

Professor Jill McKeough

Commissioner

Australian Law Reform Commission

GPO Box 3708

SYDNEY NSW  2001

Dear Madam

Thank you for the opportunity to respond to the proposals and questions set out in the Australian Law Reform Commission’s Discussion Paper, *Copyright and the Digital Economy*.

We refer to our earlier submission to the Issues Paper and ask that it be read in conjunction with this letter.

Music Victoria is the independent representative organisation for contemporary music in Victoria. Its 800 members include music fans, musicians, small businesses, live music venues, tour managers, band bookers, promoters and other industry employees.

Due to limited resources, Music Victoria is not in a position to lodge detailed submissions on all the points raised in the Discussion Paper.  We have, however, had an opportunity to review the submissions of the Phonographic Performance Company of Australia (PPCA) and the Australian Recording Industry Association (ARIA) and endorse those submissions.

In summary:

* **Repeal of section 152 caps**:  We welcome the Commission’s question in respect of the artificial ceiling imposed on artist and label revenues through the operation of sections 152 and 199 of the Copyright Act.   We are in favour of the repeal of these provisions which unfairly discriminate against sound recording rights holders and recording artists, and provide an unnecessary and inequitable subsidy to the radio broadcast sector.
* **Support of voluntary licensing**:  In our view the significant development of music services in the digital economy through voluntary licensing means that further copyright exceptions or statutory licenses are unnecessary.  The music industry has responded to the developing market and related services with innovative licensing models, and these have resulted in increased access to music for consumers.  Despite the growth in the digital sector industry revenues have severely declined over the last decade, and recording artists and independent labels continue to struggle to build sustainable careers.  Investment in the sector is likely to be further undermined by any amendments that reduce the protection sound recordings currently enjoy, or increase uncertainty in this already highly risky environment.

We look forward to seeing the Commission’s Final Report and trust that our concerns will be considered in your final recommendations.

Yours Faithfully



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