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Sent: Friday, 5 July 2019 1:57 PM
To: Adjudication
Subject: Submission in response to the ACCC Draft Determination - Australasian Performing Right Association Limited

Categories: Submission

As the Member for Brisbane, I proudly represent a constituency with deep and abiding involvement in many aspects of the music industry.

Brisbane is the centre of our state's nightlife and creative industries, many musicians live here, and our community contains quite a high proportion of Queensland's venues where recorded music and live music is played. Our music industry is at the cultural heart of our lifestyle and community and it is also economically significant.

I have previously campaigned strongly for Brisbane's creative and artistic sectors, and our nightlife economy, in relation to a number of regulations and reforms.

Regarding the ACCC's draft authorisation for APRA, Brisbane's music industry will benefit from maximising the public benefits of authorisation and mitigating against areas of possible detriment.

From my discussions with industry and performers, Brisbane's music industry is particularly interested to ensure that local performers and artists gain more confidence about receiving their rightful royalties. If more artists are paid, if artists receive their rightful royalties and are more confident about this, it will encourage the development of a more vibrant and prosperous artistic community. Concerns have also been raised with me from industry users about the perceived lack of competitiveness in a system that involves them negotiating with and paying a monopoly provider.

In my view, better transparency and information is key. Furthermore, new technology and data makes it easier and more efficient than ever before to provide better transparency and information.

The proposed conditions of authorisation which focus on improving transparency are encouraging and are strongly supported.

On behalf of Brisbane's music industry, I submit that it will be important for the ACCC to focus very careful attention on the wording and enforcement of the transparency measures proposed as conditions to the authorisation. In particular, transparency of the following information is important:

- the breakdown of industry users by market sector;
- the breakdown of what was played on TV, radio and in public performance (by sector) during the last reporting period, understanding that this play data will need to be derived from several sources across industry;
- the amount that an artists' works were played and what they should be paid, where an artist submits a Request for Information to APRA;
- the amount of revenue generated by each market sector;
- the basis of calculation for revenue distribution, including the percentage of revenue distribution that is based on actual play data (because the level of accuracy varies across the market as some types of music recognition technology are used in a subset of commercial venues but not others); and
- the percentage of revenue collected that is distributed to Australian artists, not just Australian companies.

Following general principles of competition policy, it is also important for the ACCC to pay close attention to the impacts whenever authorised monopolies are proposing to extend their activities into other product lines up or

down value chains in an industry. It appears that OneMusic Australia (OMA) represents a significant portion of APRA's investment and operations. There is a concern in industry that the OMA scheme may complicate and reduce transparency around the flow of information and payments. It may be in the public interest that the OMA scheme is completed and its competition impacts be further considered by the ACCC before a final determination is provided by the ACCC, and/or that a shorter period of authorisation is granted.

Thank you for the opportunity to make a submission on behalf of the music industry in Brisbane.

Kind regards

Trevor

Hon Trevor Evans MP

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