

The Economic Contribution of Australia's Copyright Industries

2002 - 2014

Prepared for the Australian Copyright Council (2015)

Contents

Key findings

4

Introduction

7

*Value added by
copyright
industries*

15

*Employment in
copyright
industries*

23

*Trade in copyright
products*

31

Sources

37

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Overview and key findings

The World Intellectual Property Organization identifies four classes of copyright industries ...

The World Intellectual Property Organization (WIPO) has identified four classes of copyright industries:

- **Core** – industries that exist only because of copyright and are primarily involved in the creation, manufacture, production, broadcast and distribution of copyrighted works.
- **Partial** – a portion of the industries' activities are related to copyright through manufacture, performance, exhibition, broadcast, communication or distribution and sales.
- **Interdependent** – involved in the manufacture, performance, broadcast and communication in order to support and facilitate the creation of copyrighted works and other protected subject matter.
- **Non-dedicated support** – duties are included in this group where part of the activities are related to broadcast, communication, distribution and sales in protected subject matter and they are not included in the core copyright industries.

This common typology facilitates consistent analysis of the economic contribution of the copyright industries over time and across countries.

Even where companies or individuals are somewhat reliant on copyright exceptions (e.g. the education sector, musicians, television producers, software companies, etc) they are still likely to be generators of copyright-protected material.

... which continue to comprise a substantial proportion of the Australian economy.

Despite pressures caused by digitisation (which have challenged the delivery of traditional business models in a number of copyright industries, particularly in a high dollar environment — e.g. music, movies, games, software, books, newspapers, television, etc) and resultant piracy, copyright remains a key piece of infrastructure that supports the industries which comprise a modern economy. In the most recent year for which data is available (2013-14), Australia's copyright industries:

- Employed just over 1 million people (specifically, 1,000,167 people), which constituted 8.7 per cent of the Australian workforce. This level of employment intensity is relatively high in comparison to the USA (8.4 per cent) and Canada (5.6 per cent). The real average wage for people employed in the copyright industries has also increased from \$59,500 in 2004-05 to \$68,960 in 2013-14 per employee.
- Generated economic value of \$111.4 billion, the equivalent of 7.1 per cent of gross domestic product (GDP), which is greater than the manufacturing and health care sectors. For comparison, the copyright industries comprised 11.4 per cent of GDP in the United States and 5.4 per cent in Canada. Over the period 2001-02 to 2007-08 the real (i.e. inflation adjusted) compound annual growth rate (CAGR) for value add generated by copyright industries was 3.7 per cent, with the core copyright industries growing 3.2 per cent per year. Over the subsequent period 2008-09 to 2013-14 the real value add CAGR for all copyright industries was zero per cent, and 0.3 per cent for the core copyright industries.
- Generated just over \$4.8 billion in exports, equal to 1.8 per cent of total exports. The relative value of copyright exports has declined as a proportion of total exports in recent years.

As the Australian Law Reform Commission noted in 2013, 'It is clear that the economic contribution of Australia's copyright industries is significant.' (ALRC 2013, p 77).

Study context

In Australia, the *Copyright Act 1968* gives exclusive (but limited) rights to copyright owners as to how their material may be used. These rights include the right to copy, adapt, publish, communicate to the public and publicly perform the copyright material.

To balance the rights of copyright owners with the needs of the general public, the *Copyright Act* provides a number of exceptions to the general rules regarding infringement of copyright. The appropriate role and scope of these exceptions has been an ongoing matter for debate, particularly with the advent of digital copying (see ALRC 2013).

Consistent with an emerging interest in better understanding the size and economic contribution of those industries which rely, to varying degrees, on copyright law, this study uses the global framework (WIPO 2003) to document the economic contribution of Australia's copyright industries over time. Due to data classification variations, the results presented in this report differ somewhat from previous estimates.

This is the fourth copyright industries economic contribution study supported by the Australian Copyright Council (see Allen Consulting Group 2001, PwC 2008, PwC 2012).

It is important to appreciate that while the focus of this report is on the economic activity reliant to some degree on the institutional support provided by copyright law, there are a range of cultural, social and other benefits associated with the creation of copyright protected material that are not necessarily captured in the reported figures. That is, elements of copyright material - such as arts, which are seen as an important part of Australian lives - may generate benefits (e.g. cultural) that are not necessarily reflected in the market value for the goods or services (Towse 2000, p 115); (Australia Council 2014, p 10).

In compiling this report it is difficult to not consider the forces that have emerged to shape Australia's copyright industries in recent years:

- Over the period considered in this study the demand for Australia's natural resources, principally to support the rapid growth of China, has meant that the Australian Dollar has been above its historic average value. As a consequence, imports have become cheaper, to the point that we have seen deflation across a range of imported products, and a continued decline in Australia's copyright industry manufacturing base.
- Many copyright products (e.g. music, movies, games, software, books, newspapers, etc) are continuing to move from physical distribution to electronic distribution, enabling the disintermediation of the supply chain (e.g. lessening the need for a physical retail presence) as consumers have shifted their consumption to digital versions and online delivery
- There has been an increased risk of unauthorised copying because of the low cost of reproduction of perfect digital copies. Indeed the value of the production of unauthorised copyright products is not included even though they should possibly be considered part of the copyright industries.

In this changing and challenging environment there is a continued need for copyright industries to develop, supported by copyright law, which provides certainty and the incentive to innovate and grow.

Study methodology

This study employs the standardised global framework for assessing the economic contribution of copyright industries developed by the World Intellectual Property Organization (WIPO) (WIPO 2003).

This framework was designed so that the myriad of country-specific studies that had been independently prepared could be made more consistent and transparent, to ensure the results would be (to the extent possible) comparable across jurisdictions.

The framework:

- classifies particular industries as being within the ‘copyright industries’
- groups industries into four groups — core, partial, non-dedicated support, and interdependent — which, combined, form the ‘total’ copyright industries (the following table provides a summary of the classifications)
- provides a generic set of performance indicators, with a focus on ‘value add’, trade in copyright products and employment.

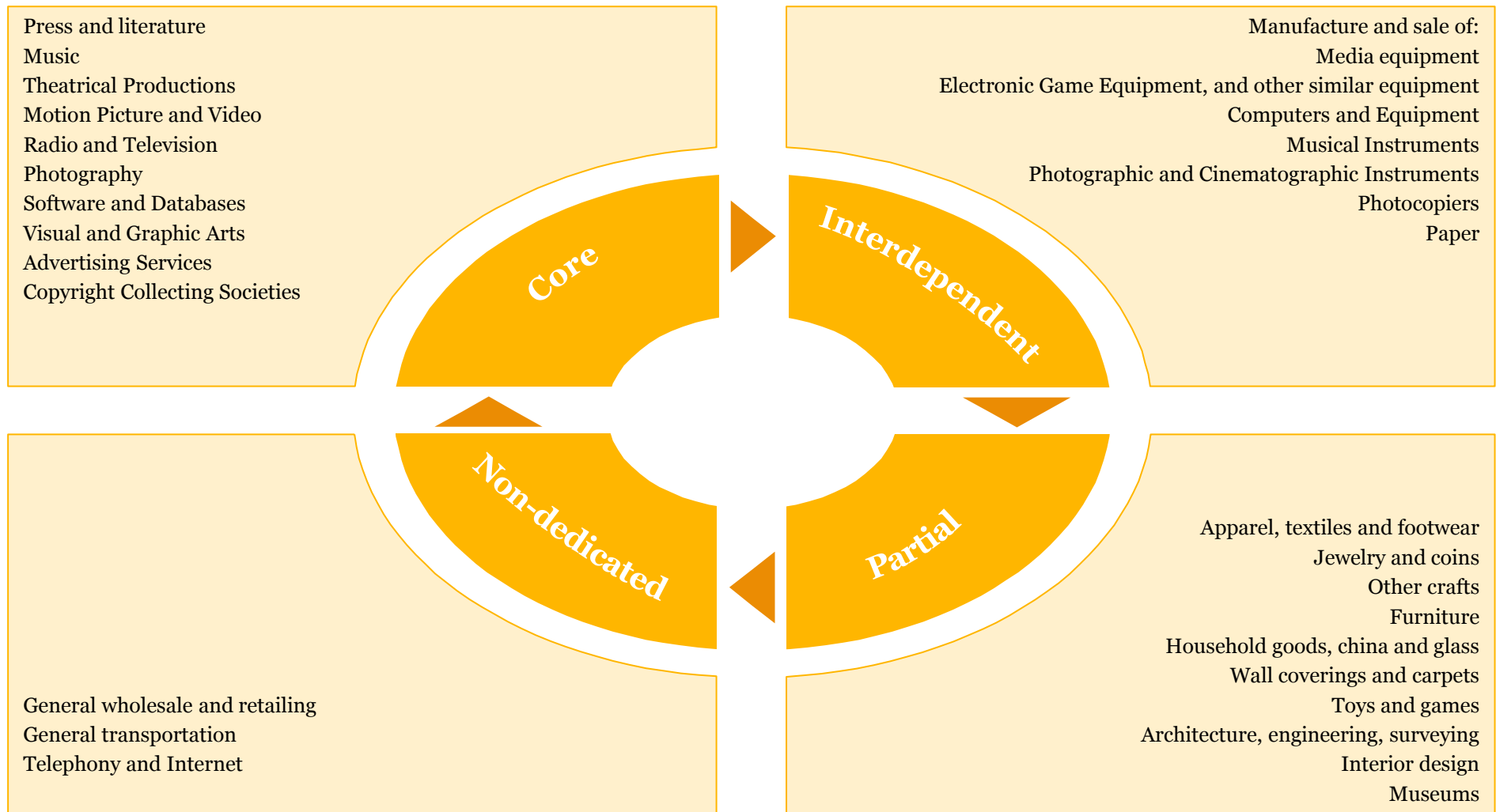
The following table provides a brief description of the four copyright industry groups; A greater level of detail of the specific sectors and products that comprise the copyright industries is provided in the subsequent page.

