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Supplementary questions on notice - ARIA

1. In your submission you indicate that:

“On the global stage, Australia is the seventh largest recorded music market in the world in absolute value and even higher on a per-capita basis.”

And reference this as: IFPI Global Music Report 2017 at page 75.

Could you please supply the relevant part of the report?

Please find attached a copy of the IFPI Global Music Report 2017 (page 75).

2. The ARIA submission states “In the recent PwC study prepared in September 2017 for the Australian Copyright Council, it was found that the Australian music industry (including theatrical productions) contributed \$10.554 billion to the Australian economy in 2016. The industry also employed 92,379 people.”

ARIA has submitted that the industry in Australia has been through a period of growth over the last two years. How much bigger do you think the value of the industry might be in Australia given this growth since 2016?

We understand that the PwC research will be refreshed again next year and published by the Copyright Council.

While ARIA cannot speculate on the value of the industry growth since 2016, ARIA figures show that for the Australian recorded music market there has been 10.5% growth in the 2017 calendar year (from 2016) and 6% in the half year to June 30 2018 (from the first six months of 2017).

3. ARIA has submitted that the industry in Australia has been through a period of growth over the last two years. How much bigger do you think the value of the industry might be in Australia given this growth since 2016?

Please find a link to the latest industry statistics showing growth since 2016:

<http://www.aria.com.au/documents/ARIAhalfyeartoJune18.pdf>

4. What proportion of the value of the industry is attributable to recorded music and to live performance of music?

ARIA only collects data in relation to recorded music. Information on live performance activity may be available from peak body 'Live Performance Australia'.



5. *Can you estimate the value of the industry and the number of people employed in the industry in NSW?*

We do not have any statistics available on the proportion of the value of the industry attributable to NSW, but we do note that, of ARIA's 110 members 62 of them (including the three major labels Universal, Sony, and Warner) are based in NSW.

6. *What is the latest information on the value of music imported to Australia, the value of music exported from Australia, and the net balance of these two things over time?*

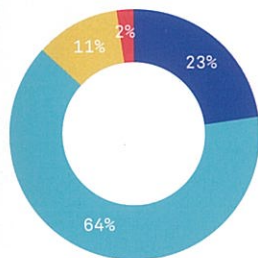
Unfortunately this is not data that is currently collected by or generally available to ARIA, however we believe it would be useful information to have available and suggest it might be a welcome addition to the information gathered by the ABS.

A one off survey of ARIA members conducted earlier this year suggests that exports have increased 28% over the past two years to almost \$20 million.

We note that the end of year 2017 ARIA singles and albums charts showed 9 Australian artist singles in the Top 100, and 27 in the albums Top 100.

AUSTRALIA

RECORDED MUSIC REVENUES BY SECTOR 2016 (% TRADE VALUE)



■ Physical ■ Digital
■ Performance rights ■ Synch

WORLD RANKING 2016

Physical	Digital	Performance rights	Synchronisation	Total market
9	7	11	9	7

RECORDED MUSIC REVENUE (US\$ MILLIONS, TRADE VALUE)

	Physical	Digital	Performance rights	Synchronisation revenue	Total (US\$)	Total (AUD)	Total % change
2016	83.3	227.7	40.0	6.3	357.3	482.3	+5.8%
2015	97.4	192.2	39.8	8.3	337.7	455.9	+6.1%
2014	100.4	173.8	36.7	7.4	318.2	429.6	-7.1%
2013	123.0	178.0	34.5	7.2	342.6	462.6	-7.8%
2012	165.0	168.6	31.3	6.9	371.8	501.9	+5.9%

DIGITAL MUSIC REVENUES BY FORMAT (US\$ MILLIONS, TRADE VALUE)

Year	Downloads			Streaming				Other	Total
	Single track downloads	Full album downloads	Other downloads	Subscription audio streams (2016 only)	Ad-supported audio streams (2016 only)	Video streams (2016 only)	Paid subscriptions & freemium streams (to 2015)		
2016	47.74	49.30	1.301	101.4	10.99	14.91	127.3	2.081	227.7
2015	65.60	57.13	1.173	42.84	22.98	65.82	2.432	192.2	192.2
2014	78.89	62.12	1.303	21.30	8.231	29.53	1.977	173.8	173.8
2013	87.96	62.44	3.818	8.007	11.35	19.36	4.454	178.0	178.0
2012	91.01	58.71	4.182	1.962	8.426	10.39	4.316	168.6	168.6

Streaming Categories: The categories under which streaming revenue is collected changed in 2016. Three categories were introduced in 2016 which were not directly comparable with the two categories used prior to 2016. Year-on-year comparisons should only be made for total streaming revenue. A full explanation of the current and previous streaming categories is found in the Sources and Notes section.

RECORDED MUSIC SALES VOLUME (MILLION UNITS)

Year	Physical		Digital Downloads	
	CD	Other physical	Single tracks	Digital albums
2016	9.5	1.3	64.1	7.2
2015	11.8	1.2	74.6	7.9
2014	13.1	1.2	96.0	7.3
2013	14.8	1.7	133.7	9.2
2012	19.8	2.2	138.0	8.5

TOP SONGS 2016

Rank	Artist	Title	Company
1	The Chainsmokers feat. Halsey	Closer	Sony Music
2	Drake feat. Wizkid & Kyla	One Dance	Universal Music
3	Lukas Graham	7 Years	Warner Music
4	Flume feat. Kai	Never Be Like You	Future Classic
5	The Chainsmokers feat. Daya	Don't Let Me Down	Sony Music
6	Calvin Harris feat. Rihanna	This Is What You Came For	Sony Music
7	Justin Timberlake	Can't Stop The Feeling!	Sony Music
8	Sia feat. Sean Paul	Cheap Thrills	Inertia
9	Twenty One Pilots	Stressed Out	Warner Music
10	Justin Bieber	Love Yourself	Warner Music

TOP ALBUMS 2016

Rank	Artist	Title	Company
1	Adele	25	XL Recordings
2	Keith Urban	Ripcord	Warner Music
3	Beyoncé	Lemonade	Sony Music
4	Various Artists	Molly (Soundtrack From The TV Series)	Warner Music
5	Michael Buble	Christmas	Warner Music
6	John Farnham & Olivia Newton John	Friends For Christmas	Sony Music
7	Jessica Mauboy	The Secret Daughter (Songs From The TV Series)	Sony Music
8	David Bowie	Blackstar	Sony Music
9	Justin Bieber	Purpose	Warner Music
10	Various Artists	Suicide Squad: The Album	Warner Music

SOCIAL AND ECONOMIC INDICATORS

Population (millions): 23.0
 Language: English
 Currency: Australian Dollar (AUD)
 US\$ exchange rate: 1.35
 GDP per capita (US\$): 48,800
 GDP % change: +2.9%
 Total music revenues per capita (US\$): 15.5

DIGITAL INDICATORS (IN MILLIONS)

Internet users: 19.2
 Broadband connections: 7.8
 Mobile subscriptions: 32.1
 Active smartphones: 20.8
 Active tablets: 9.8

INDUSTRY INFORMATION

Chart compiler:
 ARIA
www.aria.com.au
 Performance rights music licensing company:
 PPCA
www.pcca.com.au
 Local music industry association:
 ARIA
www.aria.com.au

TOP INDEPENDENT LABELS (ALPHABETICAL ORDER)

- ABC Music
- Create Control
- Dew Process
- Ditto
- Future Classic
- Inertia
- Liberation
- Metropolitan Groove Merchants
- Ministry Of Sound
- Rocket