



Liquor Law Review
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SUBMISSION RE: NSW LIQUOR LAW REVIEW

APRA AMCOS is grateful for the opportunity to make a submission to the Committee.

1. Background

APRA is the collecting society in Australia in respect of the public performance and communication rights of composers and music publishers. This typically covers the performances of music in tens of thousands of Australian businesses, including retail shops, nightclubs, clubs, hotels, bars, restaurants and cafes, festivals and events, among many other settings, as well as the communication of musical works online, such as in download and streaming services.

AMCOS is the collecting society in Australia in respect of reproduction of music in certain formats. This covers the reproduction of songs and compositions on CD, DVD, online, for use as production music and for radio/TV programs. Together, APRA and AMCOS control the copyright for such purposes in almost all commercially available musical works, by virtue of assignments from its local members and affiliations with similar overseas societies. Since 1997, the two organisations have been administered in tandem.

APRA AMCOS represents more Australian copyright owners than any other party. APRA AMCOS have more than 87,000 members and 107,000 licensees. They have a diverse membership, ranging from unpublished writers to major music publishers.

APRA AMCOS offers Music Grants to artists and small to medium organisations in relation to the creation and performance of Australian music. In 2014 APRA funded 157 grants and programs to the value of \$3 million.

APRA AMCOS has initiated, co-funded and collaborated in developing a number of key programs that support the life cycle of the music creator and their works. Most relevant to this submission is the **Live Music Office**.

The Live Music Office is an APRA AMCOS initiative co-funded by the Federal Government through the Ministry for the Arts. The Live Music Office was established in 2013 to support the growth of the venue-based live music sector in Australia, specifically to:

- Increase live music performance opportunities; and
- Support live music audience and sector development.

2. Economic Implications

The introduction of 'lock-outs' and last drinks' provisions in the Sydney CBD Entertainment Precinct and the Kings Cross Precinct Sydney in February 2014 was widely reported as having an immediate impact in reducing the assaults in the City and Kings Cross.

APRA AMCOS supports the immediate action taken by the NSW Government in addressing patron safety.

Given the immediacy of the action it is also appropriate to consider some of the wider potential short and longer term impacts – social, cultural and economic.

APRA AMCOS licenses venues for the public performance of music, including recorded music in dance/DJ venues and live-artist performances of music. Since lock-outs in Sydney commenced in February 2014 APRA AMCOS has observed the impact on venues through reduced expenditure and entry charges, and in some cases, venue closure.

APRA AMCOS reassesses the value of a venue's licence on an annual basis, and on the anniversary of the licence effective date. In reviewing the figures currently available it appears that the lock-outs have, at the very least, contributed to a decline in the value of APRA AMCOS licence fees in the lock-out areas.

The APRA AMCOS licence fee for *Live Artist Performances* is based on a percentage of the venue's expenditure on live artist performers and a percentage of any entry ticket charge at the door. In terms of the lock-out areas, to date there has been an 15% decrease in the value of venue expenditure on live artist performers and a 40% decline in the value of door charge receipts.

The APRA AMCOS licence fee for *Recorded Music for Dance Use* is based on attendance figures. Similarly in relation to the lock-out areas there has been an 19% decrease in attendance figures as reported by venues under the scheme.

The lock-out legislation was introduced very quickly and venues had little time to consider the potential economic implications and how to mitigate economic risk across their business operation. The reality for many venues is that entertainment is cross-subsidised by other areas of business revenue, including food and beverage, and gaming.

While it could be argued that live-artist performances generally occur earlier in the evening and are therefore not impacted by the lock-out time, it appears there may be a 'domino' effect of a lock-out impacting overall venue income and the decision to program live-artist performances.

There is considerable research relating to the economic, cultural and social contributions of live music. In 2011 APRA AMCOS commissioned Ernst & Young to assess the economic contribution of the venue-based live music industry. The study found that nationally the venue-based live music sector contributed \$1.2b to the national economy, and provided over 15,000 full-time jobs.¹

Similarly, a study undertaken by Deloitte Access Economics for Arts Victoria estimated that in 2009/10 live music in venues generated a direct economic contribution of \$301 million to the Victorian economy.²

¹ Economic Contribution of the Venue-Based Live Music Industry, Ernst & Young, 2011.

² Economic, Social & Cultural Contribution of Venue-Based Live Music in Victoria, 2011.

3. Opportunity

APRA AMCOS supports the need for immediate and concerted action in relation to alcohol-fuelled violence. Central to a thriving, dynamic late night economy is the need for patron safety.

In Melbourne's *Beyond the Safe City Strategy, 2014-17*, Melbourne Lord Mayor Robert Doyle clearly identifies the opportunity of a safe night economy,

"Melbourne has become a 24-hour city, which is recognised as the most liveable and friendly city in the world. This reputation means we are attracting more residents and visitors every year...."

"In this new strategy we look beyond a reactive approach to city safety and embrace innovative, modern solutions that are embedded in the very foundations of our city."³

The Melbourne City Council has demonstrated a proactive approach to managing and improving patron safety by involving all parties in the discussion and development of an agreed solution. Rather than a one-dimensional and reactive, 'stick' approach to managing alcohol-fuelled related violence, the City has considered a holistic strategy, including:

- Understanding the issues with strong evidence and research base.
- Developing proactive partnerships and communities
- Entertainment precincts
- Prevention and harm minimisation
- Gender
- Environmental design

4. Conclusion

APRA AMCOS supports the approach of the Melbourne City Council in having a positive and proactive approach to the potential of the night economy and the priority of patron safety.

We support the four recommendations made in the submission by the Live Music Office, most importantly; exemptions for live music venues from 1:30am lockouts; the establishment of a *regulation roundtable* to ensure broad stakeholder – venues, artist representatives, local government, police, government agencies and regulators - support and coordination.

Thank you for the opportunity to submit to this review. We would be more than happy to provide any further assistance.



APRA
AMCOS

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³ Beyond the Safe City Strategy, 2014-17