



Australian Government

Australian Trade and Investment Commission

8 May 2024

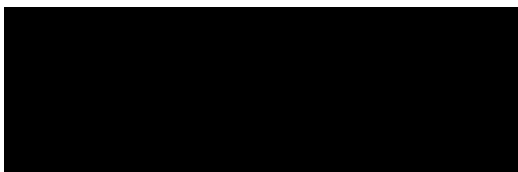
Committee Secretary
Standing Committee on Communications and the Arts
Department of the House of Representatives
PO Box 6021
Parliament House
CANBERRA ACT 2600
AUSTRALIA

Dear Committee Secretary

Submission – Standing Committee on Communications and the Arts

The Australian Trade and Investment Commission (Austrade) is pleased to lodge the enclosed submission into the Standing Committee's inquiry into the challenges and opportunities within the Australian live music industry.

Yours sincerely



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CEO
Australian Trade and Investment Commission

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Australian Trade and Investment Commission

Standing Committee on Communications and the Arts

Austrade Submission: Inquiry into the challenges and opportunities within the Australian live music industry

Role of Austrade

Austrade is the Australian Government's trade and investment promotion agency, helping Australian exporters to grow in global trade and to attract productive foreign direct investment to Australia. Austrade also leads on the development of Australian Government policy to support the sustainable growth of Australia's visitor economy. This submission focuses primarily on Austrade's interests in the live music industry as it relates to the visitor economy.

THRIVE 2030, the National Visitor Economy Strategy

Australia's visitor economy is a significant driver for Australia's national economy, and a significant contributor to Australians' overall wellbeing, sense of national identity and international 'soft power'.

Austrade has policy responsibility for the development and implementation of THRIVE 2030, the national strategy for the long-term sustainable growth of the visitor economy. This is an industry-led, government-enabled strategy, which is being delivered in partnership with Australian Government agencies, State and Territory Governments, and industry. THRIVE 2030 recognises that the events industry (live music, business, cultural and arts, regional and major events) are a key factor in attracting international visitors and encouraging Australians to travel domestically. When effectively championed by organisers, events can provide unique reasons to visit city/metropolitan and regional destinations.

THRIVE 2030 includes a number of actions that reflect the importance of events for tourism, as outlined in Annex 1.

Austrade contributes to Revive, the National Cultural Policy, through recognising the role and importance of cultural tourism; measuring, through Austrade's Tourism Research Australia, travellers' engagement with cultural tourism; and through Government grant programs whose

scope supports artistic and cultural events (such as the *Regional Tourism Bushfire Recovery Grants Program (RTBR)* and *Recovery for Regional Tourism Program (RRT)*). Austrade also engages with the Australian Festivals Association through the quarterly Austrade Visitor Economy Industry Stakeholder Forum.

Live music and the visitor economy

Almost every Australian connects with music in some form – half of all Australians attended live music events prior to the COVID-19 pandemic¹. While COVID-19 had a devastating effect on the live music industry, ticket sales for music festivals in 2022-23 indicate that the industry is recovering from the impacts of the COVID-19 pandemic. In the 2022-23 financial year, 9506 tickets per festival were sold on average, up from 8,116 tickets in 2018-19².

Ensuring a supported live music industry brings economic benefits for the visitor economy including by:

- Supporting local tourism;
- Creating employment opportunities for locals;
- Providing employment and engagement opportunities to music industry workers; and
- Increasing Australian artists' exposure to new and larger audiences.

Tourism Research Australia does not collect data specifically on the number of trips incorporating a live music experience, however available data demonstrates that approximately 3 per cent of travellers (domestic and international) attended theatre, concerts, or other performing arts in 2023. Breaking these figures down by type of traveller, we find that 2 per cent of domestic daytrip travellers, 5 per cent of domestic overnight travellers and 10 per cent of international travellers attended theatre, concerts or other performing arts in 2023.³

While data may indicate that the industry is recovering, there are challenges to running live events in Australia.

The rising cost of insurance has been cited as a challenge associated with live music events and festivals.⁴ THRIVE 2030 recognises this issue through THRIVE 2030 Action 4.6: "the Government is committed to monitor the affordability and access of insurance, specifically public liability insurance". Austrade, with support from Treasury, has facilitated several workshops focussed on addressing insurance affordability challenges within the visitor

¹ Australian Council for the Arts, *Creating Our Future: Results of the National Arts Participation Survey*, 2021.

² Creative Australia, *Soundcheck: Insights into Australia's music festival sector*, 2024.

