



BOOK PUBLISHERS

AUSTRALIA

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- For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Colin Speechley on Adelaide 08 8237 7363.

NOTES

ABOUT THIS PUBLICATION

This publication presents the results from the 1999–2000 Book Publishers Survey covering businesses which either had book publishing as their main activity or generated \$2.0m or more in income from book publishing.

As well as collecting financial information from book publishers, the survey sought details on the numbers and types of books published and sold.

The survey was conducted by the ABS with funding provided by the Department of Communications, Information Technology and the Arts as part of the Book Industry Assistance Plan.

The survey was previously conducted in respect of 1994, 1995–96 and 1997–98. For 1999–2000 there has been a change in methodology. While data relating to the number and value of books sold, and the landed cost of books imported, are comparable with earlier years data, the change in methodology limits the comparability of other data items. The comparability of data over time is discussed more fully in the Explanatory notes paragraphs 14 to 16.

The Explanatory notes also provide a more detailed explanation of the methodology used in conducting the survey.

ROUNDING

Where figures have been rounded, minor discrepancies may occur between the sums of the component items and the totals. Published percentages are calculated prior to rounding of the figures and therefore some discrepancy may occur between these percentages and those which could be calculated from the rounded figures.



ABBREVIATIONS

- ABS Australian Bureau of Statistics
- ANZSIC Australian and New Zealand Standard Industrial Classification
- APA Australian Publishers Association
- IVA Industry Value Added
- RSE Relative standard error
- SE Standard error

Dennis Trewin
Australian Statistician

SUMMARY OF FINDINGS

INTRODUCTION	This publication presents data, in respect of 1999–2000, for businesses which either had book publishing as their main activity (i.e. book publishers) or generated \$2m or more in income from book publishing (i.e. other major contributors).
OVERVIEW	<p>For 1999–2000, 199 businesses were identified as book publishers while a further 8 were other major contributors. Of the total of 207, there were 97 involved mainly in publishing books of general content while the remainder were predominantly publishing educational books (Table 3).</p> <p>The total number of books sold by book publishers and other major contributors was 126.1 million. The value of these sales was \$1,199.6m (Table 1).</p> <p>Most book publishers (80%) employed less than 20 people but accounted for only 12% (\$133.1m) of the total sales of books by book publishers (Table 4).</p> <p>The 20 largest book publishers (in terms of income) generated income of \$825.9m which was 69% of the total income for all book publishers. They also incurred 69% (\$771.1m) of the total expenses (Table 1).</p> <p>The overall profit margin for book publishers and other major contributors was 7.9%, resulting in total operating profit before tax of \$102.6m. For the largest 20 book publishers the profit margin was 8.9% compared with 7.0% for other book publishers (Table 1).</p> <p>Industry value added (IVA), which is a measure of the value which an industry adds to the overall economy, was \$369.2m for book publishers and other major contributors. The 20 largest book publishers provided the majority (\$236.5m) of this (Table 1).</p>
INCOME	Sales of books contributed \$1,199.6m (93%) to the total income of book publishers and other major contributors (\$1,290.0m). Other income was mainly from services (\$36.0m), royalties and sales of rights (\$15.8m) and sales of other goods (\$15.1m). The 40 book publishers employing 20 or more people accounted for 80% (\$1,032.9m) of total income (Table 4).
EXPENSES	The major components of total expenses (\$1,213.8m) were printing costs, the cost of imported books, and wages and salaries. Printing costs accounted for \$255.4m or 21%. This was split into \$121.7m for printing in Australia and \$133.7m for printing overseas. The cost of imported books contributed \$197.4m (16%) to total expenses while the share devoted to wages and salaries was \$192.8m (16%). A further \$41.4m was spent on other labour costs (Table 5).
METHOD OF SALE	Approximately a quarter (\$307.6m) of total book sales were transacted directly with the final consumer. The remaining \$892.1m were sales to the trade (Table 11). Only \$0.9m (0.1%) of total sales were made via the Internet (Table 1).
SALES OF BOOKS BY CATEGORY	<p>New titles accounted for \$601.0m or 50% of total book sales (Table 12). Australian titles comprised 61% of total book sales and 65% of educational book sales (Table 13).</p> <p>Of the total \$1,192.4m value of printed books sold, \$466.0m was contributed by educational books. This was followed by nonfiction (\$434.4m), fiction (\$170.8m) and</p>

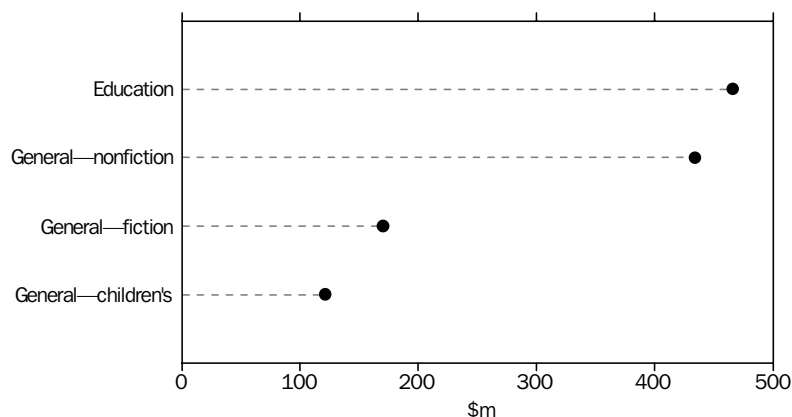
SUMMARY OF FINDINGS *continued*

SALES OF BOOKS BY CATEGORY *continued*

children's books (\$121.2m). Sales of electronic books (which include audio books) totalled \$7.2m (Table 9).

