

**Senate Select Committee on the Free Trade  
Agreement between Australia and the United States  
of America**

**Australian Library and Information Association**

**Submission**

**30 April 2004**

The Australian Library and Information Association (ALIA) is the national body for the Australian library and information sector, representing 5000 individual professionals, 900 library and information organisations and the interests of 10.7 million users of library and information services. On behalf of its members and library and information services users the Association thanks the Committee for the opportunity to comment on the effects of the Australia-United States Free Trade Agreement.

Our submission follows the terms specified in term 2(a) and (c) the agreement and its impacts and 2(b) the democratic and transparent process reviewing the agreement in its totality.

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## **The agreement and its impacts [term of reference 2 (a) and (c)]**

Our submission on the Agreement and its impacts should be read in conjunction with the attached copy of our submission to the Joint Standing Committee on Treaties. Our submissions refer in particular to articles in chapter 17, Intellectual Property and the inclusion of cultural services in Annexes 1 and 2.

In summary:

**1. ALIA opposes adoption into Australian law of provision 17.4.4 extension of the copyright term, and asserts that to do so is contrary to the interests of Australian creators and information users;**

**2. ALIA urges caution in adopting the strict measures of the US Digital Millennium Copyright Act regarding: the circumvention of technological measures set out in article 17.4.7; the removal of rights management information set out in article 17.4.8; and the enforcement provisions set out in 17.11;**

**3. ALIA requests the Committee to support further analysis of the technological protection measures and penalties in Chapter 17 and the distinction between private copying or caching for educational purposes and what is already identified in Australian law as criminal activity, that is copying for fraudulent commercial gain.**

**4. ALIA proposes that, if the FTA intellectual property provisions are adopted into Australian law, the resulting imbalance of interests be adjusted by either:**

**4.1 expanding the fair dealing provisions to establish general principles of rights for information users. These should include legalisation of one-off domestic digital copying, the strengthening of privacy protections if copyright owners are able to gain access to Internet use records on the basis of alleged copyright breaches, the preservation of library resource-sharing and a requirement that extensions of copyright protection should be in the public interest; or**

**4.2 by adopting the US 'fair use' doctrine.**

### **Copyright: owners advantaged at expense of information users**

ALIA opposes the extension of the copyright term and the adoption of the Digital Millennium Copyright Act (US) provisions which impede users from circumventing technological blocks to otherwise legal access to information. A fuller discussion in support of our position on these issues is contained in our submission to the Joint Standing Committee on Treaties, which we attach. However in relation to this Committee's specific terms of reference we add the following comments.

The FTA Chapter 17 provisions on intellectual property give advantage to copyright owners to the detriment of users of copyright information. They are carried directly from United States law, without the corresponding "fair use" provisions which give American users of information greater access to copyright information than the more restrictive "fair dealing" provisions in Australian law. The terms of the agreement

advantage the large US entertainment and publishing industries and disadvantage Australian users in comparison with American users.

Australian users are further disadvantaged in that while the United States is protecting the interests of industries which are contributing significantly to its economy. Australia is (and will be for the foreseeable future) not only a net consumer of information and users therefore reliant on easy access and use, but also a country with a rural and regional population losing services and infrastructure on one hand and on the other hand, increasingly dependent, in the information economy of the 21<sup>st</sup> century, on digital communication of information and education to redress the disadvantage of isolation from metropolitan centres. It is not in Australia's interests to be supporting the treatment of digital information as different. The present Government recognised the importance of the principle of technological neutrality in the Digital Agenda amendments to the Copyright Act.

Copyright law, both in national law and international agreements, is based on a balance of interests between owners and users, so that the creators' right to be rewarded is extensively protected for a limited time, after which the work is released into the public domain to stimulate further creativity and innovation.

Every review of copyright in Australia takes account of how amendments to the law, proposed and actual, affect that balance between owners and users in the interests of all Australians.

Six months ago, the Senate Environment, Communications, Information Technology and the Arts References Committee commented that it was:

*"inclined to the view that the current balance between the rights of copyright owners and access to information by users in the digital environment is an acceptable one"*  
[Libraries in the online environment para 4.4.1]

The Digital Agenda Review report and recommendations, prepared by Phillips Fox, (submitted to Government in January and published on 28 April 2004) notes that:

*"Overall, submissions to the review accept that, in general, the Digital Agenda is achieving its objectives and is working well. However, no interested party has submitted that all amendments have achieved an appropriate balance of rights and obligations or that there is no room for improvement or change."* [Final report p.1]

The corollary is that, overall, no interested party, including ALIA, criticised the overall balance of rights and obligations. However, both the Senate and the Digital Agenda Review reports, and ALIA submission and comments to the Digital Agenda Review, were prepared before the terms of the USAFTA were published.

