



**APRA  
AMCOS**

**A New Look at Culture**

**NSW Government  
consultation**

**SUBMISSION**

**With the right approach,  
and a singularity of  
purpose, Australia can join  
that handful of nations who  
are net exporters of music  
and create a sustainable  
and thriving local industry.**

**Jenny Morris MNZM OAM**

**Chair APRA**

**National Press Club**

**Canberra, 5 August 2020**

# ABOUT APRA AMCOS

APRA AMCOS has been representing Australian songwriters, composers and publishers since 1926. As the largest music industry body in the region representing the rights of over 115,000 members across Australasia, APRA AMCOS welcomes the opportunity to make a submission to the NSW Government's consultation for the state's first arts, culture and creative industries policy.

As background, APRA AMCOS administers rights on behalf of our songwriter, composer and publisher members in an industry that is a flagship of Australian culture and creativity, generating billions of dollars each year for the local economy.

We are affiliated with similar collective management organisations around the world. So when Australian and New Zealand songs and compositions are played overseas, Australian and New Zealand writers and publishers get paid. We also help music customers in Australia and New Zealand access music from the rest of the world.

APRA AMCOS has a long and successful history of working in partnership with government to support the development and career paths in music through the cornerstones of live music, digital distribution, local venues, education and global exports.

Over the last fifteen years, APRA AMCOS has successfully initiated and led industry and government co-investment strategies, developing highly regarded capacity building programs, most notably: the National Aboriginal and Torres Strait Islander Music Office, SongMakers songwriting program in schools, the Live Music Office to review the impact of policy frameworks and government regulation on the live music sector, SongHubs curated songwriting intensives and the internationally recognised music export program Sounds Australia.

Despite the success of these programs in jurisdictions across the nation, investment from the NSW Government to support contemporary music has been sporadic, short-term and uncoordinated.

# OPPORTUNITY

Whether it is a young songwriter in their bedroom writing the next global hit, a composer creating a soundtrack to the next great film or game, artists and musicians producing, recording and performing for a festival, concert or local gig, from Bankstown to Bega, Brewarrina to Byron Bay there is a pipeline of music talent coming from across NSW.

Contemporary music is Australia's biggest cultural export. Whether it's a live concert in LA, Berlin or Mexico City, an Emmy or Grammy nominated score or album, or billions of streams around the world, Australian music is crossing borders and crossing platforms. NSW has the potential to be one of the key national drivers of this export market.

Music is unique in its breadth and opportunity – relevant and vital to multiple portfolios including the arts, education, communications, health, innovation, small business, export, regional, indigenous, trade, tourism, the night-time economy and foreign affairs.

- For every dollar spent on live music, three dollars is returned to the community.
- Australia is already in the top ten music markets in the world. We now have the opportunity to become one of the world's great music exporters.
- Contemporary music alone represents well over 50 per cent of all performing arts activity across Australia.
- Goldman Sachs predicts a booming decade for the global music industry, with total music revenue to double to US\$131 billion by 2030.
- The Australian music industry has the potential to earn between 5-10 per cent market share of this, but we need to get the policy, investment and industry settings right.



In 2020, APRA Chair and music industry luminary Jenny Morris OAM MNZM gave an address to the National Press Club in Canberra to set out a vision for Australian music to become a net exporter of music.

