ARIA Submission to the National Cultural Policy
Revive: A place for every story, a story for every place.

Executive Summary

- Australian music is a national economic and export asset, generating more than $10.7 billion in revenue and over $1 billion in exports in 2024–25. The talent, businesses and private investment are already here. The policy opportunity now is to ensure Australian music can compete and grow in an increasingly global and technology-driven market.
- ARIA supports the joint music industry submission *Next Generation Now* and welcomes the strong foundations established through Revive, particularly the creation of Music Australia, a dedicated national agency for contemporary music. The next National Cultural Policy should build on this momentum with a sharper focus on industry and artist revenue growth, exports, talent development and long-term global competitiveness.
- Without a strong copyright framework cultural policy becomes irrelevant. Australia's current copyright framework is fit for purpose. It is aligned with global markets; it underpins innovation and is the economic foundation of the creative industries.
- Maintaining strong copyright settings requiring consent and compensation is critical to ensure Australian music businesses and artists share in the economic opportunities from AI.
- Any proposal that allows AI companies to use copyright material without consent will undermine Australian creators, weaken export opportunities, and cut Australian rightsholders out of emerging global licensing markets.
- Commercial licensing markets for the use of copyright material in AI training must be allowed to develop and operate. Access schemes or funds that bypass copyright and remove artist and rightsholder control over use of their music for AI must be ruled out.
- Commercial radio policy should be modernised to ensure local audiences are hearing Australian songs and sounds, Australian music quotas should be elevated to a legislative obligation. They should operate during peak listening hours, with mandatory daytime compliance, independent oversight of format classifications and stronger minimum Australian music requirements across all formats.
- Removal of regulatory barriers to artist and label income should be a priority of this new cultural policy. Radio royalty caps in the Copyright Act on are outdated, distorting the market, and directly suppress earnings for Australian artists and rightsholders. Removing these caps is one of the simplest and most cost-effective reforms available to government to increase creator income, strengthen reinvestment into Australian music and support industry sustainability, at no cost to government.
- To strengthen long-term export capability and ensure Australian artists can compete internationally Australia should increase investment in talent and skills development at the highest levels through a national elite contemporary music academy attached to AFTRS. Elite training schools across the world have recently produced talent like Olivia Dean, Charlie Puth, and Lola Young. Australia should have its own elite contemporary music academy, accessible to all talent worthy of developing into the next recording and production superstars.

- Record labels, major and independent, remain the primary investors in Australian artists, funding talent discovery, artist development, recording, marketing and export growth. Government policy should support this investment ecosystem through stable copyright settings, modern regulation and policies and programs that encourage long-term private investment in Australian music.

Introduction

The Australian Recording Industry Association (ARIA) welcomes the opportunity to contribute to a renewed National Cultural Policy to shape the future direction of the creative and cultural sector.

Music connects people from all communities and walks of life, it brings joy and can help to heal – and perhaps most critically for policy-making – it is a legitimate, powerful and proven economic force.

The scaffolding has been laid with the first cultural policy Revive. A new NCP must contain measures to ensure that Australian music reaches its enormous potential, both in Australia and globally.

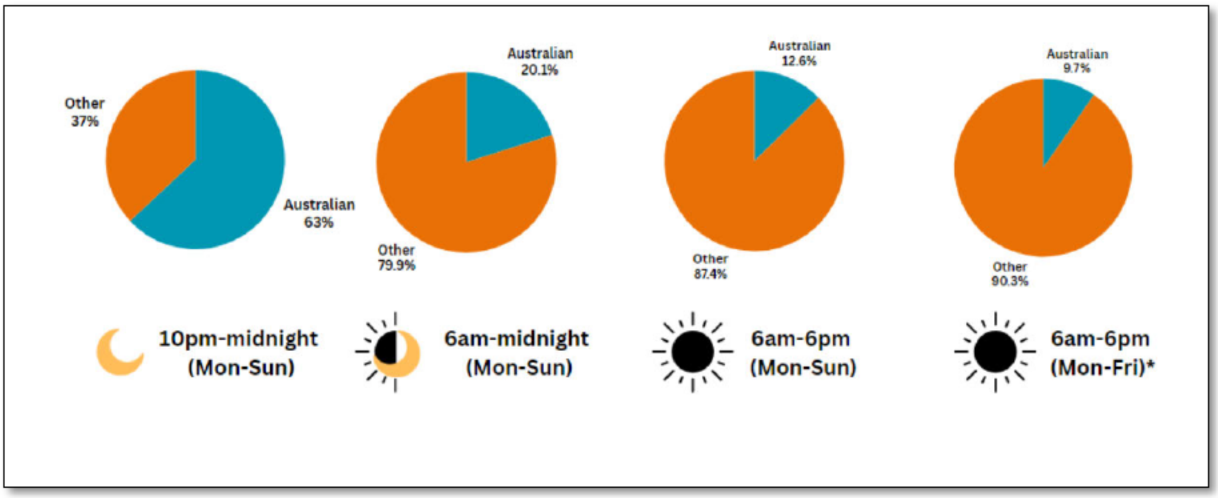
1. ARIA supports Next Generation Now – the Joint Contemporary Music Industry Submission

ARIA, alongside contemporary music industry colleagues, is a proud signatory to Next Generation Now[1] – a plan to 2030 to make Australia a music powerhouse. The submission represents a unified voice, and we support it in its entirety. In addition to our submission, the following priorities are of particular significance to the recorded music sector.

First Nations Music
Aboriginal and Torres Strait Islander artists, music businesses, and workers must be prioritised by cross-government portfolios in the next iteration of the National Cultural Policy. We strongly support the proposed Aboriginal and Torres Strait Islander Music Centres Framework which would create lasting infrastructure in communities historically underserved by mainstream industry structures.

Commercial Radio Content Quotas
Australian music has a well-known discoverability problem. Commercial shares part of the blame. Independent analysis commissioned by ARIA and conducted by Kaizen Media found that commercial radio is systematically content dumping. A practice where they broadcast the vast majority of their required Australian music quotas late at night when audiences are smallest, and far less during peak hours when most Australians are listening. Of 23 stations analysed for the report, 20 delivered substantially more Australian content between 10pm and midnight than between 6am and 6pm. In addition to underperforming for Australian artists, the system is being gamed, through self-determined format categorisation that minimises quota obligations and a voluntary code administered by the industry's own peak body. The 2025 ACMA code review was an opportunity to fix this. It did not. Legislating Australian music content requirements to ensure these shortcomings don’t continue, would require no public expenditure. It is a regulatory decision that costs government nothing and delivers direct, measurable benefit to Australian artists and the businesses investing in them.

[1] Appendix A Next Generation Now – Joint Music Industry Submission 2026



Source: ARIA Radio Code Submission

We strongly agree with the recommendation to legislate Australian music content requirements under the Broadcasting Services Act with mandatory daytime block compliance to end content dumping, independent oversight of format categorisation, a 25% Australian music floor across all formats, digital radio brought within scope, and the new Australian music quota reframed as a proportion of all new music played in peak rotation.

Michael's Rule

When international touring operators bypass local support acts, they remove a critical career development opportunity available to emerging Australian artists. Lost support slots mean lost audiences, industry exposure, and lost income. ARIA supports restoring this norm through funded promoter incentives and settings that embed Michael's Rule as standard practice.

Music Australia

Music Australia is the most significant structural outcome of Revive for music. ARIA has been a delivery partner for Music Australia programs and can attest to how transformative this office has been for recorded music in this country. The joint submission's call for a renewed mandate and $180 million over four years is proportionate to the ambition and is consistent with what Screen Australia invests in the film industry. Australian music exports exceeded $1 billion in 2024-25. Music Australia must be resourced to deliver research, artists and industry development, and export programs at scale. To be the powerhouse it should be by 2030.

2. ARIA and its role in the Australian Music Ecosystem

ARIA is the peak industry body that represents the Australian recorded music industry, advocating for its interests, building the structures that sustain its success and operating as the only industry body to actively market and promote Australian music to audiences here and around the world. ARIA advocates for Australian music as a highly valuable export and a critical vehicle for local storytelling. It runs the weekly ARIA Charts, produces the ARIA Awards, and runs numerous music industry programs to support and promote recorded music in this country. Australian recorded music is a growth industry with seven consecutive years sales increases, including wholesale sales rising 1.4% to $727 million in 2025[2]. Despite industry growth, breaking a new Australian artist has

[2] ARIA, Recorded music grows in 2025, March 2026 Recorded music grows in 2025 - ARIA

never been harder which is why it's important for ARIA to both celebrate the industry's achievements and address the structural challenges that constrain growth.

ARIA's membership of over 200 businesses spans the recorded music sector; from major labels to local independents, distributors and self-represented artists. Most of ARIAs operating costs are funded directly by Australia's three major record labels; Universal Music Australia, Sony Music Australia and Warner Music Australia. Becoming an ARIA member means joining Australia's most recognised music brand and powerful industry advocate. Members gain access to exclusive events and resources as well as automatically being eligible to enter the prestigious ARIA Awards.

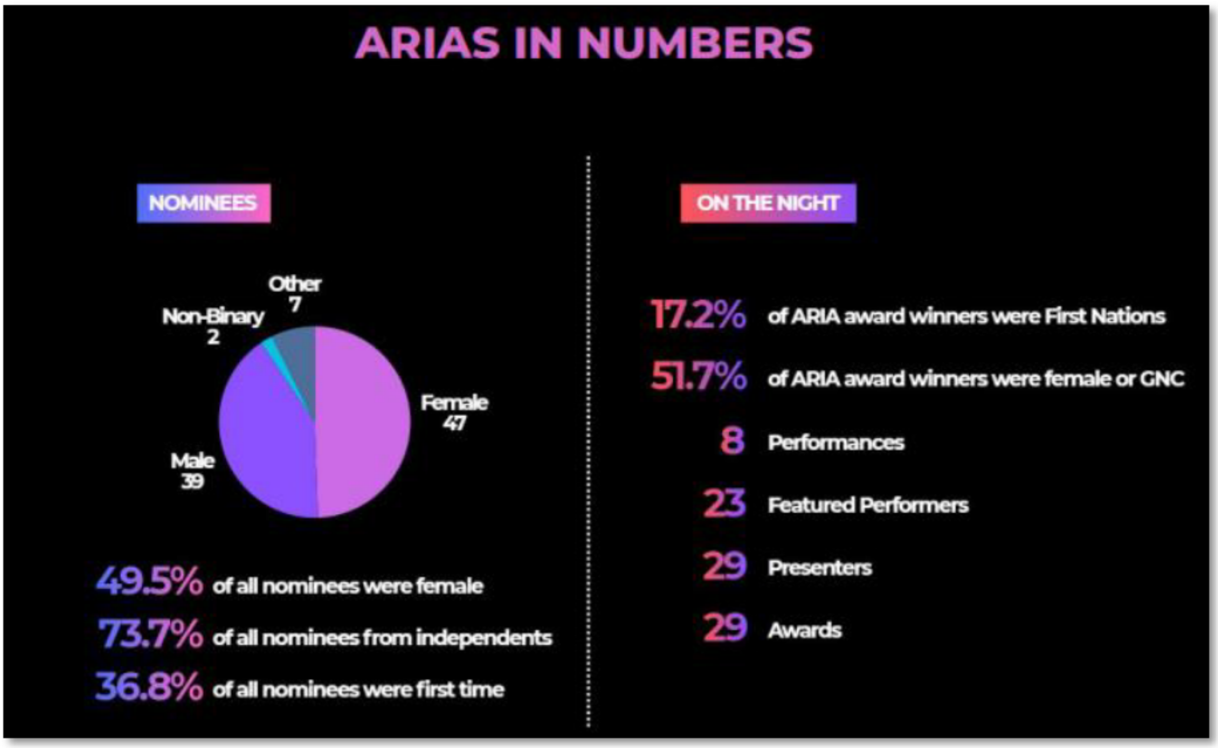
Advocacy, Policy and Regulation
ARIA's advocacy extends beyond policy submissions. ARIA takes artists and industry leaders to Canberra to engage with policymakers directly, working through issues such as copyright and intellectual property, AI regulation, and Australian content quotas. This advocacy has resulted in real policy outcomes including the establishment of Music Australia and Creative Workplaces. ARIA also administers and maintains the labelling code of practice.

Industry Development
ARIA is well established as a delivery partner for public investment in music. Sound NSW funds the industry upskilling program ARIA Innovator. Music Australia funds ARIA Amplified for audience development and ARIA Collab for artist development. Industry advocacy and support is also critical to ARIA's work with partners including Sounds Australia, Support Act, and the Australian Women in Music Awards. Across these programs, ARIA brings industry authority, policy expertise, and delivery capability making it a trusted partner for both industry and government.

Promoting Australian music

ARIA Awards
In their 40th year in 2026, the ARIA Awards continue to grow in reach and impact year on year. Artists gain greater industry and public recognition simply by being ARIA Award nominated, let alone being an ARIA Award winner. Most of the investment in the ARIA Awards comes directly from Australia's major record labels, with annual Destination NSW in recent years also supporting the event. In 2025, 72.6% of all ARIA-nominated artists were independently represented, up from 52.4% in the previous year[3], making the major label investment even more of a demonstration of whole-of-ecosystem thinking.

[3] ARIA Awards 2025



Source: ARIA Awards 2025

A new partnership with Spotify in 2025 also demonstrated how ARIA can leverage its industry position to address one of the most pressing structural challenges facing Australian music, discoverability. The in-app voting provided by Spotify led to over 150% increase on public voting with 696,836 votes recorded which was a 7-year high, and the new out of home campaign reached 114 million impressions. In an algorithm-driven environment, partnerships like this are among the few tools capable of moving the needle at scale.

ARIA Charts

Investment in the weekly ARIA Charts, and most costs associated with the staging and funding of the ARIA Awards, comes directly from Australia's three major record labels; Universal Music, Sony Music, and Warner Music. This investment is just one component of a significantly larger commitment the major labels make to the Australian music ecosystem. They invest knowing that, alongside their own artists, independent artists are also direct beneficiaries of the ARIA Charts and Awards. This commitment to the industry ecosystem ensures a competitive dynamic between labels which helps drive better outcomes for all Australian artists. Major label investment in ARIA is, in effect, a private subsidy for the whole of Australian recorded music, reducing the burden on public funding.

Since 1983, the ARIA Charts has kept a record of Australia's listening habits and cultural tastes. The ARIA Charts are the only aggregator capturing physical sales, digital downloads, and streaming in a single weekly measure in Australia. For artists, the charts are a promotional tool with global reach. For audiences, the charts aim to reflect their community's tastes and trends.

ARIA recently made two significant reforms to the charts in response to the growing concerns around discoverability of new Australian music. Firstly, an all-Australian chart was created showcasing only the best and most popular homegrown talent. And most recently, after considerable testing and benchmarking, both the Australian and general charts have implemented a

2-year cutoff to ensure only the latest music is platformed on the charts. These changes have been widely welcomed by the industry, especially those artists who now find themselves charting on their release week.

Great Southern Nights

Great Southern Nights, detailed in the below case study, is a state-wide music tourism and audience development program delivered at scale. Across each of these, ARIA brings industry authority, policy expertise, and program delivery capability, underwritten substantially by the private industry, making it a trusted partner for both industry and government.

Case Study:

Great Southern Nights. Taking NSW Music to Every Audience

Great Southern Nights demonstrates what a government-industry partnership in the creative industries can deliver at scale. Established through an ARIA x Destination NSW partnership as a COVID-19 recovery mechanism, the program has since generated audiences of over 269,000 across more than 476 venues from Bathurst to Byron Bay, Cronulla to Clovelly. Engaging 3,520 artists and musicians while creating employment across the full tourism supply chain. Critically, the program activates regional centres that would otherwise be unable to attract significant live music events, delivering measurable economic benefit during the shoulder seasons when tourism activity is traditionally subdued. Its cumulative online reach exceeding 1.2 billion across 2022–2025 represents the equivalent of more than $4 million in paid tourism marketing value, built entirely through organic audience engagement. As other states now actively pursue this model, Great Southern Nights stands as proof that NSW's creative industries are not only culturally vital but economically productive, generating tourism revenue, regional employment, and national competitive advantage simultaneously. The program proves the kind of audience-focused, regionally distributed creative investment that the Creative Statement to Parliament exists to measure, recognise, and sustain.

3. Current State of music and the industry & issues

Australian music has achieved growth, but it has unfinished business. Globally, recorded music has grown for a decade straight, with further room to improve as technology, audiences, and business models evolve. In Australia, the story is more complex. The local industry posted its seventh consecutive year of growth in 2025, with wholesale sales rising 1.4% to $727 million[4]. The surge in physical sales shows fans want to engage with music in more visible and tangible ways. Total music industry revenue reached $10.76 billion in 2024-25, contributing $4.28 billion in direct GVA, up from $4.21 billion the previous year[5].

The previous National Cultural Policy Revive, delivered meaningful foundations for music. The establishment of Music Australia and Creative Workplaces within Creative Australia, with dedicated funding was a structural commitment to music that hasn't been seen before. It has supported export development, artists development and audience growth programs, as well as much needed research and ongoing funding for music industry organisations.

[4] ARIA, Recorded music grows in 2025, March 2026

[5] The Base Line, Music Australia, May 2026

But the pace of growth has eased as streaming matures, and breaking a new Australian artist locally, or even earning a living, has never been harder. Only 8% of the top 10,000 artists streamed in Australia are Australian[6]. The share of locally written or composed music streamed in Australia and New Zealand fell 31% over five years to just 9.5% in 2024–25. Despite 5.2% industry revenue growth, artist income grew just 0.9%.

Every new release now enters a crowded global landscape. There are also success stories with the likes of 2025 ARIA Award Winners Amyl and the Sniffers, Ninajirachi, Dom Dolla and Troye Sivan, proving Australian artists can cut through anywhere in the world. The Bass Line Report found that Australians continue to prioritise live music here despite rising costs with attendance at major venues and festivals growing. The talent and drive is here, at every level. Our policy settings should match it.

4. Record Labels: The investment and development engine behind Australian music

A record label's mission is to partner with artists and help them reach their greatest creative and commercial potential. Labels discover talent, invest in its development, and bring music to audiences at home and abroad. They sit at the centre of the commercial ecosystem, connecting artists to producers, collaborators, marketers, distributors, broadcasters, digital platforms and audiences. This partnership between artists and the record labels is the engine room of the modern music sector. It is how careers are built, and how Australian culture reaches the world.

Labels back artists with capital, expertise and long-term investment. In 2024, record companies invested US$8.1 billion globally in Artist & Repertoire development (A&R) and marketing[7], finding new artists, developing them, and cutting through a market saturated with global content. Distributors may not fund creative activities, but they still invest in relationships with digital service providers (DSPs) and physical retailers across a global network. Few industries reinvest so heavily in their own creative pipeline. Record labels and the representative bodies they fund also advocate on behalf of the industry to ensure regulatory and policy settings provide maximum opportunity for success. They also invest in innovation to drive the technology led evolution of the industry and lead major licensing discussion frameworks on technology platforms.

Artists share in that growth. Their share of industry revenue has continued to rise with artist remuneration as a share of record companies' physical, digital and synchronisation revenues was 31% in 2016 and grew to 35.5% by 2024[8]. The range of deals on offer to artists has also never been broader. From distribution-only arrangements through to full 360 and multi-rights partnerships, with every level of management and support in between. Today's artists have more choice than at any point in the industry's history.

