measured to evaluate its economic, social and cultural impact and return on investment.

3. Increase support for the literary ecosystem

Pillar 4: Strong Institutions

3.1. Australia Council Funding

We support an increase to Australia Council funding.¹⁷ This would allow for investment in creators as outlined above but also would ensure the sustainability of service organisations that support authors, and literary festivals and literary journals that promote and nurture authors’ career development and provide critical cultural activity in regions across the country.

<<https://www.abc.net.au/news/2019-09-07/australian-artists-on-making-a-living-wage-in-music-film-theatre/11482260>> - and Evelyn Araluen’s comments upon winning The Stella Prize - Araluen, Evelyn. *Evelyn Araluen’s 2022 Stella Prize acceptance speech*. The Stella Prize, April 2022.

<<https://stella.org.au/2022/04/evelyn-araluen-2022-acceptance-speech/>>

¹⁷As an absolute minimum, we suggest investment in literature should be restored to the level of 2013-14, or \$9 million p.a. through the Australia Council.

3.2. Increase funding to Australian Bureau of Statistics

We endorse the recommendation from the Standing Committee of Communications and the Arts in their report: *Sculpting a National Cultural Plan*¹⁸ to provide additional funding to the Australian Bureau of Statistics to produce the Cultural and Creative Satellite Accounts annually, gather and publish data on levels and type of employment, trends, revenue, geographic trends across the creative and cultural industries. When the government cut funding to the Australian Bureau of Statistics in 2014, data collection for both Book Publishing and Book Selling was discontinued. This was a blow for the industry at the time and in the eight years since that decision was taken, it has proved difficult to obtain meaningful data and track trends across the breadth of the book industry.

4. Legislative reform which supports creators

Pillar 3: Centrality of the Artist

4.1. Support fair publishing contracts

There is a disparity in bargaining power between publishing companies and individual authors. Australia lags behind many countries in enshrining protections for authors in copyright legislation. In Australia, authors negotiate for all economic return for their work solely by contract. Given that authors typically have low bargaining power, do not know the market value of their books (the prediction problem), suffer an asymmetry of information and almost never get to renegotiate the terms once signed, relying solely on contract leaves authors in a vulnerable position. Given that some publishing contracts can last a very long time, disadvantageous terms signed early in an author's career may bind them for a decade or more.

¹⁸House of Representatives Standing Committee on Communications and the Arts. *Sculpting a National Plan: igniting a post-COVID economy for the arts*. Parliament for the Commonwealth of Australia, October 2021. <<https://tna.org.au/wp-content/uploads/2021/10/Sculpting-a-National-Cultural-Plan.pdf>>

We encourage the Government to follow European examples of establishing author protections in legislation such as:

- principles requiring appropriate and proportionate remuneration,¹⁹
- comprehensive and transparent royalty statements²⁰ and
- reversion of rights back to the author if the literary or artistic copyright work is not being exploited.²¹

While most publishers already adhere to these principles and will of course negotiate on some of these issues if pressed, if an author has not obtained specialist advice on the contract or does not have an agent to help them, it is almost impossible for them to have the detailed understanding of the contract or the industry to help them negotiate a fairer deal. Requirements in legislation would be to the benefit of all authors.

We consider the first step is to appoint a working party including industry representatives to discuss such reforms.

¹⁹Article 18 of the European Copyright Directive provides: “Member States shall ensure that where authors license or transfer their exclusive rights for the exploitation of their works or other subject matter, they are entitled to receive appropriate and proportionate remuneration.”

Article 20 of the European Copyright Directive provides: “...authors....are entitled to claim additional, appropriate and fair remuneration from the party with whom they entered into a contract for the exploitation of their rights...when the remuneration originally agreed turns out to be disproportionately low compared to all the subsequent relevant revenues derived from the exploitation of the works...”

²⁰Article 19 of the European Copyright Directive provides that: “Member States shall ensure that authors receive on a regular basis, at least once a year...up to date, relevant and comprehensive information on the exploitation of their work from the parties to whom they have licensed or transferred their rights, or their successors in title, in particular as regards modes of exploitation, all revenues generated and remuneration due.”

