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## **Submission to Inquiry by House Standing Committee on Infrastructure and Communications into the role and potential of the National Broadband Network**

24 February 2011

Copyright Agency Limited (CAL) welcomes the opportunity to make a submission to the Inquiry by the House Standing Committee on Infrastructure and Communications (the Committee) into the role and potential of the National Broadband Network (NBN).

### **Summary of this submission**

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CAL's focus in this submission is paragraph (c) of the terms of reference: the capacity of the NBN to contribute to improving the educational resources and training available for teachers and students.

The NBN will improve *access* to educational resources. It will provide online access to people who do not currently have it – particularly in regional and remote areas – and enhance access for those who do. Enhancements will include faster and more reliable connections, and opportunities for interaction with others in the education community and elsewhere.

The NBN also has the capacity to provide incentives for innovation in Australian educational resources. It will provide opportunities to producers of educational resources to reach wider audiences, and thus expand their markets. This in turn – particularly in conjunction with the National Curriculum – will provide opportunities for economies of scale, and incentive for further investment in innovative content.

The scope for such developments could, however, be hampered by:

- lack of appreciation of the significant investment and experience required to produce and deliver world-class Australian online educational resources;
- a consequent lack of appreciation of the value of digital content; and
- unfettered unauthorised use of digital content.

### **Australian educational publishing**

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Australian educational publishers are amongst the most innovative in the world despite relatively small markets. An indication of this is the significant export of Australian educational resources.

In addition to originating resources for the Australian market, Australian educational publishers invest in the customisation and contextualisation for the Australian environment of resources produced overseas.



The quality of resources produced by Australian educational publishers, and the investment and expertise necessary to produce them, is not widely appreciated, including by governments. Nor is their early adaptation to the digital environment, and their ongoing commitment to harness the opportunities provided by technological developments for the benefits of Australian students.

Information about the investment and expertise underpinning Australian educational publishing is set out in submissions to the Book Industry Strategy Group (BISG), and we would be happy to provide any information that would be of interest to the Committee.

## **Rights management in Australian educational publishing**

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CAL is a non-profit rights management organisation that collects, and distributes to rightsholders, copyright fees and royalties for the use of text and images, both digital and hardcopy. CAL has agreements with similar organisations in other countries that enable it to collect and distribute copyright payments for Australian works used overseas, and for foreign works used in Australia.

CAL was appointed by the Commonwealth Attorney-General in 1990 to manage the statutory licence in the Copyright Act for educational use of text and images (educational statutory licence). The licence allows educational use of content, including digital content, without a copyright clearance provided fair payment is made to rightsholders. CAL also offers a range of other rights management services, both for multi-repertoire and for individual works.

The viability of many of Australian educational publishers is dependent upon CAL's management of the customised use of their materials that is allowed and encouraged by the educational statutory licence. This is outlined in a number of submissions to the BISG, and we would be happy to provide any further information that the Committee may be interested in.

CAL payments also provide a significant income stream for authors writing for the educational market, including those who self-publish.

## **Digital Education Revolution and the NBN**

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The government's Digital Education Revolution (DER) is largely concerned with information technology devices, infrastructure and skills. There is, however, \$28.6 million in government funding for the Online Curriculum Resources and Digital Architecture Initiative, which includes the 'development of high-quality digital resources that can support the online delivery of the Australian curriculum'.

The government says that it is 'working with the publishing, copyright, digital content and creative industries in implementing the Initiative'. To date, however, those involved in the DER have tended to regard the copyright system negatively, as a system that imposes costs to be avoided, rather than as a system that encourages the production of innovative learning materials for the benefit of Australian students and teachers. This attitude, based on misunderstandings and unfounded fears, together with some unnecessary government investment in educational resources, risks denying Australian students the best resources that would otherwise be available.



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## **Perceptions of the value of digital content**

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A common misconception is that digital content is cheaper to produce and distribute than content in other formats. The opposite is usually the case, for reasons that include the interactivity of digital content, the need to regularly update the content, the necessary infrastructure to store and deliver it, and customer support.

Addressing attitudes to the investment and expertise required to produce and deliver quality Australian digital content is fundamental to the development of future Australian educational resources.

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## **Unauthorised use of digital content**

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The extent to which copyright stimulates innovation and delivers fair rewards to authors and publishers is, of course, undermined by widespread unauthorised use of content. While the effects of piracy on the book publishing industry have so far been much more limited than those on the music, film, software and games industries, this is likely to increase dramatically as online distribution grows. This development requires consideration of new approaches to combating unauthorised use of content, including addressing consumer attitudes to the value of digital content, and involving all participants in the supply chain in measures to inhibit unauthorised use of content.

CAL is a signatory to the submission to the Committee by the Australian Content Industry Group (ASIG), which proposes government facilitation of an agreed framework for fostering legitimate use of content.

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## **Matters to be addressed in the Committee's report**

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CAL asks the Committee to address the following matters in its report:

- the fundamental role of the copyright system in providing the foundation for the creation, production and dissemination of innovative content, including educational resources;
- the role of government in creating awareness about the investment, risks and expertise involved in producing world-class Australian content, and the cultural, educational and economic value of that content;
- the world-class quality of resources produced by Australian educational publishers, the demonstrated ability of Australian educational publishers to innovate in a rapidly changing environment, and the dependence of the success of the National Curriculum on resources produced by Australian educational publishers;
- the need for adequate resourcing for schools to acquire the best available educational resources;
- the need for the right environment for the production and delivery of high quality Australian content to fully realise the potential of the NBN; and
- the desirability of a government-facilitated roundtable of representatives of content owners and internet service providers aimed at formulating an agreed framework for fostering legitimate consumption of online content, as proposed in the ACIG submission to the Committee.



## **Further information**

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CAL would be very pleased to provide any other information that may be of interest or assistance to the Committee in relation CAL's operations or rights management more generally.

Yours sincerely

Libby Baulch  
Policy Director