



**APRA
AMCOS**

Code of Conduct for Collecting Societies

Public Compliance Report
1 July 2020 – 30 June 2021

AUSTRALASIAN PERFORMING RIGHT ASSOCIATION LIMITED

AUSTRALASIAN MECHANICAL COPYRIGHT OWNERS SOCIETY LIMITED

CODE OF CONDUCT FOR COPYRIGHT COLLECTING SOCIETIES

COMPLIANCE REPORT TO CODE REVIEWER 1 JULY 2020 – 30 JUNE 2021

This report is made on behalf of Australasian Performing Right Association Limited (**APRA**) and Australasian Mechanical Copyright Owners Society Limited (**AMCOS**). APRA administers AMCOS under an arrangement between the two societies dated 1 July 1997.

APRA AMCOS has previously reported comprehensively in respect of earlier years and has also previously provided details of the history and constitution of each society, as well as a history and copy of each licence scheme offered by the companies. This Report relates to the period from 1 July 2020 to 30 June 2021 (**Review Period**).

If further information is required, we are of course happy to provide it. As before, we also would welcome and are happy to arrange a visit to the APRA AMCOS premises where relevant directors and managers will be able to answer questions and demonstrate the facilities.

This Report follows the structure of the Code itself, also taking into account the changes to the Code of Conduct which came into effect on 1 July 2019 and indicates where there have been no developments since the previous Code Review.

1. Legal framework (Code of Conduct 2.1)

- 1.1 A history of both societies has been provided previously.
- 1.2 APRA has not changed any of the principal characteristics of its membership structure in the Review Period.
- 1.3 The APRA Board has six writer directors, elected by the writer membership, and six publisher directors, elected by the publisher membership. The AMCOS Board is elected by the AMCOS membership. Being directly elected by the membership, both Boards are representative and accountable. A list of the current Directors on the APRA and AMCOS Boards can be read at <https://www.apraamcos.com.au/about/what-we-do/who-we-are/our-boards>

- 1.4 A copy of the APRA AMCOS Year in Review (an easy to read annual summary of both organisations' performance, achievements and initiatives) for the 2019/20 financial year can be read at
https://assets.apraamcos.com.au/images/PDFs/About/APRA_AMCOS_Year_in_Review_2020.pdf
- 1.5 A copy of the APRA Statutory Accounts for the 2019/20 financial year is at
https://assets.apraamcos.com.au/images/PDFs/About/APRA_Statutory-Accounts_2020_AU.pdf
- 1.6 A copy of the AMCOS Statutory Accounts for the 2019/20 financial year is at
https://assets.apraamcos.com.au/images/PDFs/About/AMCOS_Statutory-Accounts_2020_AU.pdf
- 1.7 As at 30 June 2021, APRA AMCOS had 340 employees (including casual compliance staff) in Australia and an additional 34 employees in New Zealand.
- 1.8 APRA AMCOS' senior leadership team as at 30 June 2021 can be viewed at
<https://www.apraamcos.com.au/about/what-we-do/who-we-are/our-leadership>
- 1.9 The Constitutions of both APRA and AMCOS are available on the APRA AMCOS website at all times and can be read at <https://www.apraamcos.com.au/about/governance-policy/corporate-governance>
- 1.10 Neither APRA nor AMCOS are declared societies under the *Copyright Act 1968*, and accordingly are not required to comply with the Attorney General's Guidelines for Collecting Societies. However, in practice, APRA AMCOS satisfies many of the requirements.
- 1.11 APRA AMCOS has a Privacy Policy which complies with the Australian Privacy Principles. The policy can be read at <https://www.apraamcos.com.au/about/governance-policy/policies-procedures/privacy-policy>

2. Members (Code of Conduct 2.2)

- 2.1 As at 30 June 2021, APRA had 111,383 (Australian and New Zealand) members, comprising composers, authors and publishers. Of these, 108,145 were local writer members and 527 were local publisher members. In addition APRA had 2,676 overseas resident writer members

and 7 overseas resident publisher members. Most Australian and New Zealand composers and publishers are members.

- 2.2 As at 30 June 2021, AMCOS had 24,177 (Australian and New Zealand) members, of whom 23,132 were writers and 495 were publishers. In addition AMCOS had 545 overseas resident writer members and 5 overseas resident publisher members.
- 2.3 As at 30 June 2021, APRA AMCOS had 1,781 Aboriginal and Torres Strait Islander (ATSI) members which represented an increase of 4.52% during the Review Period. Although Indigenous membership is still low, APRA AMCOS is committed to increasing awareness through the National Indigenous membership strategy, overseen by our Director, National Aboriginal and Torres Strait Islander Music Office (NATSIMO).
- 2.4 APRA and AMCOS' relationships with their members are at the core of the APRA AMCOS operations. Communications with members are frequent, and member services staff are expert in advising members on their relationship with APRA AMCOS and on the music business generally. Members interact freely with APRA AMCOS and have direct access to all levels of management.
- 2.5 Members, overseas affiliates, Board Directors and media can login to a secure section of the APRA AMCOS website at <https://www.apraamcos.com.au/> which provides a number of online services.
- 2.6 APRA AMCOS produces a large amount of written material for members, which have been provided previously.
- 2.7 Royalty queries to the Membership department are logged in the department's query tracking system that uses the company's internal email to forward messages to all relevant staff. This system ensures that complaints made by members are also logged and forwarded to the Head of Member Services. Member complaints are discussed in more detail at paragraph 9.4 below.
- 2.8 During the Review Period, the Writer Services and Publisher Relations departments engaged in email correspondence with writer and publisher members on some 65,210 separate occasions. In addition, over 2,757,860 emails were sent to members as part of email broadcasts to the membership, which contained information including; event notices, payment advice and APRA AMCOS publications.

