

New EC study **finds authors' earnings are around £12,500** and recommends fairer contracts

[A new EC study on authors' remuneration](#), in which many members of The Society of Authors participated, surveyed authors, journalists, translators and illustrators across Europe, and makes important recommendations to improve the contractual position for writers.

The findings are particularly significant in relation to UK book authors since they were by far the largest group of book author respondents (317 with only three other countries having more than 20 each). UK journalists, illustrators and translators were also well represented in the study, thanks to the SoA's encouragement to take part.

Key findings

- Average annual incomes for UK authors, including advance, royalties and ALCS and PLR payments was about €17,500, equivalent to £12,500¹ in May 2015, when the survey was run, and well below the average UK income of around €32,000. According to the [Joseph Rowntree Foundation](#), single people in the UK need to earn at least £17,100 before tax to achieve a Minimum Income Standard.
- Average annual incomes for UK journalists were also 17,500 Euros, around half the amount reported by German and Danish journalists, countries where there are far more legal protections for creators.
- Average incomes for UK translators and visual artists were a little higher at around 25,000 euros (£17,850) but this is still well below the UK average wage. It also reflects the fact that translators and visual artists were more likely than book authors to report their work as their only source of income.
- The average total income from a UK author's latest book was around €8,000².
- The vast majority of respondents had more than 10 years of experience in the industry.³
- The percentage of journalists, translators and visual artists who make a living out of their primary activity is above 70%, while less than 51% of book authors view their primary activity as their only or main source of income. This corresponds with the ALCS study which concluded that in 2013, just 11.5% of professional UK authors (defined as those who dedicate the majority of their time to writing) earned their

¹ In 2013 the ALCS study "what are words worth now" <http://www.alcs.co.uk/About-us/News/News/What-are-words-worth-now-not-much.aspx> found that the median income of a professional author was £11,000

² (based on 33 responses)

³ Most visual artists, authors of books and journalists have more than 20 years of experience in the industry and most translators have between 10 and 20 years of experience. There is also a significant number of respondents with between 5 and 10 years of experience, whereas there is a negligible amount of respondents with less than 2 years of experience

incomes solely from writing, whereas in 2005, 40% of professional authors said that they did so.

- UK authors do not enjoy the same legal safeguards as their counterparts in other EU countries to ensure that contracts are fair. The UK scored 0 on a table setting out legal restrictions on contracts form, while France scored the maximum 3.
- The lack of legal safeguards has a negative effect on authors' incomes: the study found that *"a more protective legal framework may have a positive effect for the authors' average income"* across all the sectors they surveyed.
- The study suggests that individuals may be more likely to become an author if they consider that the law is protective of them and that implementing the recommendations could have a *"dynamic effect on the creative industries"*.

Recommendations

The Society of Authors welcomes the three policy recommendations proposed by the report's authors.

Policy 1: Specification of remuneration for individual modes of exploitation

A legal requirement for

- written contracts, specifying:
 - which rights and modes of exploitation are being transferred,
 - the level and type of remuneration attached to each mode of exploitation, and
- Reporting obligations.

Contracts not adhering to these requirements would be null and void.

The obligation to specify the rights and modes of exploitation covered by the transfer would apply to both current and foreseeable uses or modes of exploitation at the time of signing the contract.

The authors say: *"This requirement is key in order to guarantee transparency of the rights transferred, broken down in actual uses or modes of exploitation. For example, 'digital exploitation' of a work is different from 'publishing', which is often regulated by law according to specific rules on 'publishing contracts'. However, 'digital exploitation' does not, in itself, entail a specific use. Within 'digital exploitation', different uses are currently feasible business models (download, pay-per-use, subscription, ad-based streaming) or are envisaged to become commercially viable in the near to mid future. In addition, it would be important for the law to clarify that all rights not expressly transferred to the publisher would be reserved to the author."*

Policy 2: Limit the scope for transferring rights for future works and future modes of exploitation

- To ensure that authors have the ability to negotiate terms specific to a new mode of exploitation, a contract must provide only for fields of exploitation which are

known or foreseeable at the time of its conclusion. Germany had a strict prohibition on the transfer of rights in 'unknown' or 'unforeseen' forms of exploitation until 2002.