<i>Copyright industries</i>	<i>Description</i>
Core	Primarily involved in the creation, manufacture, production, broadcast and distribution of copyrighted works and have a substantial level of copyright activities. These are industries that would not be in existence if not for the copyright subject or matter.
Interdependent	Involved in the manufacture, performance, broadcast and communication of copyright material, in order to support and facilitate the creation of copyrighted works and other protected subject matter.
Partial	Industries where a portion of activities which are related to copyright through manufacture, performance, exhibition, broadcast, communication or distribution and sales.
Non-dedicated	Industries in which a portion of the activities are related to facilitating broadcast, communication, distribution or sales of works and other protected subject matter, and whose activities have not been included in the core copyright industries

Study methodology

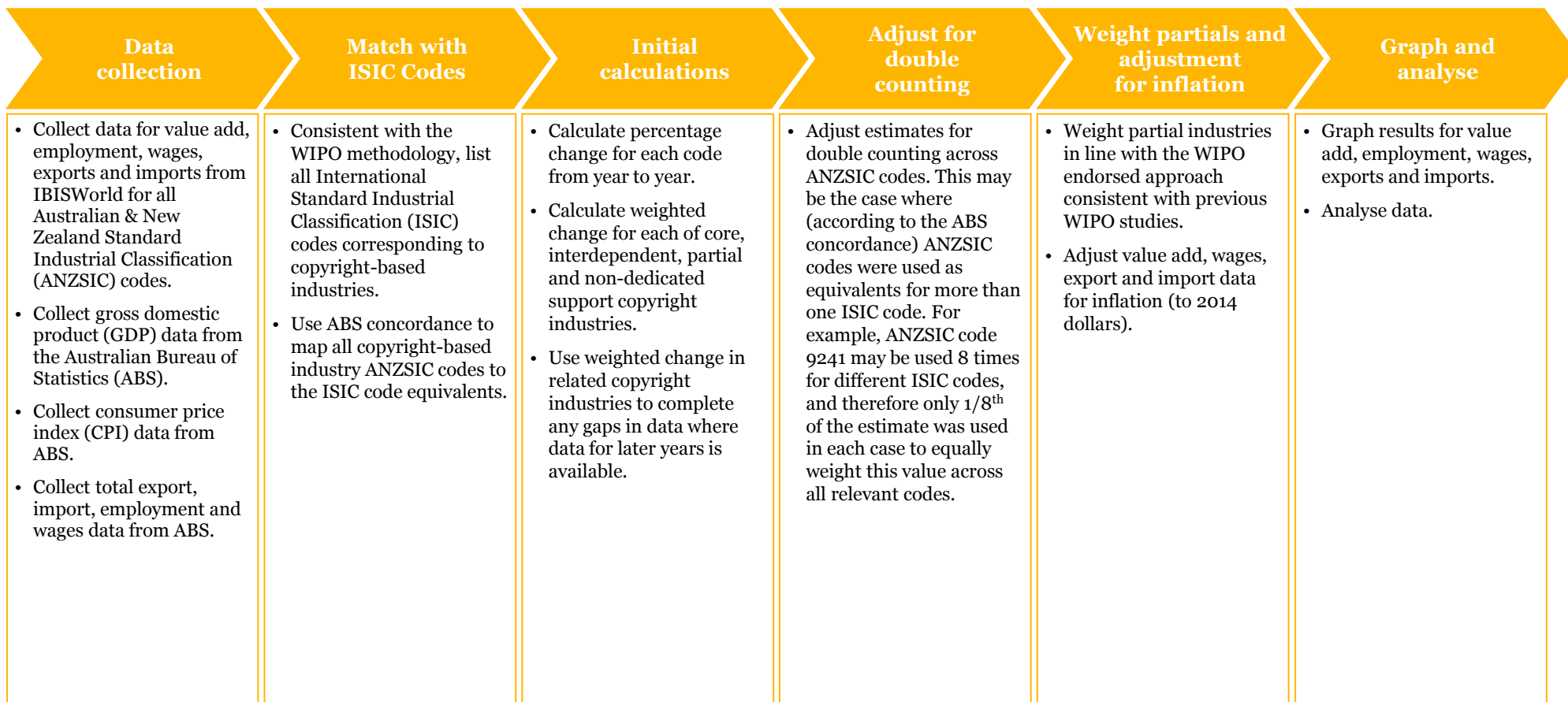
Industry components

The following diagram outlines the industries which are included in WIPO's framework for assessing economic contribution of copyright industries (WIPO 2003).



Application of the WIPO framework

The process undertaken in this study, consistent with the WIPO (2003) methodology, is shown in the following figure. It reflects the challenges of obtaining relevant data and then matching that data to the WIPO industry classifications and undertaking the subsequent analysis.



Note: Due to the disaggregation requirements for the analysis process, all value add, employment, wages, exports and imports disaggregated data is sourced from custom IBISWorld data. All inflation, GDP and all other aggregate data is sourced from the ABS.

Note: All years refer to financial years (e.g. 2002 refers to the 2001-02 financial year).

Comments on the application of the WIPO framework

1. The definition of copyright industries is adopted to capture the direct and flow-on impacts commonly identified using input-output (i.e. multiplier) analysis or 'general equilibrium' macro-economic models of the economy. WIPO considers this approach worthwhile as it allows more consistent cross-country comparisons, and so may be more useful for policy-makers in the longer term.
2. While 'economic contribution studies are generous in their ascribing economic contribution solely to copyright' (Thorpe 2004, p 45), it is noteworthy that the WIPO methodology does not capture all the value generated by copyright:
 - The value of copyright in intermediate goods and services is not included. Many organisations produce copyright materials as intermediate goods which are not explicitly accounted for in official data. Examples may include internal databases, manuals for equipment and processes, teaching materials, movies, pictures, and so on.
 - Production of unauthorised copyright products is not included even though they should be considered part of the copyright industries.
 - Copyright goods and services produced in non-commercial settings are not included. While there is significant personal activity that is copyright related and demonstrates value-adding as a consumption good, their production is unpriced and hence unmeasured.Furthermore, it should also be remembered that, even though the focus of this report is upon quantification of the copyright industries:

The true cultural value of copyright cannot be fully captured by measuring the value-added in the cultural industries however accurate those measures are because there are external benefits that are not priced through the marketplace; the national culture, a creative environment and freedom of expression are examples of non-appropriable benefits. (Towse 2000, p 115)
3. The economic contribution studies using this WIPO methodology have now been joined by a couple of studies prepared for the Computer & Communication Industry Association (Akker et al 2010; Rogers et al 2010) which have sought to value industries reliant on copyright expectations. The system of industry classification employed by the WIPO methodology means that, in practice, it is likely that, with the exception of the education sector, the 'exceptions industries' are already captured in the WIPO estimates because organisations that rely on copyright exceptions are also likely to themselves be creating or distributing copyright protected material.
4. While this report uses the same methodology as the previous WIPO studies of Australian copyright industries (PwC 2008 and PwC 2011), there are a number of reasons why the results differ between reports:
 - Use of real values rather than nominal values — Throughout the report, all figures are represented in real terms (rather than in nominal dollars), which means that values for previous years have been inflated into 2011-12 dollars and hence removed the effects of inflation from the reported results. This means that values in the previous study (reported in 2008 dollars) will be different to the figures in this report (reported in 2012 dollars) over similar years. Therefore figures are comparable over years within this report, but are not directly comparable between this and earlier reports.
 - Changes to the source data — The majority of the change in value add as a percentage of GDP (compared to the previous studies) is due to updates and some reclassification of the source data used. While ideally the figures would be directly comparable studies, the WIPO methodology relies on the availability and classification of data available in the country at the time of publication, and variation in the way this source data is collected and collated means results across studies are not directly comparable.
 - Variation in the ABS data used to ensure better methodological consistency with IBISWorld data — To ensure that the 'percentage of total' estimates (e.g. value add percentage of GDP), which makes use of ABS estimates, are directly comparable with the IBISWorld data used to estimate the value add figures, different ABS figures have been used in this study compared to the 2008 and 2011 studies.
5. This study focusses on the period between 2002 and 2014 where data, under the new industry classifications (ANZSIC 2006), was most reliable and complete.

Value added by copyright industries

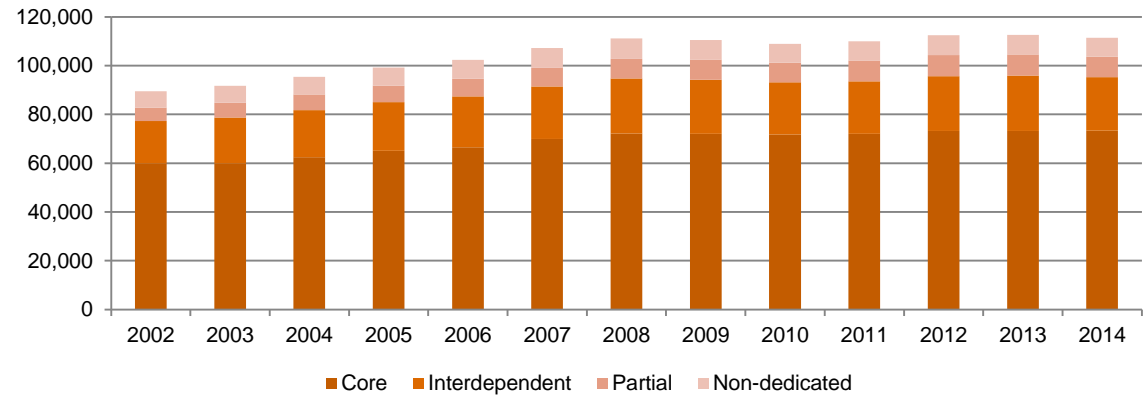
Value added

Copyright contributes \$111.4 billion to the Australian economy

The key measure of an industry's economic contribution is its 'value add'. Value added is the value of gross outputs of a particular industry less the value of inputs from other industries. The sum of all industries' value add is the nation's gross domestic product (GDP). Thus, looking at the value add of Australia's copyright industries provides a measure of the relative importance of the copyright industries.