- 2.9 Writer Services staff log member phone calls four times per year; one week for APRA distribution related calls after each APRA distribution and one week for AMCOS distribution related calls after each AMCOS distribution. During the Review Period, Writer Services staff logged 199 phone queries following distributions.
- 2.10 During the Review Period, a number of emails of appreciation were received in relation to the service provided by the Membership department. Examples of this feedback have been provided to the Code Reviewer.

International relations

- 2.11 APRA AMCOS has an International department that is responsible for the reciprocal representation agreements with other societies administering performing and mechanical rights around the world. The International department also administers the non-exclusive mandates granted to APRA AMCOS in respect of certain publishers' repertoires for multi-territory digital services on a Pan Asian basis, as described in more detail in the Multi-Territory Licensing Project section below.
- 2.12 The International department monitors the use of APRA repertoire overseas. It also makes claims for missing payments and researches members' notifications and enquiries relating to overseas use and payments. The department acts as the conduit for communications between APRA AMCOS and their respective affiliated societies, the umbrella representative bodies CISAC and BIEM, as well as our dealings with WIPO. The International department undertakes overseas royalty distributions for performing rights to members.
- 2.13 In the most recently audited financial statements for the 2019/20 Financial Year, APRA collected a record amount of approximately AUD\$54.4m for the use of Australian and New Zealand repertoire overseas, while AMCOS collected approximately AUD\$1.3m. These amounts do not include revenues collected from APRA AMCOS' licensing of certain publishers' repertoires to multi-territory digital services, as that revenue is included in APRA AMCOS' digital revenue results.
- 2.14 APRA distributed approximately \$46.7m worth of performing right distributions from affiliate societies to APRA members across 12 monthly distributions. This amount was comprised of 194 individual distribution records from 26 different societies. AMCOS distributed \$779,590 in mechanical right distributions from affiliate societies to AMCOS members across 4

quarterly distributions. This amount was comprised of 71 individual distribution records from 25 different societies.

- 2.15 During the Review Period, the International department was involved in a number of regional and international activities, with a major focus being the evolution of international music markets in response to the COVID-19 pandemic and the shift to digital licensing and revenues.

Opt Out and Licence Back

- 2.16 APRA provides members with the opportunity to ‘opt out’ and request that their entire repertoire be assigned to them for all territories in respect of all or particular usages or ‘licence back’ specific works for specific usages in Australia and/or New Zealand. During the Review Period, APRA received and approved 17 licence back applications. No opt out applications were received. A copy of all information and forms relating to opt out and licence back are available on the website at <https://www.apraamcos.com.au/music-creators/membership-explained/managing-your-rights>
- 2.17 In 2016 the AMCOS Board approved a variation to the opt out provisions in the AMCOS input Agreement, to offer increased flexibility to all its members, in the way they are able to withdraw rights from AMCOS for digital music services. For digital music services that operate internationally, AMCOS members are now permitted to withdraw their digital reproduction rights specifically in relation to nominated services, rather than for all services within particular categories of usage as was previously the case. That is, members can now notify AMCOS that they wish to negotiate directly with particular international digital music services, provided the member gives AMCOS adequate prior notice.

Member Benefits Program

- 2.18 APRA AMCOS has developed an extensive resources and benefits program for its members. The program provides full Australian APRA AMCOS members with exclusive information, advice, services and benefits. Members can take advantage of great deals that can assist with their careers as songwriters/composers. Member resources information can be read on our website at <https://www.apraamcos.com.au/music-creators/member-resources>

3. Licensees (Code of Conduct 2.3)

- 3.1 APRA AMCOS has a large Music Licensing department dedicated to liaising with licensees and potential licensees. The two main areas of licensing operations are OneMusic and Media Licensing. OneMusic Australia, a joint licensing project between APRA and the Phonographic Performing Right Association (PPCA), aims to provide a single licensing solution for music and recordings in Australia.
- 3.2 Collectively, OneMusic and Media Licensing administered licences for more than 112,000 businesses and events across Australia and New Zealand during the Review Period. The decrease in licensees can be attributed to the ongoing terminations and relicensing efforts associated with OneMusic Australia.
- 3.3 The fees paid to APRA AMCOS by licensees vary according to the licence scheme applicable to the particular circumstances for use.

OneMusic Australia

- 3.4 The OneMusic Australia licensing department administers the vast majority of licences. Since 1 July 2019, OneMusic Australia has licensed both APRA AMCOS rights and PPCA rights under a single licence. Information on OneMusic Australia's licensing and governance frameworks have been provided previously.
- 3.5 Licensees have access to 'plain English' Licence Information Guides tailored to their industry type (with the information guides also forming part of the ACCC's conditions of authorisation), are able to get a quote and take out a licence online via the OneMusic Australia website. Licensees can also complete licences by submitting information for processing by the OneMusic Australia licensing department. Links to each Licence Information Guide can be found on the OneMusic Australia website at <https://onemusic.com.au/licences/>. Information on licences still administered by APRA AMCOS can be read at <https://apraamcos.com.au/music-customers/licence-types/>
- 3.6 The Review Period was dominated by the effects of the COVID-19 pandemic on licensees. Many of OneMusic Australia's tariffs are self-adjusting according to use (for example, fitness classes, recorded music for dance, concert/sporting events) such that licence fees automatically reduced or were not applied according to the individual circumstances of licensees. For other tariffs that are based on annual fees (for example, background music in

retail stores, hotels), OneMusic applied generous fee relief treatment at a state/territory level, to cover periods where businesses were forced to close under government direction. The associated re-licensing of businesses while they were closed was also put on hold, as were most debt collection procedures.