Many books are published as a hardback or trade paperback before being reissued as a mass-market paperback. The values of sales from general hardback and general trade paperback books were similar with slightly less than \$240m for each. Sales of mass-market paperback books were higher at \$252.8m (Table 9).

SALES OF PRINTED BOOKS BY CATEGORY



SALES OF AUSTRALIAN AND IMPORTED BOOKS

There were 77.3 million printed books sold which were originated and published by Australian book publishers and other major contributors. The value of these sales was \$684.9m, giving an overall average price for Australian originated books of \$8.9 per book. The average price of these books ranged from \$31.8 for tertiary educational books down to \$2.8 for children's mass-market paperbacks (Table 14).

There were 41.6 million imported printed books sold by Australian book publishers and other major contributors with a sales value of \$458.8m and an overall average price per book of \$11.0. Tertiary educational and children's mass-market paperbacks again were the extremes of this range with average prices of \$33.8 and \$6.5 respectively (Table 14).

There were \$290.9m worth of sales of printed educational books originated and published by Australian book publishers and other major contributors, nearly 80% more than the value of sales of those imported (\$163.0m). The situation was similar for nonfiction books with sales of \$283.1m for Australian originated publications compared with \$133.9m for imports. For fiction and children's books, however, sales of imports exceeded those of Australian originated publications. Sales of imported fiction books were \$90.7m compared with sales of Australian originated fiction of \$74.3m. For children's books, sales of imports were \$71.1m compared with \$36.5m for the Australian originated product (Table 14).

NEW AUSTRALIAN TITLES PUBLISHED

There were 9,755 new Australian titles published during 1999–2000 of which 8,669 were printed titles originated by Australian book publishers and other major contributors. The majority of these printed titles (57%) were educational. Of the 3,759 general-content titles, 48% were mass-market paperbacks, 36% were trade paperbacks and the remaining 16% were hardbacks (Table 15).

SUMMARY OF FINDINGS *continued*

EXPORTS

Export sales of books amounted to \$160.3m or 13% of total book sales. Re-exports contributed \$7.6m to this amount (Table 9).

Nearly 70% of the sales of exported books went to three markets—the United States (\$48.4m), New Zealand (\$39.2m) and the United Kingdom (\$23.9m) (Table 10).

The total sales of rights to businesses in other countries was \$7.7m (Table 10).

EMPLOYMENT

There were 3,833 people employed by book publishers and other major contributors as full-time permanent employees during the last pay period ending in June 2000. Of these, 1,381 were males and 2,452 were females. An additional 296 people were employed permanently on a part-time basis and 618 people were employed as casuals. Hence the total number of employees was 4,747. In addition, there were 74 working proprietors and partners, resulting in total employment of 4,822 (Table 8).

STATE DATA

Of the estimated 207 book publishers and other major contributors operating during 1999–2000, over three quarters were based or had their head office in New South Wales (42%) or Victoria (35%). Businesses in New South Wales accounted for 64% (\$771.4m) of total book sales while those in Victoria accounted for a further 31% (\$368.5m) (Table 2).

CHANGE OVER TIME

The 126.1m books sold in 1999–2000 represents a 13% increase compared with books sold in 1997–98. The increase, combined with a 2% rise in the average price of books, means that the value of total book sales by publishers (\$1,199.6m) was 16% above that of 1997–98. The export sales of books rose 46% between 1997–98 and 1999–2000 to \$160.3m. This value is almost double the export sales achieved in 1994 and 1995–96 (Table 16).

		BOOK PUBLISHERS(a)			OTHER MAJOR	TOTAL
					CONTRIBUTORS(b)	BUSINESSES
		<i>Largest</i> 20(c)	<i>Remainder</i>	<i>Total</i>		
Number of businesses	no.	20	179	199	8	207
Number of books sold	million	87.3	*32.9	120.2	5.9	126.1
Income						
Sales of all books						
Sales of Australian titles	\$m	427.9	227.5	655.4	80.8	736.2
Sales of imported titles	\$m	354.7	*95.0	449.7	13.7	463.4
<i>Total</i>	\$m	782.6	*322.4	1 105.1	94.6	1 199.6
Sales of other goods	\$m	np	np	15.1	—	15.1
Other income	\$m	np	np	75.0	0.4	75.3
<i>Total</i>	\$m	825.9	369.2	1 195.1	94.9	1 290.0
Average income per business	\$m	41.3	*2.1	6.0	11.9	6.2
Expenses						
Wages and salaries	\$m	120.6	58.8	179.4	13.4	192.8
Royalties and fees	\$m	52.6	*26.5	79.1	2.5	81.6
Other expenses	\$m	597.9	267.2	865.1	74.3	939.4
<i>Total</i>	\$m	771.1	352.5	1 123.6	90.2	1 213.8
Average expenses per business	\$m	38.6	*2.0	5.6	11.3	5.9
Inventories						
Opening	\$m	176.9	*74.5	251.4	11.8	263.2
Closing	\$m	195.3	*83.1	278.3	10.8	289.1
Ratio of inventory to sales of all books	%	24.9	25.8	25.2	11.4	24.1
Employment(d)						
Males	no.	995	570	1 565	123	1 688
Females	no.	1 898	1 018	2 916	218	3 134
Persons	no.	2 893	1 588	4 481	341	4 822
Average per business	no.	145	9	22	43	23
Average wages and salaries per employee	\$'000	41.7	31.7	40.7	39.3	37.1
Other key aggregates						
Ratio of royalties and fees to sales of Australian titles	%	12.3	11.6	12.1	3.1	11.1
Export sales of books(e)	\$m	104.5	np	np	np	160.3
Internet sales of books	\$m	np	np	0.9	—	0.9
Operating profit before tax	\$m	73.2	*25.7	98.9	3.7	102.6
Profit margin	%	8.9	7.0	8.3	3.9	7.9
Industry value added	\$m	236.5	*107.1	343.6	25.5	369.2