³ Tourism Research Australia analysis.

⁴ Creative Australia, *Soundcheck: Insights into Australia's music festival sector*, 2024.

economy. These workshops have facilitated the sharing of lessons learnt, best practice and industry resources with visitor economy stakeholders. Workshop participants included state and territory treasury and tourism officials, Australian Small Business and Family Enterprise Ombudsman, Australian Prudential Regulatory Authority, National Emergency Management Agency, Insurance Council of Australia, National Insurance Brokers Association, Caravan Industry Association of Australia, Outdoors NSW & ACT, Australian Live Music Business Council, and visitor economy industry peak bodies.

In recent years, Austrade has supported the recovery of the events industry (including live music) through two targeted grant programs – *Regional Tourism Bushfire Recovery Grants Program (RTBR)* and *Recovery for Regional Tourism Program (RRT)*.

The \$10 million RTBR program, delivered from February 2020 to December 2022, supported the recovery of visitor levels to areas impacted by bushfires by supporting events, concerts, festivals, visitor attractions and other tourism initiatives. An evaluation of the program found that after receiving a grant, most bushfire-affected areas experienced an increase in visitor spend and higher spend compared to 2019 (pre-COVID-19 and bushfires).⁵ Bushfire-affected local government areas that received an RTBR grant also maintained a higher number of overnight domestic visitors compared to areas not affected by bushfires.⁶

From November 2020 to November 2022, Austrade delivered the \$50 million RRT program, which aimed to help regions heavily reliant on international tourism to retain and create jobs by funding projects or activities that drove visitation, increased demand, and improved product diversity. A total of \$47 million was provided to recipients across multiple jurisdictions, with 30 of the 83 completed projects including an event-related element.⁷ An evaluation of the program found that the RRT program was successful in creating and retaining jobs directly and indirectly related to tourism, and driving interstate tourism.⁸ One specific example involved the town of Bicheno on the East Coast of Tasmania (population ~970) which used an event to drive visitation during its off-season. Bicheno Beams, a sound and light festival, attracted over 10,000 visitors over the month of July 2022 and generated an estimated \$870,000 in economic benefit for the town.

⁵ Internal Austrade Evaluation Report.

⁶ Tourism Research Australia analysis.

⁷ Internal Austrade Evaluation Report.

⁸ Internal Austrade Evaluation Report.

Annex 1 – THRIVE 2030 Actions Related to Events

| Number | Action | Action Lead (Partners) |
|------------|--|--|
| 6.2 | <p>Encourage Australians to spend on the domestic visitor economy as they would overseas, including through targeted offerings and marketing.</p> <p>Apply behavioural economic research to develop product and marketing approaches to attract greater domestic visitation and spend.</p> <p>Attract domestic and international visitors to Australia’s regional events and heritage offerings noting that potential funding mechanisms already exist such as the <i>Regional Arts Fund</i>, <i>Festivals Australia</i> and the <i>Indigenous Visual Arts Industry Support Program</i>.</p> <p>Targeted offerings and marketing to visitors should include disclosure about the impact of purchasing First Nations ‘style’ arts and crafts (or inauthentic First Nations arts and crafts), as these products have no connection with and provide no economic benefit to First Nations peoples</p> | <p>Austrade, Department of Infrastructure, Transport, Regional Development, Communications and the Arts, Tourism Australia, State & Territory Government, Visitor Economy Industry.</p> |
| 7.3 | <p>Support return of events, including business, cultural and arts, regional and major events, and implement an annual coordinated calendar of events to encourage new and return visitors including:</p> <ul style="list-style-type: none"> • Leverage and support the <i>Green and Gold Decade</i> of major sporting events, culminating in the Brisbane 2032 Olympics and Paralympics. • Governments and industry to collaborate to optimise the impact of the many existing event promotion and support programs, including the <i>Business Events Australia Bid Fund Program</i>. • Incorporate creative/cultural assets into destination marketing to maximise contribution of the creative economy, including to support the delivery of <i>Revive: a place for every story, a story for every place</i>, Australia’s National Cultural Policy. • Establish new mass participation events including regional areas to encourage visitor dispersal, noting that potential funding mechanisms already exist such as the Australia Council for the Arts. | <p>Visitor Economy Industry, Department of Health, Department of Infrastructure, Transport, Regional Development, Communications and the Arts, National Indigenous Australians Agency, Australia Council for the Arts (Tourism Australia, State & Territory Government, Local Government).</p> |