- 3.7 During the Review Period period 6,882 clients re-licensed their accounts and 906 businesses obtained new licences via the portal.
- 3.8 During the Review Period, the OneMusic Australia and Finance (Credit Management) departments engaged in approximately 420,680 contacts with licensees, including letters, emails and telephone calls.
- 3.9 During the Review Period, a number of emails of appreciation were received in relation to the service provided by the Licensing departments. Examples of this feedback have been provided to the Code Reviewer

Media Licensing

- 3.10 The Media Licensing department covers four key areas of licensing: Broadcast Licensing; Digital Licensing; Recorded Music Licensing; and Key Industries.
- 3.11 Broadcast Licensing includes commercial and community radio, the ABC and SBS and subscription and commercial television. In total, approximately 715 licensees were administered by the department during the Review Period. The department also administers production music (AMCOS controlled Production Music is music specifically written and recorded for inclusion in all forms of audio and audiovisual productions). There were 537 Australian production music clients licensed during the Review Period.
- 3.12 Digital Licensing includes video on demand services, digital subscription music services, music downloads, online fitness, ringtones and general websites. In total, approximately 612 licensees were administered during the Review Period.
- 3.13 Recorded Music Licensing includes CD sales, business to business applications, dance schools and videographers. In total, approximately 403 licensees were administered during the Review Period.

- 3.14 Key Industries include schools, universities and colleges licensing, government, airlines, dramatic context, funerals and Eistedfodau. Approximately 10,221 key industry licensees were administered during the Review Period.
- 3.15 Media Licensing clients are, for the most part, aware of their copyright and licensing obligations.

Information provided to Licensees

- 3.16 The information made available to licensees and potential licensees differs according to the nature of the relevant licence. For example, sophisticated national broadcasters and telecommunications companies generally require less information than small business operators with less exposure to copyright law and with limited access to specialist legal advice. The information provided by APRA AMCOS takes these factors into account.
- 3.17 APRA AMCOS' website contains a music licences section with information in relation to our various licences and with contact details for the relevant Licensing departments. Standard information and materials given to licensees can be viewed on our website, including links to public performance licence information now being administered through OneMusic Australia at <https://www.apraamcos.com.au/music-licences>

APRA AMCOS relationships with relevant trade associations

- 3.18 APRA AMCOS works hard at maintaining its relationships with various bodies representing major licensee groups, including; television and radio broadcasters, record companies, internet service providers, small businesses, hotels, restaurants, fitness centres and educational institutions.
- 3.19 APRA AMCOS regularly consults with and supports relevant trade associations in relation to the introduction of new licence schemes or material variations to existing licence schemes. APRA AMCOS' approach in this regard is demonstrated by the successful negotiation of new licence schemes with relevant industry bodies.

Tariff Reviews

- 3.20 The Code Reviewer has been provided with detailed information on licence schemes and tariffs that were introduced, re-negotiated or phased in during the Review Period. These include:

- Renewed and newly established licence arrangements with a number of major media licensing services
- The SVOD services licence scheme, which is currently before the Copyright Tribunal
- Interim online streaming licences to assist businesses in their operations and to ensure the music we control was appropriately licensed. In particular music events, fitness classes and cinemas
- Licence renewals for universities and schools and a new licence scheme with the TAFE sector
- An updated licence scheme with the funerals sector
- OneMusic Australia, with progress made in completing one of the two remaining licence schemes and two of the remaining four tariffs. Amendments were also made to a number of the completed licence schemes in response to continued market feedback.

Multi-Territory Licensing

- 3.21 The aim of APRA AMCOS' multi territory licensing is to co-operate with music publishing rightsholders in order to establish a simple one-stop shop for multi-territory licensing schemes for digital, online and mobile usage, covering the largest number of territories for the largest possible repertoire of musical works. Rightsholders give APRA AMCOS non-exclusive rights in certain repertoire of its musical works. APRA then licenses that repertoire to digital service providers in its mandated territories and undertakes the ongoing invoicing, processing, claiming and distribution for online service types.
- 3.22 APRA AMCOS' Multi Territory Licensing commenced across the Asia Pacific region in July 2013 and currently represents Universal Music Publishing, Hillsong Music Publishing, Concord Music Publishing, Mushroom Music Publishing, Downtown Music and Songtrust Music, Origin Music Publishing, Native Tongue Music Publishing, Cooking Vinyl, Ultra Music Publishing, BUMA/STEMRA (APRA's Dutch sister society) and STIM (APRA's Swedish sister society).

Disaster Relief

- 3.23 During the Review Period APRA AMCOS continued its policy regarding Disaster affected licensees. APRA AMCOS' actions are intended to alleviate financial pressure on affected

businesses and include deferring licence fees renewals, providing extended payment periods and making corporate donations to relief appeals.