The copyright industries contributed approximately \$111.4 billion to the Australian economy in 2014 with growth plateauing following the Global Financial Crisis (GFC) in 2008. Between 2002 and 2008 value add in real terms (i.e. inflation adjusted) increased from \$89.5 billion to \$111.1 billion, while growth between 2008 and 2014 was negligible.

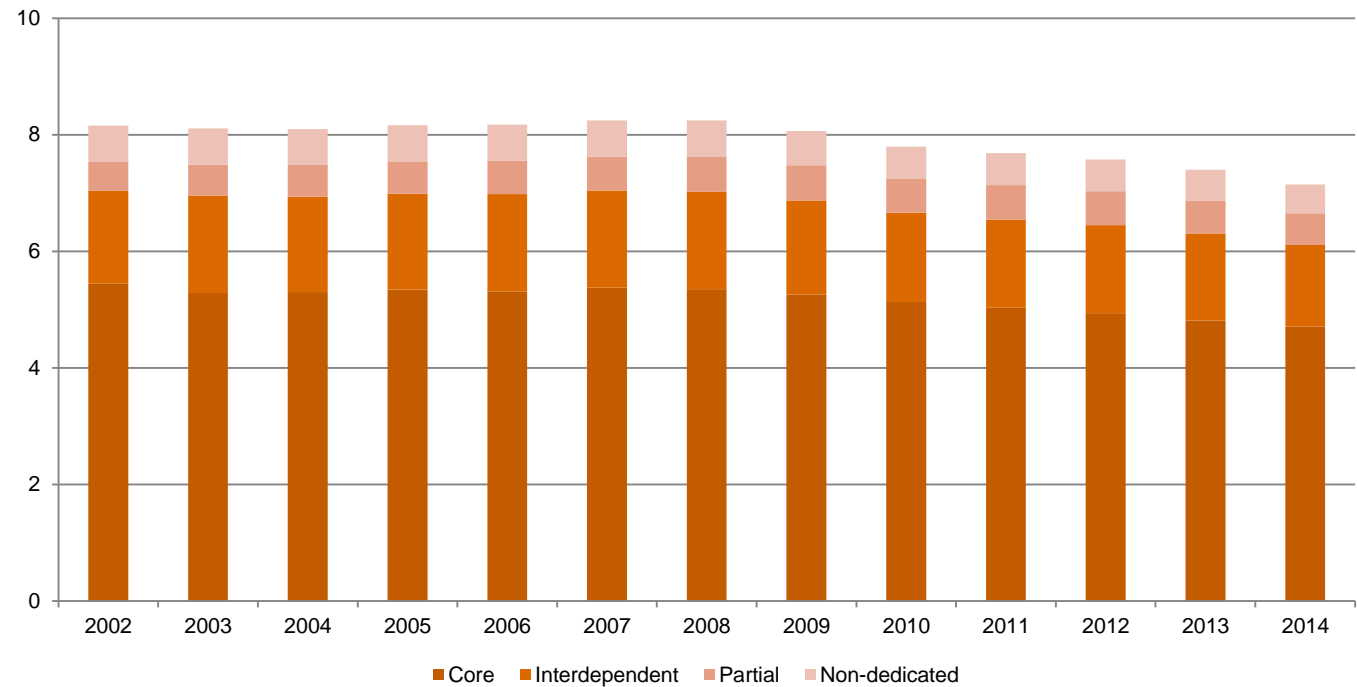
Value add of copyright industries (\$2014, \$million)



Value add	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Core	59,813	59,796	62,484	65,022	66,560	69,866	72,113	72,042	71,744	72,001	73,242	73,208	73,402
Interdependent	17,436	18,894	19,282	19,972	20,856	21,644	22,595	22,152	21,431	21,563	22,407	22,732	21,895
Partial	5,522	6,015	6,368	6,711	7,186	7,542	7,994	8,307	8,030	8,485	8,686	8,606	8,437
Non-dedicated	6,719	6,992	7,245	7,565	7,745	8,104	8,435	8,059	7,763	7,912	8,077	8,021	7,692
Total	89,491	91,697	95,378	99,270	102,347	107,156	111,137	110,560	108,968	109,959	112,412	112,566	111,427

Value add of copyright industries as a percentage of gross domestic product (%)

The copyright industries' contribution to gross domestic product has decreased from 8.2 per cent in 2008 to 7.1 per cent in 2014 (see figure below). This decline in the share of copyright industries continues to reflect the real growth over the same period in a number of major non-copyright industries.



% of GDP	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<i>Core</i>	5.5	5.3	5.3	5.3	5.3	5.4	5.4	5.3	5.1	5.0	4.9	4.8	4.7
<i>Interdependent</i>	1.6	1.7	1.6	1.6	1.7	1.7	1.7	1.6	1.5	1.5	1.5	1.5	1.4
<i>Partial</i>	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5
<i>Non-dedicated</i>	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.5
Total	8.2	8.1	8.1	8.2	8.2	8.2	8.2	8.1	7.8	7.7	7.6	7.4	7.1

The copyright related industries have been growing at a slower rate in comparison to the economy as a whole. Between 2002 and 2014 the compound annual growth across the copyright industries was 1.8 per cent, with the core copyright industries growing by 1.7 per cent. This compares to GDP growth of 3.0 per cent over the same period.

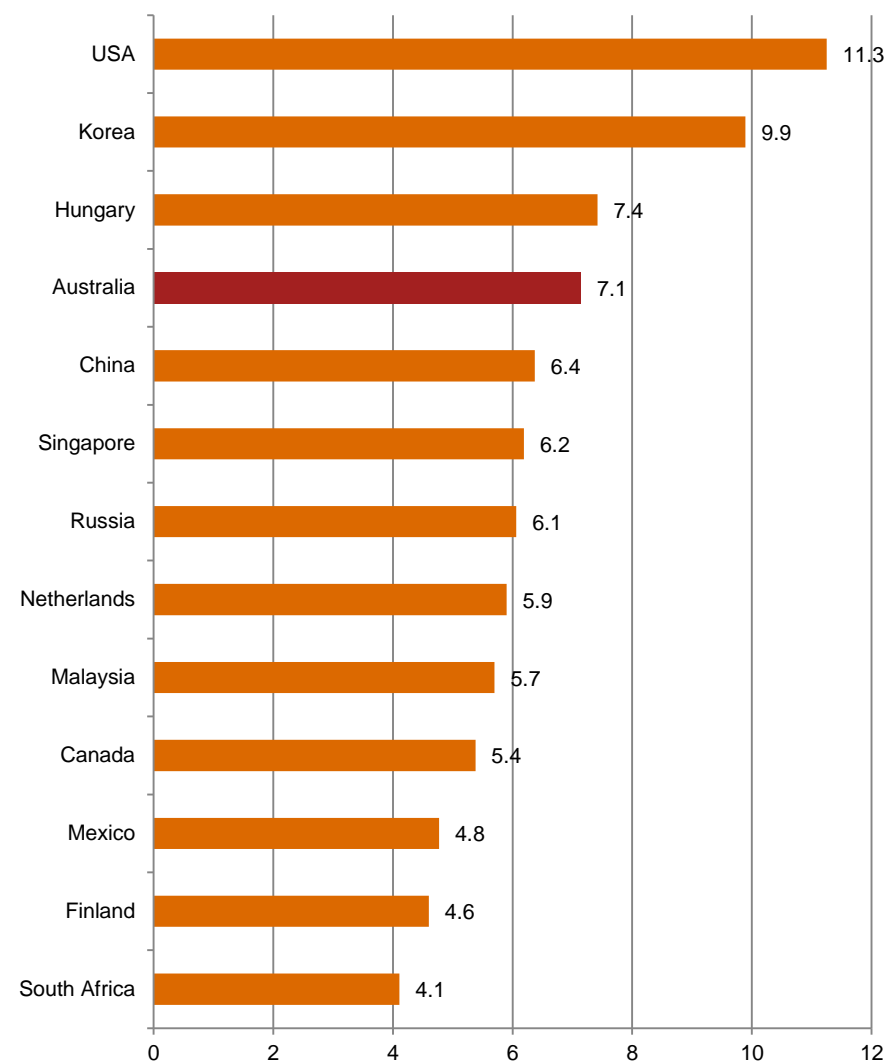
Within the core copyright industries, the greatest growth in value added continues to be found in the ‘Software and databases’. The industry’s impressive growth was particularly pronounced in the years prior to the GFC (11.8 per cent) before slowing down to 6.1 per cent between 2008 and 2014.

In comparison with a number of other country studies that have employed the WIPO framework, Australia’s economy appears to be relatively more dependent upon copyright industries as a generator of value add and gross domestic product.