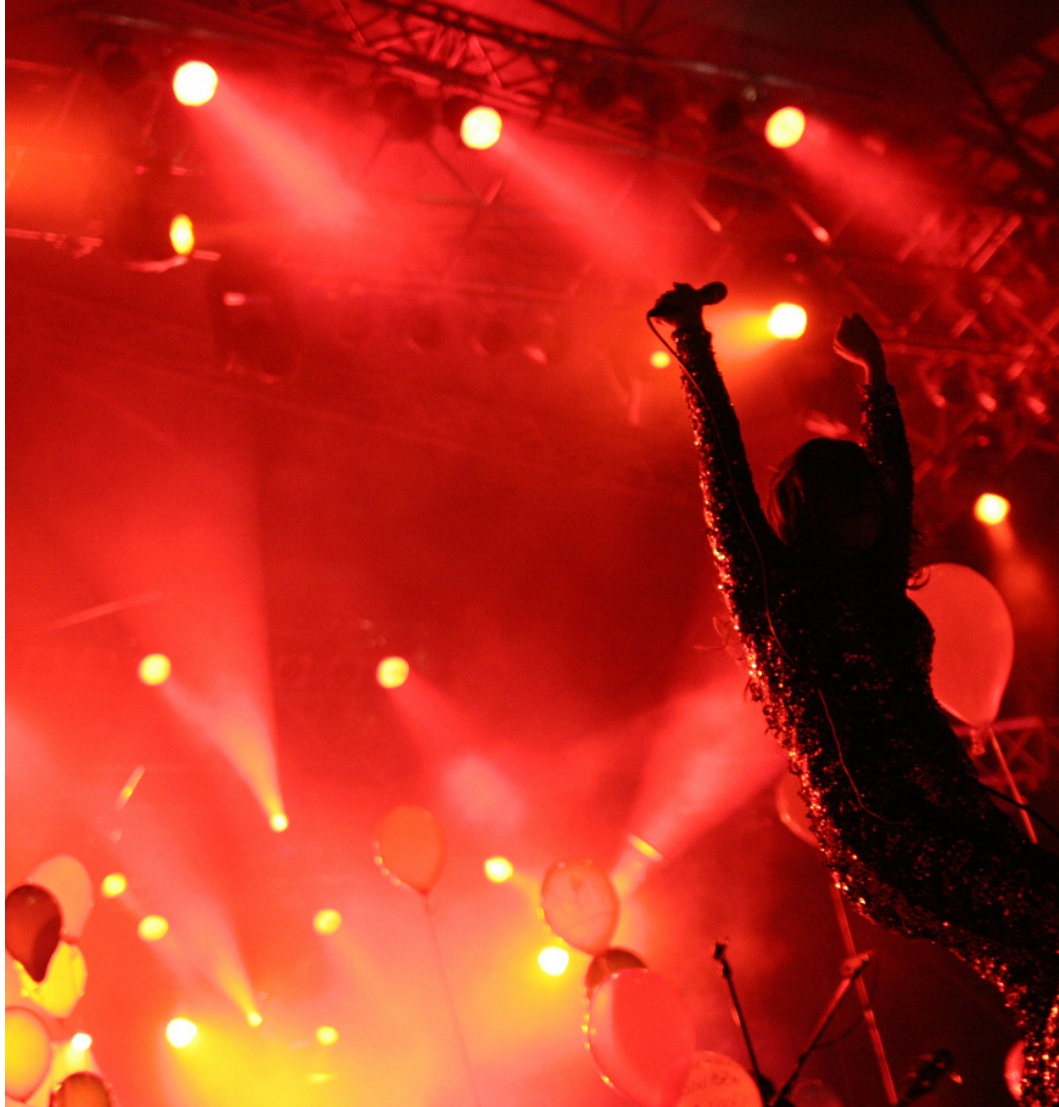
To achieve this vision, Jenny Morris articulated four key priorities:

- ONE - A federal, state and local whole-of-government policy and investment commitment to Australia becoming a net exporter of music.
- TWO - A commitment to provide equity of access to quality music education in schools nationally and songwriting as part of the national curriculum.
- THREE - A national and coordinated approach to reduce red-tape, together with tax incentives to protect and promote the cultural infrastructure of live music venues.
- FOUR - A re-commitment to local content to ensure the production, performance and delivery of local music content across all media platforms.

**Australia should have a vision to become a net exporter of music. This won't happen overnight and it could well take a decade but you need a clear vision in order to start change now. Aussies have never backed away from a challenge - we need to back ourselves. The potential reward is nation defining.**

**Jenny Morris MNZM OAM  
Chair APRA  
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# CULTURAL ECONOMIC DEVELOPMENT IN NSW

NSW is an engine room of the nation's creative economy. Despite this, successive NSW Governments have lacked a long-term vision and commitment to the state's global potential as a creative economy - and specifically the contemporary music opportunity.

