

Publishing

Industry Coverage: Publishing, Newspaper, Periodical, Book and Directory Publishing, Other Publishing, Music Publishing, Creative Artists, Musicians, Writers and Performers.

Industry Overview

Internationally, and at the state level, the Publishing industry is facing unprecedented challenges. Online retailers such as Amazon have reduced demand for bricks-and-mortar booksellers, as has the growth of e-books. Sales in Australia have shifted towards more readily available international product, to the detriment of local publishers. The reduced overheads and economies of scale of e-tailers allow fierce price competition, putting downward pressure on already tight margins in the Australian book publishing industry. The past five years has seen a number of booksellers and publishers close their doors, and the workforce diminish.

Similarly magazine and newspaper publishers are seeing drastically reduced circulation numbers as a result of the ready availability of free alternatives online. Again this has resulted in a diminishing workforce as well as reduced salaries for journalists and writers.

Parallel import restrictions (PIRs) protect the local publishing industry, preventing the commercial importation of books that have been published domestically within 30 days of their international release, however PIRs are currently under review and are likely to be abolished, potentially creating further challenge to the industry.

The Cultural and Creative Sector IRC's project to establish two professional writing qualifications in the first year of the 4-year work plan has been embraced by the sector, which looks forward to the opportunity to comment on the developed content in detail.

Current and future labour market conditions

- Book publishing generated revenue of \$1.5B and \$107M profit in the last financial year. WA has 7.5% of this market.¹
- Book Publishing has contracted on average 2.2% from 2012-2017 and is projected to contract further at an average rate of 5.7% from 2017-2022.²
- At the state level, three previously funded writing sector organisations — The Literature Centre, the Australian Writers' Guild (WA) and the sector peak body, WritingWA — lost funding in the recent DCA (Department of Culture and the Arts) grants round.
- Literature accounts for 6.2% of DCA funding.
- The DCA has initiated a review of the publishing sector, to "analyse the writing sector in WA to inform future policy decisions in support of WA's writers and the community's engagement with them." This review is due to be published mid-2017.

Industry development issues:

- The current economic climate has introduced challenges to sustainability. These challenges include: reduced financial contribution from business; reduced government funding; reduced disposable income across potential audiences.

- With the sector in a period of consolidation, publishers lack the capacity to take risks.
- A high level of technological change is providing competition to the sector in the form of free content.
- E-books enable piracy and the sector is seeing some erosion of sales because of this phenomenon.
- Educational books account for nearly a third of all sales; however it is a diminishing market owing to the rise of e-books.

Workforce challenges and issues:

- Writers, journalists and editors now need to have a broad skill set that encompasses marketing and promotion, small business management, website development and screen editing.
- Simultaneously the explosion of content has driven down the per-word rate for professional journalists and writers, affecting their capacity to build sustainable careers.
- This makes increasingly costly, related degrees less viable for many students.
- Illegal downloading and appropriation of works are making knowledge of Intellectual Property (IP) and Copyright essential.
- Sector leaders struggle to prioritise professional development, given considerable financial and time constraints. WA has only a handful of viable publishers and succession planning is a leading concern for these small businesses.
- As web-based platforms continue to drive new business and consumer markets for Western Australia's writers and editors, greater web development and digital marketing skills are required to facilitate best use of these digital platforms and access new markets.
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Current Training Council areas of focus:

- Supporting the capacity of the Arts sector through promoting the funding of a long term solution to the professional development needs of sector leaders and the broader sector.
- The IRC's 4-year work plan and industry consultation around the development of writing and editing qualifications
- Promoting the value of sector peak body WritingWA where appropriate.

References

1. IBISWorld Industry Report J5413, Book Publishing in Australia, July 2016 Accessed 8.2.17
2. IBISWorld Industry Report J5413, Book Publishing in Australia, July 2016 Accessed 8.2.17