- 3.24 APRA AMCOS staff use online, print and broadcast media sources to remain actively aware of possible areas that may be affected by disaster and monitor events closely to establish the appropriate course of action.

COVID-19 Pandemic

- 3.25 As reported previously, in March 2020 OneMusic Australia responded extremely quickly to lockdown measures issued by the Australian Government, putting approximately 25,000 accounts on hold, with ‘on hold’ meaning pausing all licensing activity, correspondence, all invoicing and payments including those managed by external debt collectors. Communications were carried out via email, phone and social media. Any business outside of the industries identified as impacted by COVID-19 that have advised of their closure have also been put on hold. As lockdowns and restrictions have continued throughout Australia, OneMusic continues to hold accounts which are in lockdown affected locations, apply fee relief, and offer payment plans to all licensees.
- 3.26 As businesses continue to be affected by COIVD restrictions and closures, OneMusic is providing further assistance and support by adjusting accounts so licensees are not paying for periods where they are closed.
- 3.27 OneMusic Australia has received a high volume of positive feedback from licensees for putting these disaster relief measures in place.
- 3.28 In response to the impact on members’ lives and their significantly reduced capacity to earn in the wake of the COVID-19 pandemic, APRA AMCOS continues to work with industry partners to lobby government to secure immediate and short-term financial stability for both members and the ecosystem of individuals and businesses that surround them.

4. Distribution (Code of Conduct 2.4)

- 4.1 The most recently audited financial statements for the year ended 30 June 2020 show that APRA AMCOS’ total combined net distributable revenue for the year was \$407.3m. Further information regarding APRA AMCOS’ performance is contained in the 2019/20 APRA AMCOS Year in Review, which can be read at

https://assets.apraamcos.com.au/images/PDFs/About/APRA_AMCOS_Year_in_Review_2020.pdf

- 4.2 APRA and AMCOS distribute royalties quarterly.

Distribution Rules and Practices

- 4.3 APRA and AMCOS maintain, and make available on the website, comprehensive Distribution Rules and Practices. The APRA and AMCOS Distribution Rules and Practices can be read at <https://www.apraamcos.com.au/about/governance-policy/distribution-rules-practices>
- 4.4 APRA AMCOS has published detailed ‘plain English’ information guides summarising its distribution policies, including how undistributed funds are dealt with. The information guides can be read at <https://www.apraamcos.com.au/about/governance-policy/distribution-rules-practices/distribution-information-guides>
- 4.5 APRA and AMCOS make updates to their Distribution Rules and Practices from time to time, in accordance with their Constitutions. APRA AMCOS regularly consults with its Boards and other key industry groups in relation to changes to Distribution Rules and Practices, considering the views of each membership, objective data regarding performances, the approaches of affiliated societies to the process and methods of distribution.
- 4.6 The APRA Distribution Rules were updated in the year ending June 2021 to increase the research threshold for unregistered works.
- 4.7 The APRA Distribution Practices were updated in the year ending June 2021 to:
- a) Provide a policy to determine when a Background Music Supplier’s data is to be included in APRA’s distributions
 - b) Introduce a threshold below which event licence fees may be directed to blanket pools (Performance Reports or Background Audio)
 - c) Distribute Ringtones revenue using data supplied by Apple’s Streaming service
 - d) Create a direct distribution pool for Optus Sports
 - e) Amend the Universities and Tertiary Institutions licence distribution practice so that data collected from universities is used to make the distribution

- f) Expand the data used in Facebook and Instagram distributions to include User Generated Content
 - g) Remove the end date for the ‘Live Stream’ distribution policy
 - h) Introduce a new Airlines distribution policy, in which Background Music and Music Accompanying Safety Videos are specified
 - i) Change the way that Screenrights Retransmission revenue is allocated in the distribution
 - j) Introduce a section detailing the process to be followed in exceptional circumstances in which published practices cannot be met
 - k) Update the section on Community Radio to make reference to the use of a Fixed Point Value
 - l) Add the service ‘Spotify Duo’ to the list of Streaming Services’ data sets included in distributions
 - m) Updated wording on Restaurants practice for clarity.
- 4.8 The AMCOS Distribution Rules were updated in the year ending June 2021 to update the details of commission deducted by AMCOS during distribution processing.
- 4.9 The AMCOS Distribution Practices were updated in the year ending June 2021 to:
- a) Amend the Universities and Tertiary Institutions licence distribution practice so that data collected from universities is used to make the distribution
 - b) Remove the \$20 minimum threshold for payment of Background Music Suppliers’ licence fees
 - c) Clarify the treatment of the AMCOS share of OneMusic licence fees
 - d) Expand the data used in Facebook and Instagram distributions to include User Generated Content
 - e) Introduce a section detailing the process to be followed in exceptional circumstances in which published practices cannot be met.
- 4.10 APRA AMCOS has a large Membership department whose staff are trained to deal with members’ (and others’) enquiries, including in relation to distribution. The Boards of APRA and AMCOS both have a Membership and Distribution Committee that deals with, among

other things, requests by members for distributions in relation to “unlogged performances”. This committee also deals with complaints from and disputes between members. Members are strongly encouraged to resolve disputes between them using Resolution Pathways, APRA AMCOS’ external Alternative Dispute Resolution facility.

Investment in Systems Development

- 4.11 APRA AMCOS’ systems development strategy is to continuously innovate and deliver new services at speed, in response to what writers, publishers and industry stakeholders are asking for. Major strategic business initiatives continue to be delivered across business as usual, automation, business processes, business critical and digital services areas, representing a significant long-term value proposition.