Industry attraction through investment, regulation and supportive policy development in other jurisdictions, not just in Australia but across the Indo-Pacific, put NSW's creative economy at risk. The creative economy is global and the competition for it is fierce. Now is the time for NSW to capitalise on existing skills, businesses and infrastructure with a bold, innovative and world-leading creative economy investment and policy strategy to help embed the state's position as a global creative engine room.

With the advent of the next digital revolution and as the global appetite for music continues to grow, NSW has the potential to go from a music state to a music powerhouse. A powerhouse that can fully realise the cultural, economic and social benefits of vibrant, healthy and sustainable music industry accessible to all.

NSW, unlike other jurisdictions such as Victoria or South Australia, has never had a strategy-based policy platform for the Australian contemporary music or broader creative economy. Aside from some targeted screen industry rebates and funding, there's rarely investment in skills and education to capitalise on this jewel in the creative crown, and there's minimal coordination across government to ensure it can continue to deliver for the state.

In addition to the sponsorship of marquee events such as SXSW and Vivid and the existing investment in capital infrastructure for arts and culture it is vital the NSW Government ensures there is skills development, tech capacity, return on investment and industry growth to capitalise on the future potential of the creative economy.

A broader arts, cultural and creative industry strategy has never been tangibly attempted in NSW. The closest NSW came to developing a contemporary music strategy was in 2018 where Create NSW completed a broad industry consultation with a series of in-person roundtables with industry, artists and stakeholders. Despite this expansive consultation, no strategy was ever released.

# CONTEMPORARY MUSIC INVESTMENT

There remains no investment framework in NSW that fosters activity that drives cultural economic activity. Investment in contemporary music in NSW has been historically low compared to other jurisdictions in Australia.

In testimony to NSW Parliamentary inquiry into the music and arts economy Create NSW advised that in 2017-2018, the government invested approximately \$1,095,805 direct to contemporary music development. This was compared with Victoria with its "Music Works" contemporary music funding program which was established in 2015 with a budget of \$22.2 million over four years. The program has two core programs areas: industry investment and industry development.

Create NSW has not fostered a comprehensive industry investment framework, with funding still centred on the singular model of arts development and subsidy. This funding is decided through a complex peer review process with ten artform boards. This process needs to be urgently streamlined by retaining the peer review process but significantly reducing duplication in representation.

There are only a handful of times prior to COVID-19 where the NSW Government invested in contemporary music industry programs. Limitations of the Create NSW funding envelope have also meant that long-term investment remains difficult. Funding indexation must be sought from Treasury to ensure that Create NSW can not only keep up with increased cultural activity within a growing population, but also to support wider incentives that can drive cultural economic activity.

Contemporary music investment by the NSW Government includes:

- In 2016 the NSW Government invested in Live and Local, a strategic initiative to support local councils and their communities in organising and delivering live music micro-festival programs.
- In 2021, support of commercial live music venues and events during the COVID-19 shutdown of any public gatherings. Developed in close consultation with industry this was a best practice model that saved hundreds of live music businesses from across the state from disappearing.
- Investment in Great Southern Nights in 2021 to help 'reboot' live music in targeted regions and small to medium venues across the state.
- A 2022 commitment from the NSW Office for Regional Youth to invest in the SongMakers program as part of the Holiday Break Program.



APRA AMCOS applauded the Minns' Governments 2023 election commitment to invest \$103 million over four years in the contemporary music industry. It is a much welcome intervention in the relationship between the NSW Government and the music industry and has the potential to put NSW on par with some of the great music jurisdictions of the world; Quebec Canada, Liverpool England and Seoul South Korea,

The commitment will see a much-needed injection into the live music sector which has suffered over-regulation for many years. The investment includes a commitment to establish a contemporary music development office, Sound NSW. If developed properly without excessive bureaucratic expenditure, and properly coordinated with the Australian Government's investment through the newly established Music Australia, it will help supercharge songwriting, recording, export and music industry development and make NSW an international leader in music creation and presentation.