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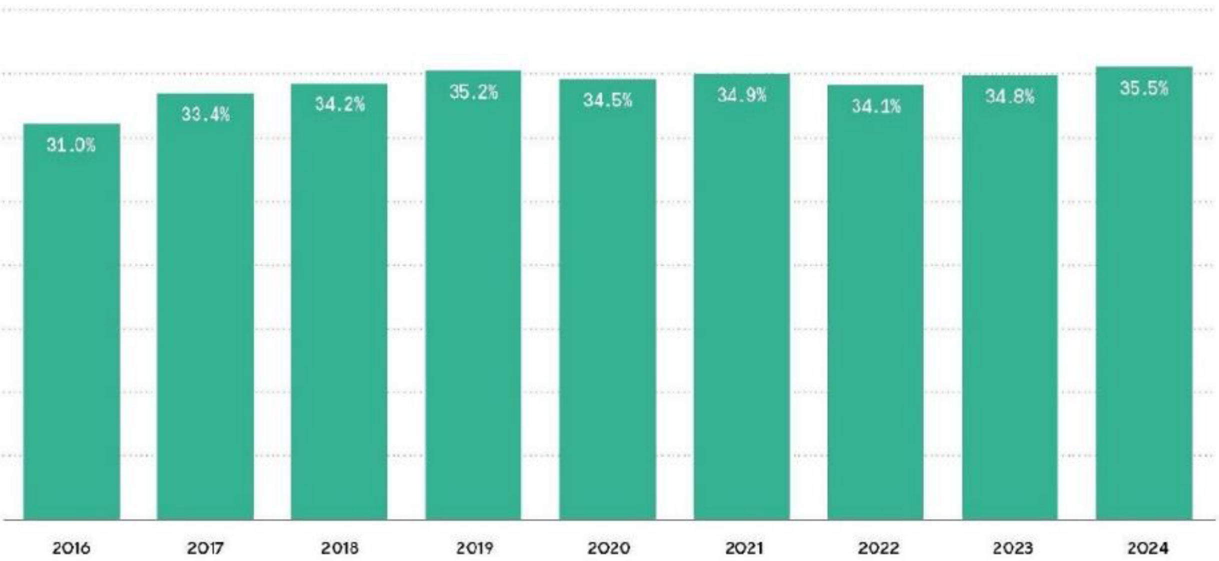
[6] The Base Line, Music Australia - May 2026
[7] IFPI Global Music Report 2026
[8] IFPI Global Music Report 2026

Artist remuneration as a proportion of global revenues: 2016-2024 (%)



Source: IFPI

Record labels compete intensely to discover, invest in, and work with artists at every stage of their careers. That competition is what drives growth and rising returns for artists, and the government's role is to preserve it.

In Australia, major and independent record labels are facing a challenging environment in sustaining investment in new music and emerging artists. Removing existing regulatory and policy barriers to financial viability and sustainability for artists and labels should be a priority for the new NCP.

Recommendation: Cross-government cultural policy should enable and facilitate this dynamic marketplace, built on commercial freedom, strong intellectual property rights, and legal certainty. Government programs and policies should be designed to develop all record labels, major and independent. They are all investing in the careers of emerging and established Australian artists recognising that this private investment is the primary driver of artist development. Regulatory barriers to artist and label income must be removed as a priority.

5. Copyright and AI: the defining regulatory decision for the future of Australian music and culture

Artists, music producers, and musicians have always been early adopters of technology. In the studio, on the stage, and in reaching their fans, technology is baked in. This industry is no stranger to technological disruption. From vinyl to cassette to CD, the arrival of the internet and the Napster shock, and the streaming services driving growth today. No other industry has rebuilt its revenue base after the near-total collapse of physical sales the way recorded music has. Far from a threat, technology has powered the reinvention of music time after time.

Generative artificial intelligence represents the next major technological transition for the global music industry, and that transition is already underway. Whether the industry, artists, and audiences can realise the significant opportunities this technology presents will depend on getting the policy settings right at this critical regulatory and political moment.

Critically, Australia's unique First Nations cultural and artistic heritage must not be exploited and be open to appropriation and misuse by AI technologies. Beyond ensuring consent through copyright legislation, this should include at the least, consultation, co-design and community consent protocols. Compensation without consultation or consent is not enough. Cultural rights operate differently than copyright. They are communal rather than individual, perpetual rather than time-limited, and governed by cultural authority that cannot be assigned through standard licensing agreements. Any regulated statutory or regulated collective licensing regime risks enabling inappropriate, harmful, or culturally unsafe uses of Indigenous copyright material.

Artist Quote
"It's the innate human quality of the art and the authenticity that we strive to create, that our audience strives for and expects from us as artists. And, quite simply, all we're trying to do is future-proof that, to make sure we have sustainable careers. Not just for myself, but for the next generation of young black fellas. From Shepparton, from Wagga, Wagga, from throughout the country, you know? And that is, like, paramount to our art." - ***Adam Briggs, Senate Inquiry September 2026***

Australian copyright law is currently fit-for-purpose for AI, aligning closely with global copyright standards including the United States and the United Kingdom.

Copyright is the foundation of the digital economy. It drives innovation and is the currency and the economic value that underpins the creative economy and the music industry. It is the basis of the music business and underpins the livelihood of every artist, business, and person that works in the music industry.

Licensing deals are happening, covering local artists and rightsholders
In this fast-moving and developing market, numerous music licensing deals have already been struck between major and independent record labels and AI companies[9]. As is the usual practice in music, most of these licensing deals are global covering all territories including Australia. Central to many of these deals are consent to the uses that the AI tools can make of sound recordings and its components such as artist voice and likeness. This is a negotiated outcome on guardrails around permitted AI uses agreed between the rightsholder and the AI company. Neither a compulsory licence nor an extended collective licensing (ECL) scheme would permit these critical artist protections. Compulsory or extended collective licensing would remove or restrict voluntary negotiations, diminish the bargaining power of rightsholders, and force the artificial devaluation of works across the board. Without consent generative AI could undermine the entire marketplace for sound recordings by permitting the instant creation of millions of entirely substitutable recordings.

Australian copyright law is consistent with global laws
Australia is not an outlier. No major jurisdiction has expressly legalised the unlicensed use of copyrighted works for commercial AI training.

[9] ARIA, AI Music Licensing Deals, 2026 (APPENDIX D)

Jurisdiction	Position
Australia	No TDM exception. Government confirmed in 2025 that use of copyright content requires permission and agreed terms of use including payment.
United States	No TDM exception. The White House 2026 National AI Policy Framework states that existing copyright law applies and the courts will continue to decide what is fair use. There are currently over 150 active AI copyright lawsuits in the US. Most major AI licensing deals are being struck in the US.
United Kingdom	In March 2026 the UK Govt announced it would not adopt a broad TDM exception. A House of Lords inquiry recommended a licensing-first model, calling creative industries facing a 'clear and present danger' from unlicensed AI training. The final report of that inquiry (May 2026) found that a licensing market is already emerging and reinforced the Government's no TDM decision.
European Union	TDM exception introduced in 2019, pre-dating generative AI. It did not result in innovation or investment inflow. Under review for adequacy in the generative AI era.
Canada / New Zealand	No TDM exceptions. Clear, rights-based frameworks retained.
Japan / Singapore	Broad TDM exceptions introduced pre-generative AI. No corresponding surge in AI investment has followed.

A text and data mining exemption by another name

Cultural funds, levies, or other mechanisms proposed by foreign AI companies should be seen for what they are: self-serving attempts to void copyright law and introduce a text and data mining exemption by another name. Companies and interest groups promoting these schemes as a 'solution' or a 'path forward' should be interrogated as to what attempts they have made to put in place licensing arrangements, or what evidence they have that while all other copyright users can license correctly, it is too hard or complicated for some of the biggest and most powerful companies in the world to do so. These groups and companies are not approaching rightsholder groups to discuss these proposals before going to government because they know what they are seeking has nothing to do with "ensuring creators get paid". They are seeking a quick and holistic bypass of Australian copyright law that will effectively nationalise a class of property asset (copyright) and transfer private economic value from Australian creators to AI platforms while replacing revenue for copyright owners with discretionary public support through some unspecified 'fund' managed by government and paid by taxpayers.

These funds or schemes all have one thing in common: they would permit wholesale copying of all copyright material, including international repertoire, for AI training without consent and with vague commitments to unspecified compensation. Not only would these schemes likely breach all international copyright treaties, making Australia a copyright pariah globally, they would result in Australian rightsholders being cut out of global AI licensing deals and royalty reciprocity arrangements.

While ARIA thanks the government for its strong stance on ruling out a TDM exception to date, we urge all policymakers to remain vigilant in the face of hollow promises and threats from technology companies.

Copyright is the legal mechanism that turns creativity into an asset that can be bought, sold, used, and fundamentally that underpins the music industry. A strong copyright framework doesn't hinder creativity. It is the condition that makes further creation possible through investment.

If copyright settings are weakened or circumvented, what remains is a landscape where creators lose control, cultural material is extracted without consent, and immense economic value flows offshore to fund the valuations of the world's most powerful technology corporations.

Recommendation: The government must rule out any change to the Copyright Act that would allow AI training on copyright materials without requiring consent and compensation of rightsholders and recording artists.

Regulatory changes should be aimed at strengthening, not weakening, the functioning licensing market through meaningful transparency, record-keeping, and disclosure obligations on AI providers to ensure rightsholders can identify uses and enforce their rights effectively.

6. Preparing Australian Talent for the global stage

Australia has a long history of producing global music superstars. but the global music stage has never been more competitive. Only 8% of the top 10,000 artists streamed in Australia are Australia, with 56% coming from the US[10]. Growing music markets in our region are investing heavily in identifying talent and building capability in live and broadcast performance and enhancing songwriting, recording, production, and content creation. These programs are driving global success for their artists.

In Australia opportunities for emerging local artists to practice and perfect stagecraft and performance have diminished while investment in intensive A&R is challenged. Labels are navigating increasing disruption to the market while continuing to invest in artists. Opportunities for new artists to perform in smaller venues and on local festival stages have shrunk dramatically in recent years. Similarly, television broadcasters have reduced music programming, and online content platforms do not yet support a local artist live performance or content development model which is limiting artists' opportunities to learn screen performance techniques. Economic conditions have meant that investing in artist development and allowing the necessary time and resources to write and record music to the highest production standards is challenged.

In combination these factors are making us less competitive. Unless we build new infrastructure to support the development of our talented artists to meet the high global standard, Australian music will be left behind.

Recognising that action is urgently needed and committing to a strategy to ensure our artists and their teams are fully equipped to outperform competitors on global stages and across all music discoverability and consumption platforms is one of the most impactful strategic commitments the new National Cultural Policy could drive.

[10] The Bass Line, Music Australia, 2026.

An elite talent and training school for contemporary music

Elite, government-backed programs around the world like Sweden's Musikmakarna, The BRIT School in the UK, and Berklee College of Music in the United States have built reputations as incubators of exceptional new talent, with graduates powering their countries' music exports. Australia has strong private tertiary music schools, and they remain a natural part of the industry, but what is missing is a flagship elite national institution dedicated to contemporary commercial music. An Australian National Song Academy, backed by government, would deliver the next generation of Australian music talent and power music export into the future. This is the kind of focal point that signals national ambition and works alongside industry investment from labels, just as the government-backed institutions already do for ballet, drama, circus and screen.

Contemporary commercial music is not represented in the eight national arts training organisations the Australian Government has funded for more than 30 years to promote artistic and cultural excellence, known as the ARTS8. The ARTS8 includes two circus schools, a ballet school, a youth orchestra, a classical music academy, a drama institute, a film and radio school, and a First Nations dance college. There is room within this framework for contemporary music. The omission is overdue for correction. These elite schools do so much more for their respective industries than train exceptional talent - they conduct valuable research and industry skills surveys to shape curricula and prepare and upskill the industry for the future. They advocate for their students locally and globally and provide valuable alumni networks that open global doors for young talent to break into the industry. The create valuable programs to create pathways to industry for women, First Nations people, and other underrepresented communities in these industries. They also develop a pipeline of audiences. 56% of Australians who received arts education as children attend live music events as adults, versus 36% of those who didn't[11]. The Australian music industry needs these functions and opportunities at this critical point in our evolution.

The fastest, lowest-risk path is to establish an Australian National Song/Music Academy within the existing Australian Film Television and Radio School (AFTRS). Founded in 1973 with bipartisan support to build Australia's screen industry at a time of crisis for local screen content, AFTRS has since been recognised as one of the top fifteen film schools in the world. Alumni from AFTRS have become integral to Australia's global screen success. Its state-of-the-art facilities *including recording and music studios), well established curriculum in adjacent disciplines like sound design and music composition, and partnerships with more than 60 industry organisations, mean a Song Academy could be stood up quickly, delivered credibly, and graduate its first cohort within three years. Students that attend AFTRS are already likely to be cross-disciplinary artists or practitioners with a love of music, many screen students make music videos while they are studying at AFTRS, The opportunity of having our future screen and radio superstars working and studying with top music students creates exciting opportunities for strengthening collaboration and commitment to local culture.

A Song Academy would anchor existing investment through Music Australia and the broader music education investment outlined in the combined industry submission, securing the next chapter of Australian recording artists and the cultural legacy they leave behind.

[11] The Base Line, Music Australia 2026.

Recommendation: That the Australian Government establish an Australian National Music Academy at AFTRS, dedicated to developing the next generation of Australian recording artists, songwriters and producers. AFTRS offers the fastest, lowest-risk delivery path, with the first cohort graduating within three years.

This investment should sit alongside the broader music education package outlined in the combined industry submission, including federal funding for music teacher training in universities, a minimum 60 minutes per week of classroom music in primary schools, artists-in-schools programs, and increased and sustained investment in Music Australia.

7. Radio Caps

For nearly 60 years, Australian recording artists and rightsholders have effectively subsidised profitable commercial radio and the ABC through legislated caps on sound recordings. Something that doesn't exist anywhere else in the world. There is no policy justification for this. Independent economic modelling found that removing the caps would increase music income for the most-played Australian artists by 78%, could almost double the number of new Australian artists receiving radio royalties, and would leave commercial broadcasters with healthy profit margins still above Australian industry average. The Government agreed in principle in December 2025 to conduct a cost-benefit analysis. This should proceed immediately and deliver a legislative recommendation within this parliamentary term. ARIA refers to PPCA's submission for the full economic and legal case.

Recommendation: Commit explicitly in the next National Cultural Policy to removing Section 152(8) and Section 152(11) of the Copyright Act 1968, ending the statutory cap on commercial radio sound recording royalties and the ABC's per-head-of-population cap. While PPCA commends the Government for committing in principle to a cost benefit analysis, the Cultural Policy must go further than this. The evidence base is well established. A commitment to act is required- and it costs the Government nothing.

Appendix

- **A.** Next Generation Now, Joint Music Industry Submission, 2026
- **B.** ARIA PPCA CRA submission, Code of Practice Review for ACMA, December 2024
- **C.** Economic impact of removing radio caps for sound recordings, Mandala, 2024
- **D.** ARIA, AI Music Licensing Deals, 2026

ABOUT ARIA

The Australian Recording Industry Association (ARIA) is a national industry association with more than 200 members representing major and independent record producers, manufacturers, and distributors. ARIA acts as an advocate for the Australian music industry, administers the labelling code of practice, and compiles industry information and research. It also produces the ARIA Charts every week and the annual ARIA Awards. Most importantly, ARIA supports Australian music and creates opportunities for it to be heard.

We acknowledge First Nations people as the Traditional Owners and sovereign custodians of the lands on which we work and live. We recognise their continuing connection to Country and their respective nations across this continent and pay our respects to their Elders past and present. We also celebrate the unique and inspiring creativity and songlines of the world's oldest living culture and give thanks for the immeasurable influence First Nations people continue to have over the music and art we all enjoy.

MANDALA

Economic impact of removing radio caps for sound recordings

Report – May 2024

Commissioned by the Phonographic Performance Company of Australia (PPCA)

Contents

MANDALA

Mandala is a research firm with offices in Melbourne, Canberra, Sydney and Perth. Mandala specialises in combining cutting-edge data and advanced analytical techniques to generate new insights and fresh perspectives on the challenges facing businesses and government.

Note: All dollar figures are Australian dollars unless indicated otherwise.

Removing the radio caps: recognising and growing Australian music

Radio caps artificially constrain artist income

- Radio broadcasters are required to pay a maximum of **1% of industry revenue** for sound recordings on their stations
- The Australian Broadcasting Corporation (ABC) only pays **$0.005 per head of the population**
- Royalty rates for broadcast of sound recordings on stations in Australia is **0.4%**
- Similar countries have rates between **3% and 7.5%** for broadcast of sound recordings
- Since 1995, there have been **six reviews** recommending the **removal of radio caps**

Removing the radio caps would mean…

- The most played Australian artists could see a **78% increase in music income**
- The number of **Australian artists** played on the radio for the first time could **almost double**
- Top commercial radio stations would **maintain profit margins of 15%**

Executive summary

Radio caps have artificially constrained artist income since 1968

Music is an essential part of radio. 63% of listeners said they wouldn't listen to the radio without music.

Songs played on the radio have two types of copyright: the sound recording copyright, owned by the recording artists and the record label, and musical works copyright, owned by the songwriter, composer or lyricist.

The Copyright Act 1968 (Cth) limits the amount that radio broadcasters pay in royalties for sound recording copyright (radio caps). This cap was set (in 1968) at 1% of broadcast revenue for commercial radio broadcasters, and $0.005 per head of the population for the ABC. There have been six reviews recommending the removal of radio caps.

The actual royalty rate paid by commercial radio stations Australia is 0.4% of broadcast revenue. This is significantly lower than other comparable benchmarks. No cap exists on musical works copyright, which has an average royalty rate of around 3.6%. Other international rates for sound recordings are also much higher. Countries such as Canada, UK and Germany have rates between 3% and 7.5%.

This report illustrates the impact of removing radio caps on Australian artist income, the potential investment in Australian artists and music from increased revenue, and the likely impact on radio profit margins from higher royalty rates.

To estimate the impact of removing radio caps, we have considered a scenario where radio broadcasters pay sound recording royalties at the same rate as musical works. This is an example only, noting rates would be determined by negotiation and the Copyright Tribunal per existing processes.

Removing the radio caps could increase music income of the most played artists by 78%

Artists are at breaking point and typically work several jobs to support themselves. 83% of artists hold multiple jobs, with 65% of artists relying on a non-music job as their main source of income. Festivals, which have been a key source of income for artists, are also being cancelled at a higher rate.

Data shows Australian artists played on the radio received $0.6m in sound recording copyright royalties in FY23.

Removing radio caps could lead to an additional $4.8m being paid to Australian artists in royalties in FY25. For Australia's most played artists, this could be up to $19,100 in additional income per year, or a 78% increase in income from music.

Removing radio caps could double the number of new Australian artists played on the radio for the first time

Record labels play an important role in partnering with artists, investing and supporting creative development and driving their commercial success. In particular, record label investment in artists and repertoire (A&R) helps to identify and develop promising talent, and grow the music industry.

Removing radio caps would increase record label revenue and their ability to invest in the Australian music industry. For Australian repertoire alone, record labels would receive an additional $4.2m if radio caps were removed.

Data also shows a strong, positive relationship between record label revenue and the number of artists per country. The corresponding increase in record label revenue, and investment, from removing radio caps would almost double the number of additional new Australian artists being played on the radio (and receiving royalties) each year.

Radio companies are well resourced and capable of paying higher rates

The radio industry allege that removing radio caps would make radio broadcast, particularly for local stations, commercial unviable. However, analysis indicates that radio stations are more profitable than the Australian industry average and the industry is dominated by a small number of large players.

The Australian radio industry has some of the highest revenue per capita globally. The four largest commercial radio stations account for close to $1 billion in revenue and all maintain healthy profit margins ranging between 12% and 21%. Together with the ABC, these players account for 85% of all industry revenue for the radio broadcast industry.

These companies are also capable of paying higher rates. If the four largest commercial radio companies paid sound recording royalties at the same rate as musical works, they would have an average profit margin of 15%, which is still higher than other Australian industries on average. For the broader radio industry, paying higher rates would marginally reduce profit margins from 13% to 11%.

The ABC currently pay $130,000 per year for sound recording royalties, out of a total budget of almost $1.3bn. Paying sound recording royalties at the same rate as musical works would account for less than 0.3% of ABC's total annual budget.

Removing the radio caps is an effective, low-cost way to deliver on the Government's objective to support the arts industry and promote Australian talent.