Automation

- 4.12 Extensive work has been undertaken to automate mundane, resource-intensive tasks, identify inefficiencies in business processes, and develop policy and automation strategies to combat these inefficiencies. At the end of the Review Period, our Robotics Process Engineering Automation team had saved over 250 days in people tasks.

Business process improvements

- 4.13 Enhanced cloud-based internal services are being developed to support automation and business process efficiencies for the future. These include:
- Works Ownership
 - Distribution Next Generation
 - International Data Processing
 - Catalogue Transfer

Business critical projects

- 4.14 Enhanced services are being developed to meet our members’ demands, including:
- VOD Disaggregation Service
 - CCID Back Reporting
 - CRD Back Reporting

Digital Services

4.15 Strategic member-facing projects have also been delivered or enhanced throughout the Review Period, including:

- Writer Portal
- Publisher Portal
- OPUS Portal
- Earnings and Insights Portal
- Mobile App
- APRA AMCOS Website
- Data Ingestion and Matching

4.16 All projects have received positive customer feedback and provide valuable, feature-rich services to our members.

Cyber Security

4.17 The pace of digital business and an ongoing transition to cloud are challenging traditional security approaches. APRA AMCOS continuously monitors and improve its resilience to cyber threats. A cyber security and data management plan and assurance framework has been established to strengthen APRA AMCOS' cyber security posture.

5. Expenses (Code of Conduct 2.5)

5.1 APRA's accounts show that its operating expenses are deducted from total gross revenue.

5.2 Commission on revenue pays AMCOS' expenses, with the commission rate depending on the source of the revenue.

5.3 APRA AMCOS achieved a group expense to revenue ratio of 14.16% for the year ended 30 June 2020. Further information is contained in the 2019/20 APRA AMCOS Year in Review, which can be read at

https://assets.apraamcos.com.au/images/PDFs/About/APRA_AMCOS_Year_in_Review_2020.pdf

6. Governance and accountability (Code of Conduct 2.6)

- 6.1 The relationship between APRA and AMCOS and their respective Boards of Directors is in each case governed by the company's Constitution and Charter of Corporate Governance. The Boards have both established Audit, Risk & Culture sub-Committees which meet at least 6 times a year and focus exclusively on issues related to the corporate governance of the companies.
 - 6.2 APRA AMCOS' Chief Executive and Executive Leadership Team meet regularly to discuss matters pertaining to corporate governance and the day-to-day operation and management of the organisations. The Executive Leadership Team also deals with policy setting and other matters relating to Human Resources and Industrial Relations matters, risk management, infrastructure, general administration and regulatory compliance.
 - 6.3 APRA AMCOS has a Staff Code of Conduct and a Service Provider Code of Conduct, both of which complement the Code of Conduct for Copyright Collecting Societies.
 - 6.4 The Staff Code of Conduct sets out the standards by which APRA staff are expected to treat one another. The Service Provider Code of Conduct sets out our commitment to shared professional standards, available at <https://www.apraamcos.com.au/about/governance-policy/policies-procedures/service-provider-code-of-conduct>
 - 6.5 APRA and AMCOS maintain complete financial records, audited each year. A statement by each Company's Auditor is included in the Annual Reports, available at <https://www.apraamcos.com.au/about/governance-policy/annual-reports>
 - 6.6 During the Review Period APRA AMCOS prepared additional detailed information at an anonymised or aggregate level about the accounting and distribution of licence revenue and reporting of expired undistributed funds. The APRA and AMCOS Transparency Reports for the financial year ended 30 June 2020 can be read at https://assets.apraamcos.com.au/images/PDFs/About/APRA-AMCOS-Transparency-Report_2020.pdf
- ACCC Authorisation
- 6.7 APRA's membership, licensing, distribution and international arrangements are all the subject of an authorisation by the Australian Competition and Consumer Commission.

- 6.8 APRA's current conditional authorisation was granted on 13 July 2020 for a period of four years, expiring 13 July 2024. In granting this and past authorisations, the ACCC confirmed that the conduct and arrangements for which APRA sought re-authorisation are likely to result in a public benefit and that the public benefit will outweigh the likely public detriment.
- 6.9 The conditions of authorisation primarily focus on improving the transparency of APRA's licencing and distribution arrangements. The ACCC's final determination can be read at <https://www.accc.gov.au/public-registers/authorisations-and-notifications-registers/authorisations-register/australasian-performing-right-association-limited-0>
- 6.10 APRA continues to comply with the ACCC's conditions of authorisation.

7. Staff Training & Development (Code of Conduct 2.7)

- 7.1 APRA AMCOS staff at management level have all been comprehensively trained regarding the Code of Conduct.
- 7.2 The Executive Leadership Team meets several times per week to discuss matters relating to policy and strategy development and assessment. Issues relating to service and staff performance and training are regularly tabled. In addition, the wider senior management team meets in the week following each scheduled Board meeting. These meetings provide a cross-departmental opportunity to discuss APRA AMCOS' interaction with stakeholders and wider communities and the opportunity of reviewing company policies. The Code of Conduct (including the complaints procedures and the Review process) is discussed regularly at these meetings.
- 7.3 Senior Manager, Manager and Team Leader Forums are also held at regular intervals throughout the year. The Chief Executive and Executive Leadership Team directly address the middle and frontline management teams in these forums. They are an opportunity for the frontline to escalate any concerns or initiatives directly to the senior leadership and for the Chief Executive to share information about business and membership trends and concerns and to set performance expectations. In addition, other members of the senior management team are invited to address these groups directly.
- 7.4 The Music Licensing and Membership divisions hold staff training conferences at least once per year. All departments in APRA AMCOS also conduct regular departmental staff meetings which provide important opportunities to discuss Code of Conduct relevant topics, including;

client service, conflict management and time management and the procedures for identifying and dealing with complaints.

