

LICENCE FEES FROM SCHOOLS: JUNE 2022 DISTRIBUTION

BACKGROUND

The current agreement between Copyright Agency and the Copyright Advisory Group to the Education Council (CAG), for the four-year period from 1 January 2019 to 31 December 2022, sets a flat rate per student each year, as follows:

Calendar year	2019	2020	2021	2022
\$ per student	\$15	\$14.75	\$13.75	\$13

In March 2020, the surveys in schools were paused due to COVID-19. In late 2020, Copyright Agency and CAG agreed to continue the pause until the end of 2021 while negotiations on new methods of data collection, commenced in 2019, continue.

At the March 2021 Board meeting, Management outlined a new approach to distributing licence fees from schools, having regard to the survey pause. Management is looking at options for getting data on relevant changes in schools’ use of content for the 2022 distribution.

For the 2021 distribution, we introduced a new approach that included:

- using survey data from schools from the previous six rather than two years;
- allocations to publications (such as books and journals) rather than granular components (such as a text extract or images);
- an increase in the amount set aside for the Annual Artists Distribution to include artistic works copied without text: artist recipients for those works will receive their payment from that distribution;
- an amount set aside for the Annual Writers Distribution, for writers of articles published in newspapers, magazines and journals, and works published in anthologies and edited collections (such as poems and essays); and
- a percentage for music, based on past allocations.

CHANGES SINCE PREVIOUS DISTRIBUTION OF LICENCE FEES FROM SCHOOLS

Distributable amount

The amount for distribution is less than that for 2021 because of the lower per-student rate in the current agreement (\$13 v \$13.75).

Data

New sources of data are:

- titles from an online questionnaire completed by teachers in July 2021; and
- books published in 2020 and 2021, from Nielsen BookScan sales data.

FUNDS FOR DISTRIBUTION

Amount (approx.)	\$43.5m (including amounts for annual artists' and writers' distributions, and music)
Licence fee source	Licence fees from school sector
Licence type	Statutory
Licence period	January to December 2022
How calculated	Licence fees received less deductions for anticipated operating costs and Cultural Fund: see here .

DISTRIBUTION POOLS

For	%	Distributed with fees from other sources	When
Publishers of books, journals, magazine, newspapers and online content; and writers/illustrators entitled to share of book allocations	89%	No	June 2022
Music	2%	No	June 2022
Annual Artists Distribution	6%	Yes	June 2022
Annual Writers Distribution	3%	Yes	June 2022

POOL PROPORTIONS

The pools for the annual distributions for artists, writers and music, are based on analysis of past copying and allocations, including copying for which teachers provided insufficient information for identification of a rightsholder.

SOURCES OF DATA FOR DISTRIBUTION

- survey data from schools from 2015;
- titles from an online questionnaire completed by teachers in July 2021; and
- books published in 2020 and 2021, from Nielsen BookScan sales data.

DATA 'CARRIED FORWARD'

We make allocations to rightsholders that we have a reasonable prospect of paying. We hold data relating to other rightsholders, that can be used in future distributions if circumstances change (e.g. if a rightsholder becomes a member and provides bank details).

OBLIGATION TO SHARE PAYMENT

In accordance with the Distribution Policy, recipients may be required to share payments with others with a legal entitlement. Some book publishers are required to share payments with writers and illustrators, if we do not yet have shares registered that enable us to pay all shareholders directly.

NUMBER OF RECIPIENTS

There are approximately 4,500 direct recipients. Some of these recipients (such as agents, copyright management organisations and publishers) pass on payments to others. There are additional recipients from the writers' and artists' royalty claim distributions.