

## **Radio Pays and Plays Fair**

**20 November 2023**

The commercial radio industry is calling on Federal politicians to protect it from an unfair fee hike proposed by multinational record companies, as the industry already pays around \$40 million a year in fees and any increase would threaten the sustainability of local stations.

Commercial radio stations currently pay fees to the Australasian Performing Right Association (APRA) and to the Phonographic Performance Company of Australia (PPCA) to play music. The PPCA fee is capped to ensure record labels do not overcharge radio stations for the legislated quota of Australian music they are obligated to play.

Ford Ennals, chief executive officer of Commercial Radio & Audio (CRA), said the cap on the PPCA fee ensures the system is fair.

“No one argues that Australian musicians should not be paid for their talent and hard work but commercial radio is already paying a full and fair amount of around \$40 million a year in music fees and is a vital promotional platform for Australian artists,” Mr Ennals said.

“It would be unfair to force radio stations pay more to play the Australian music they are legally required to play. Doing so would threaten the sustainability of local radio stations, and the Australian music industry would suffer as a result.

“PPCA wants the cap removed so it can increase fees by up to 900%. Yet there is no way of knowing how much of the existing fee we pay to PPCA is being distributed to the artists – we believe it could be as little as 10%, while the rest is being pocketed by PPCA’s members who are multinational record companies with combined revenues more than 40 times the size of the entire Australian radio industry.”

The commercial radio and audio industry supports 6,600 full-time equivalent jobs, with 38% in regional areas.

Star 104.5 presenter and musician Gina Jeffreys said she has experienced firsthand how radio promotes, empowers, and lifts up Australian music and talent.

“I have mentored some incredible Aussie artists over the last 15 years, and I know that being played on commercial radio means more to them than anything else. People who make music do it because they want to be heard,” Ms Jeffreys said.

“I am passionate about supporting up and coming Aussie musicians. We have so many incredible unknown artists who deserve this chance. I feel like it’s Aussie radio’s responsibility to support our own. Ultimately - being played and heard on commercial radio leads to being paid from all kinds of areas.”

Triple M’s Matty O, who recently won the ‘Gudinski’ Australian Music Champion Award at the ACRA’s, also expressed his support for the radio industry.

"Commercial radio airplay not only changes the careers of the artists it plays, but it's vital in supporting the entire ecosystem of the Australian music industry, that has never needed more backing than right now," he said.

Mr Ennals said Australian artists deserve to be paid fairly by multinational record labels.

"If PPCA wants more money in the pockets of Australian musicians, then it should pay them a bigger share of the fees it is already collecting," he said.

"Why should stations be forced to pay more when multinational music giants worth more than 40 times the Australian radio industry refuse to hand over the full amount to their artists?"

CRA's submission to the Senate inquiry can be viewed [here](#).

**Media contact:** Katie Kimberley – 0417 467 215 [media@commercialradio.com.au](mailto:media@commercialradio.com.au)

#### **About Commercial Radio & Audio**

CRA is the peak industry body representing the interests of commercial radio broadcasters throughout Australia. CRA promotes the effectiveness of radio and audio to advertisers, manages audio research and insights, metropolitan and regional audience measurement surveys, revenue reporting, industry innovation including the automated trading platform RadioMatrix, RadioApp, the Australian Podcast Ranker, industry codes and standards, and regulatory and legislative matters. CRA also hosts the Australian Commercial Radio Awards and the Siren Creative Awards.

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