- 7.5 APRA AMCOS also holds companywide staff briefings on a monthly basis. The briefings focus on the respective needs and expectations of general staff, middle and senior management and also the expectations of the organisation. The focus of the training sessions has in the past covered the Code of Conduct and ACCC authorisation, as well as performance within and between departments and with our external stakeholders.
- 7.6 Details relating to induction and training sessions organised by Human Resources have been provided to the Code Reviewer. The Code of Conduct and Staff Code of Conduct are central components of an induction program that all new staff attend when they join the company. In addition to the induction sessions conducted by Human Resources, roles with a high level of client and/or member contact also receive additional training from within the relevant departments in relation to handling complaints and the complaints procedure.
- 7.7 The APRA AMCOS website includes a “live chat” facility so we can respond to urgent enquiries in real time. The staff who respond to live chat enquiries are required to attend two 2-hour training sessions to understand the live chat service guidelines and ensure that the highest level of customer service is offered via this channel. In June 2020, digital chat assistance technology ‘APRABot’ was implemented within the live chat facility, which has resulted in up to 76% of simple queries being handled in real time by this technology.
- 7.8 APRA AMCOS is committed to taking a proactive approach to staff training, development and wellbeing. Internal programs offered include:
 - Higher Education Assistance Program
 - Leadership Development Programme
 - Mentoring & High Potentials Programme
 - Buddy Program
 - In-house Training Programs
 - BeSpoke Coaching (leadership presence and presentation skills)
 - Employee Assistance Programme
 - Purchased Leave Scheme
- 7.9 During the Review Period, APRA AMCOS partnered with Diversity Arts Australia (DARTS) to lead the organisation through a Diversity Audit and develop an Equity Action Plan to guide

ongoing work in the short to long term. DARTS facilitated more than 20 training and mentor sessions on inclusive practices. APRA AMCOS staff and the APRA AMCOS Boards were given the opportunity to participate in key sessions covering cultural safety, Culturally and Linguistically Diverse (CALD) communities and ableism. Training sessions and targeted mentor sessions provided APRA's cross functional Steering Committee with the tools to develop goals, actions, outcomes and evaluation measures to feed into the Equity Action Plan proposal.

- 7.10 APRA AMCOS continues to run an Employee Wellbeing Program that includes education seminars on resilience, stress management, work-life balance, COVID-19 and dealing with change.
- 7.11 Pursuant to the *Workplace Gender Equality Act 2012*, APRA AMCOS submits its annual report to the Workplace Gender Equality Agency (**WGEA**) outlining its performance against a set of standardised gender equality indicators. A copy of the most recently filed report can be read at <https://www.apraamcos.com.au/about/governance-policy/annual-reports>. As required by the Act, we notify staff and members of this report each year.
- 7.12 APRA AMCOS operates a 'Wiki' facility. This resource forms the basis of staff training and is a key information source for all APRA AMCOS staff. All new APRA AMCOS staff are trained in accessing and using the Wiki, which houses policies relating to Client Service, Human Resources, Work, Health and Safety and Departmental Organisation Charts.

8. Education and Awareness (Code of Conduct 2.8)

- 8.1 APRA AMCOS devotes considerable resources to the education of members, licensees, industry associations and members of the public, regarding the matters set out at clause 2.8(a) of the Code of Conduct.
- 8.2 As Australia's oldest and largest collecting society (incorporated 1926), APRA in particular is in a position to have developed extensive materials and expertise in such matters. APRA AMCOS participates and contributes to various education and awareness initiatives including:
 - Various Grant Programs, Sponsorships, Competitions and Promotions
 - National Aboriginal and Torres Strait Islander Music Office (NATSIMO)
 - Ambassador Program
 - Member Events

- Member Advisory Group Development
 - SongHubs and SongMakers programs
 - Sounds Australia & Live Music Office; and
 - Various industry related organisations and programs
- 8.3 In July 2020 the Collecting Societies who adhere to the Code of Conduct established a consolidated online portal for the public dissemination of governance, financial and data information, including all documents relating to the Collecting Societies' compliance with the Code. The website continues to be maintained and can be viewed at
<https://www.copyrightcodeofconduct.org.au/>
- Member Education
- 8.4 Representatives of APRA AMCOS regularly participate in seminars and public forums with a view to increasing members' knowledge and skills. APRA AMCOS conducts regular members' forums, at which APRA AMCOS staff and others speak to the membership about industry issues such as contract negotiation. APRA AMCOS staff also regularly speak at seminars, giving specialised advice to members of the music industry and to users of music. The Member Services staff hosted 129 events during the Review Period, attended by members online and at APRA AMCOS' head office, state based offices and in the US and UK. The events included information sessions, workshops, and subject specific presentations.
- 8.5 During the Review Period, Member Services hosted Publisher Portal Reference Groups and Publisher Pulse seminars. Every few months the reference group and seminars are held in Sydney and Melbourne and virtually to discuss various issues in Australia and overseas which affect Australian publishers. The purpose of these sessions is to provide publishers with information on new systems, provide education on general topics that are relevant to their business, and seek feedback from them to improve internal reporting processes. APRA AMCOS is committed to providing the best customer service to publisher members and the Publisher Portal Reference Groups and Publisher Pulse seminars are proving to be an effective way of achieving this goal.
- Licensee Education
- 8.6 Music Licensing staff attended a number of industry association functions and events nationally. Music Licensing staff attended approximately 90 functions, events and award ceremonies during the Review Period.