**ALIA submits that the balance of rights and obligations will be inappropriate if the copyright term extension and the digital protection clauses of the USAFTA are enacted in Australia's Copyright Act without the extension of user access.**

## **Fair use**

**ALIA proposes either:**

- **an expansion of fair dealing with recognition of a good faith defence (to ameliorate the significant costs of tracking unfindable copyright owners for use permission) or**
- **a consideration of the US ‘fair use’ doctrine for adoption into Australian law, if we enact the FTA chapter 17 provisions**

Section 107 of the US Copyright Act provides that copying for fair use for purposes such as criticism, comment, news reporting, teaching, scholarship or research is not an infringement of copyright. Factors to be considered in determining a fair use include:

- the purpose and character of the use, including whether such use is for commercial or non profit educational purposes
- the nature of the copyright work
- the amount and substantiality to be copied
- the effect of the use upon the potential market for, or value of, the copyright work

An unpublished work, in perpetual copyright, is still accessible under fair use. Each ‘fair use’ is decided on its own merits.

## **Copyright term extension**

Even if the user access to information is broadened, the problem of copyright term extension remains with the permanent closing-off for an extra 20 years of information from further creation and innovation. Canada has consistently refused to extend duration of copyright beyond the Berne Convention requirement, despite a long record of bilateral trade agreements with the United States.

**ALIA continues to support rejection of term extension, outlined in its submission to the Joint Standing Committee on Treaties, and in the submission of Dr Matthew Rimmer of the Australian National University, himself an author and a member of ALIA’s copyright and intellectual property policy advisory committee.**

## **Harmonisation and moral rights**

An argument for term extension is harmonisation with European and US standards. The moral rights of the creator are also standard in international law and in Australian law. They are separate from copyright in that they remain with the creator but they are part of the overall copyright regime in duration, and in international and Australian law.

The United States has very poor moral rights coverage, largely limited to art works. In the interests of Australian creators and in the pursuit of harmonisation, why is a commitment from the United States on moral rights not included in this agreement?

**ALIA supports recognition of moral rights in any trade agreement involving intellectual property.**

**ALIA urges the Committee not to support extension of the copyright term (Article 17.4.4); and not to adopt the technological protections measures and penalties in Chapter 17 without distinguishing between private copying, caching for educational purposes and those activities already prohibited in Australian law as criminal, that is, the breaching of owner's rights undertaken for fraudulent commercial gain.**

### **Cultural industries**

**ALIA urges the Committee to recommend retention of the Australian Government's powers to encourage Australian cultural industries by legislation and subsidy in any way appropriate for the public interest now or in the future.** ALIA supports the arguments of the Australian Coalition for Cultural Diversity on this matter, particularly in not limiting the powers of future Australian governments to regulate local content in new media.

**ALIA believes that the Australian Government should follow the example of Canada, a veteran of trade agreements with the United States, in not acceding to provisions which impair its right to legislate on intellectual property and culture for the primary interests of its citizens.**

## **The democratic and transparent process reviewing the agreement in its totality [Term of reference 2(b)]**

ALIA identifies serious concerns with the process of reviewing the agreement in its totality, all of which are related to the haste in which the FTA process has occurred and is occurring.

**Informed public discussion is limited by the haste in which the FTA is proceeding.** The only public discussions of the Agreement are taking place in the media, and the limited periods permitted by the time constraints of the two Parliamentary Committees.

**Recent reviews and reports which deal with proposed changes to Australian copyright law have been quarantined from the FTA process.**

The Phillips Fox report on the Digital Agenda Amendments Review was released this week on April 28. All of its consultation took place in parallel with discussions on FTA intellectual property concerns conducted by the Department of Foreign Affairs and Trade, but the two processes remained resolutely separate.

The Phillips Fox report is thorough and thoughtful and shows the benefits of their consultative approach. They held meetings for special interest groups which were in general agreement and meetings where opposing groups representing copyright owners, users and creators participated. This useful process brought different views together and has contributed to the effectiveness of the report, even if ALIA doesn't necessarily agree with every recommendation.