* estimate has a relative standard error of between 25% and 50% and should be used with caution

np not available for publication but included in totals where applicable, unless otherwise indicated

— nil or rounded to zero (including null cells)

(a) Includes only businesses for which the predominant activity is book

(b) Includes only the book publishing activity of businesses for which the predominant activity is not book publishing, but book publishing income is \$2m or more.

(c) Ranked in terms of total income.

(d) Includes working proprietors.

(e) Includes re-export sales of \$7.6m and excludes sales of rights which totalled

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SUMMARY OF OPERATIONS, By State and Territory(a)

	<i>Businesses at end June 2000</i>	<i>Sales of books</i>	<i>Sales of other goods</i>	<i>Other income</i>	<i>Total income</i>
	no.	\$m	\$m	\$m	\$m
New South Wales	86	771.4	np	np	829.1
Victoria	72	368.5	5.7	17.8	391.9
South Australia	10	10.3	0.1	0.7	11.1
Western Australia	15	5.5	—	1.6	7.1
Other States and Territories(b)	25	43.9	np	np	50.8
Australia	207	1 199.6	15.1	75.3	1 290.0

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— nil or rounded to zero (including null cells)

(a) Businesses with operations in more than one State or Territory are classified according to the location of their head office.

(b) Queensland is the major contributor to these data but, due to confidentiality considerations, its figures are not separately publishable.

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SELECTED DATA ITEMS, By Category of Book Mainly Sold(a)

		<i>Primary and secondary education</i>	<i>Tertiary education</i>	<i>Professional and reference</i>	<i>General(b)</i>	<i>Total</i>
Number of businesses	no.	81	*14	14	97	207
Total income	\$m	265.2	*169.3	42.3	813.1	1 290.0
Total expenses	\$m	244.0	*144.2	39.7	786.0	1 213.8
Opening inventories	\$m	41.6	*40.1	9.1	172.3	263.2
Closing inventories	\$m	44.7	*39.6	9.0	195.8	289.1
Operating profit before tax	\$m	24.4	*24.6	2.7	51.0	102.6
Profit margin	%	9.2	14.5	6.3	6.3	7.9

* estimate has a relative standard error of between 25% and 50% and should be used with caution

(a) Each business is classified according to whether its sales of books are predominantly primary and secondary education; tertiary education; professional and reference; or general (fiction, non-fiction or children's).

(b) Includes any businesses predominantly selling electronic books.

COMPONENTS OF INCOME, By Employment Size(a)

	BOOK PUBLISHERS(b)		OTHER MAJOR CONTRIBUTORS(c)	TOTAL BUSINESSES
	0-19 persons	20 or more persons		
	\$m	\$m	\$m	\$m
Sales of books(d)				
Australian titles				
Originated and published by the business	93.8	np	np	688.6
Originated by other publishers and co-published by the business	*0.7	np	np	23.7
Distributed on behalf of other Australian publishers	*2.8	np	np	23.9
Imported titles	35.8	np	np	463.4
<i>Total</i>	<i>133.1</i>	<i>972.0</i>	<i>94.6</i>	<i>1 199.6</i>
Sales of other goods	2.3	12.8	—	15.1
Other sources of income				
Income from royalties and sales of rights				
On-line licensing	np	np	—	*1.4
Other	*3.6	np	np	14.5
<i>Total</i>	np	<i>12.1</i>	np	<i>15.8</i>
Funding from Federal, State and/or local government(e)	0.9	1.0	—	1.9
Public Lending Rights income	0.2	0.4	—	0.6
Copyright Agency Limited income	np	3.1	np	3.9
Income from services	*20.9	15.1	—	36.0
Other income	0.8	16.4	—	17.1
<i>Total</i>	<i>*26.8</i>	<i>48.1</i>	<i>0.4</i>	<i>75.3</i>
Total income	162.2	1 032.9	94.9	1 290.0

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* estimate has a relative standard error of between 25% and 50% and should be used with caution

— nil or rounded to zero (including null cells)

(a) Of the 207 businesses included in the survey, there were 199 book publishers and 8 other major contributors. Of the book publishers, 40 employed 20 or more persons while 159 employed less than 20 persons.

(b) Includes only businesses for which the predominant activity is book publishing.

