

VISCOPY

VISUAL ARTS COPYRIGHT COLLECTING AGENCY

Level 1, 72-80 Cooper Street, Surry Hills. NSW. 2010. Australia

email viscopy@viscopy.com website www.viscopy.com

phone 61 2 9280 2844 fax 61 2 9280 2855

Visual Arts
Copyright Collecting
Agency

viscopy

RESALE RIGHTS FOR ARTISTS – INFORMATION SHEET

- "If resale royalties were introduced, a substantial amount of benefit would be enjoyed by artists, as estimates indicate that resale royalties calculated on 1999-2000 sales would amount to approximately \$6.75 million ..."

Finding from the Report of the Contemporary Visual Arts and Craft Inquiry, 2002. The Inquiry concluded that a resale royalty arrangement should be introduced in Australia.

- "On the resale of art, everyone else makes money, but the artist is forgotten" *John Olsen, Australia's leading artist, advocate and VISCOPY member.*

- Resale royalty is a method by which a percentage of the price of work sold at public auction is returned to the original artist or their estate. It is otherwise known as "droit de suite" and has been adopted in over 30 countries. All of these countries are signatories of the Berne convention which establishes the international framework for "droit de suite".

- Resale royalties are based upon the principle of reciprocity. This means that other countries who have a resale royalty provision will be able to pay the royalty to Australian artists whose work is sold at auction in those countries.

- VISCOPY's submission to the Myer Report recommended the implementation of "droit de suite" in Australia. The Myer Report supports this recommendation in its findings.

Resale Royalty Rights apply in ..

Algeria, Belgium, Benin, Brazil, Burkina Faso, Cameroon, Chile, Congo, Costa Rica, Denmark, Czechoslovakia, Ecuador, France, Germany, Greece, Guinea, Hungary, Iceland, Italy, Ivory Coast, Luxembourg, Mali, Morocco, Peru, Philippines, Portugal, Rwanda, Senegal, Spain, Turkey, Tunisia, United States (California only), Uruguay, Yugoslavia.

SUPPORTING THE RESALE RIGHT -

Carolynne Hamdorf, Manager, Warmun Art Centre "...it's really just acknowledging the source of that work and acknowledging successive homage to the maker of that particular piece" (ABC PM 12.09.03)

Bob McMullan, MP "We're talking about a hundred million dollar art market here, so it doesn't take a very big percentage of that market to transfer a substantial amount of resources to artists..." (ABC PM 12.09.03)

Richard Alston, former Federal Minister for the Arts "I have been in favour of a resale royalty for quite some time, but it has taken us a while to work out a sensible program" (The Australian, 7.10.03)

Senator Aden Ridgeway "The establishment of a scheme for resale royalty rights for artists is particularly important in the context of the rapidly booming international market for Indigenous artworks..." (Media Release 29.07.03)

Senator Kate Lundy & Bob McMullan MP "...visual artists will enjoy a direct economic benefit from their work if it is resold for a higher value. Visual artists who generally produce original works, and sell their works to an art gallery, receive no further income from any future increase in value when the work is resold...This scheme will create a more equitable system that will bring financial rewards for visual artists more in line with those enjoyed by other artists under the Copyright Act 1968"
(Media Release 10.09.03)

Alan Rees, executor of the estate of Lloyd Rees & VISCOPY member "In the late 40's William Dobell was recognised as a significant Australian artist, but in earlier days he had, through financial necessity, sold his works very cheaply ... in the late 40's or early 50's there was an auction of Dobell's work which realised prices that were at the time considered astronomical ... There was a famous SMH cartoon with the frantic auction activity going on in the background, and a sad-faced Dobell in the foreground ... The caption was "No, of course I couldn't afford to bid. I'm Bill Dobell".

FACT FROM THE MYER REPORT

"The resale of "Water Dreaming at Kalipinyapa" by Indigenous artist Johnny Warangkula Tjupurrula for \$486,500.00 in July 2000 – after its original purchase in the 1970s for \$150.00 has stimulated further debate."

Senator Kate Lundy & Bob McMullan MP "A major beneficiary of this program in the future will be indigenous artists, families and communities who have missed out on millions of dollars of potential income because they were unable to benefit from vastly increased resale prices later in their careers..."
(Media Release 10.09.03)

Carolynne Hamdorf, Manager, Warmun Art Centre "...it becomes a

little bit difficult to understand when such huge prices are being commanded on the secondary market, and there's no real direct benefit back to the family of the deceased artist or back to the artist..." (ABC PM 12.09.03)

Former VISCOPY Chairman Mark Fitz-Gerald "Resale royalties will deliver real income to artists. They will help support those who actually create the visual beauty and cultural challenges that, as Australians, we rely on to inform and support our individuality and identity as a nation ... Senator Lundy is right to note indigenous communities are disadvantaged ... auction house sales of indigenous art topped \$7.5M in July this year, none of which the artist sees ... VISCOPY has long been an advocate for resale royalties, and contends that the value of such an investment in Australia's cultural future cannot be underestimated ... The conduct of the Myer Inquiry into the economic benefits to the nation of the visual arts now represents a major recognition of and investment in the visual arts by the Federal Government. The challenge now is to build on that investment..."

FINDING FROM THE MYER REPORT

"As demand in the art market is highly volatile, it is unlikely that resale royalties would have an impact on the art market over time"

RECOMMENDATION 5 from THE MYER REPORT

- Introduce a resale royalty arrangement.
- Establish a working group, comprising representatives from government and the visual arts and craft sector, to analyse the options for introducing a resale royalty arrangement.
- Conduct a tender to determine an appropriate body to administer the resale royalty arrangement; and
- Allocate \$250,000 for the development of an implementation strategy.