

OUR CONSULTATION PROCESS WITH YOU

OneMusic Australia is consulting with function, convention and conference centres and would like to hear your views.

This is the second consultation paper we've released on the proposed OneMusic Australia scheme for function, convention and conference centres. We've made some adjustments to our original proposal based on the feedback we've received so far – thank you.

In your business, you're likely to be paying licence fees to APRA AMCOS and PPCA, the caretakers of the copyright in the music you use. These fees ensure you're legally entitled to use music in your centre, and with your support music creators are paid for their contribution to your business.

If you have already provided us with comment, thank you – but as we've made a number of changes in this updated proposal your further feedback is welcome and encouraged. Remember, this is just a proposal, and may not become the final scheme.

What's different in the second consultation paper:

- We've amended reporting requirements so that you can now report the advertised capacity of each of your hireable spaces if they are smaller than the official capacity.
- We've adjusted the limit of the amount you can spend on performing artists for the inclusion of events under this licence from \$10,000 to \$4,000, to ensure the limit is consistent with other OneMusic licence schemes.

To see how the proposed OneMusic Australia scheme will apply to your specific circumstances, review:

- The patron capacity of each separate hireable space in the centre.
- How many days the hireable spaces use music annually, on average.
- Which licences you currently have for your centre – cost comparisons will only be valid if you currently hold a licence with both APRA AMCOS and PPCA

What should I do next?

If you have any questions about OneMusic Australia during this consultation, feel free to ask them at questions@onemusic.com.au

If you'd like to take part in the consultation process and provide some feedback, we'd love to hear your thoughts at consultations@onemusic.com.au.

YOUR PROPOSED NEW ONEMUSIC LICENCE FEES

The proposed fee structure for the use of music in function, convention and conference centres is illustrated in the table below. The rest of this consultation paper contains information about why and how we developed and amended these proposed fees in response to your feedback, and lets you know how to further take part in the consultation process.

YEAR	MINIMUM ANNUAL FEE PER SPACE (FOR VENUES WITH MULTIPLE AREAS)	DAY RATE PER 100 PERSONS OR PART THEREOF OF THE CAPACITY OF THE VENUE
1	\$65.00	\$9.10
2	\$71.50	\$10.40
3	\$78.00	\$11.70
4	\$84.50	\$13.00

All music use at the centre will be included except for exercise and fitness classes, dance classes, nightclub or dance party events, and events held by national event promoters. Centres that are usually and primarily used as music venues will not be licensed under this scheme.

DATE: 13 September 2018

FUNCTION, CONVENTION AND CONFERENCE CENTRES

SECOND CONSULTATION PAPER

OneMusic Australia is an initiative of APRA AMCOS and PPCA. On 15 December 2017, OneMusic Australia released a consultation paper seeking feedback on a proposed music licensing scheme for function, convention and conference centres. That paper can be found [here](#).

OneMusic Australia received welcome feedback on that paper from function, convention and conference centres which has been very helpful in determining if the proposed scheme is practical and accepted by the sector. This document serves as further notification that OneMusic Australia has reviewed the way in which function, convention and conference centres will be licensed to use music in order to implement a new, wide-ranging and simplified music licensing scheme. This paper is not for the purpose of consultation on the individual distribution processes undertaken by APRA AMCOS and PPCA.

The proposed scheme set out below is expected to commence from mid 2019 and OneMusic Australia will provide due notice to function, convention and conference centres to migrate their existing licences where relevant.

FEEDBACK RECEIVED

The feedback received by OneMusic Australia was straightforward and concerned in the most part with the same issues.

RELEVANT CAPACITY

Some respondents to the first consultation paper expressed concern regarding the use of venue or room capacity as a metric determining the per-day rate payable. OneMusic Australia accepts that although the 'official' capacity of a venue – that is, the number of patrons licensed by the local government, liquor licensing body or fire department as applicable to that venue – may not accurately represent the capacity of the venue *as hired*. For example, a space with an official capacity of 500 may be made available for hire in different configurations with different capacities for cocktail, theatrical, convention, expo, or sit-down dinner events, with those capacities set and advertised to potential hirers.

As an amendment to the reporting requirements outlined in the first consultation paper, OneMusic Australia will allow function, convention and conference centres to report each event according to its relevant capacity, where it differs to the centre's *official* capacity, provided that the *relevant* capacity is listed on the centre's website or in literature provided to potential hirers.