Radio caps have artificially constrained artist income since 1968 despite six reviews recommending removal

Music copyright fee determination under the Copyright Act 1968

Song played on radio broadcast

Copyright in the sound recording

Covers the audio recording of the recording artist's performance of the musical work, owned by recording artist and the record label

→ Under 1% gross earnings (commercial) or 0.5c multiplied by estimated population (ABC) ('Radio caps')

Copyright in the musical works

Covers the written lyrics and musical score, owned by the songwriter, composer and/or lyricist

→ Reasonable terms

Reviews recommending the removal of radio caps

1995 – **Review of Australian Copyright Collecting Societies**
"there is no good reason to maintain a 1% ceiling"

2000 – **Review of IP legislation (Competition Principles Agreement)**
"the Committee does not believe capping remains warranted"

2006 – **Major Copyright Reforms Strike Balance**
"there is no reason why a statute should determine what the rate should be for music played on the radio"

2013 – **Effectiveness of current regulatory arrangements in dealing with radio simulcasts**
"the Committee understands why previous reviews have recommended abolition of the cap"

2019 – **Copyright and the Digital Economy**
"strong case for repeal"

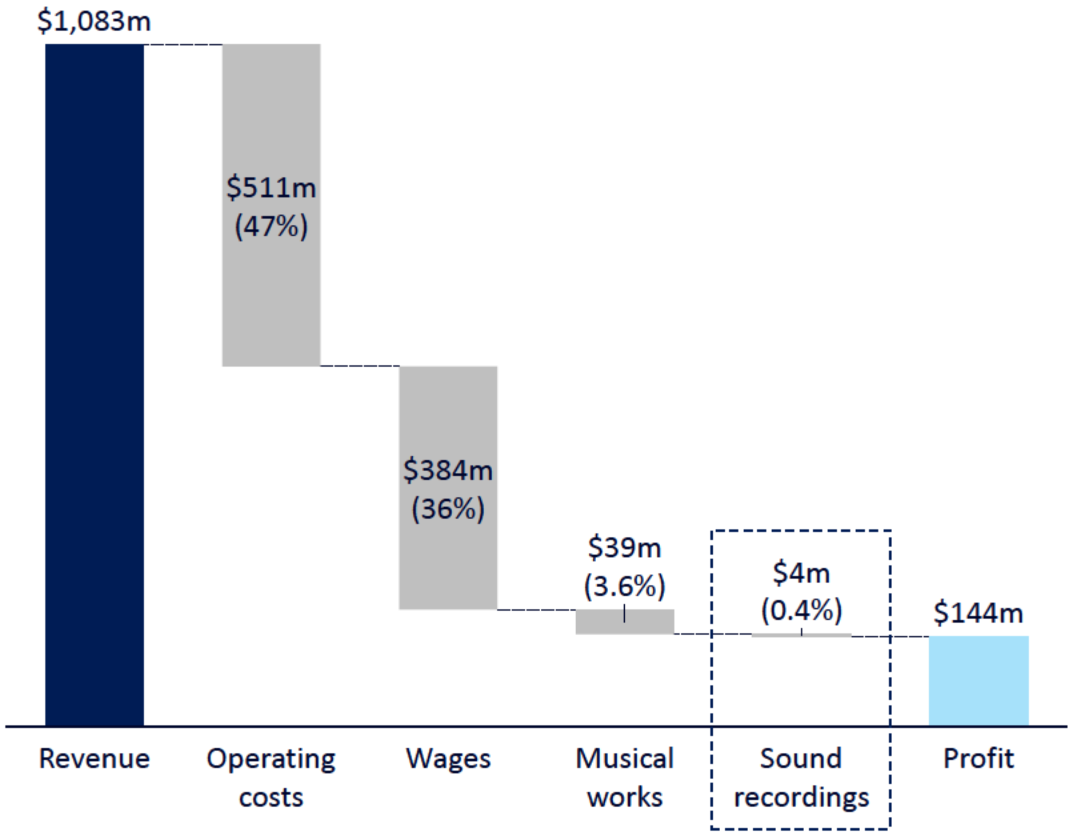
Report on the inquiry into the Australian music industry
"no public policy which is served … distorts the market in a way that disadvantages Australian artists"

Source: PPCA (2023), *Submission 35 to Senate Inquiry into the Copyright Legislation Amendment (Fair Pay for Radio Play) Bill 2023*; Mandala analysis.

Commercial radio pay just 0.4% of broadcast revenue for sound recording copyright…

Revenue breakdown for commercial radio broadcasters

FY23



Source: IBIS World (2023); *Radio Broadcasting in Australia*; Deloitte Access Economics & Commercial Radio and Audio (2023) *Connecting Communities, The economic and social impact of commercial radio and audio in Australia*; PPCA data; Mandala analysis.

…despite music being the main reason people listen to radio

of listeners noted music as **one of the main content** types they consumed[1]

of listeners **wouldn't listen to the radio** without music[2]

of commercial radio broadcast is music[3]

1 Deloitte Access Economics & Commercial Radio and Audio (2023) *Connecting Communities, The economic and social impact of commercial radio and audio in Australia*; 2 IFPI (2022), *Engaging with Music*; 3 Radio Info (2023), *How much music do music stations really play? (Commercial FM and music-based AM radio).*

This report estimates the economic impact of removing radio caps on Australian artists and radio broadcasters

Additional income for Australian artists

Additional income Australian artists would receive if sound recording copyright fees matched musical works

Increased investment in Australian music

Increased investment in Australian artist development and additional artists in the industry

Financial impact on radio broadcasters

Decrease in radio broadcaster profit margin as a result of increased sound recording copyright fees

This report estimates the economic impact of removing radio caps on Australian artists and radio broadcasters, and the likely increase in industry investment as a result of additional record label revenue. The economic impact of removing radio caps is measured in 2025 to account for likely policy timelines and considers commercial and ABC radio broadcasting only (does not include online streaming services, community or SBS radio broadcast).

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The economic impact of removing radio caps is estimated with two scenarios

To estimate the economic impact of removing radio caps we have considered two scenarios: current rates scenario vs no caps scenario.

The 'no caps scenario' assumes that sound recording copyright owners are paid at the same rate as musical works copyright owners in 2025.

This is an illustrative example only, noting that actual rates will be determined by negotiation and the Copyright Tribunal under the established process.

1 Current rates scenario

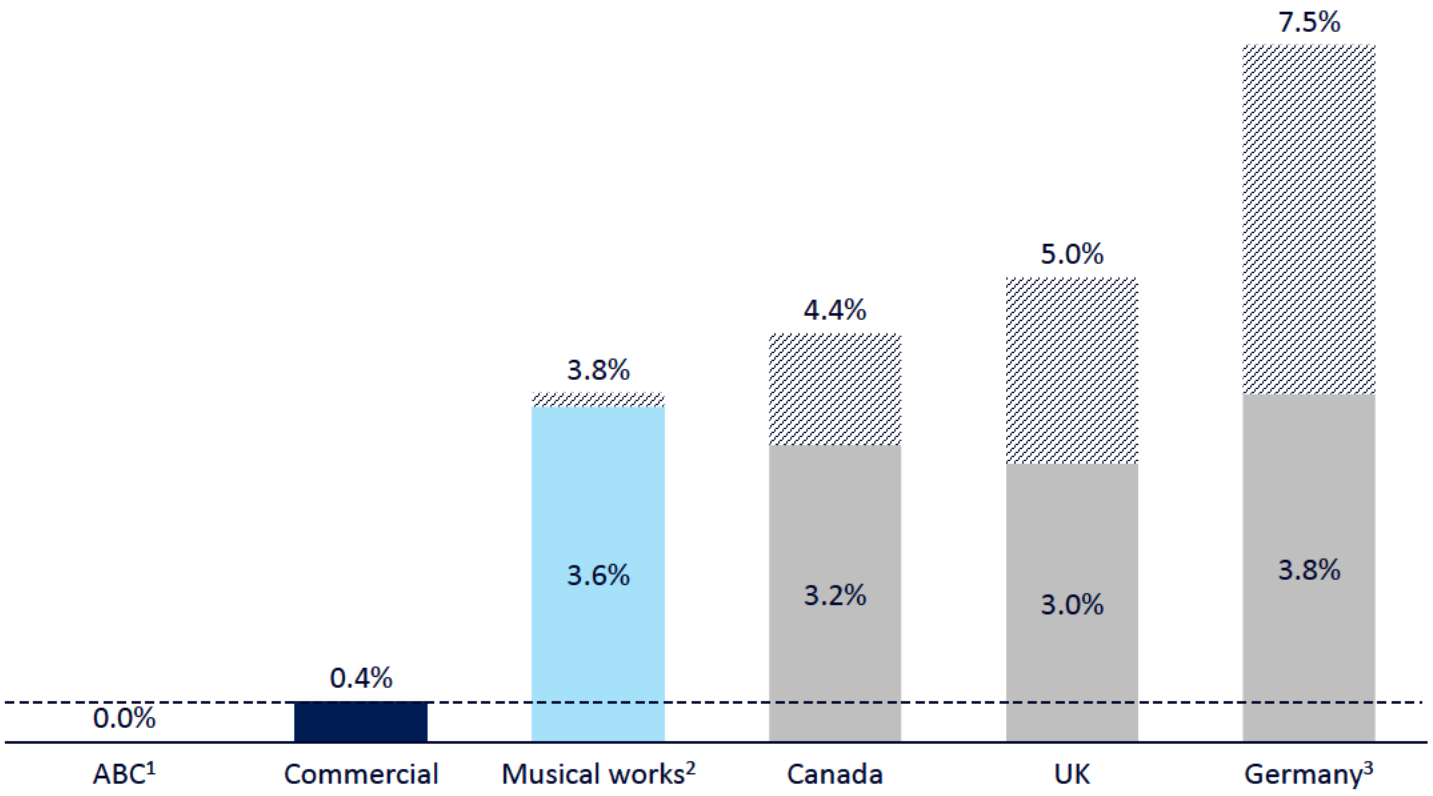
- **Commercial radio:** 0.4% of revenue
- **ABC:** 0.5 cents per head of population

2 No caps scenario

- **Commercial radio**: 3.6% of revenue (average musical works copyright fee)
- **ABC:** $3.5m (approximate musical works copyright fee)

Radio broadcast royalty rates

Royalty ranges as a % of broadcaster revenue



1 Illustrative revenue percentage of ABC sound recordings copyright fees, based on value paid by ABC in 2023 and total ABC funding and income for the year. 2 3.6% is the average amount paid by commercial radio broadcasters to APRA AMCOS in 2022: Mandala analysis using Deloitte Access Economics & Commercial Radio and Audio (2023) *Connecting Communities, The economic and social impact of commercial radio and audio in Australia;* APRA AMCOS (2023) Annual Report. 3 Music 50-100% of broadcast time. Source: ABC (2023), *Annual Report 2023*; IBIS World (2023), *Radio Broadcasting in Australia*; GVL (2021), *Tariff for the use of commercially published sound recordings in radio programmes*; PPL UK (2021), *Traditional Radio Licence*; Copyright Board Canada (2016), *SOCAN, Re: Sound, CSI, Connect/SOPROQ, Artist - Tariff for Commercial Radio;* Mandala analysis.

Removing radio caps is an effective, low-cost way to deliver on the Government's policy objectives and support the development of Australian artists

Summary of Government music policy goals and outcomes from removing radio caps

Policy	Objective	Addressed by removing radio caps	Impact
Revive ($286m)	Improve working conditions	✓	Removing the radio caps would increase the music income of artists by 78%
	Address disincentives to pursuing a career in the sector	✓	
Music Australia ($69m)	Support and invest in the Australian contemporary music industry	✓	
Export Development Fund (Music Australia)	Increase international presence of Australian artists	✓	Removing radio caps could almost double the number of new Australian artists receiving royalties per year
	Boost global recognition of Australian music	✓	

Source: Australian Government (2023), *REVIVE: Australia's Cultural Policy for the next five years;* Music Australia; Mandala analysis.

Australian artists received $0.6m in sound recording copyright royalties from radio in 2023

$3.4m in sound recording copyright fees was distributed to artists and labels in 2023.[1]

This is apportioned between international and Australian repertoire based on the music played by radio stations. Approximately 80% of music played on Australian radio is from overseas artists. However, only some countries have protected copyright and are entitled to royalty payments (e.g. US artists do not have protected copyright).

PPCA estimate that 67% of protected music played on Australian radio was international repertoire entitled to royalty payments ($2.3m).

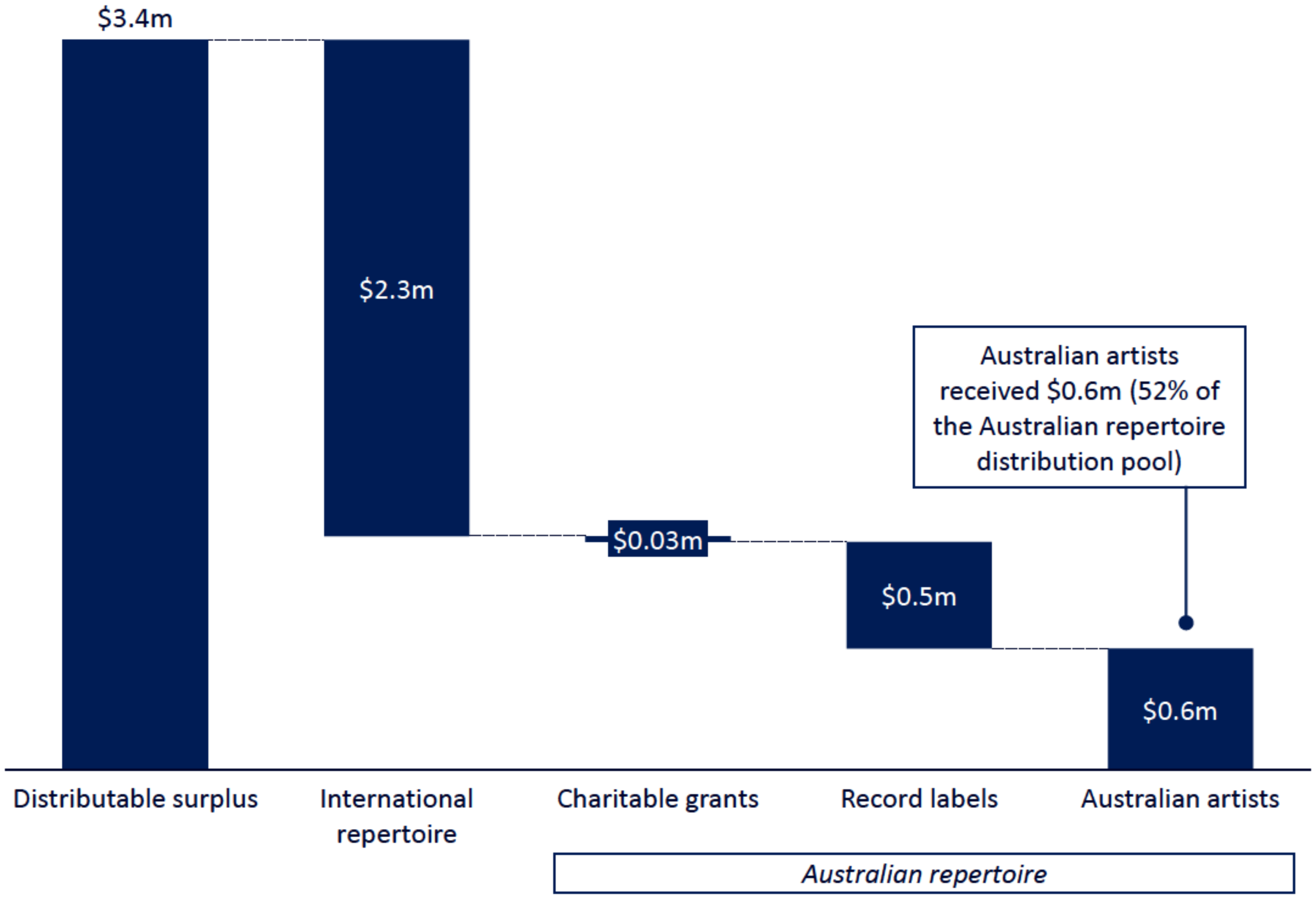
The Australian repertoire distribution pool is approximately 33% of available funds. 2.5% of this amount is allocated to charitable grants, and the remainder distributed to record labels and Australian artists.

Australian artists received $0.6m in sound recording copyright fees either directly from PPCA (as a Registered Artist or Licensor) or indirectly via their record label.[2] Artists received the majority (52%) of the Australian repertoire pool.

The amount paid to each individual artist is determined based on their music's radio plays. This ranged from less than one cent to $16,370 per artist in FY23.

Final recipients of sound recording royalty distributions from radio plays

Commercial and ABC radio broadcast sound recording royalty distributions, FY23



1 Distributable amount excludes PPCA costs (approx. 15% of royalty revenue).
2 Indirect distribution via record label assumes record labels pass on 50% of revenue to artists: PPCA, major record labels.
Source: PPCA data; IBIS World (2023), Radio Broadcasting in Australia; ABS (2023), National state and territory population; Mandala analysis.

Artist #1

2023 Radio Sound Recording Royalty: $40

Published music

Two recently released albums and six singles, back catalogue of 13 albums (six ARIA top 10).

Awards

18 ARIA Award nominations and five ARIA Awards. Multiple APRA nominations, two J Award nominations, Country Music Awards Australia winner, and one National Live Music Award nomination.

Accreditations

Two Gold and one Platinum release.

Artist #2

2023 Radio Sound Recording Royalty: $615

Published music

Four album releases and 19 single releases.

Awards

Four ARIA Award nominations, two AIR Award nominations, two APRA Award nominations, two J Award nominations, two National Live Music Award nominations and one Award, one Rolling Stone Australia Award nomination.

Accreditations

Three Gold and one Platinum release.

Artist #3

2023 Radio Sound Recording Royalty: $16,370

Published music

Five album releases (three ARIA top 10) and two at number one, 24 single releases.

Awards

28 ARIA Award nominations and four Awards, seven AIR Award nominations and two Awards, three MTV Europe Music Award nominations, one MTV Video Music Award nomination, three Rolling Stone Australia award nominations, four World Music Award nominations.

Accreditations

Two Gold, five Platinum, nine multi-Platinum releases.

Case study: Sample artist sound recording royalties (anonymised). Artist catalogue and awards listed are not exhaustive.
Source: PPCA data.

Australian artists are at breaking point and work several jobs to support themselves

Artists are ready to quit

- Nearly 50% of music artists recently considered leaving the industry[1]
- Key reasons include financial pressures, mental health and burnout, lack of opportunities and lack of support

Music doesn't cover cost of living

- 83% of artists have multiple jobs[1]
- Artists played on the radio still rely on non-music jobs for 59% of their income[2]
- 69% of artists do not believe they will ever make enough money from music to live on[1]

Live gigs are being cancelled

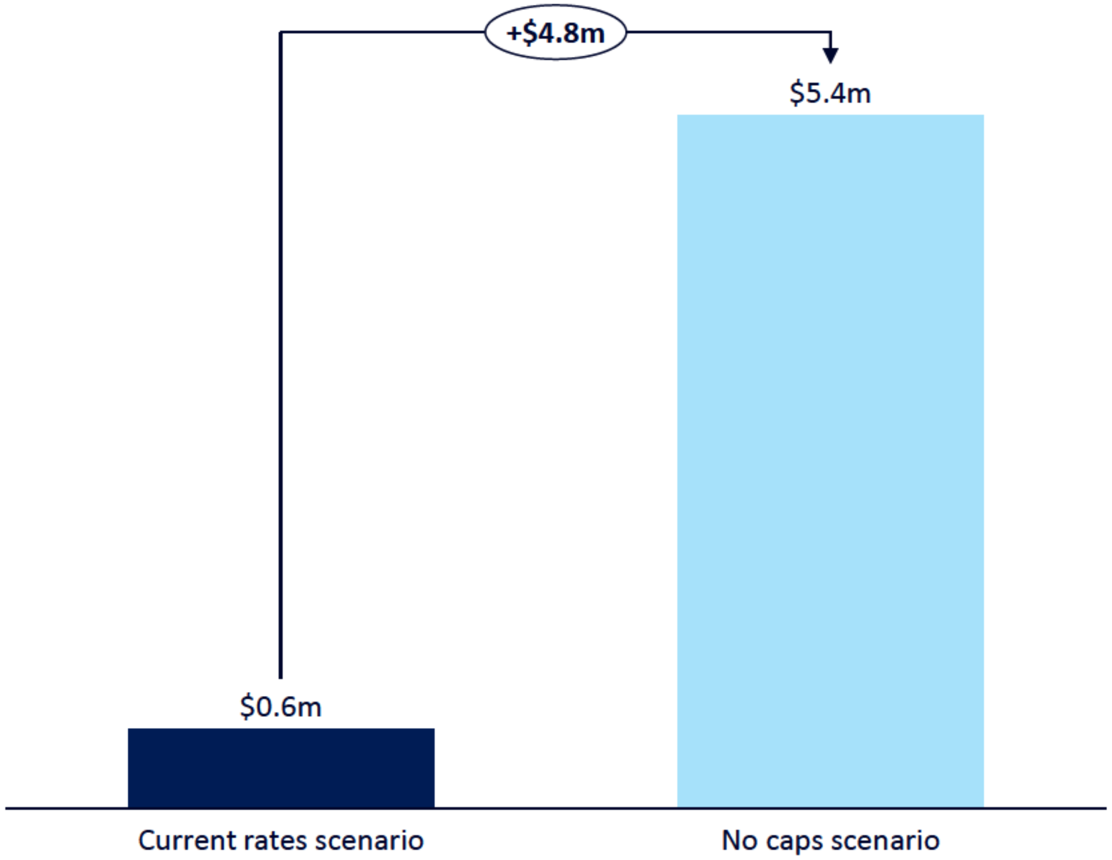
- Festivals are a big supporter of Australian artists – 80% of acts at festivals are Australian[3] and live gigs make up 58% of an Australian artist's income[1]
- However, 35% of music festivals reported a loss in 2022 - 2023[3]
- More than 25 music festivals have been cancelled since 2022[4]

