



25 February 2011

Ms Sharon Bird  
Committee Chair  
The House of Representatives Infrastructure and  
Communications Committee  
Parliament House  
Canberra ACT 2600

**By email: [ic.reps@aph.gov.au](mailto:ic.reps@aph.gov.au)**

Dear Ms Bird

### **Inquiry into the role and potential benefits of the National Broadband Network**

The Australian Content Industry Group (**ACIG**) is made up the major industry association across book publishing, music, interactive games and software. The full list of members is listed below. We welcome the opportunity to provide our comments on the “role and potential benefits” of the National Broadband Network (**NBN**) to the House of Representatives Infrastructure and Communications Committee.

### **The value of the content industries**

By way of background, the Australia’s content industries comprise a significant segment of the national economy. In 2006/07, Australia’s copyright industries:<sup>1</sup>

- Employed 837,507 people (8 per cent of the Australian workforce);
- Generated economic value equal to 10.3 per cent of gross domestic product (\$97.7 billion) ; and
- Generated \$6.873 billion in exports (4.1 per cent of total exports).

With the rollout of the NBN which aims to bring fast broadband access to over 90 per cent of Australian homes and businesses the content industries are poised to play an even greater role in Australia’s productivity, as they generate the new entertainment and information products that will help drive demand for greater digital capacity. The creative community that the ACIG members represent, want to continue to break new ground in innovating, experimenting and engaging with consumers in exciting and new ways.

### **Optimising the benefits of the NBN**

While the potential for growth in the new NBN-enabled economy is significant, there are also some appreciable threats to innovation and investment in online content. The issue of illegal online copyright protection has been of major concern to the many businesses and organisations involved in creating and providing content and delivering it to consumers via the internet for many years.

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<sup>1</sup> PWC, *Making the Intangible Tangible – The Economic Contribution of Australia’s Copyright Industries*, 2008, page3.

Over the past three years, a number of attempts have been made by individual content industries to have the issue addressed. Last year, a number of the major content industry groups came together in the form of the ACIG, to seek a common solution to the issue of online piracy. In short, our aim is to support the Government achieving its commitment, made in the 2009 policy statement Australia's Digital Economy: Future Directions to "facilitate development of an appropriate solution to the issue of unauthorised file sharing".

As such, the ACIG has asked the Government to facilitate an industry roundtable that would bring together representatives of the key content industries and internet service providers (*ISPs*) to start the process of drawing up an industry code of conduct to address the ongoing issue of copyright theft online. This Code would not only deal with illegal file-sharing, but contemplate other forms of infringement on the internet (either presently or in the future). The ACIG's preferred outcome is that there should be an industry led solution in the form of a code agreed between content rights holders (and their representatives) and ISPs.

The ACIG see the key code elements including:

1. Cross industry partnership forum - bringing together rights holders and ISPs.
2. Education - why protecting content is important to content industries, consumers, ISPs and growth of the digital economy, particularly in the NBN enabled economy.
3. Notification process for copyright theft with an "effective sanction" for repeat infringers.

The ACIG and its members understand that an appropriate solution or scheme must stand the test of time and the unknown challenges and changes the internet will throw up over the coming years, including the growth of internet traffic and broadband penetration as a result of the roll-out of the NBN. As such, we remain flexible on all possible options that could achieve the primary objective of securing a substantial reduction in copyright theft on the internet, thus enabling legitimate content on the NBN to thrive.

Please do not hesitate to contact me on behalf of the ACIG should you require any additional information. I can be contacted on \_\_\_\_\_ or \_\_\_\_\_

Best regards



**Sabiene Heindl**  
On behalf of ACIG members