Copyright Industries CAGR* (%)	2002-2014	2002-2007	2008-2014
Core	1.7	3.2	0.3
Press and Literature	0.4	2.5	-1.2
Music, Theatrical Productions	4.5	6.0	3.0
Motion Picture and Video	4.2	5.0	3.3
Radio and Television	1.7	2.3	1.1
Photography	2.8	4.4	1.2
Software and Databases	9.3	11.8	6.1
Visual and Graphic Arts	5.0	7.3	2.9
Advertising Services	9.4	17.0	3.8
Interdependent	1.9	4.4	-0.5
Partial Copyright	3.6	6.4	0.9
Non-Dedicated Support	1.1	3.8	-1.5
Total	1.8	3.7	0.0

*CAGR – Compounding annual growth rate (real)

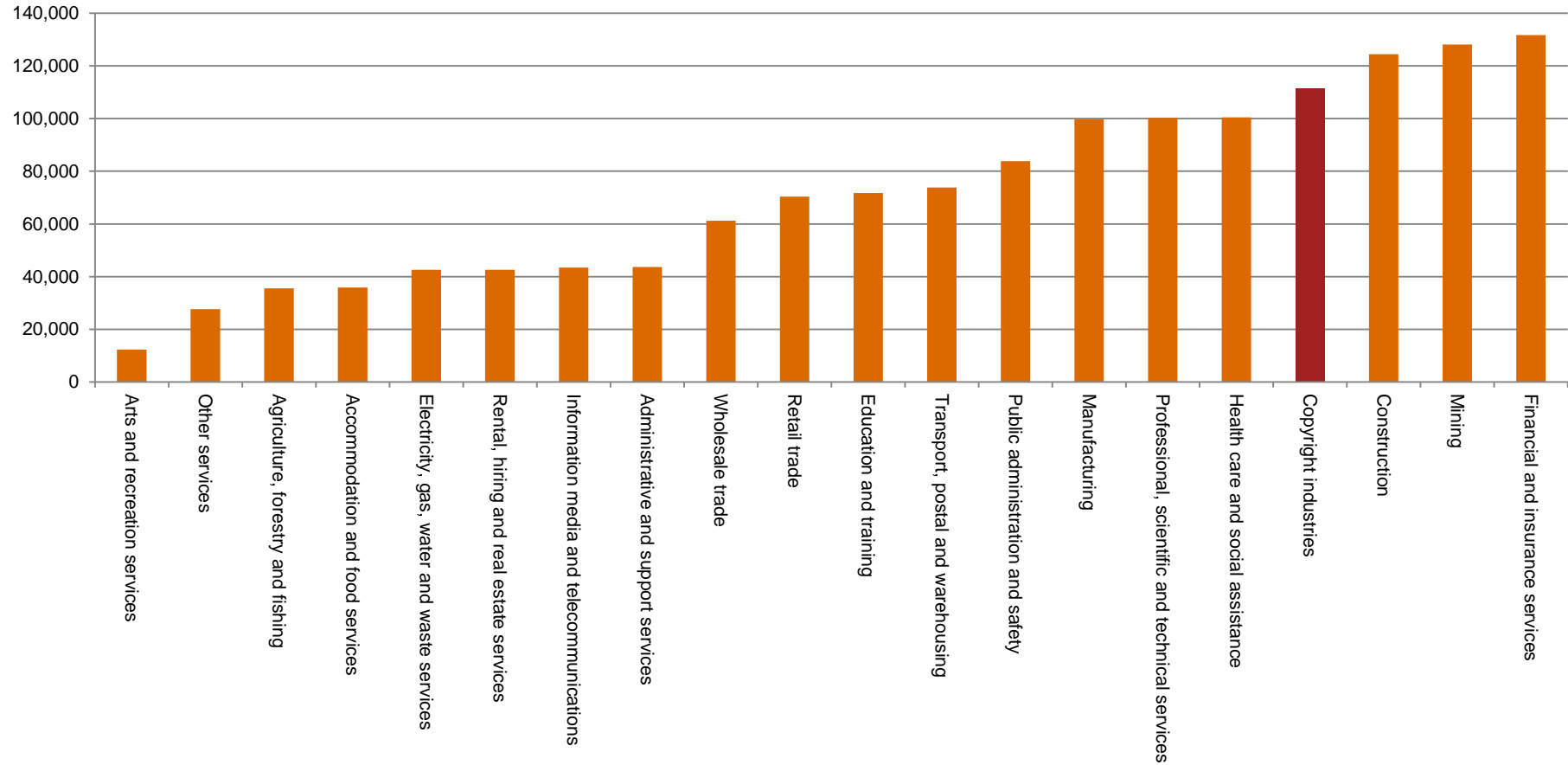
Value add by copyright industries as a percentage of gross domestic product (latest available years, %)



Source: WIPO

Within the Australian economy, copyright industries as a whole generate more value add than the manufacturing and health care sectors. While this analysis is not directly comparable to previous analyses due to changes in data collection and also industry classifications (i.e. Professional, scientific and technical services and Real estate services were part of the same industry in the 2011 analysis), it is noted that copyright industries have moved from being the 7th biggest industry in the previous analysis conducted in 2011 to being the 4th biggest.

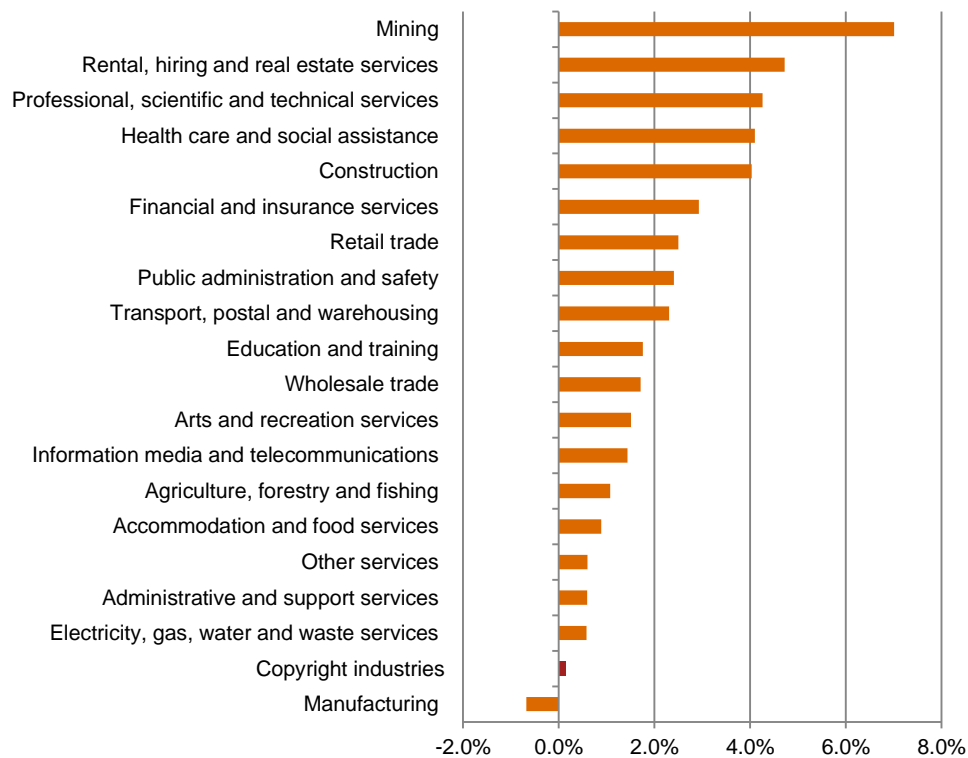
Value add of all industries (\$2013-14, \$million)



Source: IBISWorld 2014 custom data, ABS National Accounts

The Australian copyright industries have experienced low growth over the last 5 years compared to other primary Australian industries growing by only 0.2 per cent per annum .

Real compounding annual growth rate (CAGR) of value add (2009–2014)

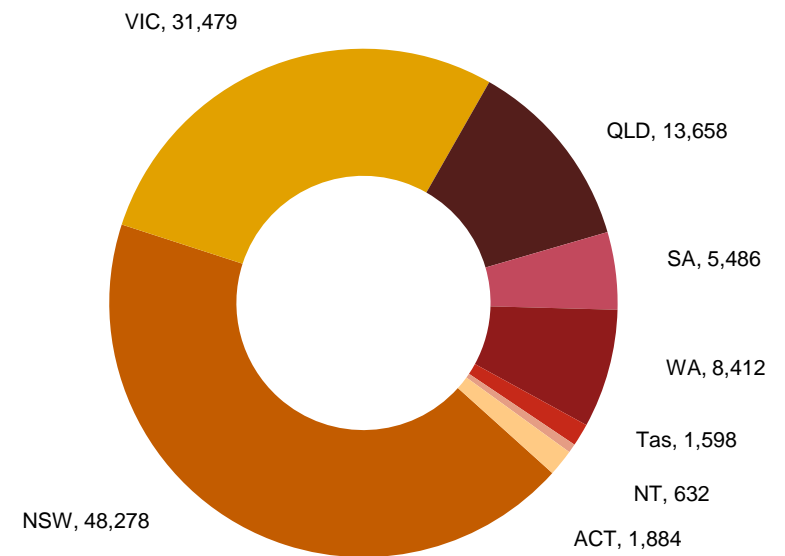


Source: ABS National Accounts, IBISWorld 2014 custom data

State by state comparisons of copyright industries are difficult to derive due to data constraints. State and Territory breakdowns of value added, employment and trade in copyright industries in this report represent indicative estimates.

Based on these indicative estimates, the majority of value add from copyright industries (based on indicative estimates) is attributed to New South Wales, Victoria and Queensland.

Value add of copyright industries by State and Territory in 2011 (\$2014, \$million)



Source: PwC Analysis, IBISWorld 2014 custom data

Employment in copyright industries

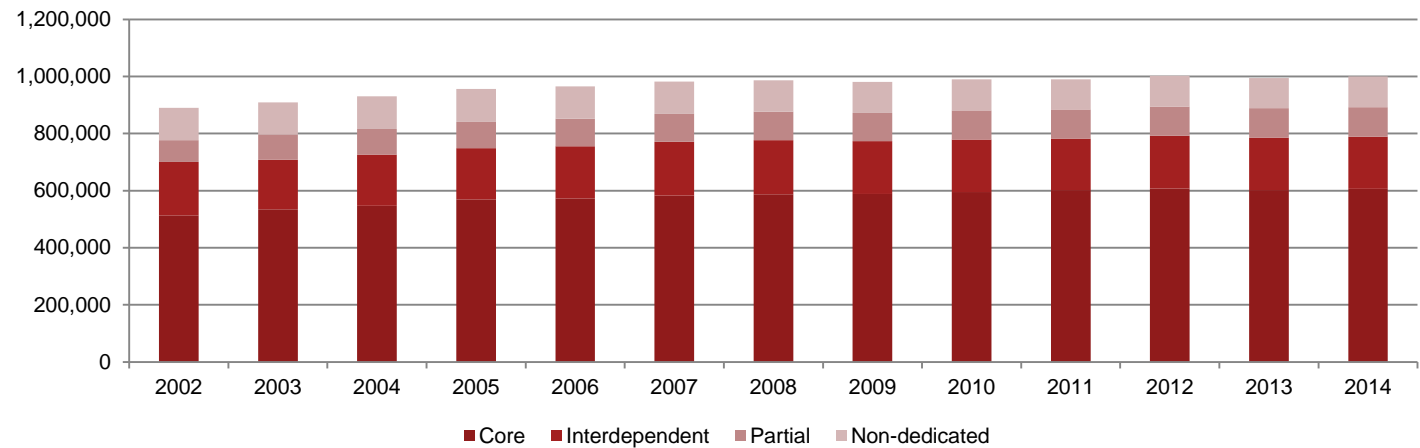
Employment

Copyright related industries employ over 1,000,000 people

Copyright industries have traditionally been seen as employment intensive, reflecting the personal contribution required to generate the intellectual property. The available data suggests that this historical presumption may be breaking down.