²¹Article 22 provides: Member States shall ensure that where an author...has licensed or transferred his or her rights in a work ... on an exclusive basis, the author may revoke in whole or in part the licence or the transfer of rights where there is a lack of exploitation of that work.”

4.2. Tax reform

Tax relief is a lever which could be used to provide additional support for low-income creators. The ASA requests that the government remove tax from literary prizes and Commonwealth grants to authors.

Prizes: The ASA asks for the tax-free status enjoyed by recipients of the Prime Minister's Literary Awards to be extended to *all major literary awards* in Australia, including but not limited to:

- The Miles Franklin Award
- The State Premier's Literary Awards
- The Barbara Jefferis Literary Award
- The Stella Prize
- The Vogel's Award
- The Children's Book Council of Australia Awards.
- The ARA Historical Novel Prize

Prize money from lotteries and game shows is non-taxable; surely prize money from literary awards ought to be non-taxable too. The total tax on these combined awards each year represents a tiny amount for the Government but would constitute a significant sum for individual authors.

Grants and fellowships: There is precedent for the Federal Government declaring support grants as non-assessable, non-exempt (NANE) income, such as bushfire disaster recovery allowances and COVID relief payments. Recipients do not include NANE income in their income tax return and they do not pay tax on it.

The purpose of this relief was to recognise and support people in tough situations where their livelihood was threatened. We submit that grants for low-income authors (on a means tested basis) ought to be declared as NANE income, as part of underpinning a healthy infrastructure for literary arts.

4.3. Copyright

Copyright is the legal framework by which all authors and illustrators earn a living. This property right makes possible creative and innovative careers. A national cultural policy must place at its centre a meaningful copyright framework.

"I've been a full-time professional author for over 20 years. Legislation and initiatives introduced in my lifetime, including the establishment of the Lending Rights scheme and the creation of the Copyright Agency, has made it viable for me and thousands of other Australian authors to create stories specifically for Australian readers.

Any changes to the Copyright Act that reduce, imperil or eliminate income streams for Australian writers will result in talented and passionate authors being unable to create new work. An emerging generation of young writers, especially those from diverse and disadvantaged backgrounds, will be silenced if Australia makes it impossibly difficult for authors to receive fair recompense for their creative work."

Kirsty Murray, Author

We do not propose to explore all the recent discussions about copyright reform in this submission but make the following points by way of summary:

- We ask the government to maintain a robust copyright regime and approach new limitations and exceptions to copyright cautiously, with an appreciation of the precariousness of creators' ability to earn a living.
- Streamlined licensing (including statutory licensing) is the preferred method of access to copyright works, as licensing preserves remuneration for

creators and facilitates access for users. In contrast, creating new **exceptions** to copyright infringement erodes creators' ability to monetise their work. Access to copyright works, which is essential in our society, must not be conflated with *free* access. Particularly with respect to digital works, it is easy to take for granted the work of creators and forget that investment in original work must be recouped for it to continue to flourish.

- We acknowledge that First Nations peoples' stories, songs, knowledge systems, cultural practices, literary, performing, musical and artistic works are not adequately protected by the *Copyright Act*. Whereas copyright expires 70 years after the death of the author, First Nations peoples' artistic expression can date back tens of thousands of years. Whereas copyright is owned by a singular author (or co-authors), First Nations traditional stories can be owned by a community with cultural laws dictating the sharing and expression of that story. We recognise that Indigenous Cultural and Intellectual Property (ICIP) must be used in accordance with cultural protocols and community consent and in a way which respects the self-determination of Aboriginal and Torres Strait Islander people. We support the exploration of a First Nations-led cultural rights regime to address the limitations of the existing intellectual property laws.

5. Arts education

Pillar 5: Reaching the audience

5.1. Primary and secondary schools

Authors in schools

We believe there would be substantial benefits to an authors-in-schools program: roll out a scheme that would put more authors in public primary and secondary schools more often, to increase income for authors, and deliver to students inspiration, literacy skills, a deeper connection with books and

expertise on writing. This is particularly important for those schools that cannot currently afford to budget for author visits.