1 Triple J (2023), *What's up in Australian music;* 2 David Throsby and Katya Petetskaya (2024), *Getting Back to Making Art Work: an Economic Survey of Practising Professional Artists;* 3 Creative Australia (2024), *Soundcheck: Insights into Australia's music festival sector;* 4 The Canberra Times (2024), *Festivals probe tackles not so Splendour music scene.*

An additional $4.8m would be paid to Australian artists if caps were removed

Increase in distribution to artists if radio caps were removed

FY25

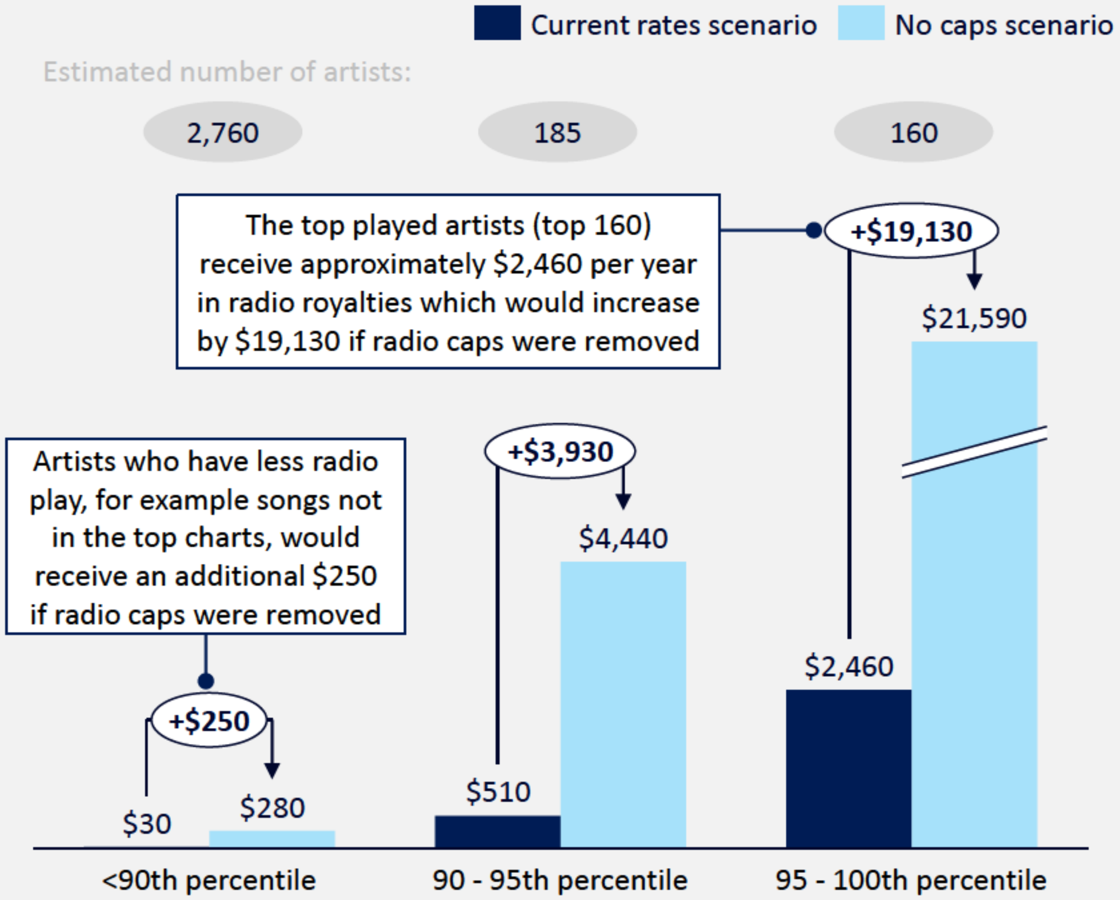


Source: PPCA data; Mandala analysis.

This is equivalent to an additional $19,130 for the most played Australian artists

Increase in sound recording royalties per artist if radio caps were removed

$ per artist, Australian artist by distribution percentile, FY25



Removing the radio caps could increase music income of the most played artists by 78%

Average income for Australian artists who receive music royalties is forecast to be $60,390 in 2025 ($59,800 in 2022).[1]

Australian artists played on the radio still rely on jobs outside of music for 59% of their income.[1] In the current rates scenario, this means Australian artists would earn $24,640 from music and $35,750 from non-music roles in 2025.

For the most played Australian artists (the top 160) removing the radio caps would increase sound recording royalties from radio by up to $19,130 per year – increasing music income by 78% (from $24,640 to $43,770).

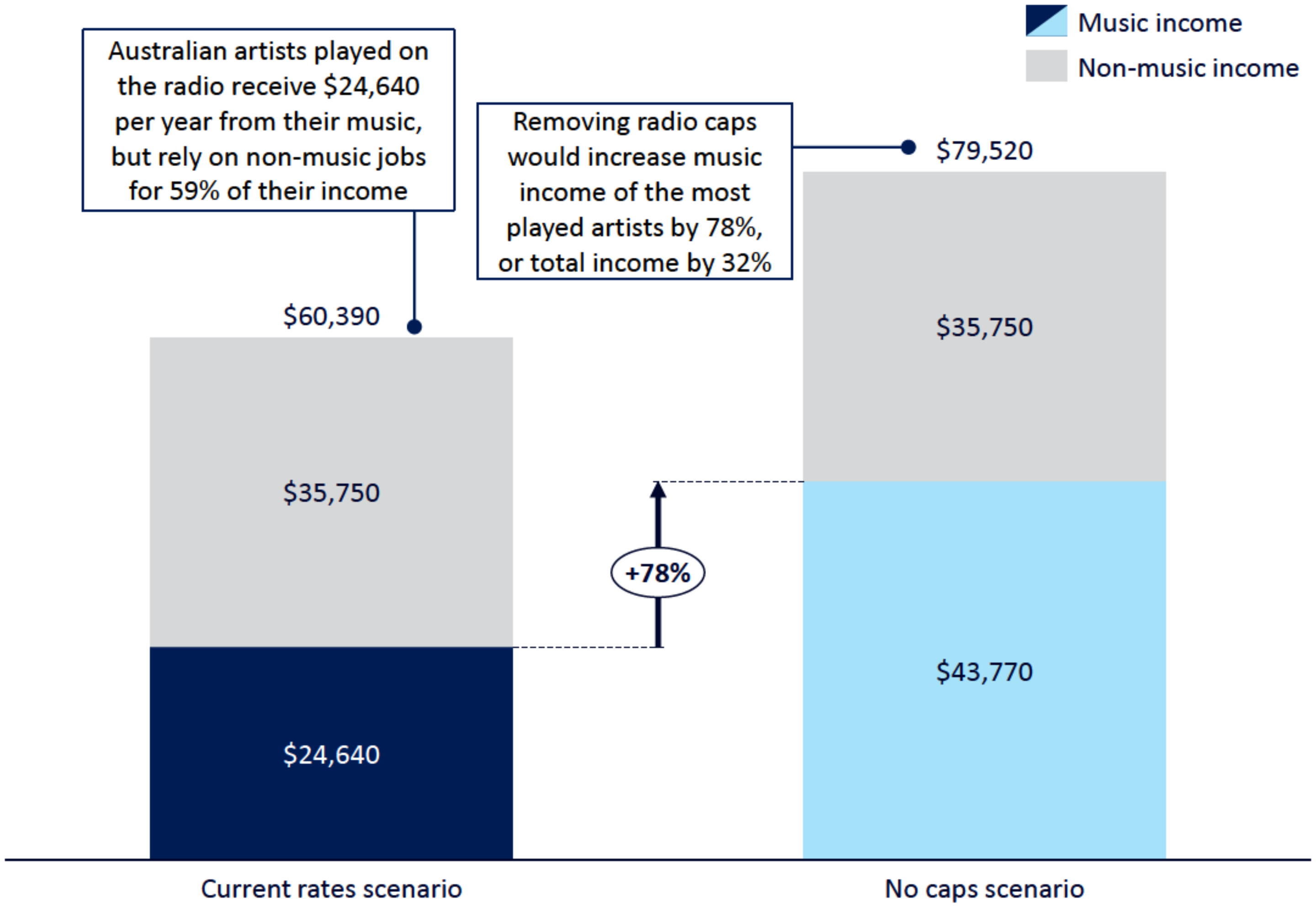
This is equivalent to a 32% increase in the total income of an Australian artist who receives royalties (from $60,390 to $79,520).

Artists who have less radio play, for example songs not in the top charts, would also benefit from removing the radio caps. Artists in the 90th to 95th percentile (the top 160 to 350) could receive an additional $3,930 – equivalent to a 16% increase in music income. An additional $250 per year in sound recording royalties is a 1% increase in music income.

Enabling Australian artists to spend less time working second jobs can reduce financial stress and increase time spent making music.

Change in income of Australian artists from removing the radio caps

Increase in income from removing radio caps for the most played artists, FY25



Note: Artists played on the radio defined as musicians who received royalty and advance payments.
1 David Throsby and Katya Petetskaya (2024), *Getting Back to Making Art Work: an Economic Survey of Practising Professional Artists.*
Sources: PPCA data; Mandala analysis.

Record labels play an important role in investing in, and growing local talent

Partnership

Labels partner with artists to support with:

- Upfront investment – advance payment, financial transparency
- Business affairs – licensing agreements, content protection
- Global inter-connectivity – cross-cultural collaborations, audience analysis

Creative development

Labels support creative development through:

- Artists and repertoire (A&R) development through session organisation and song writing development
- Creative development services via photoshoots, styling, video creation and social media development
- Recording such as providing studio access, production, mixing, mastering

Commercial success

Labels play an important role in commercial success through:

- Marketing such as influencer campaigns, social media, posters and billboards, audience analysis and CRM development
- Artist brand opportunities including sync opportunities, brand partnerships and merchandise
- Global distribution via licensed DSPs, merchandise, CDs and vinyl's
- Promotion through TV, radio, in-store performances, podcasts, streaming

Sources: IFPI (2024), *Global Music Report.*

Record labels would receive an additional $4.2m from Australian repertoire

Australia has a relatively small music industry compared to its peers – with $18.80 of music revenue per capita compared to the US ($33.10), UK ($27.50) and Germany ($19.30).[1]

Australia also has a low representation of domestic artists in the Australian charts – with no local artists in the top 10 singles charts in 2023, compared to the US and UK with 40% local artists in their top charts.[2]

Record labels play an important role in investing in and developing the music industry – particularly in their work discovering and developing artists.

25% of record label revenue globally is re-invested in artist discovery (A&R) and marketing.[1]

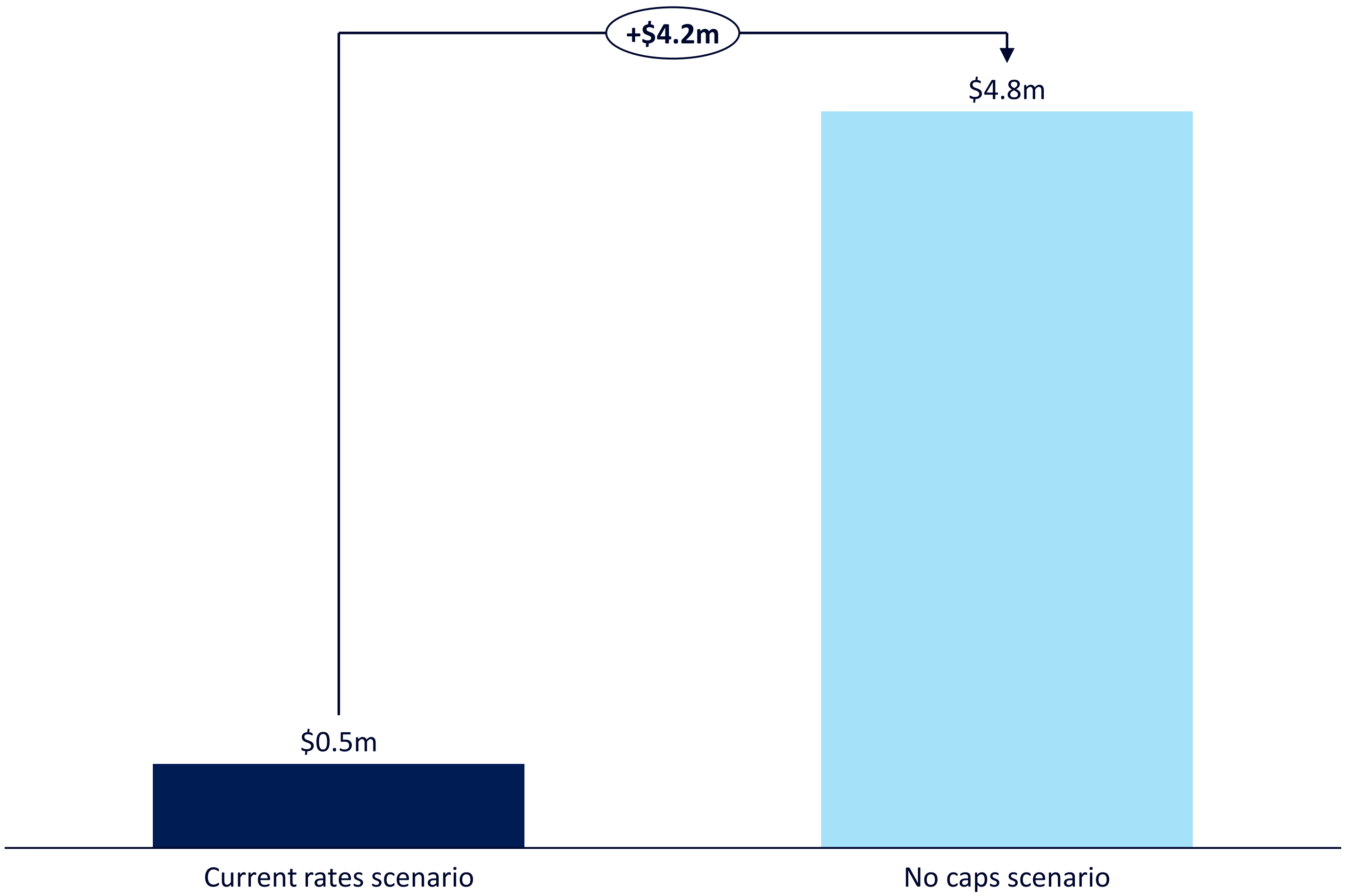
Record labels would receive an additional $4.2m for Australian repertoire sound recording royalties if radio caps are removed. International record labels would receive an additional $19.2m for protected international repertoire.

This additional revenue will drive additional investment in the Australian music industry, including coaching and promoting Australian talent.

This could lead to more Australian artists making it onto the radio and into the top charts.

Increase in distribution to record labels if radio caps were removed

Australian repertoire revenue, FY25



1 IFPI (2024), *Global Music report.* 2 ARIA (2023) *Singles Chart;* Billboard (2023), *UK Music Listening;* Official Charts (2023), *Official top 40 biggest songs of 2023.*

Source: PPCA data; Mandala analysis.

Record label revenue is highly correlated with the number of royalty earning artists

There is a strong, positive relationship between record label revenue and royalty earning artists by country. This means that local talent is more likely to succeed if the domestic music industry is larger and more commercially viable.

This is illustrated by the regression analysis shown in the chart (see right), and is true even after controlling for factors such as GDP and population. This analysis leverages data from IFPI, PPCA and public, open-source datasets.

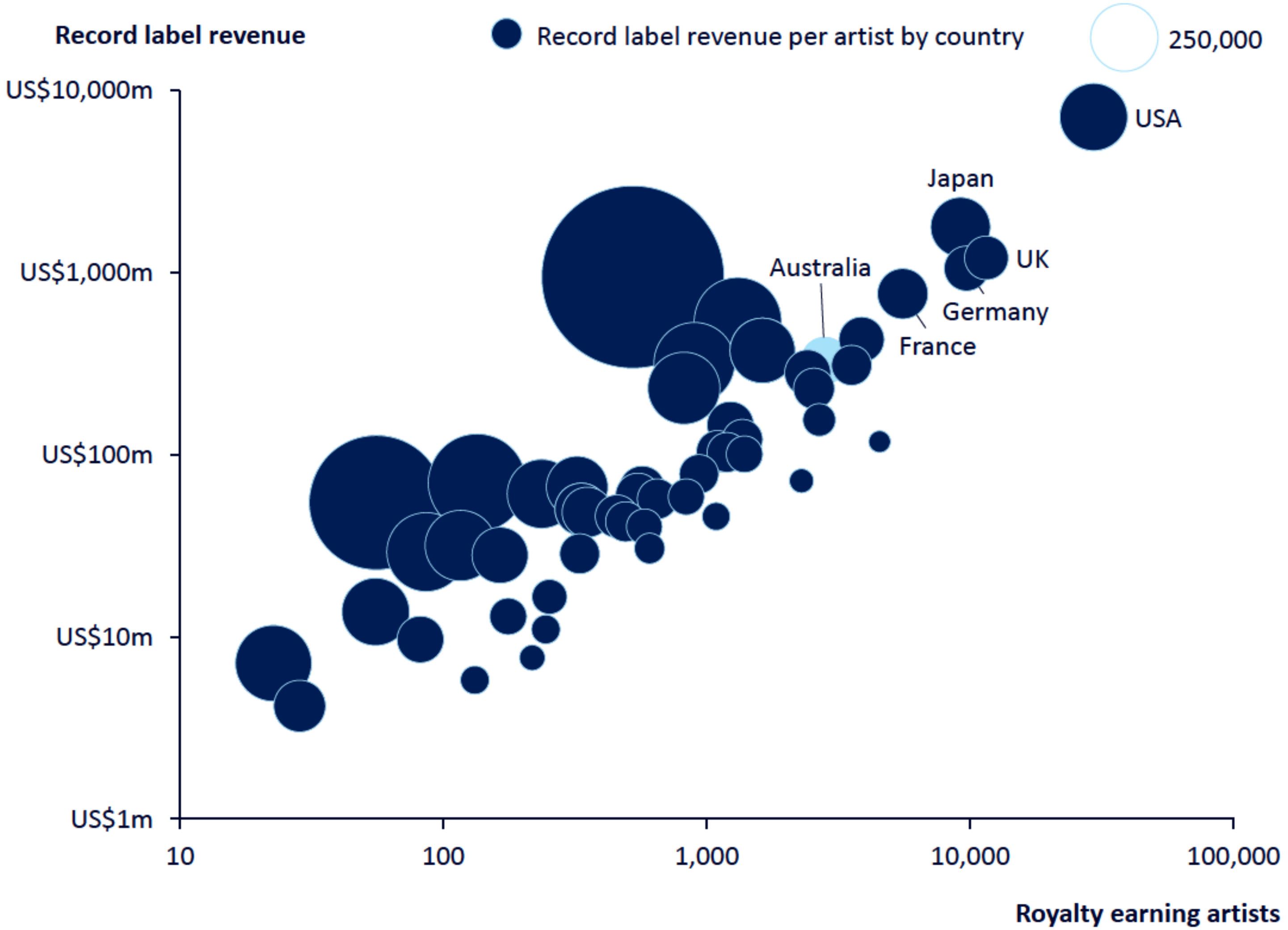
This is because record labels play an important role in discovering and developing new talent (for example through A&R and Marketing). If a record label earns more revenue in a particular market, it has more capacity to invest that revenue in artists. According to the latest IFPI Global Music Report, record labels invest 25% of revenue into A&R and Marketing activities.

This relationship shows the importance of continuing to grow and support the industry, and the flow on benefits this can have in supporting royalty earning artists.

In FY23, Australia had over 2,800 royalty earning artists and the record label industry generated over US$300 million in revenue, after accounting for artists' share of revenue.

Record label sound recording revenue and total royalty earning artists

x-axis: total royalty earning artists, y-axis: record label revenue, by country, FY23



Source: IFPI (2024), *Global Music Report*; musicbrainz (2024); PPCA data; Mandala analysis.