**For many of our members the ability to perform live is a critical part of the revenue mix. At the heart of the music industry ecosystem is the song, "No song, no music industry".**

**Essentially the industry can be considered in terms of music creation and music performance or distribution, and live performance is at the nexus of the music industry bridging creation and distribution.**

**Dean Ormston  
Chief Executive, APRA AMCOS  
NSW Inquiry: The music and arts economy in New  
South Wales  
26 March 2018**







# LIVE MUSIC + REGULATION

NSW has a history of making the business of music extremely difficult. This has been through a combination of regulatory and financial imposts. Until 2020, NSW had the most red-tape around live music than any other jurisdiction in the OECD with seven state and local departments overseeing the regulation of "sound" – or as regulators prefer to see it – "noise".

It is best practice for government to consult with industries affected by major changes in regulation to assess their impact. In NSW the contemporary music industry has been excluded in the design, delivery and implementation of regulation that effects its ability to do business. From the creation of Place of Public Entertainment (PoPE) laws to lockout laws and to music festival regulation, the contemporary music industry has been locked out of government consultation on policy implementation.

The result of this has been a saturation of red-tape and bureaucratic over-kill that has devastated local economic areas and curtailed an industry that not only employs thousands but fertilises the cultural life of the state and fosters a rich and safe nighttime activity.

Data last year from Liquor & Gaming NSW showed the number of live music venues in NSW had halved in just twelve years with just 133 licensed venues left. A parliamentary inquiry into NSW's live music sector heard evidence that lockout laws alone closed 176 venues.

Added to this has been the impact of COVID-19 on many live music venues and nightclubs. APRA AMCOS' own data shows that in the financial year prior to COVID-19 there were 1766 venues with a live music licence in NSW. This has fallen dramatically to just 1169 in the last financial year, representing a 34 per cent drop in just three years. One of the biggest victims of the pandemic has been the dance music and nightclub sector where there has been a number of venue closures across the state with 30 per cent less people attending. Escalated public liability insurance premium costs has been a major contributor in this industry and also impacted the live music and promoted concert tour sectors.

In 2020 the over-regulation of live music was overhauled when APRA AMCOS and the Live Music Office worked with the NSW Parliament on the design of an omnibus bill with coordinated changes to the Liquor Act, Planning Act, Local Government Act, the Building Code as well as emergency COVID-19 placemaking for food, drink and entertainment activation.

The November 2020 amendments included provisions to:

- Establish cultural and entertainment precincts to foster live music and cultural activity.
- Remove entertainment conditions in venues including the type of music, instruments or number of musicians.
- Incentivise live music and cultural activity through license discounts and extended trading for venues including participating venues in the NSW Government Great Southern Nights program.
- Integrated licensing and planning processes and the removal of restrictions on mirror-balls and dancing and the elimination of entertainment prohibitions on restaurants and small bars.
- A streamlined process to enable the creation of small bars and live music and small arts spaces.
- The power for local councils to remove entertainment bans with new planning rules prohibiting councils from regulating music genres, types of instruments, and numbers of performers.
- Low impact live entertainment to be classified as exempt development under planning regulations.
- Temporary measures for the period of the COVID-19 pandemic to allow local councils to encourage the use of outdoor space for outdoor dining and performance to assist with social distancing measures.

A year later, APRA AMCOS and the Live Music Office again worked with the parliament to give dedicated live music and performance venues an additional hour in trading to encourage live music and cultural activity and musicians the use of loading zones to load gear in and out of venues.

These were the biggest overhaul of regulations on live music and cultural activity in NSW in a generation and held up as the gold standard in reform in other jurisdictions, not just in Australia but across many other areas around the world. The impact of the reforms would benefit not just live music but also the performing arts, visual arts and any other live artforms. It was also the first time in NSW history that expertise in the music industry was deployed to establish better regulation to support live music to maximise its economic, cultural and social impact.

