

21 June 2013

The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

By Email: adjudication@accc.gov.au

The Australian Hotels Association (NSW) and its members are appreciative of the opportunity to submit comments in relation to the application for revocation, substitution and re-authorisation by the Australian Performing Rights Association (APRA).

The Australian Hotels Association (NSW) (AHA (NSW)) is an industrial organisation of employers registered under the *Industrial Relations Act* 1996 (NSW). AHA (NSW) is a counterpart association of the NSW Branch of the Australian Hotels Association, a federally registered industrial organisation which is the leading national voice of Australia's hotel and hospitality industry.

AHA (NSW) represents the interests of over 1700 members throughout NSW, including 1000 in regional areas of the State.

The majority of the AHA (NSW)'s members operate licensed premises as hotels, pubs and taverns. A significant number of members operate licensed premises incorporating hotel accommodation ranging from pubstyle accommodation through to luxury 5-star international hotels.

Our members employ over 75,000 people, donate more than \$25 million per year to charitable, community and sporting organisations in NSW, serve 2.5 million meals to visitors and locals each week and contribute millions of dollars in taxes and other levies.

AHA (NSW) is aware of the submissions made by our national body, the Australian Hotels Association and with the separate submissions made by the Queensland Hotels Association (QHA) and the Australian Hotels Association (Victoria).



Rather than repeat the compelling arguments and examples provided by our counterpart interstate organisations, particularly in regard to questionable licensing fee assessment practices and the unreasonable requests on venues to provide listings of actual music performed, suffice to say that the examples provided by QHA and AHA (Victoria) apply to the situation experienced by hoteliers in NSW, but even moreso because of the larger number of licensed venues in NSW.

Additionally, I have been requested to relay another concern of hoteliers in NSW and particularly those who engage DJs to provide musical entertainment to their patrons.

The premise that a licence fee or performance tariff should be paid to APRA, or indeed to the Phonographic Performance Company of Australia (PPCA) is anathema when the majority of the music provided by DJ's comes (a) from overseas DJ-only subscription/remix services which release pressings in limited quantities and feature mixes of Top 40, Hi-NRG, House, Urban, Disco and Euro tracks or (b) from legal streaming of tracks via the internet.

It is the view of those in our industry that if there is to be a licence or performance fee, that it must be better structured and collected when only applicable to the music of Australian artistes but that, a more preferable alternative, which would generate more public benefit than at present, would be for a small levy to be included as part of the sale price of musical and DVD-musical recordings and thus enable the collection of fees to be completely abolished.

It is accepted that such a change would involve amendment to Copyright legislation and that it is a matter for the federal Attorney-General and the federal Treasurer but it is a change which is hoped that the ACCC could include in conjunction with the current review to remove the unnecessary impositions on businesses and also bring about a recognition of very much changed circumstances where there is now a global and internet based system of music sharing.

Yours faithfully,

PAUL NICOLAOU

Chief Executive Officer