- 8.7 APRA AMCOS produces a large amount of written material for licensees, which is available on the APRA AMCOS website and the OneMusic website.

International Relations

- 8.8 During the Review Period, the International department was involved in a number of regional and international activities.

Government Relations

- 8.9 APRA AMCOS continues to further develop its profile with State and Federal governments, oppositions and departmental staff. The objective is to both increase the general awareness of APRA AMCOS' breadth of operation and lobby on specific relevant issues. Throughout the Review Period Government Relations was dominated by the impact of COVID-19 on APRA AMCOS' membership and the broader music industry.

APRA AMCOS Website & Social Media

- 8.10 The APRA AMCOS website (<http://apraamcos.com.au/>) provides the broad information repost for the organisation's diverse member and licensee services. The website is at the heart of the organisation's digital communications strategy and also provides information of interest to the wider public. The site contains a vast amount of information about copyright in general, and the activities of the two societies in particular.
- 8.11 During the Review Period a new website was developed and built. The new website was launched in February 2021, featuring easier navigation, an improved search function and additional details in the public works search function. Full composer details and publisher details are now included when searching for particular works in the APRA repertoire. The new website meets accessibility standards and is mobile responsive.
- 8.12 The OneMusic Australia website (<https://www.onemusic.com.au/>) contains general information about OneMusic, an FAQ section, plain English guides to each of the licence schemes, downloadable PDFs of OneMusic licence agreements and the opportunity for licensees to get a quote for many of the licence schemes online. The website also links to the OneMusic eCommerce portal, enables all licensees to pay their licence fees online and some licensees (according to their industry) to obtain their licence through the portal.

- 8.13 The Communications department is responsible for the maintenance and ongoing development of the APRA AMCOS and OneMusic websites.
- 8.14 Social media continues to be a growing and effective means of communication, and an enabler of connection within communities. Social media is a key component of APRA AMCOS' communications strategy. Social media utilised includes Facebook, Twitter, Instagram, YouTube and LinkedIn. APRA AMCOS' social media presence allows greater and more time sensitive means of communications, especially with members. During the Review Period our National Aboriginal and Torres Strait Islander Music Office (NATSIMO) launched new Facebook and Instagram profiles, to increase engagement with their members.

9. Complaints and Disputes (Code of Conduct 3)

- 9.1 For the purposes of this review, APRA AMCOS has applied the distinction between Complaints and Disputes endorsed by the Code Reviewer in his most recent report upon a Review of the Operation of the Code of Conduct.
- 9.2 The APRA AMCOS Complaints Policy and Procedure can be read at
<https://www.apraamcos.com.au/about/governance-policy/policies-procedures/complaints-procedure>
- 9.3 APRA AMCOS has included all documents and correspondence that have been dealt with as complaints during the Review Period to the Code Reviewer on a confidential basis. APRA AMCOS requests that the names of the complainants and other factors that might identify them be kept confidential.
- 9.4 There were three (3) new member code complaints during the Review Period. There were no complaints carried over from the previous Review Period.
- 9.5 There were two (2) new licensee code complaints received during the Review Period. There was one (1) complaint carried over from the previous Review Period.
- 9.6 A high level summary of complaints has been provided as an annexure to this report (**Annexure A**) and confidential summaries of the complaints provided to the Code Reviewer.
- 9.7 For the purpose of the review, and internally, APRA AMCOS has adopted a broad approach to the definition of complaint. That said, where APRA AMCOS is unsuccessful in its attempts

to license a user of music and the matter is referred to APRA AMCOS' external solicitors, these matters are not characterised as complaints unless a complaint regarding the actual conduct of an APRA AMCOS' employee or APRA AMCOS' external solicitors is received.

- 9.8 As at 30 June 2021, there were 419 ongoing general compliance matters under the management of APRA AMCOS' Legal Department, with 399 of these matters under the management of APRA AMCOS' external solicitors. The increase in matters under the management of APRA AMCOS' external solicitors from the previous period is a result of a bulk referral of infringement matters arising from the process of transitioning former APRA AMCOS and PPCA licensees to OneMusic Australia licences.
- 9.9 Where a licensee refuses to pay invoices issued by APRA AMCOS, the matter is pursued by its Credit Team and then referred to APRA AMCOS' external mercantile agent to manage and, if necessary, pursue through debt recovery proceedings. As at 30 June 2021, 94 clients were under the management of APRA AMCOS' Australian external mercantile agent and 81 were under the management of APRA AMCOS' New Zealand external mercantile agent. These matters are not characterised as complaints unless a complaint regarding the conduct of the Credit Team or the debt collectors has been made. There were no such complaints during the Review Period.