(c) Includes only the book publishing income of businesses for which the predominant activity is not book publishing, but book publishing income is \$2m or more.

(d) Net of trade, quantity or cash discounts.

(e) Includes book bounties, export market development grants, etc.

COMPONENTS OF OPERATING EXPENSES, By Employment Size

	BOOK PUBLISHERS (a)		OTHER MAJOR CONTRIBUTORS (b)	TOTAL BUSINESSES
	0-19 persons	20 or more persons		
	\$m	\$m	\$m	\$m
Wages and salaries paid to own employees				
Artists, designers, illustrators	0.9	np	np	10.1
Editors	3.5	15.4	3.6	22.5
Publishers	2.4	np	np	15.6
Typesetters	0.7	1.0	—	1.7
Other	14.9	119.3	8.7	143.0
<i>Total</i>	<i>22.3</i>	<i>157.1</i>	<i>13.4</i>	<i>192.8</i>
Other labour costs	6.7	32.8	2.0	41.4
Royalties and fees paid (c)				
Authors	8.6	64.7	1.7	75.1
Artists, designers, illustrators	1.3	np	np	2.6
Editors	np	np	—	1.6
Publishers	np	np	np	0.5
Others	0.4	np	np	1.9
<i>Total</i>	<i>11.6</i>	<i>67.5</i>	<i>2.5</i>	<i>81.6</i>
Costs of printing				
In Australia	19.2	np	np	121.7
Overseas	23.9	np	np	133.7
<i>Total</i>	<i>43.1</i>	<i>206.1</i>	<i>6.2</i>	<i>255.4</i>
Landed cost of books imported (d)	22.2	np	np	197.4
Sales and marketing costs	7.8	72.0	4.0	83.7
Distribution costs (e)	10.3	73.6	3.2	87.1
Land taxes and land rates	*0.3	np	np	1.0
Insurance premiums	0.6	3.7	0.1	4.4
Interest expenses	1.2	np	np	12.4
Depreciation and amortisation	1.4	18.9	2.4	22.6
Bad and doubtful debts	0.6	np	np	6.7
Computer software expensed	0.7	2.0	0.1	2.8
Other operating expenses	26.7	159.2	38.6	224.5
Total expenses	155.4	968.2	90.2	1 213.8

np not available for publication but included in totals where applicable, unless otherwise indicated

— nil or rounded to zero (including null cells)

* estimate has a relative standard error of between 25% and 50% and should be used with caution

(a) Includes only businesses for which the predominant activity is book publishing.

(b) Includes only the book publishing expenses of businesses for which the predominant activity is not book publishing, but book publishing income is \$2m or more.

(c) Excludes payments to own employees.

(d) Excludes costs included in the category 'Costs of printing overseas'.

(e) Includes customer service, warehousing, etc.

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CAPITAL EXPENDITURE, By Employment Size

<i>Capital expenditure item</i>	BOOK PUBLISHERS(a)		OTHER MAJOR CONTRIBUTORS(b)	TOTAL BUSINESSES
	0-19 persons	20 or more persons		
	\$m	\$m	\$m	\$m
Computer equipment and software(c)	1.0	9.7	1.4	12.1
Other assets	**1.7	10.2	1.9	13.9
Total	*2.7	19.9	3.3	26.0

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

* estimate has a relative standard error of between 25% and 50% and should be used with caution

(a) Includes only businesses for which the predominant activity is book publishing.

(b) Includes only the book publishing capital expenditure of businesses for which the predominant activity is not book publishing, but book publishing income is \$2m or more.

(c) Includes equipment for desktop publishing.

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VALUE OF INVENTORIES, By employment size

<i>Inventories</i>	BOOK PUBLISHERS(a)		OTHER MAJOR CONTRIBUTORS(b)	TOTAL BUSINESSES
	0-19 persons	20 or more persons		
	\$m	\$m	\$m	\$m
Opening	37.7	213.6	11.8	263.2
Closing	39.8	238.5	10.8	289.1

(a) Includes only businesses for which the predominant activity is book publishing.

(b) Includes only the book publishing inventories of businesses for which the predominant activity is not book publishing, but book publishing income is \$2m or more.

	Males	Females	Persons
	no.	no.	no.
Book publishers(a)			
Working proprietors and partners	42	33	74
Employees			
Permanent			
Full-time	1 291	2 301	3 592
Part-time	np	np	283
Casual or temporary	np	np	531
<i>Total employees</i>	<i>1 524</i>	<i>2 883</i>	<i>4 406</i>
<i>Total employment</i>	<i>1 565</i>	<i>2 916</i>	<i>4 481</i>
Other major contributors(b)			
Working proprietors and partners	—	—	—
Employees			
Permanent			
Full-time	90	151	241
Part-time	np	np	13
Casual or temporary	np	np	87
<i>Total employees</i>	<i>123</i>	<i>218</i>	<i>341</i>
<i>Total employment</i>	<i>123</i>	<i>218</i>	<i>341</i>
Total businesses			
Working proprietors and partners	42	33	74
Employees			
Permanent			
Full-time	1 381	2 452	3 833
Part-time	67	229	296
Casual or temporary	199	420	618
<i>Total employees</i>	<i>1 647</i>	<i>3 101</i>	<i>4 747</i>
<i>Total employment</i>	<i>1 688</i>	<i>3 134</i>	<i>4 822</i>

np not available for publication but included in totals where applicable, unless otherwise indicated

— nil or rounded to zero (including null cells)

(a) Includes only businesses for which the predominant activity is book publishing.