- The transfer of rights relating to future works (for example a four book publishing deal) should also be restricted in its duration (for example only the rights for works created over the next five years are transferred) and in genre of work covered by the transfer.

Policy 3: Allowing economically dependent freelancers to claim employee status and rights.

Freelancers who work mainly for one or two employers could demand employee rights.

The authors say these recommendations: *“should lead to mechanisms that help prevent what anecdote and legal traditions suggest is the prevalent tendency to secure unlimited, all-inclusive rights transfers in all cases or careless omissions as to what happens to the rights once contract is signed or the work delivered. We have focused upon options that our legal analysis and empirical evidence suggest have potentially material economic impacts.”*

Our reaction

This study is published within weeks of the [EU Draft Directive on the Digital Single Market](#) which proposed transparent accounting and bestseller clauses. The Society of Authors has been lobbying for all these suggested changes for some time as part of its [CREATOR campaign for fair contracts](#).

Commenting on the study Nicola Solomon, CEO of the Society of Authors, said:

“This detailed study shows, yet again, that authors are disadvantaged by an unfair playing field and conclusively demonstrates that simple legal remedies such as controlling the term and scope of contracts can have a positive effect on authors’ earnings which remain woefully low. We are concerned at the numbers of authors who are no longer able to make a living from writing and who are leaving the profession and also that many more are dissuaded from joining which could mean a less diverse creative landscape.

“We fully back the authors’ recommendations for sensible and proportionate measures to improve the position for creators, all of which we have been calling for as part of our CREATOR campaign. We believe these provisions will help avoid unfair practices that currently prevent authors making a living from writing. We will be pressing the UK Government to implement these clauses without delay.”

Lucinda Hawksley, author and member of the Management Committee of the SoA, said:

“Very few authors are privileged to be able to earn a living from their writing alone. Any move to help make life fairer for authors is not only welcome but utterly necessary. I know from personal experience how difficult it is to be creative when panicking about the state of one’s finances and worrying about the rent, whilst also trying to meet a publisher’s demands. My books have been well-received and plentiful, which might be

assumed to bring in a healthy income, but it is impossible to support myself by writing alone.

"This EU study is valuable acknowledgement of the imbalance. In a world where publishing is huge business, readers should be made aware of the financially struggling elephant in the room: publishers need to change their attitudes to authors and to recognise that the writer of the book is at the heart of book production."

Britain's creative industries generate £84.1bn a year to the UK economy⁴ and over 40% of book sales are overseas exports. It is important that the rights of creators be supported so they we can continue to produce and nurture creators and enable them continue to produce innovative, informative and creative works that are in demand worldwide.

The SoA thanks all its members who took the time to respond and make the study statistically meaningful.

ENDS.

NOTES FOR EDITORS

- About the Society of Authors
The Society of Authors is a trade union for all types of writers, illustrators and literary translators, at all stages of their careers. We have been advising individuals and speaking out for the profession for more than a century.
www.societyofauthors.org
- About the Society of Authors CREATOR campaign
The SoA's CREATOR campaign calls for a review of laws applicable to creator contracts and introduction of legislation to address unfair contract terms. Since its launch in July 2015 the issues it raises have been debated in the House of Lords, adopted by the Fair Terms for Creators campaign - www.fairtermsforcreators.org - and we continue to lobby key individuals in government.
 - [Joint briefing \(with ALCS\) on the Digital Economy Bill](#) (September 2016)
 - [Joint briefing \(with ALCS\) on e-lending and the Digital Economy Bill](#) (September 2016)

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The Society of Authors is a company registered in England No. 19993 and an independent trade union

⁴ 2014 figures from CIC