

20 May 2019

Mr Gavin Jones
Director
Adjudication
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Dear Mr Jones

Subject: OneMusic Licensing Fees

I refer to my previous correspondence dated 18 January 2019, outlining the concerns of local governments regarding the OneMusic Australia joint initiative between Australasian Performing Right Association Ltd (APRA), Australasian Mechanical Copyright Owners Society Limited (AMCOS) and Phonographic Performance Company of Australia (PPCA).

The Australian Local Government Association (ALGA) is the national voice of local government in Australia, representing 537 councils across the country. In structure, ALGA is a federation of state and territory local government associations.

Based upon concerns raised with us by Councils, ALGA and the state and territory Local Government Associations do not support the proposed OneMusic Australia licencing scheme. We have invited APRA and the allied organisation AMCOS, and PPCA to properly consult with the sector to address our concerns and requested that the scheme does not proceed until a sustainable alternative or a resolution to our issues is achieved.

This has not occurred and I am advised that Local Government Associations and councils are now receiving correspondence stating that the OneMusic Australia scheme will proceed as proposed.

Our outstanding concerns are:

- Lack of consultation with the sector in establishing this new scheme by a “monopoly” organisation;
- New single fee arrangements (based on population) that have an unknown financial impact across the local government sector and potentially increase current music licensing fees at a time when local governments are financially constrained;

- Fees that do not take into account the significant amount of work that local governments undertake to support a thriving arts and culture sector; and
- The potential for ongoing fee increases without opportunity for input.

Local government's investment in culture and heritage is \$1.5 billion or over 27% of the total national investment by all governments and growing (ABS, 2017), and for example the Municipal Association of Victoria (MAV) actively supports the music industry by developing resources such as the [Live Music Toolkit for Local Government](#).

We note that the House of Representatives, Standing Committee on Communications and the Arts Report on the [Inquiry into the Australian Music Industry](#) (March 2019) recommends that “..the Australian Competition and Consumer Commission incorporate an assessment of the finalised OneMusic Australia licensing scheme when considering the re-authorisation of the Australian Performing Rights Association.”(Recommendation 2)

I am seeking an urgent meeting with the Australian Competition and Consumer Commission to discuss our concerns, outlined in this correspondence and previous correspondence. Please contact Gabriella Rechichi on 02 6122 9422 to organise a suitable time to meet to discuss these issues.

Yours sincerely,

A handwritten signature in blue ink that reads "Adrian Beresford-Wylie". The signature is written in a cursive, flowing style.

Adrian Beresford-Wylie
Chief Executive