(b) Includes only the book publishing employment of businesses for which the predominant activity is not book publishing, but book publishing income is \$2m or more.

DOMESTIC AND EXPORT SALES OF BOOKS(a), By Category of Book

Category of book	Domestic sales	Export sales(b)	Total
	\$m	\$m	\$m
Print			
Education			
Primary	104.0	36.0	140.0
Secondary	93.3	*7.8	101.1
Tertiary	120.7	11.2	131.9
Professional and reference	87.7	8.0	93.0
Total education	405.6	60.4	466.0
General			
Hardback			
Nonfiction	139.6	18.3	157.9
Fiction	np	np	45.9
Children's	np	np	32.2
Total hardback	214.8	21.2	236.0
Trade paperback			
Nonfiction	np	np	174.6
Fiction	36.4	0.9	37.4
Children's	np	np	25.6
Total trade paperback	169.4	*68.2	237.6
Mass-market paperback			
Nonfiction	97.6	4.3	101.9
Fiction	82.5	*5.0	87.5
Children's	62.4	0.9	63.4
Total mass-market paperback	242.5	10.3	252.8
Total general	626.7	99.7	726.4
Total print	1 032.2	160.1	1 192.4
Electronic (including audio books)			
Education	np	np	5.8
General	np	np	1.4
Total electronic	7.0	0.2	7.2
Total books	1 039.3	160.3	1 199.6

* estimate has a relative standard error of between 25% and 50% and should be used with caution

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) Domestic and export sales includes all books whether published by the business or not.

(b) Includes re-export sales of \$7.6m and excludes sales of rights which totalled \$7.7m.

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EXPORT SALES OF BOOKS(a), By Country or Region of Destination

	\$m	%
United States of America	48.4	30.3
Canada	5.4	*3.4
United Kingdom	*23.9	14.9
New Zealand	39.2	24.5
Asia(b)	8.6	5.4
Papua New Guinea, Fiji and Pacific countries and territories	*9.7	*6.0
Other(c)	*24.9	15.5
Total	160.3	100.0

* estimate has a relative standard error of between 25% and 50% and should be used with caution

(a) Includes re-export sales of \$7.6m and excludes sales of rights which totalled \$7.7m.

(b) Asian markets most frequently specified were Singapore and Hong Kong.

(c) Other markets most frequently specified were Europe and South Africa.

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SALES OF BOOKS, By Method of Sale

	VALUE OF SALES TO			Number of books sold million	Average per book \$
	The Trade(a) \$m	The final consumer(b) \$m	Total \$m		
Australian titles					
Originated and published by the business	501.4	187.2	688.6	78.2	8.8
Originated by other publishers and co-published by the business	18.1	5.6	23.7	2.2	10.8
Distributed on behalf of other Australian publishers	21.8	2.1	23.9	3.5	6.8
Imported titles	350.7	112.7	463.4	42.3	11.0
Total	892.1	307.6	1 199.6	126.1	9.5

(a) 'The Trade' refers to businesses which intend to on-sell books, such as retailers.

(b) 'The final consumer' refers to individuals or organisations which are the end users of books.

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SALES OF BOOKS, By Type of Title

<i>Type of title</i>	\$m	%
New(a)	601.0	50.1
Backlist(b)	598.6	49.9
Total	1 199.6	100.0

(a) Titles published during the period covered by the survey.

(b) All other titles.

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SALES OF BOOKS, By Origin of Title and Major Category of Book

<i>Origin of title</i>	<i>Education books</i>	<i>General books</i>	<i>Total</i>
	\$m	\$m	\$m
Australian titles	304.6	431.6	736.2
Imported titles	162.8	300.6	463.4
Total	467.4	732.2	1 199.6

	AUSTRALIAN(b)			IMPORTED		
	<i>Number of books sold</i>	<i>Average selling price per book</i>	<i>Value</i>	<i>Number of books sold</i>	<i>Average selling price per book</i>	<i>Value</i>
	million	\$m	\$	million	\$m	\$
.....						
Education						
Primary	24.3	111.1	4.6	3.0	21.4	7.0
Secondary	4.9	82.7	16.9	1.2	15.3	12.4
Tertiary	1.8	57.6	31.8	2.2	74.8	33.8
Professional and reference	1.3	39.5	30.6	*2.1	51.5	24.9
<i>Total education</i>	32.3	290.9	9.0	8.5	163.0	19.1
General						
Hardback						
Nonfiction	6.7	111.1	16.6	3.5	43.4	12.3
Fiction	*1.1	*17.8	15.9	2.4	28.1	11.9
Children's	2.5	13.4	5.3	1.7	14.2	8.2
<i>Total hardback</i>	10.3	142.3	13.8	7.6	85.8	11.2
Trade paperback						
Nonfiction	10.6	118.0	11.1	4.5	46.8	10.3
Fiction	1.2	13.9	11.8	2.0	22.8	11.6
Children's	1.7	11.8	7.0	0.9	11.3	13.0
<i>Total trade paperback</i>	13.5	143.8	10.6	7.4	80.9	11.0
Mass-market paperback						
Nonfiction	8.6	54.0	6.3	6.4	43.7	6.8
Fiction	*8.5	*42.6	*5.0	4.6	39.8	8.6
Children's	4.1	11.3	2.8	7.0	45.6	*6.5
<i>Total mass-market paperback</i>	21.2	107.9	5.1	18.1	129.1	7.1
<i>Total general</i>	45.0	394.0	8.8	33.1	295.8	8.9
Total printed books	77.3	684.9	8.9	41.6	458.8	11.0

* estimate has a relative standard error of between 25% and 50% and should be used with caution

(a) Excludes electronic books.

