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**From:** Elise Williamson  
**Sent:** Tuesday, 25 September 2018 4:56 PM  
**To:** Kate Mihaljek  
**Cc:** Portfolio Committee 6  
**Subject:** FW: Portfolio Committee No 6 13 sept 2018 TAMWORTH  
**Attachments:** extract transcript Carolyne Morris.JPG

FYI

**From:** Duncan Hill  
**Sent:** Tuesday, 25 September 2018 5:04 PM  
**To:**  
**Subject:** Portfolio Committee No 6 13 sept 2018 TAMWORTH

Hi Elise,  
I am Duncan Hill President of the Tamworth Songwriters Association. Carolyne Morris has referred a question to me that was raised during the Inquiry and I provide information below:

EXTRACT FROM CAROLYNE MORRIS Tamworth Songwriters Association.  
transcript:

Please refer to Question on Notice copy attached:

REPLY TO QUESTION ON NOTICE:  
( this information confirmed by APRA)

**In terms of licensing a hospitality venue playing music, this is how it works:**

**For Background Music and Music on Hold:**

- I. The type of music device in use (for example, a background music system or TV)
- II. The number of devices in use (for example, 2 large screen TV's)
- III. The area in which music can be heard through the venue (for example, in dedicated dining areas, less or greater than 300m2)
- IV. Number of tracks reproduced (if any) to digital device players such as iPods, MP3 players and PCs etc
- V. Does the business have music on the telephone system
- VI. Is music copied to the phone system for this purpose (for example by plugging in a USB or iPod)

**For Live Performances:**

- I. 2.2% of the Applicant's Gross Expenditure on Live Artist Performers, PLUS
- II. 1.65% of Gross Sums Paid for Admission.

**For Featured Recorded Music, whichever is greater of the following:**

- I. 1.859% of Gross Sums Paid for Admission (1.69% + GST); or
- II. 16.379 cents per person (current from 1 March 2018 to 28 February 2019) admitted to the area where Featured Recorded Music performances are audible. (14.89 cents + GST)

## **For Recorded Music for Dance Use:**

87.83 cents per person admitted to the Venue (If annual figures for the number of persons admitted are not submitted, APRA AMCOS reserves the right to charge licence fees based on Capacity).

## **For Karaoke**

- I. \$19.53 X the number of days per year for each day on which karaoke functions are held at the Premises.

On receipt of the applications from venue, an account would be established and an invoice would be issued to the business. On receipt of payment the licence would then be in place for an initial 12 month period and will renew the following year unless terminated by either party.

If the business holds a licence for Live Performances, Featured Recorded Music or Recorded Music for Dance Use, then APRA AMCOS will contact the client at renewal to confirm the figures for the preceding period. Any changes will then be applied retrospectively and a new invoice will be raised for the new licence year based on the updated figures.

## **In terms of registering Works and then making a claim for performing them live, this is how it works:**

In order to make a claim for the live performance of a work at a venue within Australia and New Zealand, members are required to submit a Performance Report. In order to submit a Performance Report, members login to the APRA member portal, where they inform us of when and where the performance took place, and what works were performed. Performance Reports are submitted once a financial year currently, and are paid in November. Performance Report royalties are paid to the right holders of the works that are being performed, so all works must be registered with APRA before they are claimed. If the works that are performed are covers, this can simply be indicated when submitting the Performance Report - this way, the original right holders are paid.

Royalties from the Performance Report system are generated via the live music tariffs of APRA Licensees. These tariffs are placed in a pool, and this pool is then divided by the amount of Performance Report claims that we receive, resulting in a fluctuating per work, yearly rate. Last year's AU per work per performance rate was \$2.63, whilst the NZ rate was \$4.61. The value of a PR claim cannot exceed the available licence fee for the venue in which the performances took place, and performances at venues not yet licensed by APRA are paid as if the venue holds an APRA licence. However, if multiple performances by the same performer occur at such a venue, the available royalty is capped at \$25.

## **COMMENT BY DUNCAN HILL**

the most important thing is that the total fees paid out from a venue cannot exceed what the licence fees are for that venue SO it is quite possible that venues undervalue their assessment of fees to limit their payments.

This can have a roll-down effect to the songwriters and would be very hard to administer an alternative, so the honour system is in place.

So too it is with the songwriters and performers, they must lodge returns truthfully otherwise the "pie" is cut so thin that returns are minimal. I am sure there have been manufactured returns. It would be too much to ask for the venues to verify the artist returns.

All I can think of to better admin the system is that the artist lodges the return for the appearance on their account within 2 days of a performance online. After all it is them that would like to be paid .

This way a profile of performance and how a venue is going against fees paid can be administered a little better rather than waiting a whole year which I believe is from the old paper return days.

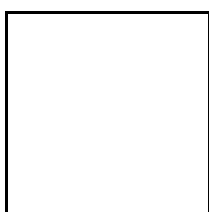
IF the system is better developed then the cap could be raised and so too can the venue contribution BUT once again, a trade off of fees to APRA against development cost assistance would be a great thing.

Note: APRA still pay artists for performances at unlicensed venues, there is a cap but this again would reduce the "pie" as no license fee is paid.

I hope this is satisfactory.

Duncan

President TSA



ReplyForward