The copyright related industries currently employ over 1,000,000 people. This has grown over the past 12 years, with an average of 970,000 people employed during that period.

Employment in copyright industries (employed persons)



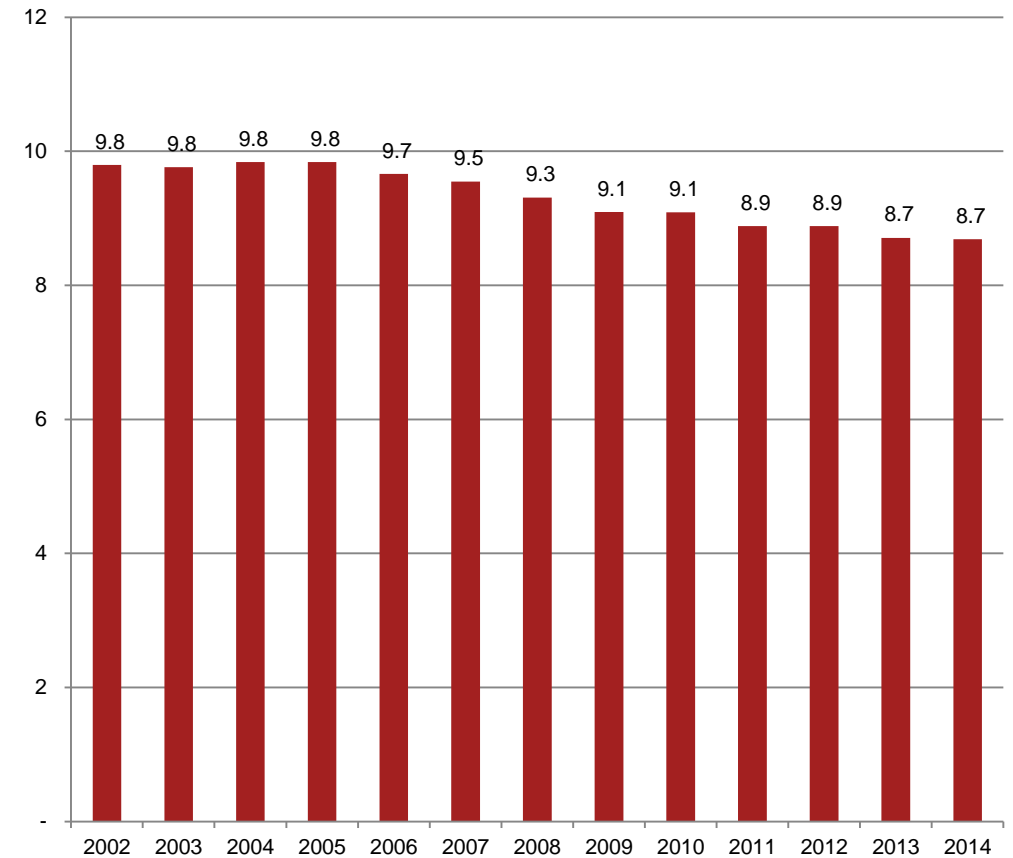
Employed persons ('000)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Core	513.4	535.0	547.4	569.8	572.7	582.9	587.2	588.3	594.8	601.7	607.6	601.7	606.4
Interdependent	186.9	173.9	178.6	179.2	182.9	187.9	189.4	184.7	184.9	181.1	184.9	184.2	183.3
Partial	76.6	88.0	90.5	92.4	96.0	98.2	99.6	99.6	101.2	102.0	102.4	102.7	103.2
Non-dedicated	113.4	112.5	114.2	114.9	113.4	112.9	110.3	108.0	108.8	105.6	107.0	105.8	107.3
Total	890.3	909.4	930.8	956.2	965.0	981.9	986.5	980.6	989.6	990.4	1,001.9	994.4	1,000.2

Employment in the copyright industries has increased over time notwithstanding a small decline during the GFC. However, copyright now employs a lower proportion of the workforce compared to ten years ago (8.7 per cent in 2014 versus 9.8 per cent in 2002). This reflects a combination of efficiencies in the copyright industries (largely due to digitisation) and strong employment growth in non-copyright industries.

Compound annual growth in employment (%)

Copyright Industries CAGR	2002-2014	2002-2007	2008-2014
Core	1.4	2.6	0.5
Press and Literature	-1.6	1.0	-3.9
Music, Theatrical Productions	0.1	0.3	0.1
Motion Picture and Video	0.7	2.4	-0.5
Radio and Television	0.0	1.1	-1.0
Photography	-1.3	-1.3	-1.3
Software and Databases	3.8	3.7	3.9
Visual and Graphic Arts	0.4	1.2	0.0
Advertising Services	6.0	12.5	1.7
Interdependent	-0.2	0.1	-0.6
Partial Copyright	2.5	5.1	0.6
Non-Dedicated Support	-0.5	-0.1	-0.5
Total	1.0	2.0	0.2

Employment in copyright industries as a percentage of employed persons (%)



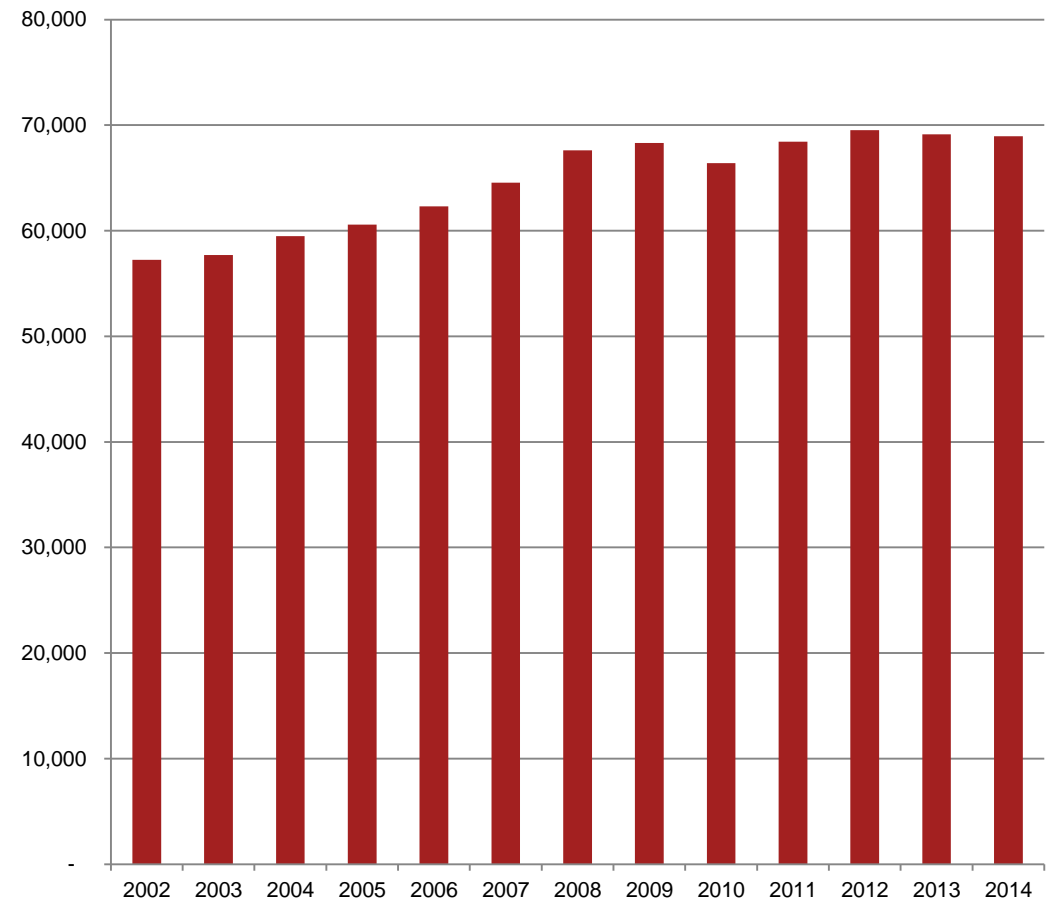
Real wages growth in Australia’s copyright industries continues to exceed employment growth. This is particularly noticeable in the core copyright industries where growth in wages was 3.0 per cent compared to employment growth of 1.4 per cent.

Copyright Industries	CAGR 2002-2014	
	Employment	Wages
Core	1.4	3.0
Interdependent	-0.2	1.5
Partial	2.5	2.8
Non-Dedicated Support	-0.5	1.2
Total	1.0	2.6

Average wages in the copyright industries have grown, in real terms, from \$59,500 in 2004 to \$68,960 in 2014. Growth in wages since the GFC has been noticeably stagnant.