(b) Includes books originated and published by the business. Excludes books originated by other businesses and co-published by the business. Excludes books distributed on behalf of other Australian publishers.

Category of title	0-19	20 or more	Total
	persons	persons	
	no.	no.	no.
Printed titles originated and published by the business			
Education			
Primary	*765	2 309	3 075
Secondary	**564	519	*1 083
Tertiary	**53	210	263
Professional and reference	326	163	489
Total education	1 708	3 202	4 910
General			
Hardback			
Nonfiction	74	276	349
Fiction	—	36	36
Children's	50	160	210
Total hardback	124	472	596
Trade paperback			
Nonfiction	411	582	993
Fiction	*79	76	155
Children's	70	134	204
Total trade paperback	560	792	1 352
Mass-market paperback			
Nonfiction	99	411	511
Fiction	104	*985	*1 089
Children's	*16	196	212
Total mass-market paperback	219	*1 593	1 812
Total general	903	2 856	3 759
Total print titles	2 611	6 058	8 669
Electronic titles originated and published by the business	np	np	67
Titles originated by other publishers and co-published by the business	np	np	1 019
Total titles	np	np	9 755

* estimate has a relative standard error of between 25% and 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

— nil or rounded to zero (including null cells)

np not available for publication but included in totals where applicable, unless otherwise indicated

SELECTED AGGREGATES, Historical Comparisons

		1994(a)	1995-96	1997-98	1999-2000
Number of books sold	million	124.8	130.6	111.5	126.1
Sales of all books	\$m	841.7	950.0	1 035.6	1 199.6
Sales of Australian titles	\$m	487.7	561.1	623.5	736.2
Sales of imported titles	\$m	354.0	388.9	412.1	463.4
Export sales of books(b)	\$m	81.1	80.3	109.8	160.3

(a) Data were collected on a calendar year basis in 1994.
(b) Includes re-export sales.

EXPLANATORY NOTES

SCOPE AND COVERAGE

1 The scope of the 1999–2000 Book Publishers Survey was all businesses in Australia which had book publishing as their predominant activity, and those businesses which had significant levels of book publishing activity despite being predominantly involved in another activity. Book publishing activity was deemed to be significant if it contributed \$2m or more to business income. Sales of imported books were included as part of book publishing activity.

2 The list of businesses covered by the collection was derived from three sources. The main source was all businesses recorded on the ABS Business Register with a predominant activity of Book and Other Publishing (ANZSIC Class 2423). A supplementary source was all members of the Australian Publishers Association (APA) not already identified from the previous source. A further supplementary source was all businesses recorded as book publishers in *The Australian Writer's Marketplace 2000* (Bookman Press 2000) but not already identified from the other two sources.

3 A sample of businesses which were sourced from the ABS Business Register was contacted in relation to this survey. In contrast, contact was made with all businesses which were obtained from either the APA membership list or *The Australian Writer's Marketplace 2000*. Data were obtained from a total of 144 businesses which were found to be within the scope of the collection (as defined above). Of these, 136 were a sample of businesses predominantly involved in book publishing. This sample represented 199 businesses estimated to be in the book publishing industry. The responses from the 136 businesses have been weighted to represent the 199 businesses in the industry. The remaining 8 businesses from which data were obtained were predominantly involved in another activity but had \$2m or more in income from book publishing. These 8 businesses only represent themselves in the data presented in this publication.

4 For businesses predominantly involved in book publishing, data were collected for their entire operations. For businesses predominantly involved in another activity, data were collected in respect of their book publishing activity only. Businesses were asked to report on their Australian-based activities, i.e. domestic operations, exports of goods or services from Australia and imports of goods or services into Australia.

STATISTICAL UNIT

5 The unit from which data were collected was the management unit. In nearly all cases the management unit coincides with the legal entity owning the business. For a small number of large businesses, the management unit coincides with a 'division' or 'line of business'.

INTERPRETATION OF DATA

6 If a book is available in more than one format, then each version is treated as a separate title. For example, if it were available in hardback, mass-market paperback and electronically and all were published during the reference period, then these would count as three separate titles for the purposes of Table 15. If the hardback version had been published before the reference period it would not be included in Table 15. However, for the purposes of Table 12, its sales would be categorised as sales of backlist whereas sales of the other two versions would be categorised as sales of new titles.

RELIABILITY OF DATA

7 The estimates in this publication are based on information obtained from a sample of businesses. Consequently, these estimates are subject to sampling variability. That is, they may differ from the figures that would have been obtained if the survey had included all in-scope businesses. One measure of the likely difference is given by the standard error (SE), which indicates the extent to

EXPLANATORY NOTES *continued*

RELIABILITY OF DATA *continued*

which an estimate might have varied by chance because information was collected from only a sample of businesses.

