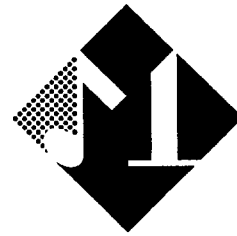


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Music Council of Australia

Tim Grimwade
The General Manager
Adjudication Branch
Australian Competition and Consumer
Commission
BY EMAIL
June 21 2004

Dear Mr Grimwade

RE: Application for Authorisation Nos. A90918 – A90925 lodged by Australasian Performing Right Association

Thank you for providing the opportunity for the Music Council of Australia to comment on this matter.

Taking into account the arguments put before the ACCC by APRA in relation to the Commission's statement of its role, it is the view of the Board of Directors of the Music Council that authorisation should be granted.

The Council notes that:

- So far as it is aware, there is no significant dissatisfaction with APRA's service among its composer and publisher clients
- Consequently, it is unlikely that composers or publishers would seek to establish an alternative organisation to render these services
- There is no indication that any other organisation is seeking to offer these services
- There are clear and well understood reasons to have a single collecting society serving this clientele
- The services offered to composers and publishers are provided for minimal fees
- Therefore, to open the field to competition would most likely be an exercise in theory only, while to withhold authorisation would seem likely only to create disorder and difficulty in an organisation that fulfills its role efficiently and to general satisfaction.

The Music Council notes that APRA's charges to the community are modest; its monopoly position is not used unfairly to elevate royalty rates.

The Music Council also supports the granting of interim authorisation for APRA to continue the present acquisition and licensing arrangements pending the Commission's consideration of the application for authorisation. On APRA's testimony, the lack of interim authorisation would introduce a period of chaos whilst, lacking any urgent need to remedy some serious malfunction, serving no constructive purpose whatever.

Yours sincerely
Dr. Richard Letts
Executive Director