



AUSTRALIAN  
DIGITAL ALLIANCE

Copyright Code Review  
Director, Economic Research  
Bureau of Communications and Arts Research  
Department of Communications and the Arts  
GPO Box 2154  
CANBERRA ACT 2601

Dear Director

I write on behalf of the Australian Digital Alliance (ADA) in response to the draft report of the Review of the Code of Conduct for Copyright Collecting Societies.

The ADA sees the draft report as a helpful and encouraging start. However, we believe that it also highlights the need for a broader review of the regulation surrounding collecting societies. As the report recognises, many of the concerns raised by stakeholders were outside the scope of the review and thus remain to be addressed.

We support the recommendations made by the draft report as valuable steps towards increasing the accountability and transparency of Australia's collecting societies. We particularly support:

- requiring collecting societies to make available to members, licensees and potential licensees the methodology for calculating licence fees, including any modelling (Recommendation 4);
- increasing the information on distribution of funds available in annual reports and on request (Recommendations 5 and 6);
- requiring detailed annual reporting on undistributed funds, including information on how undistributed funds are to be applied (Recommendation 8);
- requiring collecting societies to consider recommendations of the Triennial Code Reviewer regarding amendments to the Code within a specified time frame (Recommendation 17); and
- specifying that, where the collecting societies wish to make an amendment to the Code it should be done in a transparent manner and subject to consultation with licensees and members (Recommendation 18).

We also support the following recommendations, but with comments:

- requiring collecting societies to provide plain-English guidelines stating how non-distributable funds will be allocated and spent by the collecting society (Recommendation 9) - however we propose extending this recommendation to make the information publicly available and to licensees;
- increasing the transparency of the annual compliance reviews, including requiring collecting societies to share compliance reports and to notify members and licensees of breaches (Recommendations 14-16) - however, we believe that this still does not represent sufficient sanction measures to meet best practice standards for voluntary codes.

However, also significant is the report's finding that several areas of pressing concern to stakeholders fall outside the scope of its terms of reference, including the appropriate use of undistributed funds and the role of the Copyright Tribunal. This clearly highlights the need for a much wider and more detailed examination of the entire regulatory system for collecting societies, and in particular for the declared collecting societies.

We therefore repeat the call in our initial submission for a broader review of the regulation of collecting societies in Australia that would have the ability to examine and recommend true structural reform of the regulatory system as a whole, including considering legislation, guidelines, ministerial powers and the role of the Copyright Tribunal. Ideally this review would introduce oversight by an external entity such as the Australian Competition and Consumer Commission.

The collecting society system is central to Australia's copyright regime. It is essential that clear and enforceable standards that ensure consistency, accountability, and transparency for all collecting societies are in place if this system is to have the confidence of Australians.

As per our previous submission, our main contact on this matter remains our Executive Officer, Jessica Coates. She can be contacted at [jessica@digital.org.au](mailto:jessica@digital.org.au).

Yours sincerely



**Derek Whitehead**  
**Chair**  
**Australian Digital Alliance**