The DFAT consultation process with its very tight time and place constraints directed itself at hearing the views of likeminded interests, presumably to give the Australian negotiating team an overview of all interests involved in the negotiation.

The Allen Consulting Report, published last year and commissioned by the Motion Picture Association of America, the supporters of a term extension, failed to provide any evidence for it. Given this failure, and the testimony of Nobel prize-winning economist, Milton Friedman before the United States Supreme Court in *Eldred v. Ashcroft* that it was unlikely that the economic benefits of extension outweighed the additional costs, it is surprising that the Australian Government has not commissioned a comprehensive study of the social and economic effects of agreeing to such an extension.

The economist Henry Ergas was disappointed that the Federal Government did not engage in any economic research into the copyright term extension:

*“...the FTA obliges Australia to increase the term of copyright protection by 20 years, in line with the US regime... This change is a gift to IP producers since it comes with the broader usage rights that US consumers enjoy because of the more generous manner in which non-infringing uses of IP products (eg copying for research purposes) is interpreted.*

*“Furthermore, it is inconsistent with the recommendation of the Australian Intellectual Property and Competition Review Committee that any extension of the copyright term should only occur after a public inquiry”* [Henry Ergas. Patent protection: an FTA complication, Australian Financial Review, 24 February 2004: p. 63]

The Independent Committee of Inquiry into Competition Policy in Australia (the Hilmer Report) recommended that Australian governments should not place regulatory restrictions on competition unless clearly demonstrated to be in the public interest. The FTA was not but should be subject to this process.

Two reports of the Copyright Law Review Committee are also material to copyright issues in the FTA, namely the report on Simplification of the Copyright Act which discussed fair use and fair dealing and the report on Copyright and contract, which recommended that licence conditions not over-ride otherwise legal access to information.

### **The Government's position change**

The Minister for Trade, Hon Mark Vaile acknowledged on 8 December 2003 (Australian Financial Review) that the copyright term extension was one of the “standout issues” where Australia and the US remained at odds in the intellectual property negotiations and that Australia was “pushing back” at this stage. The Minister stated that “It is a very important issue, particularly in terms of cost to libraries, educational institutions and the like here in Australia”. “There is a whole constituency out there with a strong view against copyright term extension and we are arguing that case”.

Further discussion on this topic was pre-empted by the sudden announcement of the Agreement. Further, in its release of the Phillips Fox review report the Government advises that the copyright obligations of the Agreement supersede the recommendations of the review report.

**The Centre for International Economics report [178 pages] on the Agreement**

This report was published in totality today, [April 30] too late for any useful critical analysis into either the negotiations or submissions to either of the Parliamentary committee reviews. There was no public consultation involved in this process of analysing the costs and benefits to the Australian community and the process appears to be an economic modelling exercise which will not be sufficient to gauge the impact of Chapter 17 on Australian information users.

ALIA believes that the Parliament and the Australian public need more time to test the overall social and economic costs and benefits of the FTA, and that the suggestions of the Phillips Fox report regarding resourcing empirical analysis in copyright matters should be considered, before enacting the FTA chapter 17 provisions.

30 April 2004

**Attachment:** ALIA submission to Joint Standing Committee on Treaties

# **Australian Library and Information Association**

## **Submission to the Parliamentary Joint Standing Committee on Treaties (JSCOT) inquiry into the Australia-United States Free Trade Agreement**

The Australian Library and Information Association (ALIA) is the national body for the Australian library and information sector, representing 5000 individual professionals, 900 library and information organisations and the interests of 10.7 million users of library and information services. On behalf of its members and library and information services users the Association thanks the Committee for the opportunity to comment on the effects of the Australia-United States Free Trade Agreement, in particular articles in chapter 17, Intellectual Property, and the inclusion of cultural services in Annexes 1 and 2.