The number of Australian artists played on the radio for the first time could double

Approximately 150 new Australian artists are played on the radio for the first time each year (or receive radio sound recording royalties for the first time)

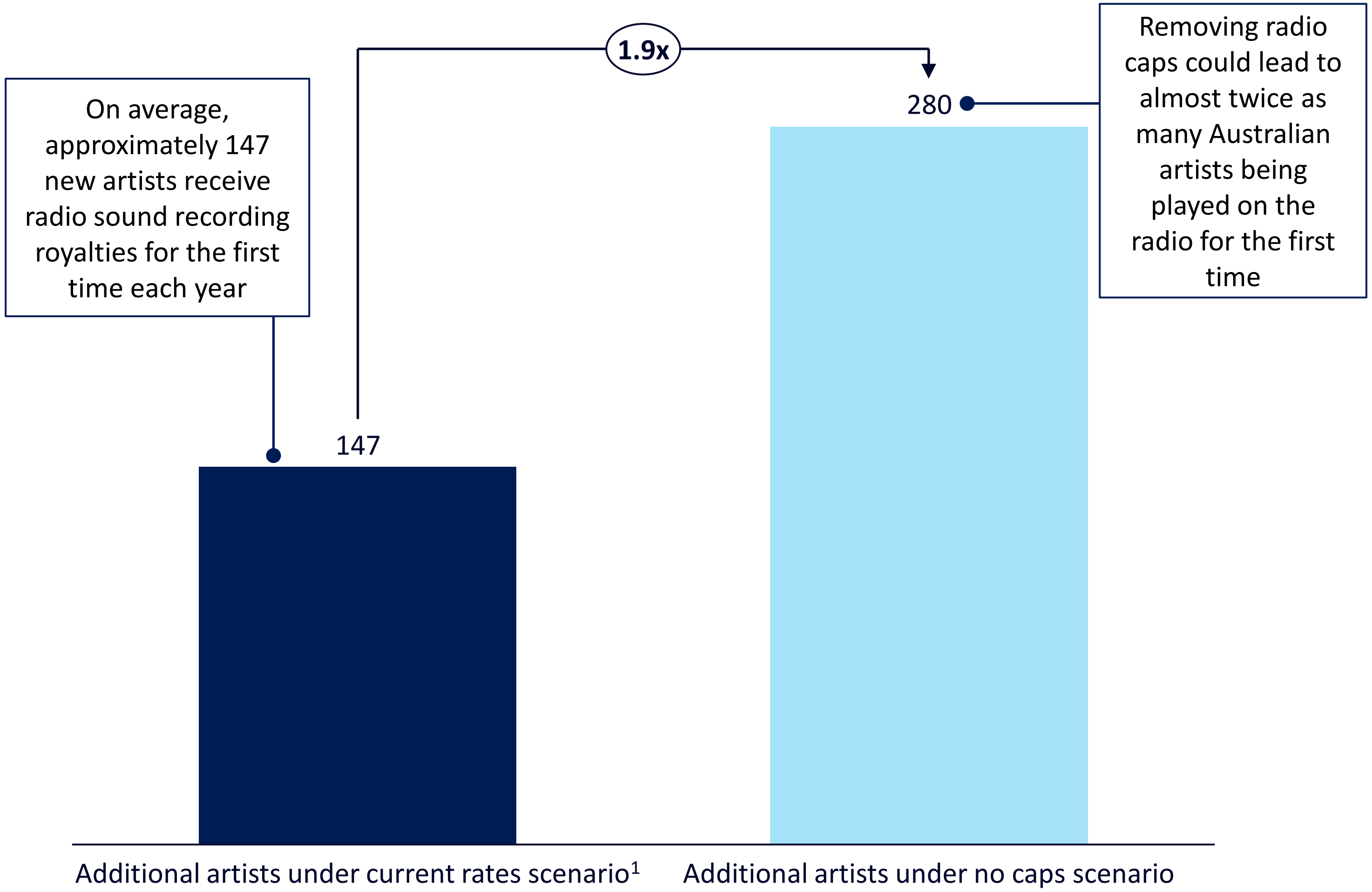
Removing radio caps could almost double the number of additional Australian artists receiving radio sound recording royalties annually. This would increase the number of artists receiving radio sound recording royalties for the first time from almost 150 per year to 280 artists per year.

This increase is estimated using the relationship between record label revenue and the number of artists. By understanding revenue per artist, we can estimate what the expected uplift in additional new artists would be. Removing radio caps will help to unlock additional income for record labels to invest in finding and developing Australian artists and talent. It would also improve the viability of existing artists the currently earn comparatively little royalty income.

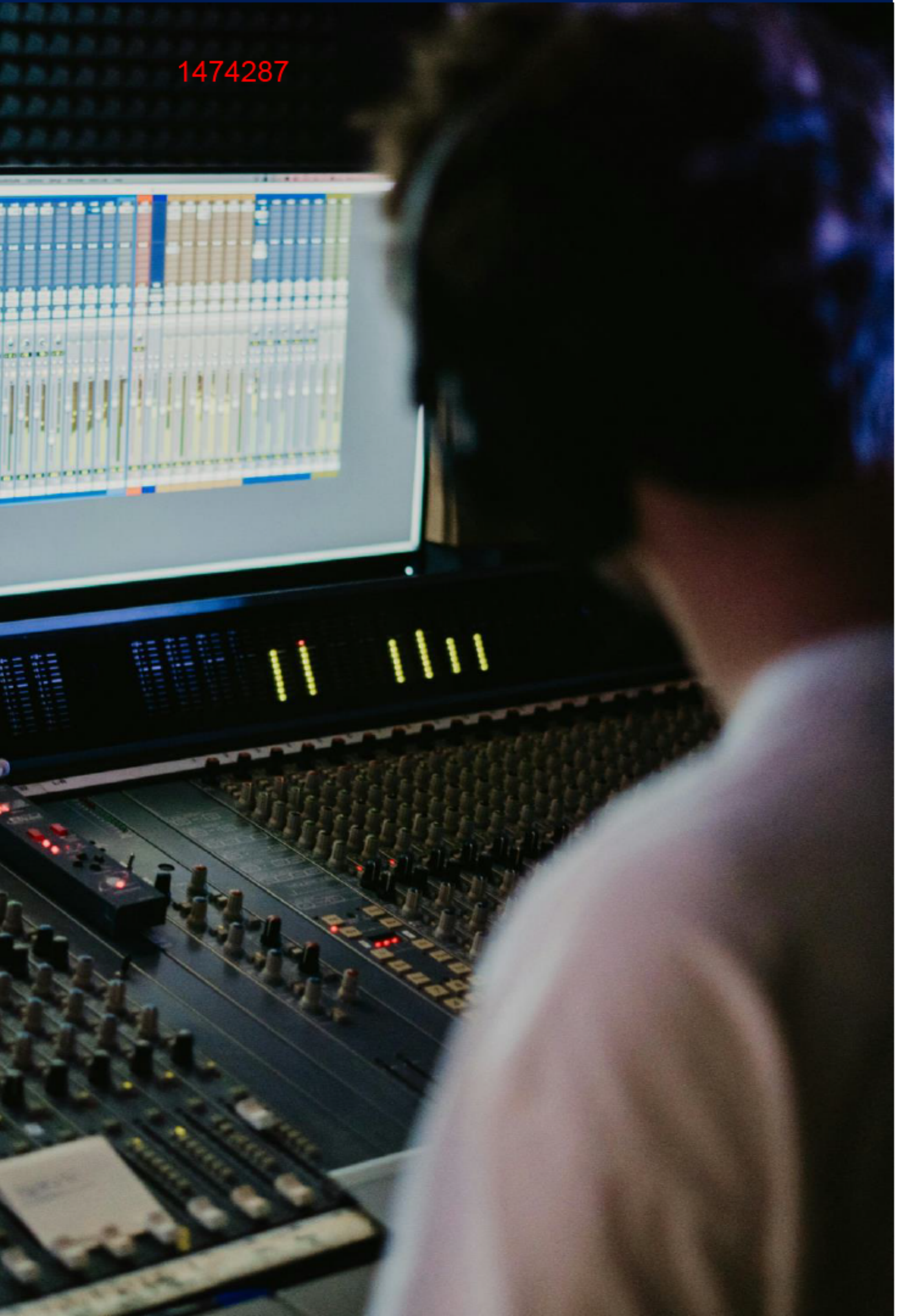
This analysis is based of country level data and existing trends on growth of additional artists receiving radio sound recording royalties. This modelling does not account for other factors that may affect growth in artists receiving radio sound recording royalties, including business or industry economic circumstances.

Expected increase in additional artists supported from removing radio caps

Additional Australian artists receiving radio sound recording royalties, FY25



1 Based on growth in the number of Australian artists receiving sound recording royalties from broadcast radio each year.
Source: IFPI (2024), *Global Music Report*; musicbrainz (2024); PPCA data; Mandala analysis.



The radio industry is profitable and dominated by a small number of well-resourced companies

Key claims[1] made by the radio industry include…

- "Higher copyright fees are simply unsustainable"
- "Removal of the 1% cap will have a devastating impact on the commercial viability of local radio stations and will erode the vital local services provided by local radio"
- "Without the cap, the record industry could charge whatever it likes for music that the Australian music quotas force the industry to buy"

However, evidence shows that the radio industry is…

Profitable, with high revenues
The Australian radio industry has some of the highest revenue per capita globally and maintain healthy profit margins

Dominated by a small number of large players
Five organisations account for 85% of industry revenue, with over $1.3 billion in revenue between them

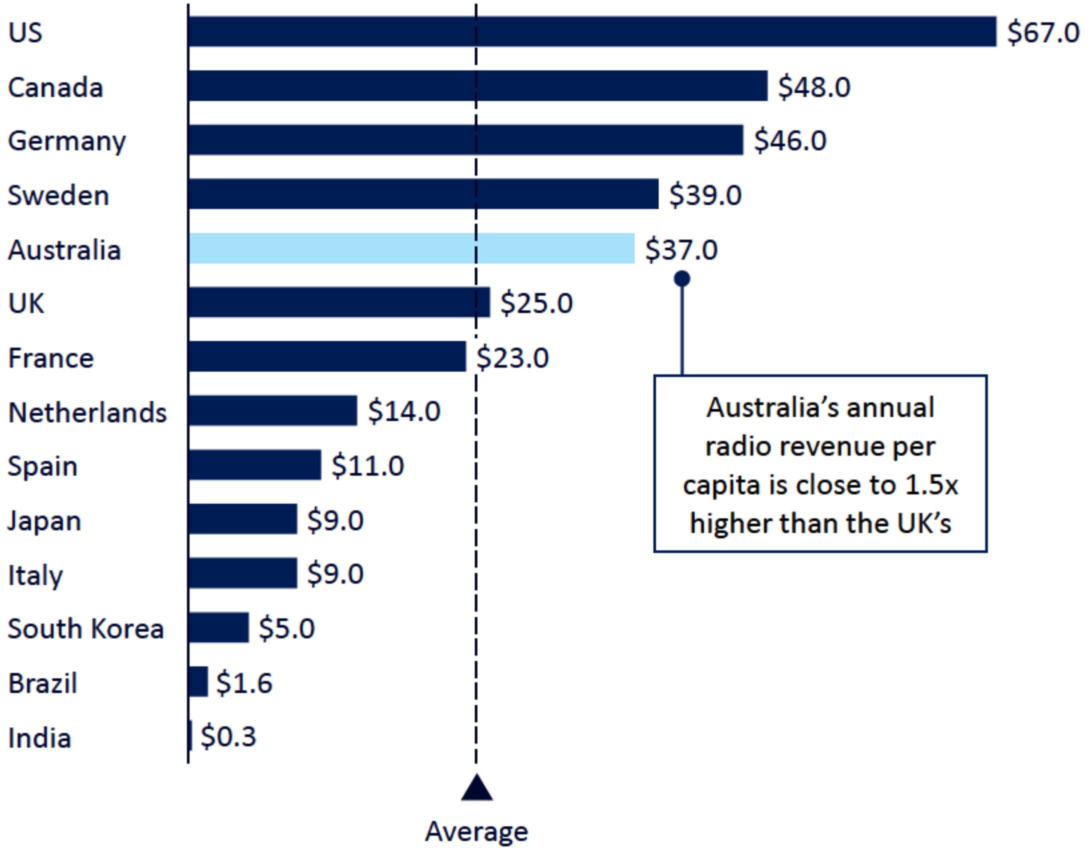
Capable of paying higher rates
The industry would maintain healthy profit margins, even if they were to pay higher rates

1 Commercial Radio and Audio (2023), *Submission to the Inquiry into the Copyright Legislation Amendment (Fair Pay for Radio Play) Bill 2023.*

Australia's radio industry has some of the highest revenue per capita globally

Annual radio revenue per capita by country

US dollars, 2017

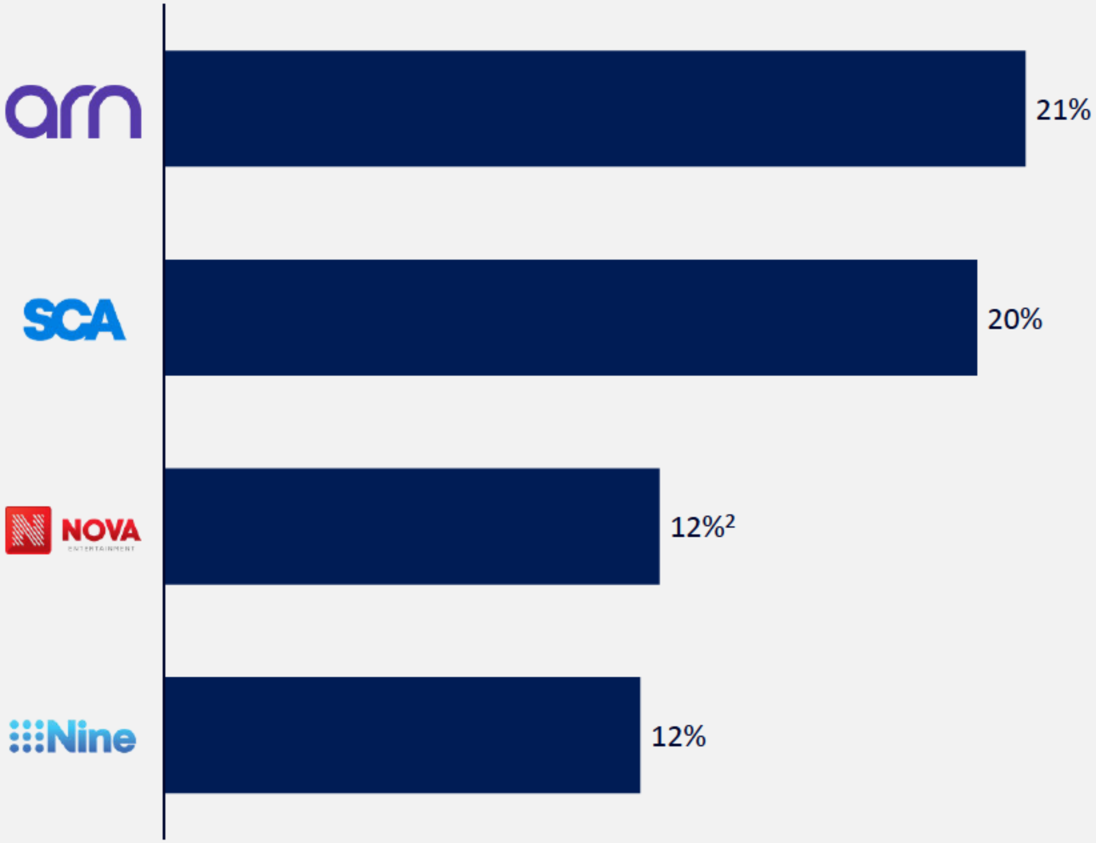


Source: Deloitte (2018); SCA (2024) *2023 Annual Report*; ARN Media (2024) *Annual Report 2023*; Nine (2024) *Annual Report 2023*; Mandala analysis.

The largest commercial radio companies have healthy profit margins

Profit margins for the top four commercial radio broadcasters

FY23[1]



1 Includes digital audio. 2 SMH (2022), *Nova radio tunes in with advertising rebound*. Based on financial figures from Year End 31 December 2021. Nova Entertainment is privately owned.

The radio industry is dominated by five players with significant resources

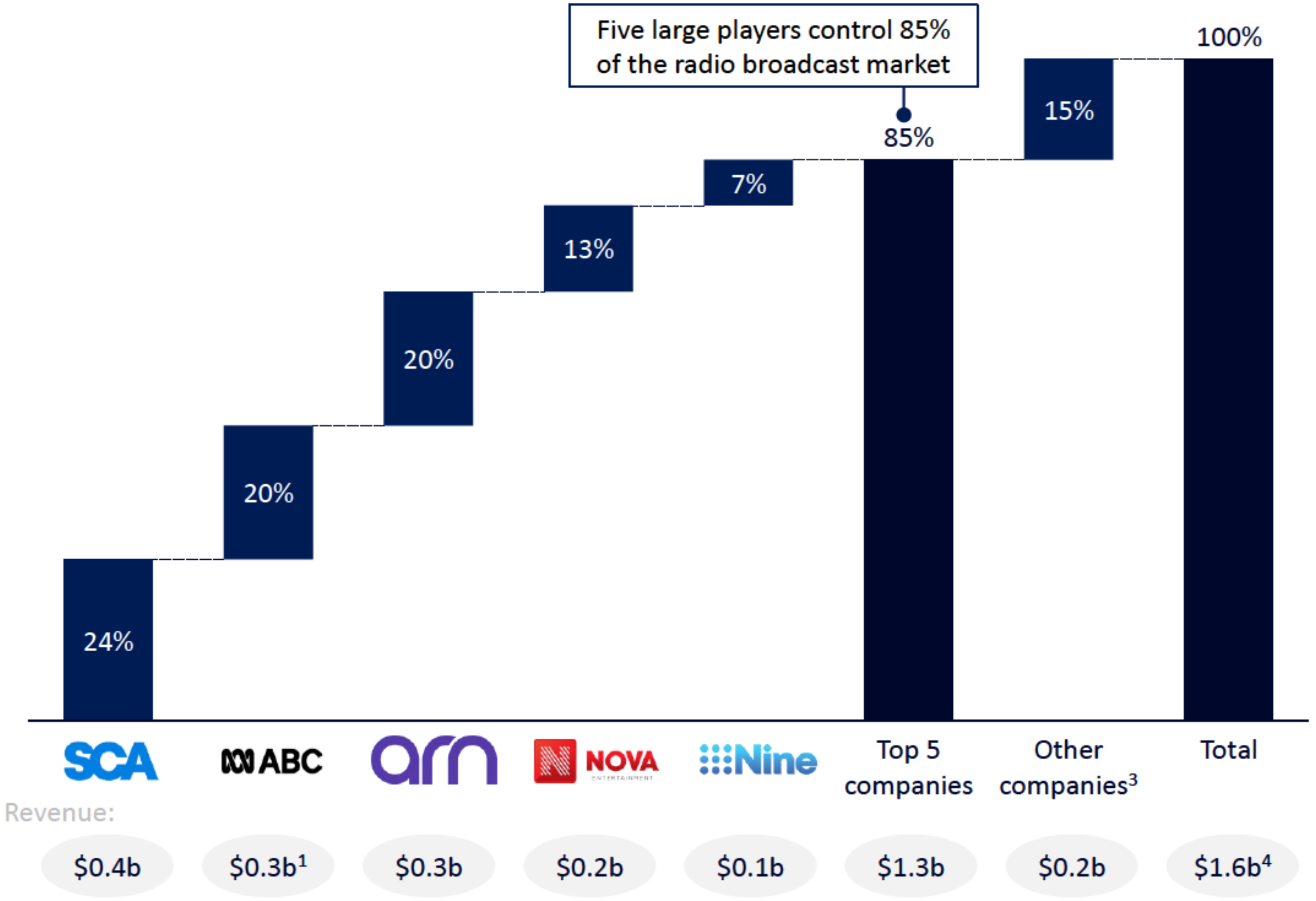
The Australian radio industry is concentrated among five large players (SCA, ABC, ARN, Nova and Nine) who control 85% of the broadcast market. The industry is becoming more concentrated over time, with market share of the largest five players increasing 14 percentage points (from 71%) since FY14.[2]

These five players shared more than $1.3bn in revenue in FY23 and possess the necessary size and resources to negotiate fair rates for artists and labels without a radio cap, or, in the absence of agreement in the market, by the determination of the Copyright Tribunal.

There are also ongoing developments in the broadcast market, with a proposed takeover bid by ARN and Anchorage Capital Partners for SCA, which would see the company's assets split between the two companies.