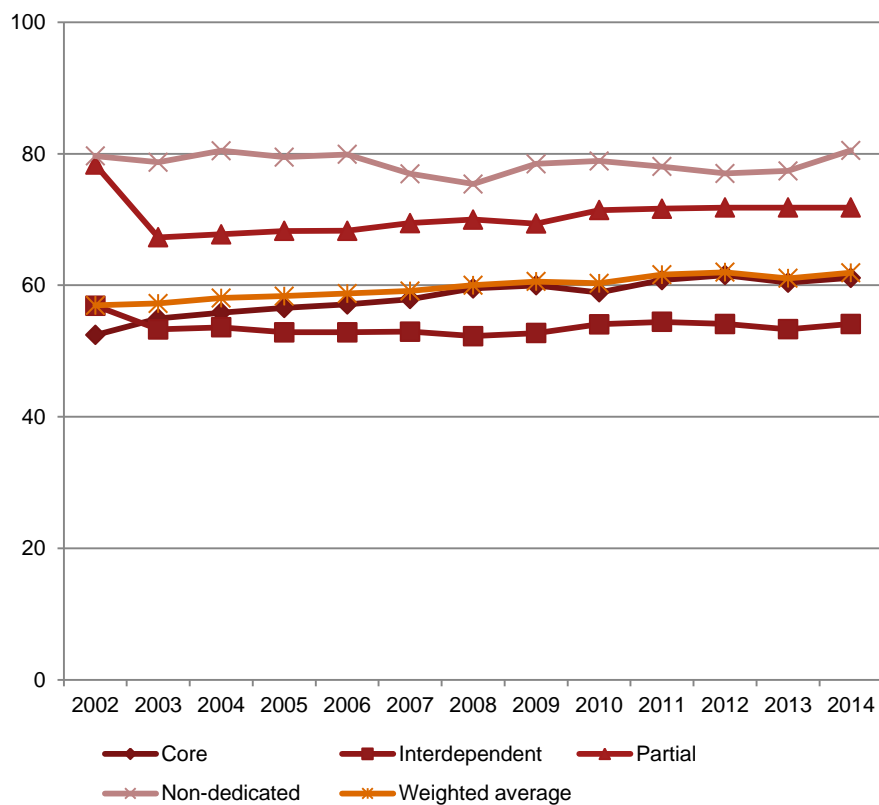
Average wages within the core copyright industries varied considerably depending on the industry. For example, it is estimated that average wages in the software and databases related industry were approximately \$96,000 compared to \$63,000 for press and literature activities and \$54,000 for visual and graphic arts.

Average real wage per copyright employee (\$2014)



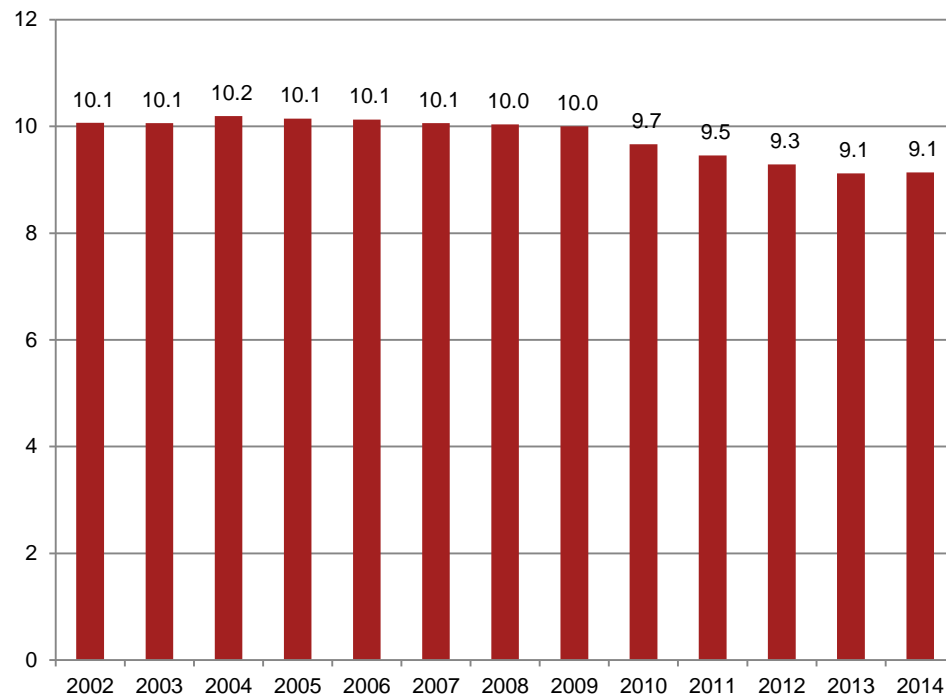
This wage growth has resulted in a small shift to labour (i.e. employees) from other factors of production. Employees in copyright industries are achieving higher real wages, but owners of capital and land in the copyright industries are also receiving higher real returns. As the following diagram shows, real copyright industry wages as a percentage of value add generated in the copyright industries has increased from 57 to 62 per cent over the past 10 years.

Real copyright industry wages as a percentage of value added in copyright industries



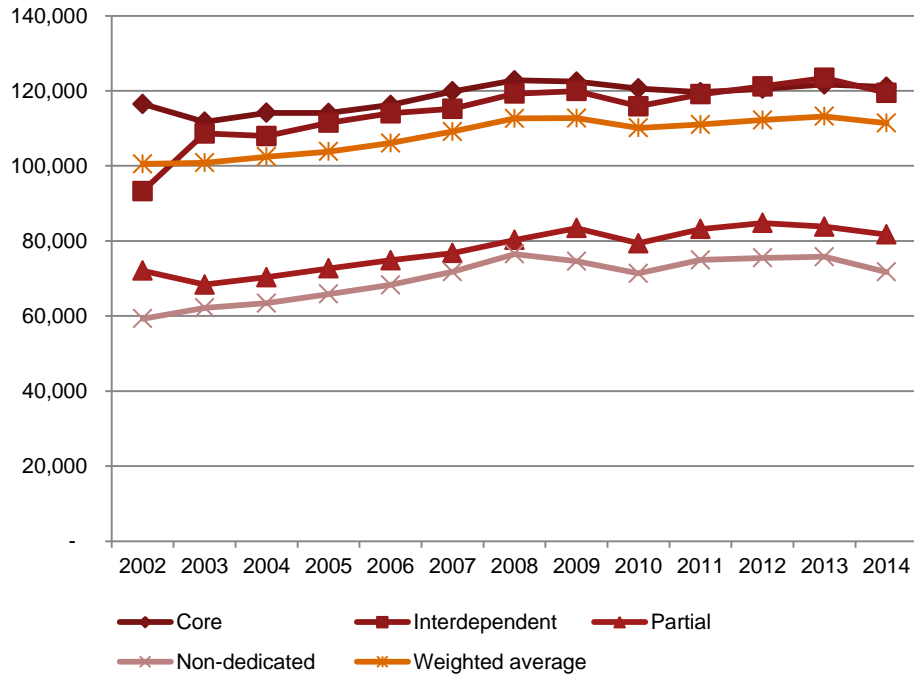
Furthermore, although copyright wages have fallen as a percentage of total wages (see figure below), copyright jobs remain, on average, better remunerated than the economy as a whole.

Copyright wages as a percentage of total wages (%)



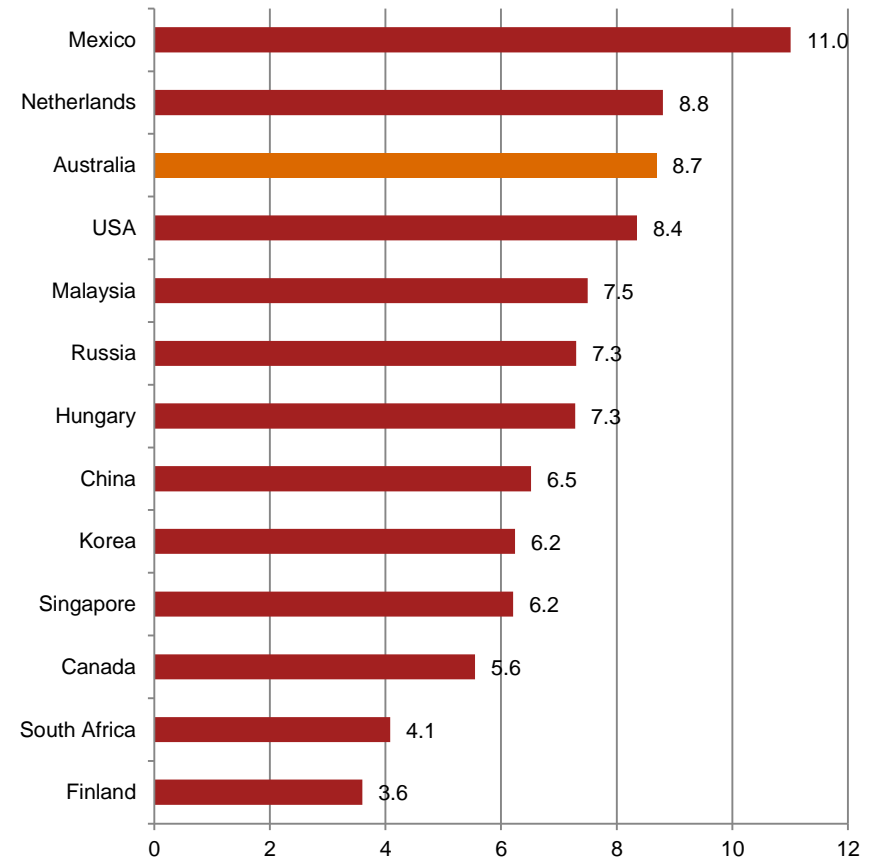
The real increase in copyright wages reflects the labour productivity growth that has been evident in the copyright industries over the period 2002 to 2014. Productivity growth has been insignificant since the GFC, which corresponds to stagnant growth in wages over the same period (see page 23).

Real value add per employee (\$2011)



In comparison with a number of other country studies that have employed the WIPO framework (see figure immediately below), Australia's employment intensity appears slightly higher. That is, we have a higher percentage of the workforce employed in copyright industries.