The Association's position is:

**ALIA opposes adoption into Australian law of provision 17.4.4 extension of the copyright term, cited below, and asserts that to do so is contrary to the interests of Australian creators and information users;**

**ALIA urges caution in adopting the strict measures of the US Digital Millennium Copyright Act regarding: the circumvention of technological measures set out in article 17.4.7; the removal of rights management information set out in article 17.4.8; and the enforcement provisions set out in 17.11;**

**ALIA requests the Committee to support further analysis of the technological protection measures and penalties in Chapter 17 and the distinction between private copying or caching for educational purposes and what is already identified in Australian law as criminal activity, that is copying for fraudulent commercial gain.**

**If the Australian Government is to adopt stricter protections for copyright owners, it should establish general principles of rights for information users. These should include legalisation of one-off domestic digital copying, the strengthening of privacy protections if copyright owners are able to gain access to Internet use records on the basis of alleged copyright breaches, the preservation of library resource-sharing and a requirement that extensions of copyright protection should be in the public interest;**

**ALIA supports the submission of the Council of Australian University Librarians, particularly in relation to the delivery of educational services and the promotion of Australian research.**

**ALIA urges the Committee not to support extension of the copyright term (Article 17.4.4); and not to adopt the technological protections measures and penalties in Chapter 17 without distinguishing between private copying, caching for educational purposes and those activities already prohibited in Australian**



**law as criminal, that is, the breaching of owner's rights undertaken for fraudulent commercial gain.**

**ALIA urges the Committee to recommend retention of the Australian Government's powers to encourage Australian cultural industries by legislation and subsidy in any way appropriate for the public interest now or in the future.**

**ALIA believes that the Australian Government should follow the example of Canada, a veteran of trade agreements with the United States, in not acceding to provisions which impair its right to legislate on intellectual property and culture for the primary interests of its citizens.**

## **COPYRIGHT TERM EXTENSION**

**ALIA opposes adoption into Australian law of provision 17.4.4 extension of the copyright term, cited below, and asserts that to do so is contrary to the interests of Australian creators and information users;**

*[Chapter 17 Intellectual Property Rights]*

*17.4.4 Each Party shall provide that, where the term of protection of a work (including a photographic work), performance or phonogram is to be calculated:*

*(a) on the basis of the life of a natural person, the term shall be not less than the life of the author and 70 years after the author's death; and*

*(b) on a basis other than the life of a natural person, the term shall be:*

*(i) not less than 70 years from the end of the calendar year of the first authorised publication of the work, performance, or phonogram, or*

*(ii) failing such authorised publication within 50 years from the creation of the work, performance, or phonogram, not less than 70 years from the end of the calendar year of the creation of the work, performance, or phonogram.*

### **No economic argument for copyright term extension**

Extensions of the copyright term benefit producers and publishers of massive amounts of content. They do not benefit the estates of individual creators or promote further creativity, the basic objective of copyright law.

The fullest economic analysis of copyright extension has been produced by the 'father' of economic rationalism, Milton Friedman, and 17 other economists (including five Nobel prize winners). The economists found that the economic benefit of the extra 20 years to copyright owners was less than one US cent a year for an individual work and was, therefore, unsustainable as an economic argument for extension. The report, *The Copyright Term Extension Act of 1998: an economic analysis*, is published by AEI-Brookings Joint Center for Regulatory Studies and available at <http://www.aei-brookings.org/admin/authorpdfs/page.php?id=16>.

### **Economic burden of seeking permissions**

In contrast, a US universities' study (the Carnegie-Mellon study) found that pursuing copyright permissions for out-of-print or commercially unavailable works cost from \$US150 to \$US200. Every time an information user needs to contact a copyright owner for permission to quote from or use the whole or part of a work, this cost is incurred without guarantee of a response, let alone a favourable response. If the copyright owner is not found, there is no "good faith" defence (along the lines of 'made every reasonable attempt to find and am willing to compensate at a commercial price') available to protect or mitigate in an action for breach of copyright.

### **Anti-competitive and counter to the aims of copyright**

The aim of copyright is to reward the creator for a limited time and then release information into the public domain in order to stimulate further creativity and innovation. Locking up information for longer periods is counter to that goal.

Four years ago, the Intellectual Property and Competition Review Committee concluded that there was no merit in proposals to extend the copyright term. Importantly, the committee further recommended that Australia should not extend it, without a prior thorough and independent review of the resulting costs and benefits. There has been no thorough, independent review of the costs and benefits of copyright extension in Australia, and in evidence to the Senate Foreign Affairs, Defence and Trade Legislation Committee on 2 March 2004 the head of the Australian negotiating team, Stephen Deady, advised that he had never seen the Milton Friedman report (p12 Proof Committee Hansard). In correspondence to ALIA in December 2003 the Minister for Trade, Hon. Mark Vaile, told ALIA that the Government did not support the term extension.

