



29/04/2024

Dear Inquiry Members,

The William Street Bird, a small capacity (176 persons) live music venue in Northbridge. The Bird is one of the most active grass roots live music venues of its capacity in Western Australia. We support around 660 acts a year or 1650 individual artists, programming our stage up to 6 days a week, with up to 4 acts per night. Our venue is located at a prominent location in the heart of Northbridge, the entertainment precinct of Perth, WA.

In live music there are different sized venues that all play vital parts in supporting the valuable and creative industry of live music;

- Small capacity venues which hold up to 250 people are the starting point for any live musician and are arguably the most important for the development of new artists. The smaller capacity is approachable, allowing artists to fill the space and not feel so intimidated by trying to fill a large space. The staff in the smaller spaces are used to working with emerging artists and make them feel safe at the beginning of their careers. These venues always hold a special place in artists' eyes as they remember the space where it all started. Artists will usually move on from a small capacity venue once they have sold out multiple shows in a smaller space.
- Medium capacity venues which hold 250 to 1,000 people are usually the next stepping stone. It's where the artist has been able to grow their fan base to outsell a small capacity venue and as a band they have developed their talents to a point where they are usually more professional and understanding of the requirements of being a band with a greater following. At this point the band or artist will have a fork in the road, whether they become a full time musician and pursue a career from their work or whether they see it as an addition to their existing career, not at all taking away from the viability that live music is a very viable stand alone career.
- Large capacity venues which hold 1,000 people to 5,000 people are when a band has garnered a following which allows them to hold an event in a larger space. Artists will usually be confident they can sell out the space when moving to a venue of this size. Artist(s) are usually at a point where they have the ability to tour nationally or internationally at this point and they are pursuing a dream in live music.

- Festival, stadiums etc this at the point where a musician is nationally or internationally acclaimed and has a big enough following where they headline their own shows or they have been invited to be the support act for a touring show in recognition of their talent.

Over the last 2-3 years the way people interact, attend and use live music events and venues has changed dramatically. People buy tickets late, attendance is lower and even if attendance is high the peripheral sale of alcohol is low.

It has become very well observed that unless you are well known or an acclaimed artist or band, people don't place a significant value on your art. Big touring act's are able to fill stadiums and across Australia where the price of tickets is not the biggest consideration. This leaves artists that are not as well known with the ability to charge appropriately to cover their costs and make a living from their entertainment as the value is not observed.

I personally believe the big elephant in the room in regards to most forms of live music or entertainment in fact is the correlation between alcohol and entertainment.

The live music or entertainment scene relies on the sale and consumption of alcohol to support its industry, in a society where the consumption of alcohol is decreasing. There has been a well documented reduction in alcohol consumption worldwide in younger demographics (18-25 years old) which also bleeds through to everyone up to 35 years old.

I want to make it abundantly clear, I don't believe the answer is to increase alcohol sales to subsidize live music, the arts or entertainment industry.. The reduction of alcohol consumption is a very positive thing for society and community health. I believe there needs to be intermediate support from the government to preserve the important role of live music and the arts play in the community.

Previously until this point the way performing artist's have been able to combat charging higher ticket prices is by continuing to charge lower ticket prices and asking venues to have a lower barrier of entrance to host their event. Live music venues are usually supportive because we understand the industry and how little bands make at the beginning of their careers.

So in turn the venue subsidizes the cost of the show where the shortfall for the venue is covered by alcohol sales. The problem with this is the alcohol sales are no longer enough to do this.