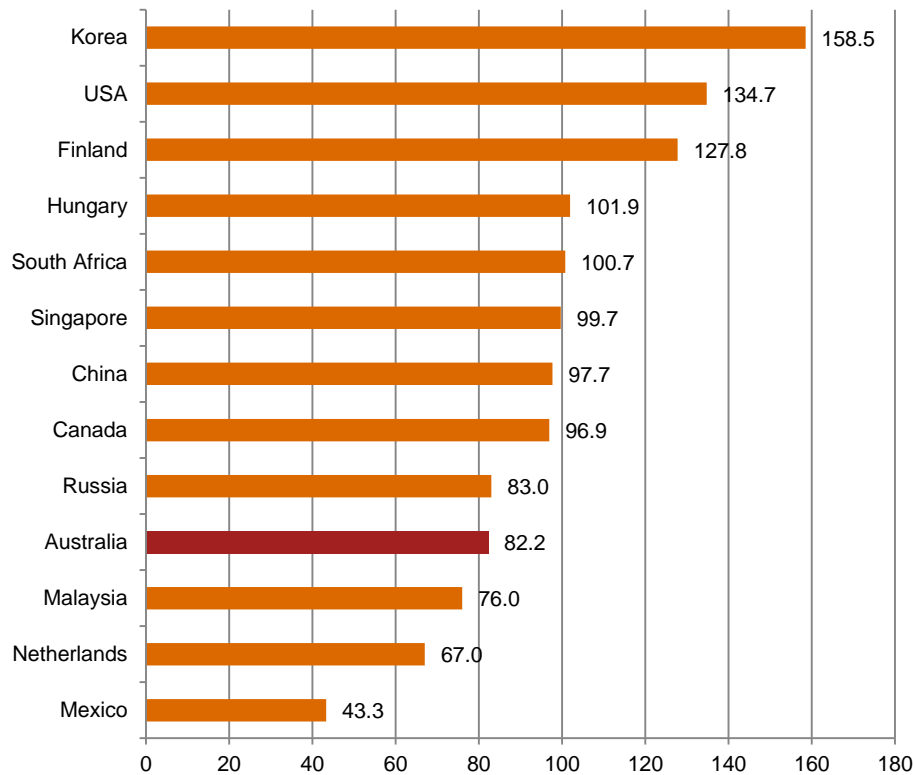
Copyright employment as a percentage of total employment (latest available years)



Source: WIPO

With the relatively higher employment intensity, Australia's copyright industries show relatively low labour productivity in comparison to other nations (see below and WIPO 2014,). That is, value add divided by employment (both in percentage terms) is just below 100 per cent. Our level of productivity continues to reflect our modern economy, and a relatively balanced mix of activity across the four copyright industry groups. (Korea is an example of where its equipment production demonstrates significantly higher labour productivity).

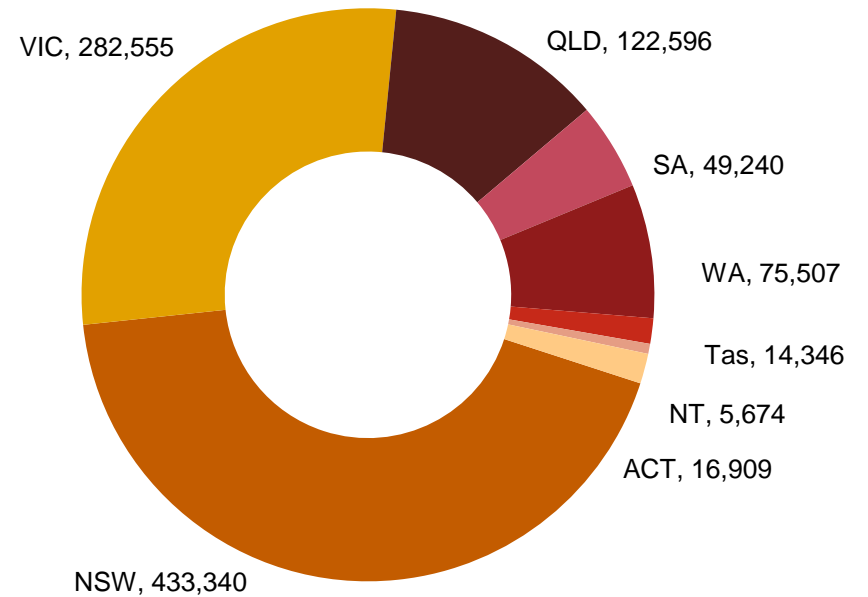
Value added as a percentage of GDP divided by employment as a percentage of total employment (latest available years)



Source: WIPO

Based on indicative estimates of employed persons in copyright industries by jurisdiction, New South Wales was the largest employer followed by Victoria and Queensland.

Employment in copyright industries by State and Territories 2014 (Employed persons)



Source: PwC Analysis, IBISWorld 2014 custom data

Trade in copyright products

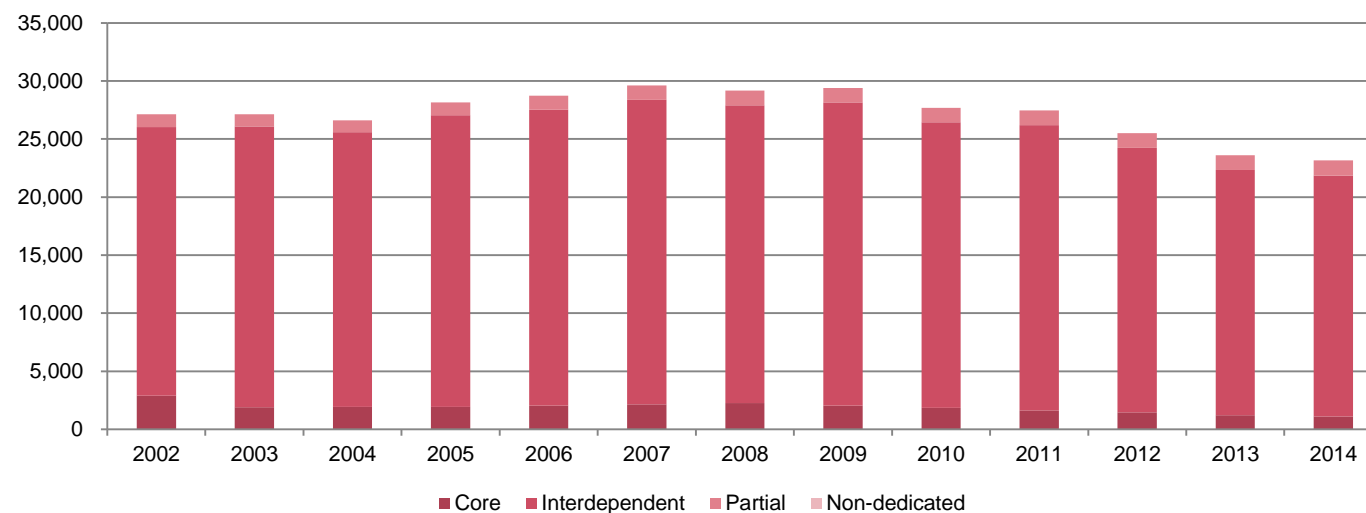
Trade

Australia continues to be a net importer of copyright products

Imports

Imports of copyright related products in real terms increased steadily between 2002 and 2007 before declining between 2009 and 2014. Imports for the copyright industries are dominated by the interdependent industries which include the production of electronic audio visual equipment and computers.

Copyright related imports (\$2014, \$million)



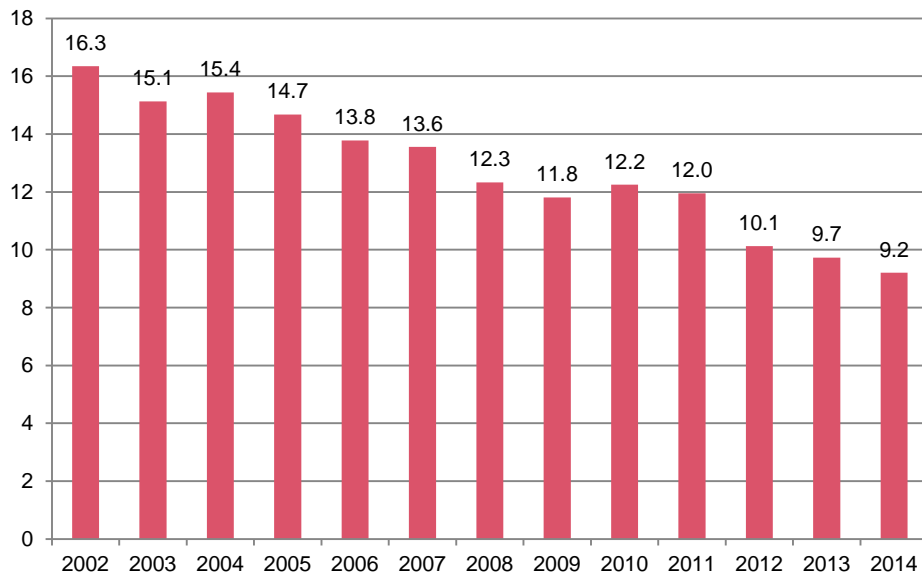
Imports (\$2014, \$m)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Core	2,892	1,907	1,930	1,927	2,027	2,138	2,248	2,049	1,849	1,621	1,464	1,207	1,110
Interdependent	23,140	24,168	23,649	25,123	25,482	26,238	25,659	26,092	24,583	24,582	22,786	21,127	20,733
Partial	1,095	1,051	1,032	1,114	1,214	1,244	1,253	1,245	1,256	1,260	1,242	1,274	1,329
Non-dedicated						(no data)							
Total	27,127	27,125	26,611	28,163	28,723	29,620	29,160	29,386	27,689	27,463	25,491	23,608	23,172

Imports have declined across the three types of copyright industries between 2002 and 2014. While imports grew at 1.8 per cent prior to the GFC, they declined by 3.8 per cent in the ensuing years.

