

National Club News

National Club News is a ClubsAustralia Publication

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The Phonographic Performance Company of Australia (PPCA), the organisation responsible for collecting copyright payments for businesses playing recorded music, proposes to increase fees for clubs, in some cases by over 10,000%!

PPCA plans to increase the tariff paid by cafes, restaurants and any venue with a seated dining area for playing background music. Adamstown RSL near Newcastle is facing an increase of over 11,000%. Tewanin Noosa RSL Club in Queensland is facing a fee increase of over 18,000%, from \$152.57 each year to \$26,535.60.

For the hospitality industry, still reeling from the global financial crisis and facing uncertain economic conditions, the proposed fee increases are unrealistic, unsustainable and ultimately unaffordable. The tariff increase goes beyond a simple price adjustment; PPCA is using its considerable monopoly power as the sole royalty collecting body for the recording industry to take as much money as possible from hospitality businesses. PPCA has recently raised the tariff fees for music played in nightclubs and at dance parties. PPCA increased the nightclub tariff from 7 cents per person per night to \$1.05. Many club discos closed as a result of the fee increase.

The fee increase will force clubs to choose between playing music and jobs. For example, a PPCA fee of \$25,000 could be paying the salary of a part time employee. Clubs employ a range of employees including bar staff and greenkeepers.

Many clubs employ young people on flexible hours and the availability of weekend work makes it easier for tertiary students to juggle work and study commitments. In the current economic environment and during a time of rising unemployment these high fees could threaten much needed club jobs.

Vital club community services could suffer as clubs choose between playing recorded music (and paying the associated music copyright fees) and funding community activities. Club spending on recreation and sporting facilities, youth sport sponsorships, donations to charities and social services providers could all be in jeopardy.

The real loss will be for Australian music and Australian artists. Clubs have traditionally been centres of live music in communities across Australia and clubs have nurtured and supported Australian musicians. Clubs spend heavily on live music and in 2008 clubs spent \$75 million. Many young bands get their first break playing in clubs. The PPCA fee increases could mean that if these performers are signed to a major record label, the local club where they played their first gig may not be able to afford to play their music.

Australians should be able to listen to popular Australian artists while they enjoy a meal at their local club. At the rates PPCA has proposed, Australian music will become unaffordable for the 4000 clubs in Australia and the future of Australian artists will be under threat.

Examples of proposed fee increases for clubs

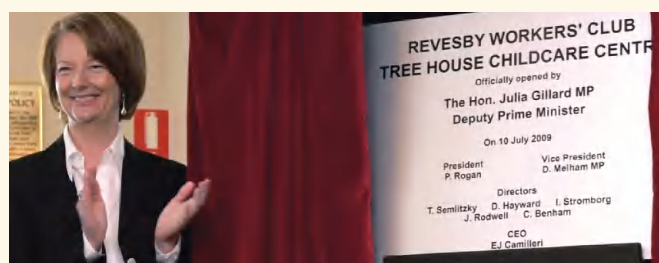
Club	Annual Current fee under Tariff R	Annual Fee under proposed Tariff R1	Percentage increase
Adamstown RSL Club	\$124.19	\$14,400.00	11,513%
Forestville RSL Club	\$124.19	\$13,759.20	10,979%
Canterbury Leagues Club	\$391.84	\$49,275.00	12,475%
Maclean District Bowling Club	\$124.19	\$14,742.00	11,770%
Tewanin Noosa RSL Club	\$143.66	\$26,535.00	18,370%
Salisbury North Football Club	\$83.49	\$8,575.00	10,170%



Clubs Australia



KID'S CLUB



Revesby Worker's Club is among the first licensed clubs to open a long day care centre and many more clubs are keen to follow suit. The *Tree House* was officially opened by the Hon. Julia Gillard MP, Acting Prime Minister on Friday 10 July 2009. Mr Daryl Melham MP, Member for Banks, also attended the opening.

The *Tree House* has 90 long day care places and will welcome children aged between 6 weeks and 5 years. The brand new, double storey centre includes a lift for disabled access and will cater for up to 5 children with special needs. The centre has a high staff to child ratio with an emphasis on early childhood education and preparing children for school. A number of elderly club members have already volunteered to help in the centre as 'honorary grand parents.'

The *Tree House* is not a child minding service and parents will need to book at the start of the year if they would like their children to attend. The *Tree House*, while owned by the club, is contained in a separate building with its own experienced child care staff.

The centre will operate from 7am to 6pm and has been welcomed by the community and working parents. The centre is part of the club's long term plan for business diversification. The club hopes to reduce its dependence on gaming machine revenue from 83% of revenue to just over 52%. The club has also opened a brand new fitness centre, for up to 5000 members, and plans to open a supermarket and hotel. This integration of services highlights how clubs are meeting the needs of their members and local communities.

CLUBS SUPPORT COMMUNITY

Federal Member for Blaxland, Jason Clare MP, and Scott Morrison MP, Federal Member for Cook, were recent guests on *ClubNews*, a fortnightly club focused news and current affairs show which airs on Sky News Channel.



Mr Clare and Mr Morrison talked about their support for clubs and their experience on the 2009 Kokoda Mateship Trek, where they joined young leaders from the Bankstown and Cronulla areas in walking the Kokoda Track. The trek is part of a broader program that seeks to foster relationships between the two

communities in the aftermath of the 2005 Cronulla riots. The trek was sponsored by ClubsNSW and supported by other licensed clubs including Bankstown Sports Club, Canterbury Leagues Club and Miranda RSL.

Jason Clare said, "There are some fantastic organisations led by some really community minded people who do a lot for our local community. If it wasn't for the money and support those clubs provide in my local community, sports clubs wouldn't benefit, there would be a lot of charities that would go without and there are a lot of organisations that just wouldn't survive."

Scott Morrison agreed, saying that he deals with "community organisations everyday that understand the support they're getting from the clubs. And if the clubs weren't doing it I know the vast majority of these organisations could not survive and provide the important services they do in my community and in Jason's community."