Breakdown of radio broadcasting industry market share

% of industry revenue, FY23



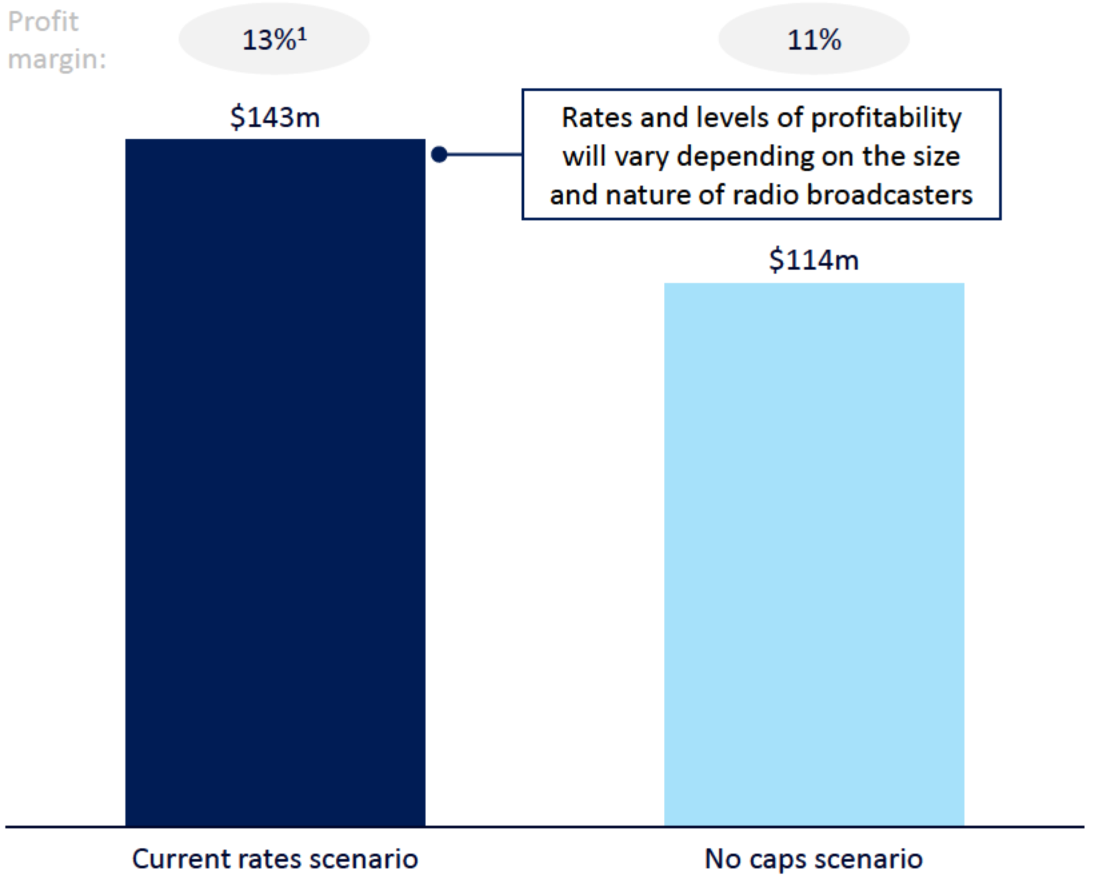
1 Based on government funding provided to the ABC. 2 By share of industry revenue. 3 Includes small-scale broadcasters that are often government-owned or community radio stations. 4 Totals may not add up due to rounding.

Source: IBIS World (2023), *Radio Broadcasting in Australia*; SCA (2023), *Annual Report*; ARN (2023), *Annual Report*; ABC Radio (2023); Commercial Radio and Audio (2023); Mandala analysis.

Radio stations would maintain solid profit margins if caps were removed

Estimated profit for commercial radio broadcasting industry

Estimated profit, FY25



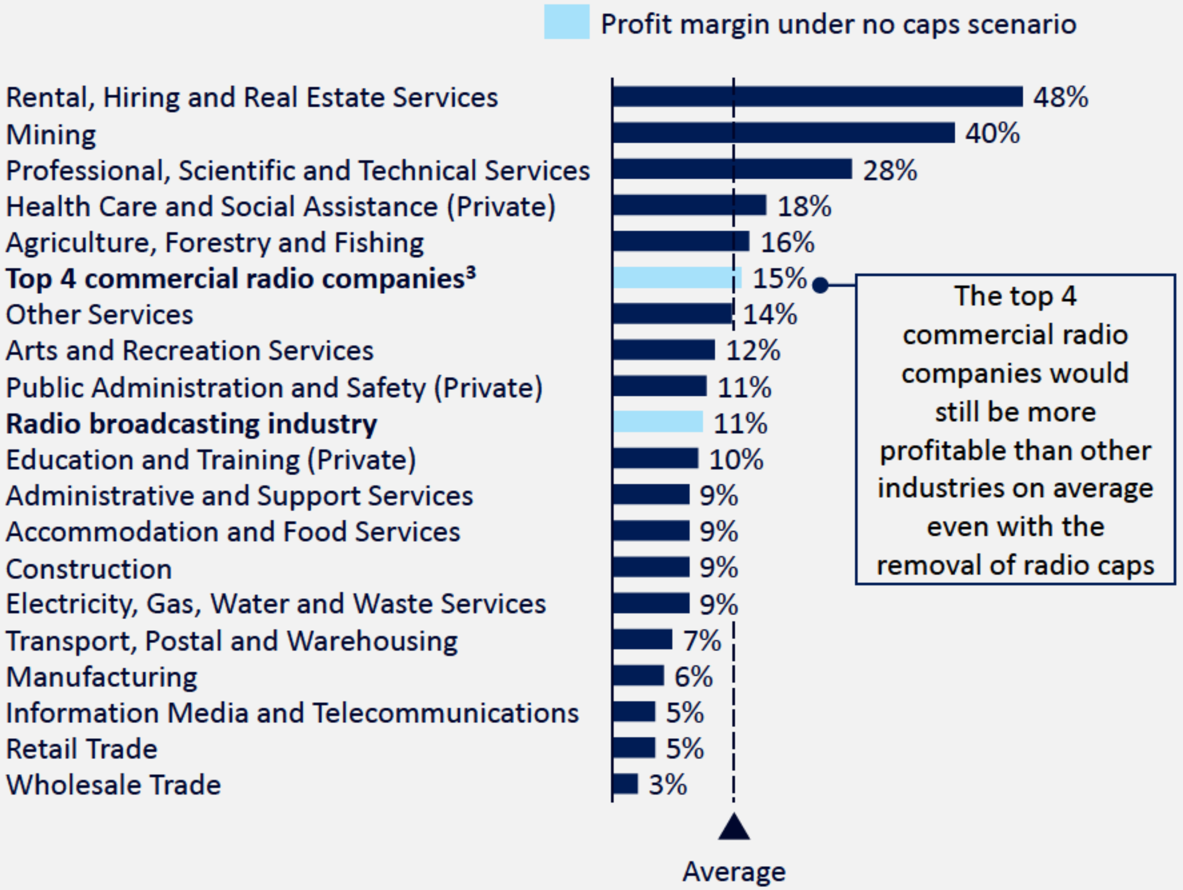
1 IBIS World (2023), *Radio Broadcasting in Australia*.

Source: SCA (2024) *2023 Annual Report*; ARN Media (2024) *Annual Report 2023*; Nine (2024) *Annual Report 2023*; SMH (2022), *Nova radio tunes in with advertising rebound*; Mandala analysis.

The top 4 commercial broadcasters would still be more profitable than other industries

Average profit margins for Australian industries

Profit margins by industry, FY25[2]



2 ABS (2023), *Australian Industry*; financial reports; Mandala analysis. Profit margin calculated based on total income and total expenses. Assume margins stay constant 2023-2025. 3 Includes digital audio.

Regional radio broadcasters have strong profit margins and could afford higher rates

Data indicates that the regional commercial radio market is worth approximately $475m. While there is limited public data, Grant Broadcasters, which is a regional broadcaster, reported a profit margin of 35% for FY21. Nevertheless, profit margins may vary significantly for other regional radio stations.

This margin is higher than other large broadcast companies with a mix of metro and regional operations in FY21, including ARN (26.5%), SCA (23.8%), Nova Entertainment (12.3%) and Nine Entertainment (26.8%). [1 2]

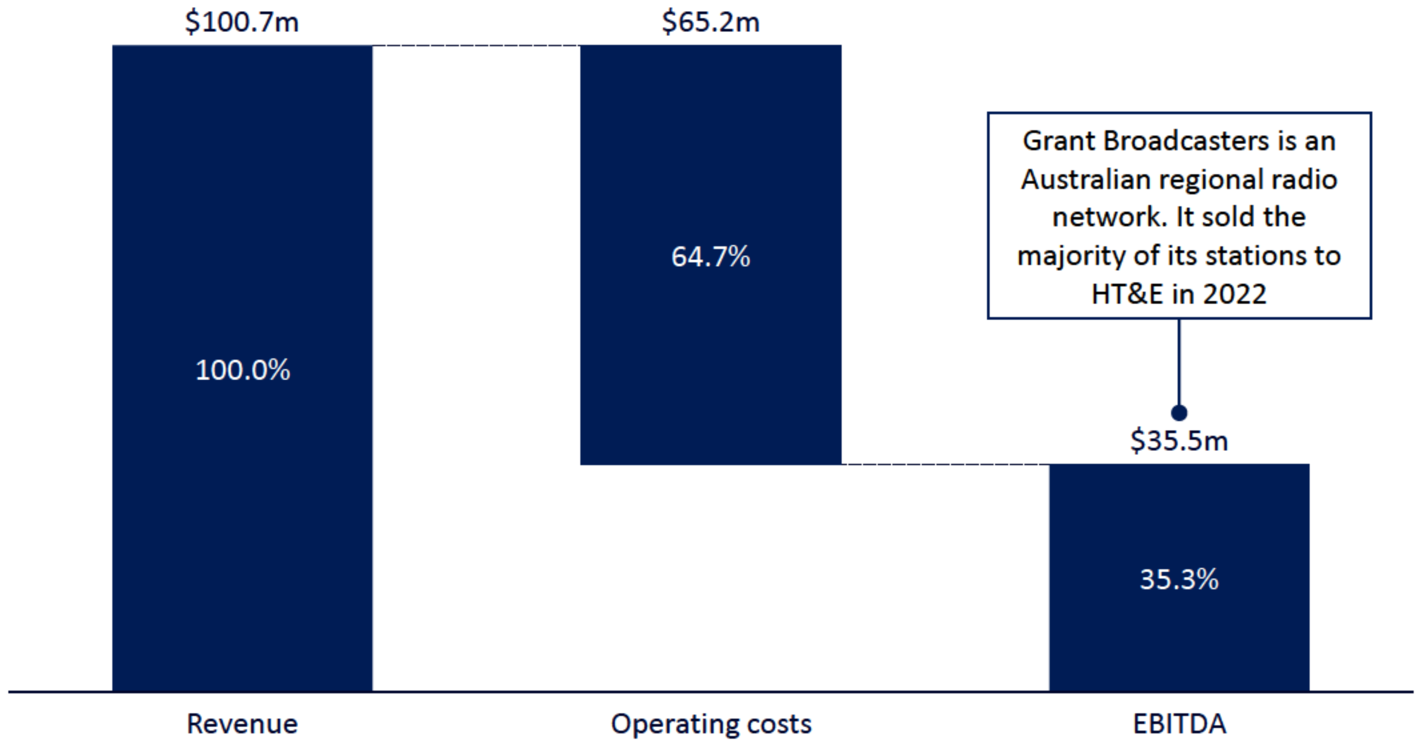
In 2022 Grant Broadcasters was acquired by Here, There and Everywhere (HT&E). ARN is a wholly owned subsidiary of HT&E.

A large proportion of regional radio stations are now also owned by SCA and ARN. These two companies own 78 and 47 regional radio stations each respectively, and account for more than 50% of all regional commercial radio stations.[3]

These large organisations have gained significant economies of scale due to their size and serve regional areas at low cost, through measures such as syndication, whereby content is broadcast across multiple radio stations around the country.

Grant Broadcasters profit margin

FY21



> The Grant Broadcasters business is extremely profitable, there's about a 35 per cent margin which is superb for a regional radio business like that. It's lean in how it operates.
>
> **Ciaran Davis, CEO of HT&E**

Source: AFR (2021), *HT&E snaps up radio company to capitalise on growing regional market*; IBIS World (2023), SCA (2022) *2021 Annual Report*; HT&E (2022) *HT&E FY21 Results Presentation*; Nine (2023) *Annual Report 2022*.

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The ABC has a budget of almost $1.3bn and would be able to afford higher royalties

The radio caps currently limit ABC sound recording royalty fees for radio broadcast to $0.005 per head of the Australian population.

This amounted to a total of $130,000 in FY23, or approximately 0.01% of the ABC's total funding and income for the year.

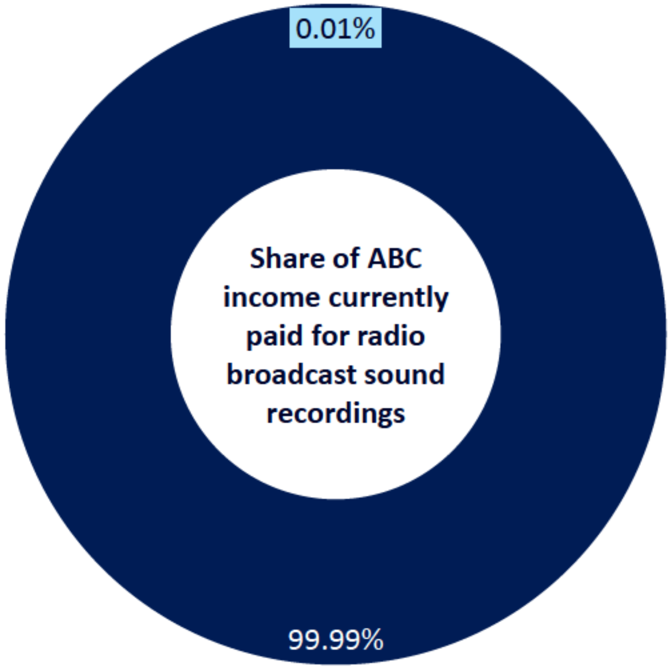
On the other hand, the ABC currently pays market rates for musical works royalties for radio broadcast, equivalent to approximately $3.5 million.[2] This is close to 27 times the amount received for sound recording royalties.

If the ABC was to pay a similar amount for sound recording copyright, this would equate to just 0.28% of the ABC's total funding from government and other sources of income. The ABC is also a recipient of royalties from sound recordings.

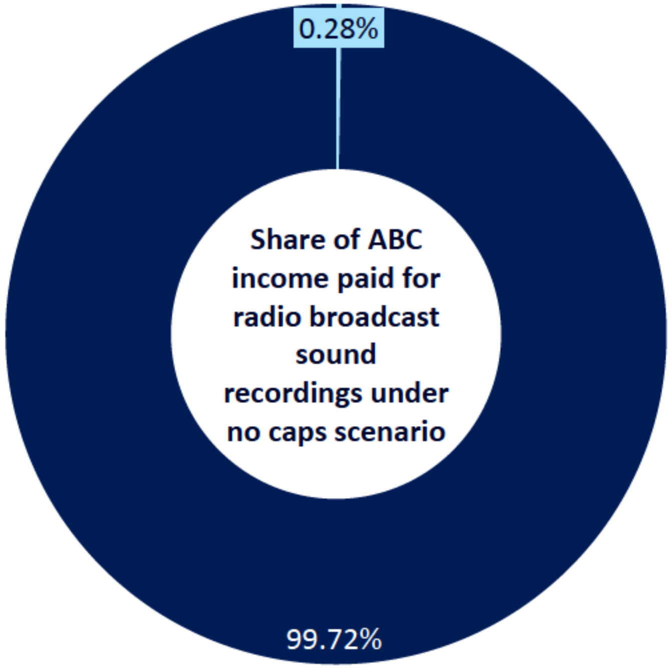
Importantly, not all funding and income identified here would go towards ABC radio broadcast.

Estimated financial impact on ABC radio of removing radio caps

% of total budget[1], FY23 and FY24



Current rates scenario



No caps scenario

1 Australian Broadcasting Corporation (2023) *Entity resources and planned performance 2023-24*. Based on actual total net resourcing for FY23 and estimated actual total net resourcing for FY24. 2 Based on APRA AMCOS total revenue from Australian radio, less estimated revenue from commercial radio and community radio.
Source: ABC (2023); Mandala analysis.

1 Radio caps have artificially constrained artist income since 1968

2 Removing the radio caps could increase music income of the most played artists by 78%

3 Removing radio caps could double the number of Australian artists played on the radio for the first time

4 Radio companies are well resourced and capable of paying higher rates

5 **Appendix**

Key assumptions

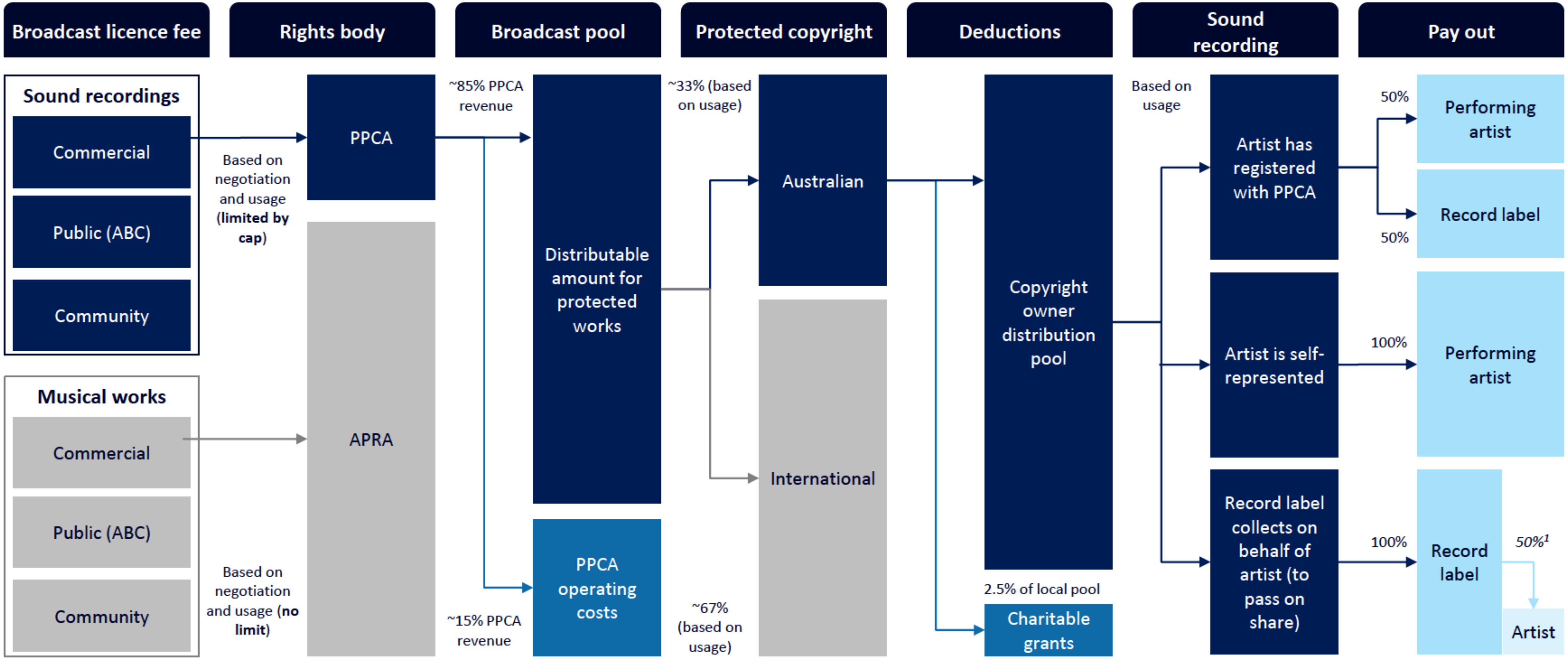
Category	Assumption	Value	Source	Notes
General	Average musical works royalty payment as a percent of radio broadcaster revenue (2022)	3.6%	Deloitte Access Economics & Commercial Radio and Audio (2023), *Connecting Communities, The economic and social impact of commercial radio and audio in Australia;* APRA AMCOS (2023) Annual report; PPCA data	This figure is intended as an illustrative representation of possible sound recording royalty rates if the radio caps were removed, not the final amount sought to be paid for sound recording royalties. Final rates for sound recordings are to be determined as per the normal processes, including by negotiation between PPCA and radio broadcasters and a decision by the Copyright Tribunal (where necessary).
	Radio broadcast revenue growth rate (forecasts)	0.7%	IBIS World (2023), *Radio Broadcasting in Australia*	CAGR 2024 – 2029.
	Amount passed on to artists by record labels (if not registered as Registered Artist with PPCA)	50%	PPCA consultation with major record labels	
Artist income	Average music income of Australian artist who receives royalties (2022)	$24,400	David Throsby and Katya Petetskaya (2024), *Getting Back to Making Art Work: an Economic Survey of Practising Professional Artists.*	
	Average total income of Australian artist who receives royalties (2022)	$59,800	David Throsby and Katya Petetskaya (2024), *Getting Back to Making Art Work: an Economic Survey of Practising Professional Artists.*	
	Income growth rate (forecasts)	0.2% p.a.	ABS (2023), Average Weekly Earnings – Arts and Recreation	Change from 2022 to 2023.
	Distribution of artist royalties	Percentiles	PPCA distribution data	Estimated based on amount distributed to each artist by PPCA per year.
Record label distribution	Amount paid to record labels as royalties (2023)	$0.5m	PPCA distribution data	
Radio station profit margin	Profit margin of 4 largest commercial radio stations under 'no caps' scenario	15.1%	SCA (2024) *2023 Annual Report*; ARN Media (2024) *Annual Report 2023*; Nine (2024) *Annual Report 2023*; SMH (2022), *Nova radio tunes in with advertising rebound*	Revenue includes some digital audio. Figure applying new rate under 'no caps' scenario to total revenue across 4 radio stations and adjusting profit margins accordingly. Nova Entertainment profit margins are based on latest publicly available data which are financial figures from Year End 31 December 2021. Nova Entertainment is privately owned.
	Average profit margin for radio broadcast industry	13.3%	IBIS World (2023), *Radio Broadcasting in Australia*	
	ABC budget	1.2-1.3b	Australian Broadcasting Corporation (2023) *Entity resources and planned performance 2023-24*	Based on actual total net resourcing for FY23 and estimated actual total net resourcing for FY24.
	ABC rate under 'no caps' scenario	$3.5m	Deloitte Access Economics & Commercial Radio and Audio (2023), *Connecting Communities, The economic and social impact of commercial radio and audio in Australia;* APRA AMCOS (2023) Annual report; PPCA data	Estimated based on APRA AMCOS total revenue from Australian radio, less estimated revenue from commercial radio and community radio.
Additional artists	Additional artists receiving royalties per annum	132	IFPI (2024), *Global Music Report*; PPCA distribution data	Based on regression analysis which shows a strong, positive relationship between record label revenue and total artists receiving royalties per annum. Total additional artists is calculated by finding additional artists supported under 'no cap' scenario based on record label revenue per artist receiving royalties.

