
From: Clare Hargreaves <CHargreaves@mav.asn.au>
Sent: Wednesday, 10 July 2019 2:09 PM
To: Cramond, Tessa
Subject: FINAL: Modified MAV response to ACCC for Public Register - APRA application for re-authorisation - draft determination [SEC=UNCLASSIFIED]

Dear Ms Cramond

MAV response to ACCC correspondence - APRA application for re-authorisation - draft determination

The Municipal Association of Victoria (MAV) is the legislated peak body representing the 79 Victorian councils.

Earlier this year, the Australian Local Government Association (ALGA) (our national peak body) on behalf of all Local Government Associations made a submission to the ACCC outlining our collective concerns regarding the OneMusic Australia music licencing scheme. In addition, the MAV has written to the APRA Chair detailing the MAV's concerns, which we consider have not been adequately addressed to date.

The ALGA submission is referenced in recent ACCC documentation and we are pleased to read that transparency has been addressed although issues around the appropriateness of a per capita scheme, the timing of its implementation and clarity of the 'blanket' licence remain. The MAV questions however whether ACCC's extension means that OneMusic Australia is to be implemented without the need for APRA to provide a sustainable industry relevant scheme that is transparent and clear, and seek advice from the ACCC to this end.

Despite the fact that APRA has indicated that detailed stakeholder consultation procedures were conducted according to the Collecting Societies Code of Conduct, this has not been the MAV's experience and we have received consistent feedback from Victorian councils that they have not been adequately consulted and that their business is not understood. The review may have determined that the Code is the best mechanism to promote efficient, effective and transparent administration of copyright licences, and supports overall confidence in Australia's collective copyright management system, especially if governance arrangements are strengthened, however the MAV is dissatisfied by APRA AMCOS and PPCA's lack of consultation to date and the fact that the Code does not address issues around the terms on which licences are granted (i.e. licence fees).

We suggest meaningful consultation may reveal a sustainable scheme that offers support for artists at its core and hope this may still be possible. In addition, a much more staged

approach to implementation may enable a number of the factors raised by councils to be considered and negotiated.

MAV Recommendations

1. That OneMusic Australia for local government is not mandatory from 1 July 2019, but a voluntary scheme with councils able to negotiate suitable fees for their municipality until issues around clarity, implementation, and transparency have been resolved.
2. That APRA develops a Change Impact Statement and reflects the sentiments of the Review of Code of Conduct for Australian Copyright Collecting Societies draft report of February 2018 on pages 17 and 18 which outlines *Calculating licence fees* and *Distributing information about licence fees*.

In conclusion

The MAV supports APRA's application for re-authorisation of its copyright collection arrangements on the condition that it reviews the proposed OneMusic Australia blanket licence for local government and meaningfully consults the sector so that the business can be understood, and a sustainable policy and suitable fee structure can be negotiated.

Should you require any further information regarding this response, the MAV contact officer is Francesca Valmorbida, Arts and Culture Policy Adviser, fvalmorbida@mav.asn.au

Warm regards
Kerry

Kerry Thompson | Chief Executive Officer

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