The extension of copyright terms is an extension of corporate monopoly. It has no place in a free trade agreement, is anti-competitive and burdens information consumers with escalating and unpredictable costs and legal obligations. The drive of American copyright owners, expressed by one lobbyist as extension of the copyright term for "infinity minus a day", is to use the profit potential of cheap digital distribution to establish a new basis for copyright law, one of reward for investment, with diminishing or no space for public or free uses. This is completely against the public interest of any country and it places no obligation on the copyright owner to continue to invest or make the information available commercially.

As creators vanish into obscurity and corporate publishers and distributors change or disappear, the ownership of information and the ability to seek permission to use it becomes economically burdensome. The number of books which rapidly disappear into the out-of-print category indicates that profit to creators and to publishers accrues in the first 20 years. Worse, the regime of extended protection, not only through the Copyright Term Extension Act (CTEA), but through the US Digital Millennium Copyright Act (DMCA), impedes the digital preservation of and access to older materials.

### **Imbalance of interests between owners and users**

To extend the term of copyright protection creates an imbalance of interests of owners and users. It makes no sense for Australia, a net importer of information, to extend the copyright term. It would add to the cost of our information, education and research, without providing commensurate benefits to Australian creators and publishers, because they don't produce in the volume which makes a few cents per product economically viable.

Copyright owners have the right to exploit their works commercially and they also have the legal right to not exploit them at all, a right which inhibits innovation and further creativity.

These negative rights of multiple copyright owners have prevented libraries from giving digital access to local history and private collections of material which may be

of public benefit. A recent example of this is the inability of the Alice Springs Public Library to be able to legally digitise collections of contemporary (ie 1975-6) information on the devastation of Darwin by Cyclone Tracy and the effect on citizens of the Northern Territory. The material will never be published in its present form, has multiple copyright owners, and yet has value as a collection because it includes media and private accounts and photographs which complement each other. The economic burden of seeking individual permissions is too great to digitise the collection, which is therefore available only as a print file. Extension of copyright terms has made digitising collections by American libraries more difficult and more expensive, even though such material will never be available as a commercial product.

If users are going to be disadvantaged by extensions of owner rights, by lengthening the period of protection, by redefining and limiting user access to information (as the Copyright Agency Ltd has suggested in its push to redefine library in the review of the Digital Agenda amendments) or by redefining a "work" subject to copyright in order to promote payment for increasingly small amounts of digital information (known as "granularity" after grains of wheat in a slice of bread), the copyright law will depart completely from its historic aims.

#### **Digital Agenda amendments review**

The Digital Agenda amendments review has been quarantined from the consultative processes of the Australia/US Free Trade Agreement. Issues in the two processes affect the balance between owner and user interests and should be considered together. Otherwise there will be further distortions of the aims and objectives of copyright.

#### **Experience of Canadian information users**

Canada has consistently taken the view that it is in the interests of Canadians to be cautious about adopting intellectual property rules dictated by European and US content publishers without proper parliamentary debate and attention to Canadian interests. Canada has participated in trade agreements with the United States since the early 1980s and still holds to the Berne Convention copyright term of death of the author plus 50 years.

#### **Australia's protection of copyright owner rights**

Australia has consistently met its obligations in regard to copyright protection. Before Federation, the Australian colonies were covered by Berne Convention obligations from 1887 through the law of the United Kingdom and, from 1911, Australia honoured its international obligations under Federal law. By contrast, the United States resisted signing the Berne Convention until 1989.

Australian legislatures have consistently reviewed copyright in the light of international legal changes and technological development. We have a consistent record of regular review, ongoing legislative amendment and effective judicial action. Unlike some other countries, including the United States, Australian publishing has no history of copyright piracy.

The Australian Government already protects the interests of copyright owners. It doesn't have to disadvantage Australian researchers, students and library and

information users in order to benefit American motion picture and recording association members, the main lobbyists backing term extension.

### **ADOPTING THE STRICT MEASURE OF THE US DIGITAL MILLENNIUM ACT**

**ALIA urges caution in adopting the strict measures of the US Digital Millennium Copyright Act regarding: the circumvention of technological measures set out in article 17.4.7; the removal of rights management information set out in article 17.4.8; and the enforcement provisions set out in 17.11.**

**ALIA requests the Committee to support further analysis of the technological protection measures and penalties in Chapter 17 and the distinction between private copying or caching for educational purposes and what is already identified in Australian law as criminal activity, that is copying for fraudulent commercial gain.**

The Australian Copyright Act prohibits the manufacture, sale or advertising of circumvention devices, but is deliberately silent on the use of such devices. This silence presumably allows someone who buys a digital product or has a legal right to access digital information the ability to exercise their right of access by circumventing a technological barrier to that information.

