

## EWC POSITION PAPER "THE UNSEEN SEQUELS"

# The European Writers' Council publishes its third and last survey of the monitoring of the Economic Impact of the Covid-19 Crisis on Writers and Translators in the European Book Sector (2020-2023) and states its position on the results

Brussels, 19 July 2023

In 2020, the European Writers' Council study <u>The Economic Impact of Covid-19 on Writers and</u> <u>Translators in the European Book Sector</u>' surveyed 33 professional organisations from 27 countries for a comprehensive report on the situation for book authors under the Covid-19 crisis. The follow-up study in 2021, <u>One Year of Crisis – The Winter of our Discontent</u>, was responded by 27 Member organisations from 20 countries and outlined the evolution of the pandemic and its consequences. The third and final survey, the "<u>Unseen Sequels – The Economic Impact of</u> <u>Covid-19 on Writers and Translators in the European Book Sector 2022-2023</u>", closes the threeyears monitoring and has been responded by 14 organisations from 13 countries.

The consequences of this worldwide rupture are still shaking the book sector and are continuously damaging the living and working conditions of writers and translators.

The social and economic sequels on cultural sectors have become symptoms of a new and harmful disease: The Internet has been sacralised, and social relations, still tinted of distrust and fear to connect among each other, have become cold. The sacralisation of the web has paved the road to an uncritical adoption of Generative AI, in a movement that can be a real dangerous hit to the book sector and the mere existence of writers and translators.

An attentive read of our previous surveys could allow to foresee some of these troubles: the observed increasing of piracy, a boost of second-hand book markets and lending as the new way of possessing cultural goods including books.

#### The final monitoring and it's key findings on the Crisis 2020-2023:

- It was a crisis of the self-employed. They were the ones who suffered the most during the confinement, with the prohibition to celebrate lectures or readings. Even if given online, the economic losses were dramatic. **Today**, a harmonisation of social security and health systems are needed more than before.
- It was a crisis of authors' rights and contract law. Although the EU Directive 2019/790 on Copyright is widely implemented by now, it had no positive consequences during the



pandemic. **Today**, our comprehensive reports on contractual issues see worsening conditions in contracts, sometimes with the excuse of paper crisis or the general economic situation. Neither the transparency obligations are sufficiently fulfilled, nor are any additional collective agreements in place.

It was and is a crisis of respect. More piracy and strong efforts by legal institutions in the educational and library sectors to make writers' work available online to the public at a very low remuneration. Today, the tendency is not improving, but on the contrary, there is more pression to get exceptions in favour of State institutions like public libraries, and the low or even none compensated usage and loans of books, combined with remuneration schemes, which are not appropriate or proportional.

#### Summary of the findings of the EWC study 2022-2023: The Unseen Sequels

#### Cancellation and postponements of titles go on also in 2022 and 2023

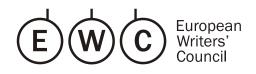
More than 70% of the respondents observed still cancellation and delay of planned works. 21% declare that contracts suffered delays as well, which leads to late payment. 42% observed that there were contracts not renewed or adjusted after the pandemic. And finally, one third reported of cancellations of events, of award ceremonies or of grants and residencies. The traffic jam of unpublished titles continues. This need to be understood in the light of the fact that writers are not paid for their work prior to publication: it's only the use (a sale, a loan, a license), what triggers any royalty payment. This means, that all delays and cancellations lead to a continued income loss for writers until today.

#### Debut authors and poetry are most affected

Debut authors are having hard times to access publishing. Publishers seem to relay in more secure bets as bestsellers, known authors or established topics. Almost two thirds of the respondents declare that less successful authors were the most affected by cancellations of their works. The same could be said for genres as poetry, plays or high literature. On the other side, screenplays and children and young book adults are on a slight upswing.

#### Digital reading: More usage, but lower revenues, also in other formats

Paradoxically, the use of e-books has increased while the income for writers and publishers has declined, as it is evident when applied to public lending. More than 46% of our respondents declare that they have observed increasing in e-lending rates of public libraries or commercial flat rate subscriptions, but also print-loans and second hand-book market were more often frequented (as families have less purchasing power). This led to a decline in authors' earning in the digital and print sphere. **To make it worse,** piracy of cultural works has increased during and after the pandemic: 20% of our respondents declare a piracy increasing.



The European Writers' Council, representing more 220.000 professional writers and translators from 49 organisations and 31 countries, calls on the Members of the European Parliament, the EU Member States, and the Governments of Non-EU and the EAA countries, to act with determination and to protect authors as the only source of one of Europe's largest economies: the backbone of the book value chain, of literature, and of knowledge. Therefore, the EWC urges decision makers to:

#### **EU-WIDE HARMONISATION OF AUTHORS' WORKING CONDITIONS**

EU Member States must implement a solid social security system for freelance authors, including pension schemes, accessible health, and labor insurance, and gather them in a European-wide harmonisation of the "Statutes of the Artist".

#### PUBLIC LENDING RIGHT, EQUIPMENT LEVIES, EDUCATIONAL BUDGET

We encourage public administrations to significantly increase the budget for e-lending in public libraries, and to avoid additional limitations and exceptions. The principle that 'every use must be remunerated', must be followed for each loan of a book. The protection of equipment levies and remuneration for authors through Collective Management Organisations (CMO) is also the key issue for the future.

#### SUPPORT OF MONITORING AND OF AUTHORS' ORGANISATIONS

This is needed to adjust measures, and to establish a continued, coordinated stakeholder dialogue with all representatives in the national and European book sector.

#### **BRING THE BOOKS BACK TO ADULT READERS – AND TO CHILDREN**

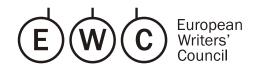
We request Member States to significantly increase the coverage of cultural and literary works in the public media, and to actively promote reading with the EWC's recommended campaign 'A book for every child'.

#### PRESERVE EUROPE'S DIVERSITY ON AN EQUAL BASIS

We declare that European literary awards or translation grants should be based on the principle of equal promotion of all spoken/written languages, to foster multilingualism.

# INVOLVE AUTHORS IN ECONOMIC AND POLITICAL TRANSFORMATION PROCESSES

We advocate for a closer involvement of writers and translators within cultural councils, to implement new funding principles for culture as a state duty by law, as well as to complement important questions of digital transformation, inclusion, and the preservation of democracy.



### EUROPE'S FUTURE DEPENDS NOT ON ARTIFICIAL INTELLIGENCE – BUT ON AUTHORS' INTELLIGENCE

We call for a regulated, remunerated, and transparent handling of data and protected works within the development of advanced informatics (so-called generative 'AI'). This includes reforming the TDM exception (Art. 4, EU 2019/790) with a remuneration-requiring design, implementing licensing obligations and obligations of proof and transparency regarding works used as training material. In the AI Act proposal (Art. 53.3a): Implement a transparency obligation and a labelling requirement for press, book, and text works generated, including translations. AI products should not be protected under authors' rights and copyright laws.

**Miguel Ángel Serrano** President



Nicole Pfister Fetz Secretary-General

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Nina George Commissioner

 LINK TO THE 2023 SURVEY ONLINE: 23 EWC\_COVID-SURVEY.pdf (europeanwriterscouncil.eu)

 LINK TO THE 2021 SURVEY ONLINE: https://bit.ly/3GCTb0N

 LINK TO THE 2020 SURVEY ONLINE: https://bit.ly/2ZD0IRC

POSITION PAPER: https://bit.ly/3ECHJAK
PRESS RELASE: https://bit.ly/3nFMBx0