Put Australian books into the hands of Australian readers

Previous generations of Australians growing up in this country read a lot of English and American books, setting a tradition of importing intellectual property and culture. Australian children are still reading a vast amount of overseas books in schools. It's important for Australian children to see themselves in our books, to read books that are distinctly Australian to reflect our sense of place and our community.

Quotas for local content have been established for all commercial television licensees in the *Broadcasting Services Act 1992* and, similarly, quotas look increasingly likely for streaming services. A similar principle could be applied to our primary and secondary schools, whereby a minimum threshold of Australian books is mandated, which would benefit students and radically improve the sales and profile of Australian authors. We endorse the recommendation from the Standing Committee for Communications and the Arts in their *Sculpting a National Cultural Plan*²² report that there be a minimum threshold of Australian-authored literary texts in the Australian Curriculum.

Australian schools need qualified library staff and adequately resourced school libraries which actively feature Australian books. Quotas for study of Australian texts in the curriculum from primary school to upper secondary school could be supplemented with guiding principles for minimum levels of Australian books in school and public libraries.

²²House of Representatives Standing Committee on Communications and the Arts. *Sculpting a National Plan: igniting a post-COVID economy for the arts*. Parliament for the Commonwealth of Australia, October 2021. <<https://tna.org.au/wp-content/uploads/2021/10/Sculpting-a-National-Cultural-Plan.pdf>>

5.2. Tertiary sector

We ask the Government to review its commitment to arts education funding. Arts-based education significantly helps the development of intellectual skills now in demand: creativity, innovation, imagination, critical thinking, communication. The ASA strongly objects to the Job-Ready Graduates Package which has resulted in a doubling of fees for tertiary courses in the humanities. Our objections are:

- (a) the policy rationale for the Job-Ready Graduates Package is flawed; based on a narrow-minded view of degrees as singularly linked to vocations, along with an under-appreciation of the humanities as imparting critical thinking and research skills;
- (b) we are concerned that the cost of humanities generally and writing courses in particular will become prohibitive under the new very low Government contribution, with students from low SES backgrounds being locked out; and
- (c) professional writers are employed as casuals by universities to run creative writing and literature-related courses and will lose employment opportunities if these courses are disbanded.

Before a public outcry caused Federation University to reverse its decision, the University had announced it would discontinue its Bachelor of Arts Degree from 2023, partly due to the increased costs of an arts degree, and had sought voluntary redundancies for teaching roles from the arts faculty.²³

²³Davis, Rio. *Federation University to cut arts degree program, tertiary union horrified*. ABC News, August 2022.
<<https://www.abc.net.au/news/2022-08-05/federation-to-cut-arts-degree-union-horrified/101303160>>

We also request that the Government dedicate funds to establish or continue a Chair of Australian Literature in all the major universities to promote the writing and scholarly study of Australian literature. The study of Australian literature at universities and schools is essential to a healthy literary culture. The ASA is concerned about the dwindling focus on teaching Australian literature, with some of our members reporting there are more scholarly articles about Australian books published by overseas universities than Australian universities. If we do not celebrate our own literature, who will? Further, if teachers and school librarians don't substantially study Australian texts when undertaking their education degrees at tertiary level, then they will graduate without a deep understanding of the breadth of Australian literature and be less inclined to teach diverse Australian literature to primary and secondary students.

Conclusion

"Australia has a political and cultural tradition of fairness and equity for all working people. Any industry or trade seeking to be deemed free or fair must look first to its most vulnerable participants. In the publishing industry this means the writers."

Tim Winton, Author

Authors make a vital contribution to the cultural, economic and social fabric of our nation, and our broader reputation overseas. In our view, however, literature has been consistently sidelined in cultural policy and therefore in funding. The recurring themes in many authors' submissions and this submission is that the opportunities afforded to writers in the past have receded and that investment in authors is desperately needed to fuel twenty-first century economic growth.

The ASA believes the National Cultural Policy is a significant opportunity to value and invest in literature for the benefit of not only our creators but the whole community.

Endorsement of other submissions

The ASA wholeheartedly endorses the submissions of individual authors to this consultation and the submission made by the Books Create Australia Alliance.

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