EVENTS WHERE HIRER IS LICENSED

As one of the respondents to the first consultation paper, Restaurant and Catering Australia asked that a more robust system be used to ascertain if hirers are already appropriately licensed for the public performance of music when hiring venues "than relying on dialogue occurring between the two parties".

In order to avoid 'doubling up' on licensing for the same event, we consider function, convention and conference centres asking hirers directly to be the best method of determining if they already hold the appropriate music licences, however we are open to considering alternative suggestions.

ARTIST EXPENDITURE LIMIT

In the first consultation paper for OneMusic's Function, Convention and Conference Centre Licence, we proposed an increase in the limit of money that could be spent on performing artists at events for inclusion under the licence from \$2,500 (under the current APRA AMCOS Halls and Function Centres Licence) to \$10,000 under OneMusic. Any event for which expenditure on performing artists exceeded \$10,000 would need to be licensed separately, rather than be included under the Function, Convention and Conference Centre Licence. Since the first proposal, OneMusic has developed a number of other licence schemes with artist expenditure limits of \$4,000. In the interests of consistency and simplicity for licensees, we now also propose that the artist

expenditure limit for the Function, Convention and Conference Centre Licence be adjusted to \$4,000, which is still an increase from the current APRA AMCOS licence.

In circumstances where artist expenditure on an event is greater than \$4,000 you will need to obtain a separate licence for the event from OneMusic, except where OneMusic has secured a licence for the event from the promoter where relevant.

IMPACT

Some feedback to the first consultation paper has claimed that the proposed OneMusic rates represent a large increase upon the current APRA AMCOS fees. Centres are reminded that, if they are currently licensed appropriately for their music use, it is likely that they have a range of different licences and the proposed OneMusic Australia licensing scheme aims to offer a number of those under one licence. This means that any impact calculations must include all of the current licences that would be in place for any venue that is correctly covered.

To illustrate, the proposed OneMusic Australia licence includes the following items that a current APRA AMCOS licence does not:

- The use of background recordings as may currently be licensed under PPCA's commercial premises tariff
- The use of featured recordings as may currently be licensed under a PPCA general or event licence
- The use of music for events where gross expenditure on performing artists is up to \$4,000 (current limit is \$2,500)

When comparing current licences to the OneMusic proposal, the above items should be taken into account.

REPORTING

OneMusic Australia proposes that licensees would be invoiced through a provisional annual invoice in advance and then provide the necessary updated information through retrospective annual reporting to enable an adjustment that would reflect actual usage. Currently APRA AMCOS does not reassess usage annually unless requested by the licensee, which has the possibility to lead to instances of both under and over calculation of licence fees. OneMusic Australia is of the view that the proposed reporting structure, coupled with our easy to use eCommerce system, will ensure that clients are always properly licensed for their actual usage.

Function, convention and conference centres are not required to report certain events if those events are already licensed by OneMusic Australia (e.g. OneMusic Australia may have an annual licence with a business hiring a function room for their annual staff Christmas party), or if the hirer spends more than \$4,000 on artists at an event. OneMusic Australia recommends that function, convention and conference centres ask hirers whether they already have an applicable OneMusic Australia licence or whether their artist expenditure will be more than \$4,000 (and in the latter case direct them to OneMusic Australia for a licence). Whilst there has been some feedback indicating that it is sometimes difficult to ascertain whether or not a hirer uses music, we do not wish to charge music licensing fees for events that do not use music, and believe that centre operators are in the best position to ascertain whether or not music use has occurred.

TRANSITIONAL ARRANGEMENTS

Our analysis shows that there are a number of function, conference and convention centres that are currently licensed only by APRA AMCOS or PPCA but actually require licences for both organisations' rights. APRA AMCOS and PPCA recommend that these organisations revisit their licensing status now, rather than wait for OneMusic Australia to commence, in order to ensure they are fully covered and not unwittingly infringing.



SUBMITTING YOUR FEEDBACK

OneMusic Australia is committed to developing music licensing schemes that are fair, equitable and relevant to Australian industries. Your feedback on the above proposal is integral to this process.

Please provide your feedback in the form of a submission to consultation@onemusic.com.au by close of business 11 October 2018.

FURTHER QUESTIONS

If you have any questions or would like to discuss the proposal further, please email questions@onemusic.com.au and we will be in touch as soon as possible.