Copyright Industries CAGR	2002-2014	2002-2007	2008-2014
All Core	-7.7	-5.9	-11.1
Interdependent	-0.9	2.5	-3.5
Partial Copyright	1.6	2.6	1.0
Non-Dedicated Support	(no data)		
Total	-1.3	1.8	-3.8

Copyright related imports, as a percentage of total imports, have fallen relatively consistently since 2002.

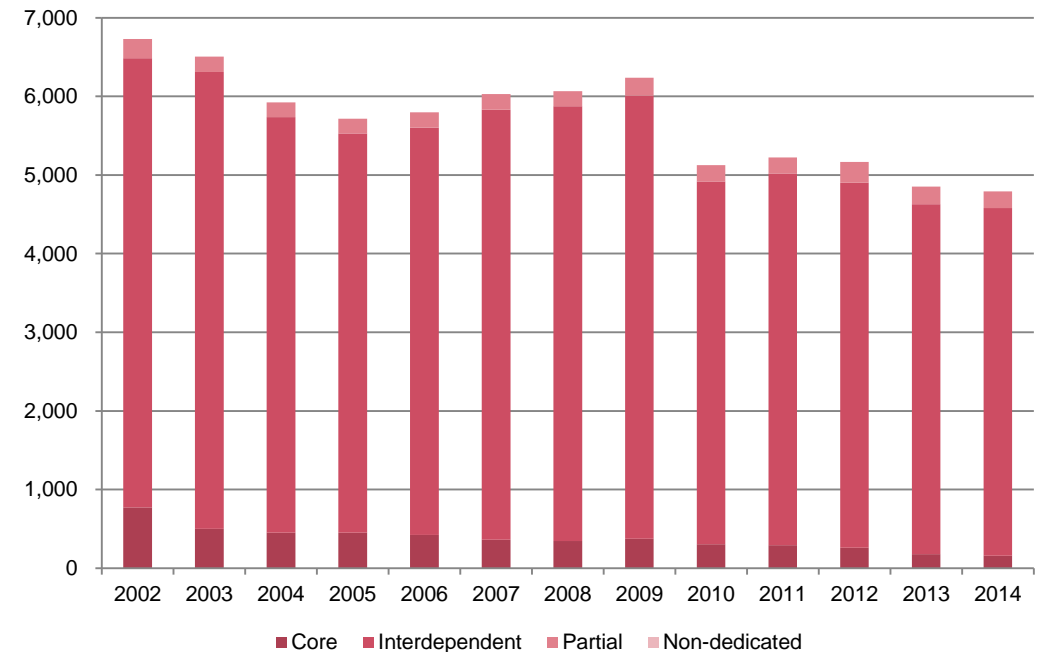
Copyright related imports as a percentage of total imports (%)



Exports

Copyright exports ebbed and flowed in real terms since 2002 however, the overall trend has been negative. As was the case with copyright related imports, exports are dominated by the interdependent industries which include the production of electronic audio visual equipment and computers.

Copyright related exports (\$2011, \$million)



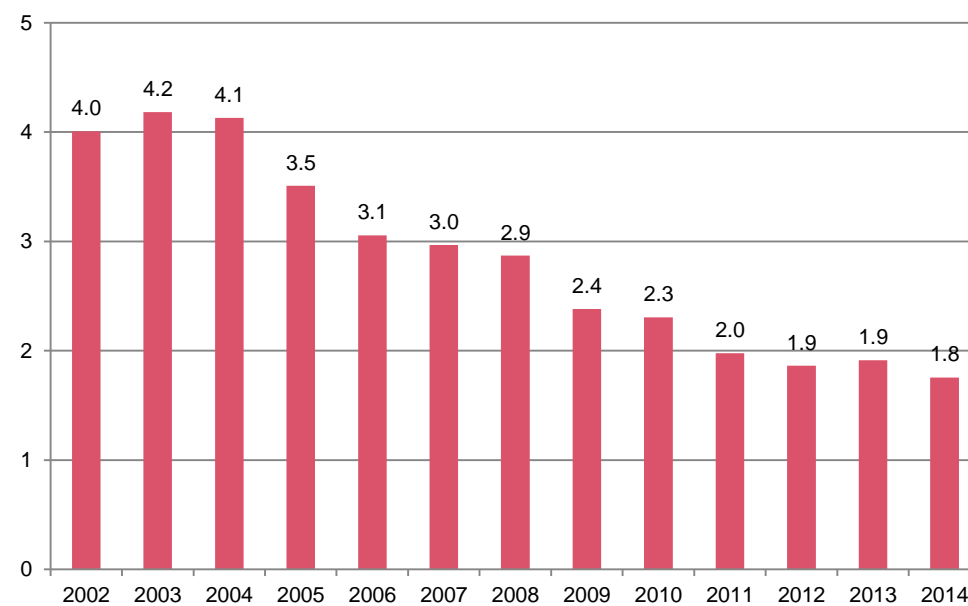
Exports (\$2014, \$m)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Core	772	502	452	452	423	363	344	374	303	291	260	181	156
Interdependent	5,713	5,811	5,284	5,078	5,180	5,465	5,531	5,634	4,616	4,729	4,642	4,450	4,424
Partial	246	195	190	186	194	200	192	229	208	205	262	224	213
Non-dedicated							(no data)						
Total	6,732	6,507	5,925	5,716	5,797	6,028	6,068	6,237	5,126	5,225	5,165	4,855	4,793

Exports have been declining by 2.8 per cent since 2002 with the decline particularly pronounced following the GFC (3.9 per cent).

Copyright Industries CAGR	2002-2014	2002-2007	2008-2014
All Core	-12.5	-14.0	-12.3
Interdependent	-2.1	-0.9	-3.7
Partial Copyright	-1.2	-4.0	1.7
Non-Dedicated Support		(no data)	
Total	-2.8	-2.2	-3.9

Copyright exports have declined as a percentage of total exports since 2003. Copyright exports now account for 1.8 per cent of total exports compared to 4.1 per cent 10 years ago.

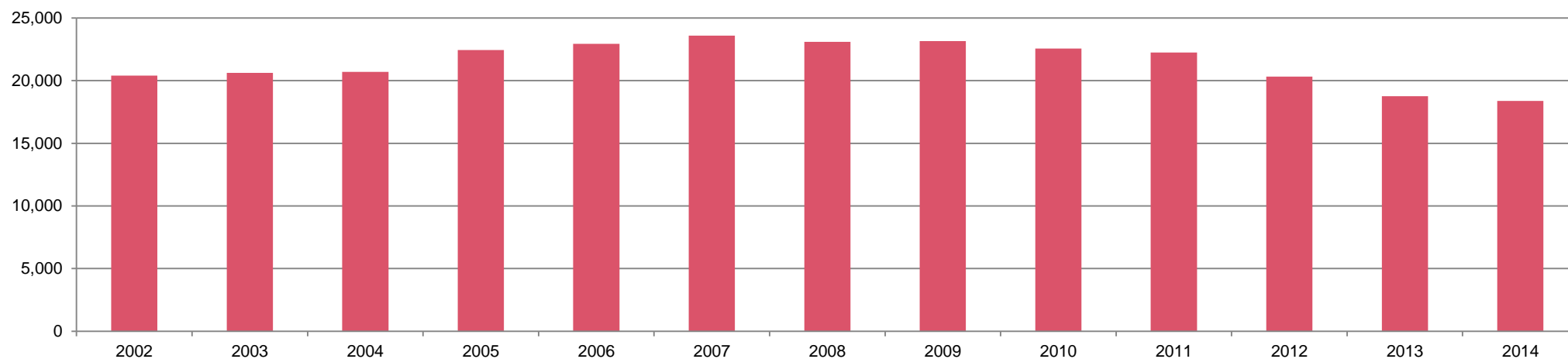
Copyright related exports as a percentage of total exports (%)



The net position

Taking both exports and imports into account, Australia's net trade in copyright products has been decreasing since 2010

Copyright related net imports (\$2011, \$million)



Net Imports (\$m, real)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net Total imports	20,395	20,619	20,686	22,447	22,926	23,592	23,092	23,149	22,562	22,238	20,327	18,754	18,379

Conclusion

Conclusion

The WIPO framework provides a globally consistent approach to defining the ‘copyright industries’ and then to estimating the economic contribution of the copyright industries. This analysis forms an initial perspective on the scale and importance of copyright industries within the Australian economy and also a point of comparison against other countries over time.

This study shows that Australia’s copyright industries - many of which are undergoing significant change to their traditional business models as they continue to embrace digitisation - continue to be a key piece of infrastructure which support the Australian economy. In the most recent year for which data is available (2013-14), Australia’s copyright industries:

- Generated economic value of \$111.4 billion, the equivalent of 7.1 per cent of gross domestic product (GDP), which is greater than the manufacturing and health care sectors. While still significant, growth in Australia’s copyright industries has been challenged in recent years:
 - Over the period 2001-02 to 2007-08 the real (i.e. inflation adjusted) compound annual growth rate (CAGR) for value add generated by copyright industries was 3.7 per cent, with the core copyright industries growing 3.2 per cent per year.
 - Over the subsequent period 2008-09 to 2013-14 the real value add CAGR for all copyright industries was zero per cent, and 0.3 per cent for the core copyright industries.
- Employed just over 1 million people, which constituted 8.7 per cent of the Australian workforce. On average, copyright industry jobs are relatively well paid: the real average wage for people employed in the copyright industries has also increased from \$59,500 in 2004-05 to \$68,960 per employee in 2013-14 .
- Generated just over \$4.8 billion in exports, equal to 1.8 per cent of total exports. The relative value of copyright exports has declined as a proportion of total exports in recent years.

In this regard, Australia’s copyright industries continue to be a significant contributor to the Australian economy and our current and future national prosperity.

Appendix

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