

Bill's education copyright clause 'hurts publishers'

By <u>Linda Ensor</u> 4 Aug 2017

Proposed amendments to the Copyright Act will have a negative effect on the profits of publishers because of the exceptions they provide for material used for educational purposes, the Publishers' Association of SA (Pasa) has warned.



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The bill is the subject of public hearings by Parliament's trade and industry committee.

In terms of licence agreements with publishers, academic staff and students are allowed to copy up to 10% of a work without infringing copyright. The Copyright Amendment Bill will do away with the need for such licence agreements, opening the way for educational institutions to copy entire books without having to pay a fee to the rights holder.

Pasa chairman Brian Wafawarowa noted at a media briefing on Wednesday that some universities had already neglected to renew their copying licences in anticipation of the bill, which would free them from paying millions of rand in licence fees annually if the bill was enacted in its current form.

He noted that education accounted for more than 60% of all publishing.

"Undermining licence fees at a time when a greater portion of future revenues will come from licensing will impact on digital education solutions." Wafawarowa said.

The future provision of educational material would rely more heavily on digital platforms based on licences.

Pasa commissioned PwC to undertake a study of the effect of the proposals on the publishing industry. The study predicted a decline in revenue and employment, with sales falling by a weighted average of 33% or R2.1bn. An increase in the relative share of imports of domestic sales was forecast, with the study also concluding that a decrease in exports was likely.

"Overbroad exceptions mean the absence of adequate copyright protection, which in turn results in a 'free rider' problem," the PwC study notes.

"Some users benefit from the consumption of goods without paying a market-related price. The resulting market failure leads to a production level of educational works below the socially desirable level."

Also of concern was a clause providing that where works were funded by the state their ownership would vest in the state and not the author. The blanket override of contractual terms by the proposed bill was also not acceptable, said Pasa legal adviser Andre Myburgh.

Source: Business Day

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