8 There are about 2 chances in 3 that a sample estimate will differ by less than one SE from the figure that would have been obtained if all businesses in the population had been included in the survey, and approximately 19 chances in 20 that the difference will be less than two SEs.

9 Sampling variability can be measured by using the relative standard error (RSE) which is obtained by expressing the SE as a percentage of the estimate to which it refers. The RSE is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred due to sampling and hence does not require reference to the size of the estimate.

10 The following table shows the RSEs for a selection of the statistics presented in this publication.

RELATIVE STANDARD ERRORS, for Table 1—Key Aggregates,
Total (1999–2000)

	RSE
	%
Number of businesses	6.0
Number of books sold	7.8
Income	
Sales of all books	
Sales of Australian titles	6.6
Sales of imported titles	9.8
<i>Total</i>	7.1
Sales of other goods	17.5
Other income	12.0
<i>Total</i>	7.0
Average income per business	8.5
Expenses	
Wages and salaries	6.9
Royalties and fees	8.6
Other expenses	7.0
<i>Total</i>	6.9
Average expenses per business	8.4
Inventories	
Opening	8.0
Closing	8.7
Ratio of inventory to sales of all books	5.0
Employment	
Males	7.3
Females	6.3
<i>Persons</i>	6.5
Average per business	7.9
Average wages and salaries per employee	2.1
Other key aggregates	
Ratio of royalties and fees to sales of Australian titles	5.6
Export sales of books	15.5
Internet sales of books	15.4
Operating profit before tax	10.6
Profit margin	6.1
Industry value added	7.6

11 As an example, the estimate of total income for book publishers and other major contributors is \$1,290.0m and the RSE is 7.0%, giving a SE of \$90.3m. Therefore, there are 2 chances in 3 that, if all businesses in the population had been included in the survey, a figure in the range of \$1,199.7m to \$1,380.3m

EXPLANATORY NOTES *continued*

RELIABILITY OF DATA *continued*

would have been obtained, and 19 chances in 20 (i.e. a confidence interval of 95%) that the figure would have been within the range of \$1,109.4m to \$1,470.6m.

12 Although the table above shows the RSEs for only a selection of the statistics presented in this publication, they have been calculated for all the statistics and are available on request. Estimates with high RSEs have been marked with asterisks in the tables in which they occur. If an estimate has an RSE between 25% and 50%, it is marked with one asterisk and should be used with caution. If it has an RSE greater than 50%, it is marked with two asterisks and is considered too unreliable for general use.

13 Errors other than those due to sampling may occur because of deficiencies in the coverage of the collection, imperfections in reporting by respondents or non-response. Inaccuracies of this kind are referred to as non-sampling errors and they may occur in any collection, whether it be a census or a sample survey. Every effort is made to reduce non-sampling error to a minimum by careful design and testing of questionnaires, efficient operating procedures and systems, and appropriate methodology.

COMPARISON WITH PREVIOUS DATA

14 The Book Publishers Survey was previously conducted in 1994, 1995–96 and 1997–98. As in the 1999–2000 survey, businesses included in the earlier surveys were either predominantly involved in book publishing or undertook a significant amount of book publishing activity. However, in the past, the amount of book publishing activity considered to be significant was not defined. This led to some inconsistencies when determining which businesses should be included in the survey. Other inconsistencies in the treatment of businesses which were not predominantly involved in book publishing meant non-book publishing activity was included in the results for some of these businesses and not others. For 1999–2000, changes have been introduced to refine the definition of the businesses in scope of the survey, as well as to reduce the amount of non-book publishing activity in the collection for those whose predominant activity was not book publishing. It should be noted that the changes have affected the comparability of some data items with previous surveys. This is discussed more fully below.

15 For the 1999–2000 survey, a clearly defined level of significant activity has been introduced to ensure comparisons with future surveys are undertaken on a consistent basis. Specifically, significant activity has been defined as book publishing income of \$2m or more. Hence businesses which were not predominantly book publishers, and had less than \$2m worth of book publishing income, were not considered to be in scope for this collection. By imposing this limit, a small number of book publishers were excluded from the survey that would have been included if the process used in earlier years had been repeated. Nevertheless, this change is likely to have had little impact on the level of reported book publishing in Australia. For example, if the \$2m limit had been utilised in 1997–98, the impact would have been a reduction in the total sales of books of 0.4%.

16 In previous surveys, data were collected on all of the activity of some businesses which had significant involvement but were not predominantly involved in book publishing. This meant that some non-book publishing activity of these businesses was being included in the survey results. For 1999–2000, only the book publishing activity of businesses predominantly involved in another activity is included in the survey results. This has affected several data items, in particular the 'Sales of all other goods' category, which has decreased

EXPLANATORY NOTES *continued*

COMPARISON WITH PREVIOUS DATA *continued*

substantially compared with previous years. The exclusion of data regarding the sales of all other goods, which represented 12% of total income in 1997–98, is reflected in other data items such as expenses, inventories, employment, profit margin, and industry value added, which in the past included the contribution of non-book publishing activity. Data items which relate only to books such as the number and value of books sold, the sales of Australian and imported titles, and the export sales of books should not be affected and therefore can be compared over time using the results from 1999–2000 and earlier surveys (see Table 16).