There are cases where a person should be able to circumvent technological blocks to information which they have legally acquired. Some examples are:

- Where a person or a library has purchased a subscription to a digital information service. Unless warned before purchase, the consumer should be able to get access to the information purchased without being subjected to a technological time expiry, (which has occurred in the provision of some legal loose leaf services);
- Where a purchaser of a digital product finds, without prior warning, that it can only be used on a particular brand of hardware;
- Where a purchaser finds that legally acquired software has a geographic zone barrier.

The FTA provisions also seem to allow little room for the future balancing of the interests of copyright owners and users. The Copyright Law Review Committee's report on *Copyright and contract* recommended that where unconscionable contractual terms (such as obtain in click-wrap or shrinkwrap licences) removed access permitted under the Copyright Act fair dealing or library exceptions, then copyright should prevail over contract. While this recommendation has not passed into Australian law, it and other decisions should not be pre-empted by adoption of a US legal regime.

The penalties outlined in Article 17.11 go beyond present Australian law. Activities such as peer-to-peer file-swapping or a teenager downloading music in her own home do not align with activities designed to interfere with the commercial business of a content producer. It is not in the public interest that the concept of piracy should be

equally applied to domestic and commercial copyright breaches and Australian courts and tribunals should be left with the discretion to discern the levels of seriousness of breaches of copyright.

### **AMERICANS USERS HAVE BROAD RIGHTS, AUSTRALIANS HAVE NARROW RIGHTS**

The Committee should also take into account the differences between the narrow, clearly limited exceptions of fair dealing and library access to copyright information and the broad fair use rights of American copyright users. Under fair use, for example, some domestic copying is permitted. In Australian law, such copying needs to be prescribed in legislation.

If the Australian Government is going to adopt stricter protections for copyright owners, it should establish general principles of rights for information users. These should include legalisation of one-off domestic digital copying, the strengthening of privacy protections if copyright owners are able to gain access to Internet use records on the basis of alleged copyright breaches, the preservation of library resource-sharing and a requirement that extensions of copyright protection should be in the public interest.

ALIA also supports the submission of the Council of Australian University Librarians, particularly in relation to the delivery of educational services and the promotion of Australian research.

The Association urges the Committee not to support extension of the copyright term (Article 17.4.4) and not to adopt the technological protections measures and penalties in Chapter 17 without distinguishing between private copying, caching for educational purposes and those activities already prohibited in Australian law as criminal, that is, the breaching of owner's rights undertaken for fraudulent commercial gain.

### **CULTURAL INDUSTRIES**

**ALIA urges the Committee to recommend retention of the Australian Government's powers to encourage Australian cultural industries by legislation and subsidy in any way appropriate for the public interest now or in the future.**

Libraries are custodians of Australia's culture and the Association urges the Committee not to restrict the ability of Australian governments to encourage its expression in present and future technologies and media.

The United States has by far the largest share of audio-visual access in Australian cinemas and television. It needs no special provisions for further market access or protection.

Of particular concern are:

- the failure to exempt agencies such as the Australian Broadcasting Corporation, the Australian Film Commission, the Film Finance Corporation and the Special Broadcasting Service from the operation of the FTA thus permitting challenges by US Government on behalf of US corporations to the operations of Australian tax-funded organizations mandated to foster

Australian cultural expression. The Agreement's references to subsidy appear to penalise the subsidisation by government-funded agencies of Australian films which may potentially make a profit. It is unnecessary for Australia to protect Hollywood from the competition of Australian film and television producers;

- the agreement to stand-still and rollback of Australian content regulation on commercial television;
- the acceptance of lower targets for Australian content in pay television and any media not yet invented;
- the caps on expenditure requirements for pay television, Australian adult drama (20%) and children's document, arts and education channels (10%)  
These are the lowest levels of local content in the developed world.

The Association supports the submission of the Australian Coalition for Cultural Diversity on these issues.

The Association believes that the Australian Government should follow the example of Canada, a veteran of trade agreements with the United States, in not acceding to provisions which impair its right to legislate on intellectual property and culture for the primary interests of its citizens.

I am happy to provide further information about matters arising from this submission.

Yours sincerely

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