Alternative Dispute Resolution (ADR)

- 9.10 APRA AMCOS funds an independent ADR facility called "Resolution Pathways". Details regarding APRA AMCOS' independent ADR facility for licensees and members can be found at <http://www.resolutionpathways.com.au/>
- 9.11 APRA AMCOS' independent ADR facility assists with the resolution of disputes between APRA AMCOS and its licensees (or potential licensees), between APRA AMCOS and its members and also disputes between APRA AMCOS members.
- 9.12 APRA appoints Shirli Kirschner of Resolve Advisors as the Independent Dispute Facilitator to administer its ADR scheme. Ms Kirschner worked with APRA's management and the ACCC to establish a prescribed governance framework for the independent ADR facility, with the fundamental feature of this framework being the appointment of a Consultative Committee, made up of an equal number of Member and Licensee representatives, with whom the Independent Dispute Facilitator must consult on matters such as monitoring the operation of the Scheme, including the costs of the Scheme; receiving feedback on the Scheme; and in

consultation with the Facilitator, making a recommendation about budget for operation of the Scheme.

- 9.13 The ADR facility is publicised on the APRA AMCOS website and the OneMusic website, in materials released to the public and in legal correspondence. APRA AMCOS' external solicitors also have a standing instruction to make the existence of the facility known to parties prior to commencing legal proceedings and negotiations.
- 9.14 APRA AMCOS strongly encourages its members to resolve disputes among themselves by way of ADR. Where APRA AMCOS is notified of a dispute among members, or involving members of an affiliated society, as to the allocation of shares in a work administered by it, APRA AMCOS may, at its discretion, if it is satisfied that it is appropriate to do so in all the circumstances, place all or any of the performance credits relating to the work in suspense until the dispute is settled by agreement between the parties or resolved by a Court or alternative dispute resolution. APRA AMCOS' policy in this regard is set out at Rule 13 and Rule 7 of APRA and AMCOS' respective Distribution Rules.
- 9.15 Under the terms of its authorisation from the ACCC, the ADR facility's independent Resolution Facilitator is obliged to submit an annual report to the ACCC detailing those disputes notified to her under the ADR facility. The ADR facility's independent Resolution Facilitator also submits quarterly or periodic reports.

10. Publicity and Reporting of Code (Code of Conduct 4)

- 10.1 APRA AMCOS has kept its members and licensees updated with information regarding the Code of Conduct, in particular by maintaining relevant information including a copy of the Code on the website, available at <https://www.apraamcos.com.au/about/governance-policy/code-of-conduct>
- 10.2 Australian collecting societies APRA AMCOS, ASDACS, AWGACS, The Copyright Agency, PPCA and Screenrights maintain a standalone website for the Code of Conduct for Copyright Collecting Societies at <https://www.copyrightcodeofconduct.org.au/>
- 10.3 The website and amendments to the Code are both initiatives undertaken in response to a review of the Code undertaken by the Department of Communications and the Arts which recommended:
 - o increased clarity around the role of the Code;

- improved transparency around collecting societies' operations; and
 - strengthened governance arrangements for collecting societies and the Code.
- 10.4 Societies are now publishing their compliance reports, with any confidential material (such as correspondence between a society and a complainant) redacted. Compliance reports are available at <https://www.copyrightcodeofconduct.org.au/annual-compliance>
- 10.5 APRA AMCOS publishes the invitation for any interested party to make submissions to the Code Reviewer on its website each year.

11. Monitoring, Review and Amendments (Code of Conduct 5)

- 11.1 APRA AMCOS constantly explores opportunities for obtaining more accurate information of music usage in an attempt to improve the accuracy of distributions made to writers, publishers and affiliates.
- 11.2 The distribution department receives music performance reports from radio and television stations, streaming and download services, concert promoters, members and many other types of users of copyright music.
- 11.3 APRA AMCOS continues to invest significantly in music recognition software, with the cooperation of licensees, to ensure accurate distribution of royalties for the performance of music. The audio upload function of the publisher portal enables publishers to upload audio files directly to APRA AMCOS' database so that they can be matched with music used in advertisements. The portal utilises music recognition technology to provide accurate and efficient tracking of jingle play on television and radio.

Complaints Summary
1 July 2020 – 30 June 2021

Reference	Date	Issue	Status
C01	15/07/2020	Adverse experiences participating in member events.	Resolved 17/07/2020 Telephone and written responses to the Complainant addressing the complaint.
C02	17/08/2020	Lack of response to a query. Low value of royalty payment.	Resolved 9/10/2020 Apology issued for lack of response and response issued addressing the complaint.
C03	10/08/2020	Eight questions regarding various issues of concern.	Resolved 3/12/2020 Complainant's questions answered and where applicable, held statuses removed, funds credited, and apology issued.
C04	31/7/2020, shared with APRA AMCOS on 2/11/2020	Objection to the wording used by OneMusic Australia in connection with the use of digital music services as a source of background music in its information guides and on its website.	Unresolved 31/07/21 APRA AMCOS has made a number of changes to the relevant wording which it considers reasonable but acknowledges are not as extensive as the Complainant requested.
C05	17/02/2021	Error when applying COVID-19 fee rebate to the Complainant's billing. Overdue payment reminders issued in error.	Resolved 17/03/2021 Account remedied, and an apology given to Complainant.
C06	6/05/2021	Claim that OneMusic Australia was withholding documentation in lieu of payment.	Resolved 10/05/2021 Complainant provided with a written response refuting his claim. Complainant issued with documentation once his overdue fees were paid.