RELATED PUBLICATIONS

17 ABS publications which may be of interest include:

- *Book Publishers, Australia, 1997–98* (Cat. no. 1363.0)
- *Manufacturing Industry, Australia, 1998–99* (Cat. no. 8221.0)
- *Manufacturing Industry, Australia, Preliminary, 1999–2000* (Cat. no. 8201.0)

18 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products* (Cat. no. 1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (Cat. no. 1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available from any ABS office.

19 Detailed information on the 1997–98 Book Publishers Survey is contained in the Department of Communications, Information Technology and the Arts publication *Cultural Trends in Australia No. 9, Australian Book Publishing 1997–98*. Note, however, paragraphs 14 to 16 above regarding comparability of data.

ABS DATA AVAILABLE ON REQUEST

20 As well as the statistics included in this and related publications, the ABS may have other relevant data available. Inquiries should be made to the contact person noted in the Inquiries box on the Contents page.

ACKNOWLEDGEMENT

21 ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated. Without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

GLOSSARY

Audio book	A book which is made available in the form of a recording of someone reading the text. For the purposes of this publication, audio books are included in the category Electronic books.
Australian title	A book that has an Australian ISBN as a result of being either originated (but not necessarily printed) in Australia, or acquired under a separate rights agreement for the Australian market by an Australian-based business.
Backlist title	A title published prior to the period covered by the survey.
Book publishers	Businesses which had book publishing as their predominant activity.
Capital expenditure	Outlays on capital equipment and other capital assets, including all costs capitalised in the account books of a business, e.g. legal fees, real estate transfer costs and assets acquired under finance leases.
Casual employees	Employees who are not entitled to paid holidays or paid sick leave days.
Closing inventories	Inventories of materials, finished goods and work-in-progress held at the end of the reference period.
Copyright Agency Ltd income	Licence fees collected on behalf of copyright holders by Copyright Agency Ltd from entities it has licensed to copy printed works. These fees are then distributed annually to members of Copyright Agency Ltd on the basis of its records of the copying being carried out by licensees.
Educational book	A book which is authored with the intention of it being suitable for use as an aid to formal teaching at the primary, secondary or tertiary level. Reference books and books for use by professionals are also included in this category.
Electronic book	A book which is made available in an electronic format. This may be in the form of a computer file delivered via the Internet or as a CD-ROM, floppy disk or other data media. The text of these books must be read from a computer screen or special hand-held electronic device. For the purposes of this publication, the Electronic books category includes audio books.
Employment	Includes working proprietors and working partners of unincorporated businesses, working directors of incorporated companies and trusts, and all employees working for businesses during the last pay period ending in June 2000.
Full-time employees	Employees who work 35 hours per week or more.
General book	A book not authored specifically for educational use.
Hardback	A book with a hard cover. If a book is first published as a hardback, it may later be published in paperback format for the mass market.
Industry value added	The value added to the economy by the industry. It is equal to the sales of goods and services plus government subsidies and changes in the levels of trading inventories, minus purchases and other selected expenses.
Internet sales	Sales for which the order was placed through the Internet.
Mass-market paperback	The conventional form of paperback book. A book published as a mass-market paperback may have been previously published in a different format (e.g. hardback).
New title	A title published during the period covered by the survey.
Opening inventories	Inventories of materials, finished goods and work-in-progress held at the beginning of the reference period.
Operating profit before tax	Total income minus total expenses plus closing stocks minus opening stocks.

GLOSSARY *continued*

Other major contributors	Businesses which had \$2m or more of book publishing activity despite being predominantly involved in another activity.
Part-time employees	Employees who work less than 35 hours per week.
Permanent employees	Employees who are entitled to paid holidays and paid sick leave days.
Profit margin	Operating profit before tax as a percentage of total income.
Public Lending Right income	Payments made from a Commonwealth Government cultural program to eligible Australian authors and book publishers on the basis that they lose income because of the availability of their books for loan in public lending libraries.
Re-exports	Exports from Australia of books originally imported into Australia by the publisher.
Rights	Permissions to use an author's work in different ways, such as publish it in foreign countries, publish it in magazines, broadcast it on radio or make it into a motion picture.
The final consumer	Individuals or organisations such as libraries which are the end users of books.
The trade	Businesses such as book distributors, book clubs, education and library suppliers and other retailers which on-sell books to other individuals or organisations.
Total expenses	Sum of all expense items, i.e. wages and salaries and other labour costs, royalties and fees paid, costs of printing, landed costs of books imported, advertising and marketing costs, distribution costs and all other expenses.
Total income	Sum of all income items, i.e. sales of books, sales of other products, receipts from royalties, sales of rights, government grants and subsidies, Public Lending Right receipts, Copyright Agency Limited receipts and any other sources of income.
Trade paperback	An alternative format to hardback which has the same dimensions as the equivalent hardback, but with a soft cover. A book which is first published as a trade paperback may later also be published as a conventional (mass-market) paperback

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- LIBRARY* A range of ABS publications is available from public and tertiary libraries Australia-wide. Contact your nearest library to determine whether it has the ABS statistics you require, or visit our web site for a list of libraries.
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