These regulatory changes were described in Forbes Magazine as a reform that had "the power to save and support live music scenes everywhere... and if implemented in other jurisdictions, it will create better cities and places as [COVID-19] relief subsidies and recovery begins."

Unfortunately, the key NSW Government department responsible for aligning regulation and investment in the nighttime economy have left these major changes largely dormant. To date there has been no clear communication strategy to promote and explain the huge benefits of the regulatory reform to local councils or venues. Worse still Councils and Police are still enforcing out-of-date regulatory restrictions on live music and cultural activity.

The situation remains dire. A report to the NSW Parliament pursuant to section 163A of the Liquor Act 2007 on the effectiveness of various amendments included in the Liquor Amendment (Night-time Economy) Act 2020 found that in the two years since the new regulations came into force, there had been almost no uptake of the new regulatory powers. There were only three live music venues taking advantage of extended trading, zero small arts spaces established, zero uses of loading zones for musicians, zero exempt development of low impact entertainment and zero uses of the temporary use of outdoor space for entertainment. It wasn't until August 2023 when Inner West Council, with the support of the Live Music Office, utilised key parts of the legislation and established a permanent special entertainment precinct in Enmore Road Enmore.

Venues, Councils and Police in NSW remain largely unaware of any of the changes, despite the popularity and efficacy of these regulations in other jurisdictions such as Queensland, South Australia and Western Australia. In the time that live music venues in Sydney's CBD have more than halved, in Fortitude Valley's special entertainment precinct, they have more than doubled to 55 venues. This cultural activity is now worth more than \$240 million to the local Queensland economy each year.

APRA AMCOS anticipates there will be little improvement to the next report due to be tabled in November this year. Whilst the NSW Government has launched a number of marketing programs relating to branded entertainment 'districts' and identifying safe venues - the purple flag initiative - little has been done to leverage the opportunity of the regulatory reform, and to expedite the development of Special Entertainment Precincts that will provide a catalyst to foster new stages across the cities and towns of NSW.

The newly elected Minns Government made an election commitment to double the number of live music venues in the first term of government. This is an enormous task that will require expertise and engagement from experts in the music industry and an understanding within government of the intersection of regulation and live music activity.



The new government has also made commitments to introduce a Cultural SEPP and to harmonise liquor and planning approvals to make it easier to open new venues and include new incentives including floor space and density bonuses for developments that include new music venues.

The NSW Government has made these welcomed commitments; however, it must leverage its fiscal investment and partner with the music industry in order to deliver cultural regulatory reform urgently. New national pressures to address housing shortages will likely result in increased density in areas where live music or cultural does or could exist and deepen the uncertainty of venues across the state.

Without the deployment of existing regulations this will mean that more live music venues in NSW will close down.

The key solution to this crisis is to fast-track a communications strategy that highlights the existing regulatory framework, combined with practical industry support, to activate meaningful and long-term strategies to encourage cultural economic activity. This will show local communities what is possible, but also give certainty to councils and venues that want to encourage cultural nighttime economic activity.



I first started playing in Sydney in the late seventies. French's Tavern on Oxford Street was the first I remember. Bondi RSL, The Trade Union Club, Graphic Arts Club, Kardomah Cafe, The Manzil Room ...

Later on the Strawberry Hills Hotel, the Hopetoun, Dee Why, Selina's, The Annandale, War and Peace.

Many of these places have gone but their legacy lives on in the venues and the festivals under threat today...

These places were my universities.

I still go to music festivals, pubs, clubs, and cafes all the time to do extra study. Take a little refresher course. Listen and learn. This is where we grow and thrive, love and hate, compete and cooperate.

This where we make our communities, carve our sound, and develop our unique art. Fight for it!

Paul Kelly  
21 February 2019

# ABORIGINAL + TORRES STRAIT ISLAND MUSIC

APRA AMCOS recognises that Aboriginal and Torres Strait Islander culture is central to Australia's national identity, and we all have a role to play in celebrating and preserving the knowledge and wisdom of the oldest continuous culture in the world.