Source: Mandala analysis.

Sound recording copyright royalties are distributed based on music usage and location of copyright owner

Not for Australian sound recordings
PPCA operational costs
Final remuneration for sound recordings

Illustrative flows of licence fees from broadcaster to sound recording copyright owner



1 Amount paid to artists who receive copyright royalties from record labels (not PPCA) assumed at 50% of royalty amount (based on amount passed on by the 3 major record labels; Mandala analysis).
Source: PPCA (2024), *Distribution Information Guide*; One Music (2024), *Where do my fees actually go*; Mandala analysis.

MANDALA

Joint Contemporary Music Industry Submission to the National Cultural Policy Consultation 2026

May 2026

NEXT GENERATION NOW

REVIVE 2028–2032

FAST FORWARD TO 2030

A ten-year-old in Townsville is forty minutes into her weekly music class, learning to read notation and write her first song. A young family drives to a festival on the outskirts of Geelong, one they've been to every year since their kids were small. A retiree in Port Augusta tunes into his local community station and hears something new, something unmistakably Australian. A twenty-two-year-old in Blacktown discovers an artist on a streaming platform actively recommending local music playing a gig down the road. A first-year artist manager in Darwin secures a paid internship with a senior manager, learning what took the seasoned veteran a decade. In a rehearsal room in Fremantle, a First Nations songwriter finishes a track that will be recorded, published and generating global royalties within the year. And somewhere between Canberra and Wangaratta, a young band is on the road finishing their second successful grassroots regional tour.

The policy settings that made all this possible were put in place by two successive national cultural policies.

A National Song Academy producing world-class songwriters, recording artists and producers. Universal sequential music education in primary schools. A network of Aboriginal and Torres Strait Islander Music Centres generating new IP from remote and regional communities. The recommendations of the First Nations Music Industry Review implemented. Revive Live a permanent fixture of the arts funding architecture. Sound engineers, production crews, venue operators and festival producers working in an industry with proper workforce pathways. Australian composers and recording artists soundtracking films, television series and games screening around the globe. Australian music not just competing on the global stage but shaping it.

2030. Australia is a music powerhouse.

BUILT ON WHAT WE HAVE ALREADY ACHIEVED

Revive was transformational for the way government and industry partnered through the establishment and long-term investment of Music Australia. The First Nations First Board has cultural authority over its own funding. Creative Workplaces is addressing systemic harm, and Support Act has built the social and emotional wellbeing infrastructure that sustains mentally healthy workplaces. The decision to reject text and data mining exceptions for AI put Australian creators sets a precedent the world follows. These are structural policies and investments that changed how the Commonwealth engages with contemporary music.

This submission is built on that foundation. It is the next chapter of the same story.

THE CHALLENGE

Since Revive, four converging pressures have reshaped the landscape. The traditional venue economic model is shifting. The regulatory and funding environment remains inconsistent across jurisdictions. Consumer confidence has been hit by cost-of-living pressures and growing market concentration among international touring and ticketing operators. And the platforms where Australian music is discovered; community radio, commercial radio, and streaming are each under pressure.

The stages where Australian artists build their craft are shrinking. Fewer classrooms, fewer venues, fewer community stations, fewer platforms, fewer pathways to discovery: the ecology that builds audiences and launches careers is fragmented and under pressure at every level. This is the boomerang culture. Australian artists increasingly need to export their way to domestic success, to tour internationally and return home with a stamp of global approval before their own country embraces them. The risk is that artists go too early, before their craft is properly honed. Or that they never come back, and Australia loses the creative economy, the mentorship, and the cultural identity they would have built here.

None of this is inevitable. It requires renewed investment in the pipelines, platforms and people that will build the music ecology fit for the digital age.

NEXT GENERATION NOW

Next Generation Now is about the audiences who make it all worthwhile, the teenager going to their first gig and finding a new favourite artist on a streaming platform, the family at a regional festival, the retiree discovering something new on community radio, a worker wowed by the soundtrack to the latest local TV production, and the policy settings that ensure they always have something unmistakably Australian to find.

It is about the pulse that music sends through Australian life. The child whose classroom outcomes improve because music is part of every week. The patient whose anxiety lifts through music therapy. The regional town whose Friday night comes alive when a band plays the pub. The city precinct whose hospitality strip fills because a venue anchors it. The tourist who books a trip because of a festival. The First Nations community whose songs carry language, ceremony and connection to country across generations. The new Australian who finds belonging in a shared room full of music.

Music does not sit alongside Australian life. It runs through it. It is about the next chapter of Australian music across all genres and forms contemporary, popular, experimental, art music, screen, First Nations and everything in between and the full ecology of people who make it possible: the mid-career artist navigating declining radio airplay and capped royalties; the established composer whose screen commissions have shifted offshore; the touring musician whose support slot opportunities have declined; the venue operator who cannot get affordable public liability insurance; the First Nations artist striving for equity; the worker whose wellbeing is impacted by disruption; the artist manager whose workload has expanded to unsustainable levels, for a commission that may never come; and the worker whose skills the live music industry desperately needs.

The centrepiece is a **Next Generation Now** framework that treats music as national IP infrastructure, not cultural decoration. Federal investment in a National Song Academy. Minimum standards for music education in primary schools. Workforce development for the live music economy. An Aboriginal and Torres Strait Islander Music Centres Framework modelled on the visual arts network. Regulatory barriers to artist and industry sustainability removed. And a renewed mandate and **$180 million** over four years for Music Australia to deliver the research, artist development, industry and export programs the sector needs to compete globally.

The ambition to make Australia a net exporter of music is already on the record. This submission is about what we build next: the infrastructure, the investment and the policy settings that make sustainable careers possible at every stage, from first song to global stage, so that 2030 looks like the picture we imagine.

WHAT WE ACHIEVED THROUGH REVIVE

In 2022, the Australian music industry made a coordinated submission to the National Cultural Policy consultation. In February 2023, the Australian Government delivered Revive.

For the music sector, *Revive* delivered:

- Music Australia established with $69.4 million over four years for Australia's first national music development agency.
- First Nations First Board within Creative Australia with $20 million Works of Scale fund and First Nations autonomy over funding decisions.
- Creative Workplaces established to promote fair, safe and respectful workplaces, responding directly to the Raising Their Voices report on sexual harm and systemic discrimination in the music industry.
- Significant expansion of Support Act's mental health and First Nations teams, building tailored wellbeing services and embedding mentally healthy workplace practices across the broader creative industries.
- Copyright framework maintained, setting the foundation for Australia to become the first major jurisdiction to reject text and data mining exceptions for AI.
- Revive Live launched to support the development of venue and festival live music infrastructure.
- SVOD local content obligations secured, meeting the Australian Content and Children's Television Standards (ACCTS), creating new opportunities for Australian screen composers.

These are structural investments that changed how the Commonwealth partners and co-invests in contemporary music. Several Revive commitments remain outstanding: increased creative practice in classrooms, songwriting and recording initiatives in schools, and stand-alone legislation to protect First Nations traditional knowledge and cultural expressions on digital platforms. This submission carries them forward.

FIVE PRIORITIES FOR THE NEXT NATIONAL CULTURAL POLICY

This submission is structured around the five pillars of the National Cultural Policy. Each priority identifies the cross-government connections that make music a whole-of-portfolio investment, not a cultural sideshow.

PILLAR 1: FIRST NATIONS FIRST

PORTFOLIOS: INDIGENOUS AUSTRALIANS · ARTS · TRADE · HEALTH · REGIONAL DEVELOPMENT

For Aboriginal and Torres Strait Islander peoples, music is a cultural determinant of health, a vehicle for language transmission, a foundation of social and emotional wellbeing, and an engine for economic development in remote and regional communities. Investing in First Nations music is simultaneously an investment in health, language, cultural sovereignty and economic development. Cultural policy must shift from the language of 'recognise and strengthen' to the language of 'invest, implement and sustain'.

Aboriginal and Torres Strait Islander Music Centres Framework

Establish a Music Centres Framework modelled on the Indigenous Visual Arts Industry Support (IVAIS) network, using community radio infrastructure as its backbone to create songwriting, recording, distribution and royalty administration hubs in remote and regional communities. This generates IP, preserves cultural expression, creates export pathways and builds the economic infrastructure that turns creative output into durable community returns, modelled on what IVAIS achieved for visual arts over thirty years.

First Nations Music Commissioning Fund

A dedicated First Nations Music Commissioning Fund for First Nations artists and First Nations-led organisations, building on the success of the NATSIMO Lifecycle grants. Alongside this, a First Nations Music Skills and Workforce Capacity Building Plan that develops pathways beyond performance: producers, promoters, technical crew and administrators. Self-determination must be an embedded principle across all delivery.

Cultural consultation as an eligible cost

Consultation with First Nations communities is a cultural process that takes time and requires the involvement of many voices across diverse traditional owner and language groups. Make cultural consultation costs explicitly eligible in all project grant budgets rather than absorbed into already-stretched creative budgets.

On-Country producer and presenter development

Pilot regionally-based, on-Country First Nations producer and presenter professional development programs, drawing on existing networks across the Northern Territory, Far North Queensland and beyond. Support Act's ongoing First Nations Music Industry Review, the first of its kind, will provide a critical evidence base to inform these future policy settings.

First Nations ICIP on digital platforms

Deliver stand-alone legislation to protect First Nations traditional knowledge and cultural expressions on digital platforms, as committed in Revive. This is urgent: AI systems are already generating Aboriginal-style content without consent, compensation or cultural authority.

PILLAR 2: A PLACE FOR EVERY STORY

PORTFOLIOS: COMMUNICATIONS · INDUSTRY · ARTS · TRADE

Australian music's story can only be told if Australians can find it. As audiences have fragmented discoverability is the defining policy challenge of this decade. The share of Australian music is falling on the platforms where most listening now happens. Australian music on commercial radio is too often confined to the graveyard shift. The boomerang culture where artists must seek overseas validation before receiving recognition at home is partly a product of policy failure. The fix is updating the rules of the road for a market that has moved decisively to digital.

Commercial broadcast radio quotas

Legislate local content on broadcast radio under the Broadcasting Services Act, lifting it out of a voluntary code, modernising the format settings, time of day play, and bringing digital radio in as the Convergence Review recommended.

Prominence on music streaming platforms

Consult with industry and platforms on a plan to ensure prominence of Australian music across digital service providers in playlists and through passive listening.

Screen content settings

Update the Significant Australian Content test to elevate composer alongside writer and director to properly value Australian music and screen composition in government-supported productions.

Cultural institutions content quotas

Incentivise significant cultural organisations receiving public funding, including symphonies, opera companies and other art music institutions, to commission and program minimum proportions of Australian works across all musical forms, creating durable demand for new works and developing both artistry and audiences.

Michael's Rule

Restore the long-standing industry norm that Australian artists support international acts on tours here, with practical funded promoter incentives and visa settings aligned with Michael's Rule.

PILLAR 3: CENTRALITY OF THE ARTIST

PORTFOLIOS: INDUSTRY · ATTORNEY-GENERAL · TREASURY · ARTS · HEALTH

Australian creators have a genuine competitive advantage: a copyright framework that held the line on AI. No text and data mining exception. No unlicensed training on creative work. That decision ensures Australia is leading the world in the development of innovative and ethical licensing frameworks the global digital economy will need. The next step is to build on that position by ruling out any dilution of copyright.

Cultural digital economy plan

A cultural digital economy plan developed in partnership with the Department of Industry as part of the National Cultural Policy, setting out how Australia harnesses the upside of AI while keeping creators protected, licensed and fairly compensated. Music is already a leading creative input to the digital economy, from gaming to AI-generated content, and Australia's copyright position is a strategic asset.

AI and algorithmic transparency requirements

Meaningful disclosure requirements for AI training data, and licensing pathways developed in consultation with music and technology sectors. Creators cannot currently license their work to AI developers because platforms will not disclose what they are using. Similarly, efforts to meaningfully increase Australian music discoverability on digital service providers will fall short without the algorithmic transparency required to inform them. Transparency is the precondition for a functioning market.

Sustainable careers across the sector

Support Act investment of $8 million over the forward estimates to fund industry-specific mental health and crisis relief services for music and creative industry professionals. The contemporary music workforce faces elevated psychosocial risks that require dedicated industry-specific support. A review of tax settings, including royalty treatment, bilateral tax treaty reform and recognition of music publishing as an export industry, to ensure the fiscal framework supports sustainable creative careers.

Radio royalty caps removed

Remove the outdated statutory cap and fixed rate on commercial and ABC broadcast radio royalties for sound recordings so Australian artists and rights holders are paid fairly when commercial radio broadcasters and ABC Radio build products and services based on the use of music. Australia is the only jurisdiction in the world where artists and rightsholders are stripped of the right to negotiate a fair market value for the commercial use of their work by a cap on royalties.

PILLAR 4: STRONG CULTURAL INFRASTRUCTURE

PORTFOLIOS: INDUSTRY · TREASURY · EMPLOYMENT · HEALTH · REGIONAL DEVELOPMENT · INFRASTRUCTURE

Live music is the engine room of the industry and the most visible part of it for most Australians. Grassroots and mid-tier venues are the R&D infrastructure of Australian music where careers are built, audiences are formed, workers are trained and export success begins. This infrastructure is under structural pressure from rising costs, insurance challenges, workforce shortages and a funding environment that can inadvertently favour large international operators over the independent sector that incubates most Australian talent.

Live music tax offset

A targeted live music tax offset for venues, festivals and touring artists, modelled on existing screen and digital games incentives, recommended as the first priority by the 2025 House of Representatives Standing Committee on Communications and the Arts. Oxford Economics modelling confirms $636–920 million in GVA uplift, up to 10,800 jobs created, 322,500 additional gigs annually. For every dollar invested, live music returns three dollars to the community through tourism, hospitality and local economies. The tax offset is the single most efficient lever available to government for growing the live music economy, supporting artists at every career stage and sustaining the venues and festivals where Australian careers are built.

Revive Live: make it permanent

Lock in Revive Live funding as a permanent fixture of the forward estimates rather than short-term grants, providing the certainty venues and festivals need to plan and invest. Over its first two years, Revive Live delivered $21 million in support to 217 live music businesses, including 119 music festival activities and 98 live music venues. A final $12.5 million is committed for 2026-27. Festivals, live music and events are major public-facing cultural events, artist development pipelines, tourism drivers and training grounds for the workers, contractors and suppliers who power the live music supply chain. In regional Australia, a festival is often one of the principal cultural and economic events of the year. Targeted investment in smaller and emerging venues and festivals is essential: these operators take the greatest creative risks on early-career Australian artists, face the highest cost barriers and build the pipeline of audiences and acts who go on to fill larger stages.

Workforce and skills

Critical investment addressing urgent skills shortages across the full music workforce, artist managers, booking agents, label and publishing professionals, marketing experts, music supervisors, sound engineers, lighting technicians, production managers and tour crew, connecting music industry needs with broader employment and training frameworks. The full ecosystem of roles that connect artist to audience is under pressure and deserves dedicated investment.

Youth music participation and pathways

Establish a national youth music participation and pathways program aligned with The Push's A National Plan for Young Australians and Music. This includes all-ages live music access, high school music events, youth-led event teams, and mentoring and workplace learning opportunities that connect young people with Australian artists, venues, festivals, broadcasters and industry employers. A national audience development scheme including a My Gig Pass under-25 ticket subsidy modelled on the NSW program, all-ages touring circuits, regional and outer-suburban programming, and partnerships with broadcasters, streaming platforms, venues and festivals focused on Australian music discovery and creating pathways for young people to move from audience member to artist, worker, promoter or cultural leader.

Venues as essential cultural infrastructure

Formally recognise independent live music venues as essential cultural infrastructure within national policy settings, on a par with other cultural institutions that receive public support and protection.

Grassroots Music Fund

A Grassroots Music Fund, seeded by a levy on major commercial event ticket sales, that reinvests into grassroots and mid-tier venues, emerging artists and development pathways.

Competitive neutrality

Embed competitive neutrality principles in future music funding frameworks to ensure public investment grows the overall ecosystem rather than displacing the independent sector.

PILLAR 5: ENGAGING THE AUDIENCE

PORTFOLIOS: EDUCATION · TRADE · FOREIGN AFFAIRS · TOURISM · INDUSTRY

The most powerful audience development tool available to government is hiding in plain sight: universal sequential music education. A child who receives sequential music education does not only become a better candidate for a career in music. They become a more engaged, more loyal, more economically active music audience member for the rest of their life. They go to gigs. They seek out new artists. They take their own children to concerts. The return on that primary school investment compounds over sixty years. And the same artists who find their audiences at home become the cultural exports who carry Australia to the world. The next phase of national cultural policy should also be informed by The Push's A National Plan for Young Australians.

National Song Academy

Music education in schools builds the foundations. A National Song Academy builds the pinnacle. There is no equivalent elite, government-funded institution for contemporary music in Australia. AFTRS' own research shows 75 per cent of screen industry professionals undertook formal training, with 41 per cent citing it as key to their career growth. The same pipeline logic applies to music. Sweden has Musikmakarna. The UK has the Brits School. Berklee College of Music has shaped a generation of global hitmakers. Establish a National Song Academy attached to AFTRS, with an initial annual cohort of students in a one-year Graduate Diploma covering songwriting and creative development, recording and production, and the business of music including copyright, distribution and marketing. Industry-partnered, hands-on, and designed to produce graduates ready for global careers.

Music education in every classroom

Federal investment in music teacher training in universities and for existing teachers. Minimum 60 minutes per week of sequential music education in primary schools as recommended by the Music Education Advisory Group. Continued funding for artists-in-classroom programs and school songwriting and recording initiatives.

Music Australia: a renewed mandate

$180 million over four years for Music Australia to develop and promote artists, drive innovation, deliver research programs and support export development. Music Australia can become for Australian music what Screen Australia is for screen: a strategic investment partner that builds markets and positions the country internationally.

