

Ticket Reselling Consultation Paper  
Small Business and Consumer Policy Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

13 December 2017

Live Music Office submission in response to:

## **RE: Ticket Reselling in Australia**

Established in July 2013, the Live Music Office works to increase opportunities for live music in Australia by identifying and advocating for better policy, regulation and strategy. Our advocacy encompasses regulation, research, audience development initiatives and support for music industry development.

The Live Music Office recognises that the policy objective for this review is to reduce consumer detriment in the secondary ticket market that arises from consumers not being provided the information that they require to make an informed purchasing decision that would benefit them, and that the policy objective is also to reduce the risk that consumers are both advertently or inadvertently misled or deceived when they purchase tickets to events in the secondary ticket market.

In this context, we are framing our submission in line with the 5 policy options considered in the RIS;

### **Option 1** — Status quo, with consumer education

**Not Supported:** The Live Music Office does not support option 1, as we are of the view that further measures must also be taken for this review to achieve the policy objective of reducing consumer detriment. Doing nothing would give implicit permission then for the use of automated ticket purchasing, as well as a green light for those who benefit from heavily inflated secondary ticket mark-ups which is recognised as having detrimental impacts on our industry.

### **Option 2** — National prohibition on ticket reselling

**Not Supported:** The Live Music Office does not support option 2 either, as we believe this approach would be highly problematic and likely unworkable from a compliance point of view. Further to this, the measure would likely have the perverse outcome of unfairly penalising genuine consumers who may have a change of plans or circumstances that mean their tickets are no longer usable and could legitimately be transferred to another party.

### **Option 3** — Restricted reselling

**Supported:** For option 3, we refer to the associated references in the NSW *Fair Trading Amendment (Ticket Scalping and Gift Cards) Bill 2017*: which not only caps the resale price of tickets within 10 per cent of original price, but also prohibits ads for the resale of event tickets that go over this 10 per cent cap.

We support this approach because whilst a national prohibition would be not only unworkable and also have unintended consequences, having no limit on resale prices has been found to have impacts not only on consumers but also on venues and artists.

It is our experience that as inflated tickets appear on the secondary market that this interferes with the normal operation of venues, as subsequent customer complaints and issues arise. Artists also may be unfairly impacted by heavily inflated prices as they miss out on legitimate income generated from their work.

We support a cap on the resale price of tickets within 10 per cent of original price, as well as the prohibition of ads for the resale of event tickets that go over this 10 per cent cap.

#### **Option 4** — Improved information disclosure arrangements for ticket resellers

**Supported:** We strongly support improved arrangements information disclosure arrangements for ticket resellers. The use of specious websites and opaque marketing techniques that present to consumers as primary ticketing agencies are recognised as having the effect of either advertently or inadvertently misleading or deceiving consumers. This is clearly inconsistent with overarching national consumer protection obligations, and has been a significant issue informing the establishment of this review, as well as similar reviews in the UK, Canada, NSW and VIC.

#### **Option 5** — National ban on the use of ticket-buying bot software

**Supported:** A national ban on the use of automated ticket purchasing/bots is also strongly supported by the Live Music Office, as we believe these unfairly disadvantage genuine consumers in accessing available tickets initially, as well as driving up the price of tickets in any secondary market in the absence of any restricted reselling measures.

These concerns were echoed in the UK Government response to Professor Waterson's independent review of consumer protection measures concerning online secondary ticketing in the UK as well as the NSW *Fair Trading Amendment (Ticket Scalping and Gift Cards) Bill 2017* outlawing the use of these technologies in the state of NSW.

We submit that a ban on bots should be a primary recommendation of this review.

We appreciate the opportunity to provide input into this review, and thank the government for undertaking this initiative to better safeguard the interests of the live music and performance industry in Australia.

Yours sincerely,

**John Wardle**

Director

**Live Music Office**

16 Mountain St, Ultimo NSW 2007, Australia

Locked Bag 5000, Strawberry Hills NSW 2012

P +61 2 9935 7875 F +61 2 9935 7970

E [john@livemusicoffice.com.au](mailto:john@livemusicoffice.com.au)

W <http://livemusicoffice.com.au/>