The development of cultural policy with a framework to support the creation of great local music must ensure Aboriginal and Torres Strait Islander musicians, artists and workers have a voice and agency across the full breadth of the music industry ecology.

The development of Aboriginal and Torres Strait Island music in NSW should be created with the following principles and priorities as devised by the National Aboriginal and Torres Strait Islander Music Office (NATSIMO):

## High-level principles

- Self-determination must be an embedded principle in all First Nations programs and initiatives.
- To achieve the goal of producing and presenting more First Nations work we must strengthen First Nations led music organisations to deliver this critical role.

## Key Priorities

- Work with First Nations music workers to develop a specific Music Skills & Workforce Capacity Building Plan for the next decade and beyond.
- A dedicated First Nations Music Commissioning Fund for First Nations artists and First Nations led organisations.
- Acknowledge that cultural processes cost money. Invest in and fund these costs.

## Specific programs and initiatives

- Make adherence to cultural protocols, Indigenous Cultural and Intellectual Property (ICIP) management and community consultation an explicit and eligible expense in projects and grant budgets.
- Develop programs to identify and develop regionally based, and on Country, First Nations musicians, songwriters, screen composers, engineers, managers and crew technicians.
- Create pathways and resources (including bridging funding) to prepare emerging companies and businesses for start-up capital and multi-year funding.

# SONGWRITING + CAREERS

## Investment for songwriting in schools

By making songwriting part of every child's education, we will help all students build a range of important skills and help realise the full potential of NSW's music talent. Investment in the school songwriting program SongMakers is needed to accelerate the skills of students and develop intellectual property that can be exported around the globe.

Research shows how a quality music education improves students' academic performance and 'soft skills' in things like critical thinking and communication. Research also shows the best music education can help keep students engaged in their learning, especially when it connects with their out-of-school interests such as in songwriting and producing. Songwriting in schools has also been found to be a 'site of resilience', helping students navigate the challenges of adolescence.

For Aboriginal and Torres Strait Islander children, participation in First Nations-led arts and cultural activity, including songwriting, helps develop their passions, improves school attendance and enables them to reach higher levels of educational attainment.

A system of early mentoring by industry professionals is behind the decades-long songwriting success of Sweden, the world's top music exporter. The lesson is there for us: when we build Australia's songwriting capacity, we build our intellectual property, creating careers and generating income for the nation.

The Victorian Government's recent commitment to songwriting programs in high schools will provide real-world experience and mentorship and is likely to reach over 2000 students in more than 100 high schools across regional and metropolitan Victoria over two years.



I finished high school in 2010, and by any standard I was extremely lucky that my school offered music as a subject. Most don't - and those numbers are falling.

The mandated curriculum left me completely uninspired and doubting there was any way I could make a living from music out in the real world.

How could I have that impression when what was impressed upon me was that music is a language of the past?

Concertos, sonatas, Gregorian chants.

I was desperate to find my own musical voice but was only encouraged to mimic the voices of men that had been dead for centuries.

Instead of focusing on the curriculum, I would lock myself away in room with a piano, listen to Missy Higgins and write songs.

Imagine the head start I might've had if someone had actually taught me how to do that; how to find my own voice and be a successful musician in today's world.

Sophie Payten (Gordi)  
National Press Club  
5 August 2020



# Establishment of a National Songwriting Academy

To develop and better equip future songwriters for national and international success, a NSW Government funded elite training organisation should be established in NSW to lead the national research, exploration and teaching of songwriting.

A National Songwriting Academy in NSW would be recognised as the training ground for exceptional young songwriters from across Australia and the region and would be the only professional songwriting training institute of its kind in Australia, and one of few in the world. The academy would engage the professional skills of established and high-profile Australian and international songwriters to teach the craft of songwriting.

The academy would provide a two-year education program focused on the craft of songwriting in contemporary music creation, screen and digital games music composition and provide young emerging songwriters with a unique network of domestic and international professional industry contacts and collaboration opportunities.