Export and cultural diplomacy

Australian music is a globally competitive export, with over 45 billion streams in the US alone in 2024 and more than 80% of royalties now earned offshore. Music stands alongside education, agriculture, and wine as a high-value export sector, delivering both economic dividends and cultural impact.

Government support for music export must be complimented by the trade portfolio to unlock full market potential. Trade missions, like those delivered by Sounds Australia, are proven vehicles for accelerating international outcomes, enabling Australian artists and businesses to secure deals, build strategic partnerships, and access new markets. In 2025 alone, Sounds Australia facilitated 51 events across 14 countries, delivering 320 negotiated outcomes and 157 performance slots, with inbound delegate growth up 120%.

Digital platforms now function as core trade infrastructure, allowing Australian repertoire to scale efficiently across priority markets such as India, Asia Pacific, Latin America, and Mexico. Strategic engagement ensures Australian rights-holders are embedded at a critical moment for these hyper-growth markets, capturing long-tail revenue and strengthening Australia’s global position.

CONCLUSION

Australian music is made for audiences. It is made in bedrooms and studios, in rehearsal rooms and on country, in regional towns and capital cities. It is heard at grassroots venues and dusty paddock festivals, through community radio in remote Australia and streaming services in suburban lounges. It is felt at the age of seven in a classroom and at seventy at a concert.

Every investment this submission proposes flows back to that moment of connection between an Australian artist and an Australian audience. That is what Next Generation Now means. That is what 2030 looks like.

We commend these priorities to the Australian Government and commit to working across the sector to support their delivery.

ADDENDUM: MUSIC ACROSS THE PORTFOLIOS

The following maps the cross-portfolio dimensions of each pillar, for the benefit of departmental readers engaging with specific portfolio responsibilities.

First Nations First (Indigenous Australians · Arts · Trade · Health · Regional Development) — For Aboriginal and Torres Strait Islander peoples, music is a cultural determinant of health and an engine of economic development. The IVAIS visual arts model demonstrates what dedicated infrastructure achieves: IP generation, employment in remote communities, cultural preservation and export returns. Music has the same potential.

A Place for Every Story (Communications · Industry · Trade) — Australian music generated $975 million in export revenue in 2023-24. Local content obligations on broadcast and streaming platforms are trade policy as much as cultural policy: they create the domestic audience base that makes export success sustainable.

Centrality of the Artist (Industry · Attorney-General · Treasury · Health) — Australia's copyright position is a strategic AI policy asset. Music is a leading creative input to gaming, streaming and AI-generated content. Meta-analyses confirm music-based interventions produce significant positive effects on anxiety, depression and quality of life. Support Act is community mental health infrastructure.

Strong Cultural Infrastructure (Industry · Treasury · Employment · Health · Regional Development) — Live music generates $4.83 billion in revenue, supports over 40,000 workers and returns three dollars to the community for every dollar invested. It drives night-time economy activity, tourism and hospitality in regional communities. The Scanlon Foundation's Mapping Social Cohesion survey found social cohesion at its lowest in sixteen years; live music is one of the most effective community infrastructure responses.

Engaging the Audience (Education · Trade · Foreign Affairs · Tourism) — Longitudinal research confirms sequential music education improves literacy, numeracy, memory and cognitive development. Children from low-income backgrounds who receive music instruction show measurably better outcomes than matched peers. Music Australia's Bass Line report found the industry generated $8.78 billion in revenue and $2.82 billion in direct economic value in 2023-24. Global music revenues are forecast to double to US$200 billion by 2035.

PREPARED BY:

Association of Artist Managers (AAM), Australasian Music Publishers' Association (AMPAL), Australasian Performing Right Association (APRA) and Australasian Mechanical Copyright Owners Society (AMCOS), Australian Festival Association (AFA), Australian Independent Record Labels Association (AIR), Australian Live Music Business Council (ALMBC), Australian Music Centre (AMC), Australian Recording Industry Association (ARIA) and Phonographic Performance Company of Australia (PPCA), Country Music Association of Australia (CMAA), CrewCare, Live Music Venues Alliance (LMVA), Music Producer & Engineers' Guild (MPEG), National Aboriginal and Torres Strait Islander Music Office (NATSIMO), The Push, Sounds Australia, Support Act, Australian Music Industry Network (inc Music Victoria, QMusic, WAM, MusicSA, MusicNSW, Music Tasmania, MusicACT, MusicNT).

Commercial Radio Code of Practice Public Consultation
17 May 2025

Executive Summary

- Australian music rules in the current Commercial Radio Code of Practice are not working. In their current form they do not ensure Australian audiences hear a diverse range of local music including new Australian music:
    - The lack of prime-time requirements allows widespread local content dumping in non-peak times;
    - Self-categorisation of genre allows radio networks to choose their format categories to avoid higher Australian music obligations; and
    - Existing new music requirements are not delivering new Australian music to radio audiences in any impactful way.
- Despite the original intent of the Code – to reflect and foster Australian identity through broadcasting – contemporary Australian music isn't being heard by most Australian radio listeners.
- This is not a failure of Australian music talent or investment in local artists or promotion of local sound recordings, it is a failure of regulation.
- Radio remains a powerful cultural force, yet commercial networks continue to sideline local music during prime listening hours. In some cases on hit networks, as little as 9.7% of content during prime time is Australian.
- Meanwhile, widespread format misclassification is undermining both cultural outcomes and commercial fairness. Stations strategically self-select lower-quota categories despite programming content that clearly appeals to mainstream audiences and often calling themselves hit networks in promotional materials.
- The self-categorisation loophole deprives audiences of the full breadth of popular Australian music and creates an uneven playing field for networks that are complying with the appropriate genre categories.
- To bring the Code into line with community expectations, targeted, practical changes should be adopted that will deliver more Australian music during peak listening hours, enable discovery of new artists, and ensure all stations play by the same rules.

  Recommendation 1
    - Ensure quotas are met across three specific time blocks to prevent content dumping:
        - 6am – 6pm Monday to Friday
        - 6am – 6pm Monday to Sunday
        - 6pm – 6am Monday to Sunday

  Recommendation 2
    - Require all stations to meet a 25% Australian music quota regardless of self-classified format. At minimum, the Australian Communications and Media Authority should enforce compliance with current format categories and close self-categorisation loopholes (just as it enforces the commercial television code).

  Recommendation 3
    - Redefine the new music quota to be a percentage of all new music played, not a percentage of Australian music.

Australian Recording Industry Association (ARIA)[redacted] [redacted]
[redacted]

Introduction

The Australian Recording Industry Association (ARIA) has long championed the cultural and economic significance of Australian music. As the national voice of the recording industry and local recording artists, we advocate for policies that ensure Australian artists shine here and on the global stage. Our interest in the CRA Code review stems from a commitment to uphold the objectives of the Broadcasting Services Act 1992, which emphasises the importance of Australian content to reflect national identity and diversity.

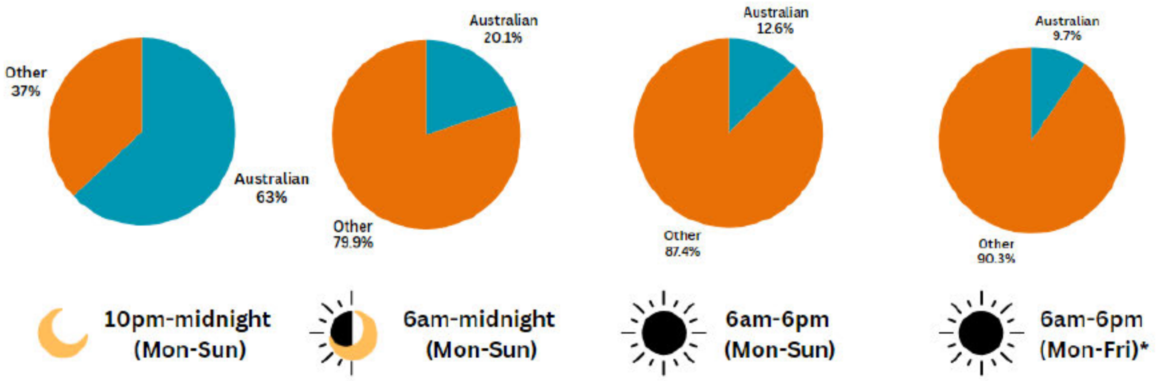
The Australian Communications and Media Authority (ACMA) has acknowledged the need for the Code to evolve, encouraging public consultation to ensure it aligns with contemporary expectations. Minister for the Arts, Tony Burke, has also highlighted the importance of local content quotas, stating that they are essential for ensuring Australian stories are told and heard.

ARIA's engagement with the radio quotas reflects our commitment to a strong local cultural voice in the face of increasing globalisation of content. We have participated in Parliamentary inquiries, industry roundtables and direct engagement with ACMA over many years. The 2017-18 Senate Inquiry into Australian content on broadcast, radio and streaming services acknowledged the industry frustration with inconsistent quota implementation. Meanwhile artists like Missy Higgins, Thelma Plum and G Flip have publicly called for stronger airplay, emphasising the role radio plays as a platform for the national cultural voice.

To assist with an evidence-based response, ARIA commissioned Kaizen Media to conduct an analysis of Australian content on Commercial Radio. The findings from this report have informed ARIA's recommended changes to the current quota system.

Listeners denied Australian music during peak hours

Radio audiences are missing out on Australian music when they're most likely to be tuning in. During prime listening hours (6am-6pm Monday to Friday), Australian content comprises as little as 9.7% of programming across major commercial networks even on those networks in the higher genre categories of 20-25%. This means during morning commutes, work hours, and school runs, when millions of Australians are listening, they're missing out on the opportunity to discover and enjoy local artists. Instead, Australian music is predominantly played in late-night slots (10pm-midnight) when listenership is minimal.



Recommendation 1
Introduce day part requirements to ensure quotas are met when Australian audiences are listening to prevent content dumping. Australian content quotas would then be required to be met within each of the following time part:

6am – 6pm Monday to Friday
6am – 6pm Monday to Sunday
6pm – 6am Monday to Sunday

This would replace the current Australian Performance Period (APP), which is defined as 126 hours in each week from 6am-Midnight.

Format Misclassification

The other key problem with the local content rules on radio relates to the self-categorisation of genre. The Kaizen Report clearly reveals how format manipulation reduces listeners' exposure to Australian music by millions of plays annually because major metropolitan stations choose genre categories that do not align with their formats in order to minimise Australian content obligations.

Case Study: Smooth FM as "Nostalgia"
This brand has self-determined as Category E (requiring a 5% Australian content commitment, and reports as a "nostalgia" format. Nostalgia typically indicates an older, softer format without, by definition, and contemporary elements.

Despite claiming to be a nostalgia format, Miley Cyrus Flowers (released 2023) came in the top 20 tracks played on Smooth FM in the past 12 months.

Notable examples include the Hit Network positioning itself as "Hot Adult Contemporary" (Category B, 20% quota) despite clearly marketing to audiences seeking "hit music" content, which should deliver 25% Australian music under Category A requirements.

The report highlights the self-governance model, where CRA oversees compliance with no oversight from ACMA, has resulted in almost no metropolitan stations operating under Category A requirements. This does not meet community expectations, and these structural issues prevent audiences from experiencing the diversity of Australian music and contributing to a strong local cultural voice.

Recommendation 2
Require all stations to meet a 25% Australian music quota regardless of self-classified format or at a minimum, the ACMA should enforce compliance with current format categories and close self-categorisation loopholes.

New music, old problem.
The way new music quotas are structured today creates a major barrier for Australian listeners trying to discover emerging local talent. The current system only requires that a percentage of the Australian music played be "new", not that a percentage of all new music played be Australian. The result is that stations can technically comply with quotas while playing very little new Australian music overall. For

example, a station might play 100 international new releases but only 5 Australian new releases and still meet their quota requirements. Worse yet, these few new Australian tracks are often relegated to late-night slots (per the above argument) when audience numbers are at their lowest, further limiting listener discovery.

The data shows the impact clearly. While stations like 2Day FM have recently attempted format changes to showcase more Australian artists (see case study below, analysis reveals the disparity remains significant.

Case Study
Some commercial stations have attempted to make changes to their programming to serve more Australian music to audiences.

In what SCA says is the biggest format change the city has heard in well over two decades, 2Day FM is guaranteeing to play more new music than any other commercial radio station in Sydney, alongside a commitment to support and showcase more Australian artists.

The new format also guarantees to be the first to bring listeners the best new breaking tracks before they hit, featuring a mix of artists including Troye Sivan, Doechii, The Kid LAROI, SZA, Kita Alexander, Kendrick Lamar, Dom Dolla, Sabrina Carpenter, Young Franco, Drake, Billie Eilish, Tobiahs and CYRIL. A quick analysis of 2Day a month into the new format (March 14 to April 13) shows the below. The first column the week prior to the change.

	Week prior	**First week**	**First month**
6am – Midnight	23.4	28.1	27.9
6am – 6pm	13.9	19.8	20.3
10pm – Midnight	62.3	64.2	58.9

To reconnect Australian audiences with their emerging musical voices, ARIA recommends redefining the new music quota entirely. Rather than calculating new Australian music as a percentage of total Australian music played, the quota should require a meaningful percentage of all new music played to be Australian.

Recommendation 3
Redefine the new music quota to be a percentage of all new music played, not of Australian music only. Incentivise meaningful inclusion of new Australian releases during peak times.

Conclusion

In light of this report, and after years of inaction, it is clear that the current regulatory framework fails to deliver meaningful Australian music content to listeners during peak times. The exploitation of regulatory loopholes, widespread content dumping, and self-serving format classifications demand urgent reform. ARIA proposed recommendations would ensure Australian audiences can discover and enjoy local music when they're actually listening, without imposing unreasonable burdens on or threatening the viability of local commercial radio.

Recommendation 1
Ensure quotas are met across three specific time blocks to prevent content dumping:
6am – 6pm Monday to Friday
6am – 6pm Monday to Sunday
6pm – 6am Monday to Sunday

Recommendation 2
Require all stations to meet a 25% Australian music quota regardless of self-classified format. At minimum, ACMA to enforce compliance with current format categories and close self-categorisation loopholes.

Recommendation 3
Redefine the new music quota to be a percentage of all new music played, not of Australian music only. Incentivise meaningful inclusion of new Australian releases during peak times.

Appendices

Kaizen Media: Australian Content on Commercial Radio

ABOUT ARIA
The Australian Recording Industry Association (ARIA) is a national industry association with more than 200 members representing major and independent record producers, manufacturers, and distributors. ARIA acts as an advocate for the Australian music industry, administers the labelling code of practice, and compiles industry information and research. It also produces the ARIA Charts every week and the annual ARIA Awards. Most importantly, ARIA supports Australian music and creates opportunities for it to be heard.

We acknowledge First Nations people as the Traditional Owners and sovereign custodians of the lands on which we work and live. We recognise their continuing connection to Country and their respective nations across this continent and pay our respects to their Elders past and present. We also celebrate the unique and inspiring creativity and songlines of the world's oldest living culture and give thanks for the immeasurable influence First Nations people continue to have over the music and art we all enjoy.

AI MUSIC LICENSING DEALS

AS AT 25 MAY 2026

AI company/tool	Music licensors	Date	Details
Spotify	Universal Music Group	May 2026	Licensing recordings and musical works for AI-powered covers and remixes of songs from participating artists and songwriters, created by Spotify Premium users.
Udio (Gen AI music creation platform)	Kobalt	April 2026	Licensing of musical works that have opted in from Kobalt's catalog for training of Udio's forthcoming subscription platform.
Udio	Merlin	January 2026	Licensing of a new music creation and streaming platform, trained on licensed music from Merlin members who choose to participate, with compensation flowing back to those labels and artists.
NVIDIA	Universal Music Group	January 2026	Partnership agreement includes licensed training of music analysis model Music Flamingo using UMG catalog, and R&D into AI-powered music discovery and creation tools.
Splice	Universal Music Group	December 2025	Licensing and development of AI-powered music creation tools
Udio	Universal Music Group and Warner Music Group	November 2025	Licensing of a new music creation and streaming platform, to be launched in 2026, trained on licensed music. Users can customise music that has been licensed. The platform will be a closed-system: users cannot download or use generated music for a commercial purpose (e.g. uploading to DSPs).

AI MUSIC LICENSING DEALS

AS AT 25 MAY 2026

AI company/tool	Music licensors	Date	Details
Suno (Gen AI music creation platform)	Warner Music Group	November 2025	Licensing of an ethically trained AI music model with opportunities for fan interaction. WMG artists can opt in for the use of their names, images, likenesses, voices, and compositions to be used in new AI-generated music. Limitations will be placed on music downloads.
KLAY Vision Inc	Universal Music Group, Universal Music Publishing Group, Sony Music Entertainment (SME), Sony Music Publishing, Warner Music Group, and Warner Chappell Music.	November 2025	Licensing of a new AI music platform that reimagines listening with immersive, interactive tools, powered by KLAY's Large Music Model, trained entirely on licensed music.
Musixmatch	Sony Music Publishing, Universal Music Publishing Group and Warner Chappell Music	October 2025	Licensing of 15 million musical works for the training of music analysis and search tools.
KDDI (leading Japanese telecommunications company)	Universal Music Japan	October 2025	Strategic partnership for the development of "new music experiences for fans and artists" using Gen AI.
			Licensing of professional AI-powered music creation tools, designed in collaboration with artists.

AI MUSIC LICENSING DEALS

AS AT 25 MAY 2026

AI company/tool	Music licensors	Date	Details
Stability AI (Gen AI music creation platform)	Universal Music Group and Warner Music Group	October 2025 and November 2025	
	AudioSparx (music library and stock audio marketplace representing over 1M tracks)	September 2023	AI-generated text-to-music tool Stable Audio trained exclusively on licensed dataset from AudioSparx music library, with compensation for creators and an option to opt-out.
ElevenLabs	Kobalt and MERLIN	August 2025	Direct licensing deal with AI-generated music tool “Eleven Music”, and partnership for the development of professional-grade tool “Eleven Music Pro”.
	SourceAudio	July 2025	Licensing partnership giving ElevenLabs access to millions of pre-cleared songs hosted on the SourceAudio platform for AI training.
Various (launching as a pilot project with startups Songfox and Sureel)	STIM (Swedish Collective Management Organization for songwriters)	September 2025	Collective licensing framework for musical works in AI training and outputs, on the basis of a voluntary mandate from rightsholders.
Beatoven.ai	Rightsify, Soundtrack Loops, Symphonic Music, Bobby Cole, Vadi Sound, and Pro Sound Effects	August 2025	Fully licensed gen AI music tool “Maestro”, which has an ongoing revenue sharing component for rightsholders.

AI MUSIC LICENSING DEALS

AS AT 25 MAY 2026

AI company/tool	Music licensors	Date	Details
Jen Music	Various	April 2025	Fully licensed AI-generated music tool "StyleFilters", trained on 40 licensed music catalogues. Artists who license one of their songs as a StyleFilter will receive 70 percent of the resulting revenues.
Hook	Downtown Music (music services company representing 4M artists and 5K business clients)	August 2024	AI-powered remixing app that enables users to create remixes of tracks from Downtown's catalogue.
Musical AI (AI attribution and rights management company)	Symphonic Distribution (independent music distribution company representing thousands of record labels and artists)	August 2024	Allows rightsholders to opt in to join a licensed AI training dataset, and receive a certain percentage of revenue.
Vermilio	Sony Music Entertainment, Legacy Recordings and David Gilmour and the Orb	November 2023	Artist-led project allowing fans to create personalised AI-generated fan remixes as part of a promotional album campaign.
Undisclosed	Rightsify' Global Copyright Exchange	2023-	Music datasets for training AI music models.
YouTube, BandLab, SoundLabs, ProRata	Universal Music Group	2023-2025	Various strategic partnerships and collaborations.

Other music deals with AI

Streaming Company	Music licensors	Date	Details
TikTok	Universal Music Group	May 2026	Multi-year licensing agreement that gives the social media platform access to UMG's recording catalog, with terms covering AI protections.

AI MUSIC LICENSING DEALS

AS AT 25 MAY 2026

Streaming Company	Music licensors	Date	Details
NetEase Cloud Music	Universal Music Group	January 2026	Multi-year licensing agreement that gives the streaming platform access to UMG's recording catalog, with terms covering "AI exploration".
Spotify	Sony Music Group, Universal Music Group, Warner Music Group, Merlin, and Believe	October 2025	In principle agreements with for the development of AI-powered music products, in collaboration with artists and tech companies. These new tools are intended to be used in accordance with Spotify's AI guidelines.
Meta	Universal Music Group	August 2024	Expansion of multi-year music licensing agreement including guardrails to address "unauthorized AI-generated content."