**A good song creates jobs. Lots of jobs.**

**A good song also builds Australia's intellectual property assets, generating big incomes, because a good song travels the world finding new performers and new audiences.**

**...And what is a song? At its simplest, it's words to music.**

**But songs are so much more. They beat humanity's pulse. They're our connection to time and place.**

**Songs are bridges between people – between joy and heartbreak, memory and understanding – connecting generations, and spanning the globe.**

Jenny Morris MNZM OAM  
Chair APRA  
National Press Club  
Canberra, 5 August 2020

## Career development and global networking

The APRA AMCOS program SongHubs partners emerging and established local songwriters with renowned international songwriters and producers, creating new works for local and international markets, and assisting songwriters and producers in making professional and creative connections to further their careers.

APRA AMCOS has organised international co-writing programs called SongHubs in Australia and in developing key export markets with the participation and assistance of Sounds Australia. These include Mumbai, Bali, Stockholm, Austin, Sao Paulo, Singapore, Toronto, Los Angeles, Nashville and Seoul.

Since the program started in 2013, over 691 songs have been written at 51 SongHubs and involved 408 Australian songwriters and composers. Of these, 25 per cent of the works have been or are pending commercial release. To date, SongHubs has produced commercial releases which have resulted in over \$1.5 million dollars collected in APRA AMCOS songwriting royalties alone.

The NSW Government has supported a SongHubs just once – in 2021 as part of Sound West – with L-FRESH The LION as creative curator and renown NZ producer SickDrumz for a collaboration at Parramatta Stadium.

To coincide with World Pride, APRA AMCOS held the first ever Pride SongHubs. Celebrating our 90th SongHubs since its inception in 2013, it was a unique event curated by two of the industry's heavy hitters Troye Sivan and Lucas Keller.



For decades the music industry didn't need much in the way of government help or support.

The business of the industry was pretty simple and was held together by the gaffer tape of live music, copyright, the sale of music and publishing.

Every now and again an Australian act would make global waves in the US, Europe or the UK and travel the radio waves around the world.

Fast forward to 2023 and the Australian music industry is a world away from the analogue 80s.

Australian music is digital, published and recorded from studios and bedrooms to global audiences.

Australian songwriters and composers are creating the soundtrack to digital games, films and the small screen.

They are living around the nation and around the world, part of a U.S.\$ 90 billion industry that is likely to double by 2030.

Dean Ormston  
Chief Executive  
APRA AMCOS



# SCREEN + DIGITAL GAMES MUSIC

Despite its importance to screen content and intellectual property earnings for NSW, local music composition for screen is often an afterthought in government screen and digital games industry policy development. Many supported films in NSW have either none or little local music content. This means that precious royalty earnings are flowing to territories outside Australia.

We believe that the local screen and digital games industries succeeds best when incentives and investment support the generation of local intellectual property. This provides long-term earnings and a return on investment for local creators for many years to come.

Whether it's the beauty, suspense and emotion of a film or television series score, the tune to an advertisement, or the soundtrack that brings to life a digital game, documentary or children's television show, this country has some of the most talented composers in the world.

If screen and digital games productions are seeking financial benefit from the NSW Government in terms of funding, offsets and rebates, then incentives should encourage the commissioning of local songwriters and composers and be conditional on intellectual property remaining vested in the creators rather than being sent offshore.



## Digital Games

Local songwriters, composers and sound designers for Digital Games already have attracted significant international attention and accolades with locally created breakout games that have had global success. As well as this, local songwriters, composers and music publishers have already earned significant royalties for the use of their music as part of digital game downloads in Europe and North America.

APRA AMCOS successfully advocated for the inclusion of music creation as part of the Australian Government's 30 per cent Digital Games tax offset.

For the last seven years APRA AMCOS has presented High Score, a conference on composition and sound art for gaming, in partnership with the Victorian Government through Creative Victoria and as part of Melbourne International Games Week.

High Score brings together both music creators and games developers to explore the important role that audio and sound plays in game design and experience and help develop the skills of local songwriters and composers in music development for Digital Games. There are currently no similar programs for music in digital games in NSW.

## The Test for Local Content

It is imperative that the test for what constitutes local screen content is rigorous and inclusive; and designed specifically to uplift and support local creators, including screen composers and those in key music roles in all aspects of screen production.

In assessing whether new content is local, APRA AMCOS supports the Australian Government's use of the Significant Australian Content (SAC) Test to assess whether an SVOD service has met the Investment Threshold, albeit with some crucial adjustments.

APRA AMCOS submits that the SAC Guidelines have a problematic tiered system built into its test architecture in terms of the weight given to "persons who took part in". APRA AMCOS submits that it is of the utmost importance that the Government take this opportunity to update these assessment guidelines underpinning the test.

APRA AMCOS's position is that the key music professionals, such as 'Head of Music' or 'Director of Music' of a production, must be elevated in the hierarchy to a level commensurate with "particularly important" or "very important" tiers, given the opportunity of these positions to generate high-value screen music and return ongoing revenues to the Australian economy long term.



## Terms of Trade

APRA AMCOS is increasingly concerned about the imbalance in bargaining power between local music creators and large digital platforms such as Streaming Video on Demand Services (SVODs). There are signs of an emerging global trend where composers and creative contributors are expected to sign away a full suite of their proprietary rights to the commissioning party (generally an SVOD service or production company producing for an SVOD service). To support a vibrant local screen industry, we have been encouraging Government to turn its attention to the longer-term value of supporting our world class screen composers and music creators so that the entire screen ecosystem can benefit.

APRA AMCOS has observed a recent shift in the terms of trade for commissioning of screen compositions by SVOD services. Music creators are increasingly being asked to agree to US- centric 'buyout clauses' that require the creator to surrender full control of their work in exchange for an upfront lump sum payment. In these circumstances, the creator must forego shares in ongoing income derived from additional or subsequent exploitation of their copyright protected work.

The amount of the lump sum or 'buy out' fee is significantly impacted by the weaker negotiating power of local music creators (mostly small to medium businesses) as compared to the large, often multinational, SVOD service operators. When these 'buy out' clauses are in place, the commissioning SVOD services can secure rights that would have previously remained with, or reverted to, local composers. These are future earnings that simply vanish from our creative economies.

This is an emerging priority issue for music creators globally. If this issue is not approached head-on, Australia will likely lose critical long-term intellectual property earnings, as well as the employment opportunities that come from locally created music. Many mature film markets are enjoying the long-term benefits generated by locally produced content by establishing significant local investment requirements from SVOD services that ensure the ownership of valuable IP assets are not lost offshore. These countries benefit from decades of earnings as screen content is re-shown, re-broadcast and in many cases re-popularised through other distribution channels.

To support a vibrant local screen industry, we are urging all governments with screen incentives to consider the long- term value of intellectual property arrangements to ensure these valuable assets are not repeatedly lost.

# MUSIC EXPORT

## Long-term Sounds Australia music export program investment

Sounds Australia is recognised as a leader by its international contemporaries. Its clear strategic direction, creative and dynamic in-market presence and unwavering support from the Australian music industry has resulted in advancing the export interests and success of the Australian music sector globally.

Sounds Australia has expedited the artist discovery process and catapulted multiple acts into the consciousness of the world's most influential music markets across the USA, UK and Europe, ensuring that from their very first export outing, Australian artists are showcasing to key industry leaders and decision makers, resulting in increased professional and commercial outcomes.

NSW Government investment in the Sounds Australia program must evolve to the next level if NSW artists are going to maximise the global opportunities of the industry. At present, Sounds Australia receives limited support from the NSW Government despite the investment the organisation puts into supporting NSW artists.

We refer the NSW Government to the Sounds Australia submission to this consultation and support its proposal for the NSW Government to be transformational in its direct investment in export and export grants.

**Australians are unusually good at making music...**

**More than 'good'. We're exceptional.**

**Jenny Morris MNZM OAM  
Chair APRA  
National Press Club  
Canberra, 5 August 2020**