So this is where the root of the root of the problem lies. I will cover the issues from a few different aspects, proposing a few different scenarios to provoke thought

- 1) Venues don't raise the cost of hosting a band, as bands don't make enough revenue to cover the cost of the venue and paying supporting acts plus themselves. The outcome of venues leaving the cost low is that over time their business becomes unviable, possibly closing down as they can't afford to subsidize artists and their shows. (this has been

observed across Australia over the last few years time and time again)

- 2) Venues actually raise the costs to bands to host their shows, the bands raise ticket prices and the attendance is minimal due to the higher barrier of entrance to supporters and patrons.. The outcome of this scenario is that the bands have to cover the higher costs at a loss, they still have to pay their supporting acts at a loss and bands either lose the drive and motivation to continue or they continue at venues that cost less but at some point those venues may also become unviable. The venue's revenue for the night puts them in a loss position financially and over time the venue also becomes unviable.
- 3) Venues start to only host bands that have a track record of high sales, charging full price and those bands are able to charge a higher ticket price as they have a large enough following to do so. The outcome of this scenario is a win for the venue as they are full and turn a profit financially, the band is happy as they turn a profit for the night. Small and emerging artists lose the ability to showcase their talents as venues are unable to host them at an accessible price to cover their costs.
- 4) The state government or local government creates grants to support artists directly to support gigs. The artists are able to support themselves to create new opportunities at venues, covering the higher costs and still charge a lower door charge. While this definitely was a step in the right direction, the outcome that we saw was artists did not have the same drive and motivation to promote their gigs, in some cases leading to poor attendance where the artist was covered financially, the venue was in terms of venue hire but was not profitable as a whole for the night.

Just for clarity, the above scenarios have been explored by our venue personally and the reasons I am confident in stating outcomes is they were the outcomes we faced as a venue or other venues have faced, as we have a broad network of business we communicate with regularly.

As a case study I will introduce the financials for a band or promoter from two recent gigs to make sense of the above:

### **Scenario 1)**

Door Charge: \$15

Attendance: 117

Door revenue paid directly to the bands account:  $\$15 \times 117 = \$1,755$

### **Band**

Venue Hire: Production fee \$220 + venue hire 10% \$175 = \$395

Bands other costs:

Support act 1: \$200 (some bands have 4 or 5 artists, so they are not making money either)

Support act 2: \$200 (some bands have 4 or 5 artists, so they are not making money either)

**Total revenue for band minus costs on the night: \$960**

(this doesn't take in consideration transport, parking, practice, marketing etc)

### **Venue**

Revenue: \$395

5.5 x \$50 for the production = \$275

Door staff 5 hours x \$32/h = \$160

**Total revenue minus costs: -\$40**

(we lost \$40 from hosting this gig even though it was busy)

### **Scenario 2)**

Door Charge \$10

Attendance 87

Door revenue paid directly to the band's account:  $\$10 \times 870 = \$870$

### **Band**

Venue Hire: Production fee \$220 + venue hire 10% \$87 = \$307

Bands other costs:

Support act 1: \$150 (some bands have 4 or 5 artists, so they are not making money either)

Support act 2: \$150 (some bands have 4 or 5 artists, so they are not making money either)

**Total revenue for band minus costs on the night: \$263**

(this doesn't take in consideration transport, parking, practice, marketing etc)

### **Venue**

Revenue: \$307

5.5 x \$50 for the production = \$275

Door staff 5 hours x \$32/h = \$160

**Total revenue minus costs: -\$128**

(we lost \$128 from hosting this mid week gig even though it was relatively busy for a weeknight)

### **Scenario 3)**

Door Charge: \$10 & \$15

Attendance: 22 & 35

Door revenue paid directly to the promoters account:  $\$10 \times 22 + \$15 \times 35 = \$745$

### **Promoter**

Venue Hire: Production fee \$220 + venue hire 10% \$74.50 + extra door charges = \$543.95

Bands other costs:

DJ Support 1: \$100

DJ Support 2: \$100

DJ Support 3: \$100

DJ Support 4: \$100

**Total revenue for band minus costs on the night: -\$198.95 (LOSS)**

(this doesn't take in consideration transport, parking, practice, marketing etc)

### **Venue**

Revenue: \$543.95

1.5 x \$50 for the production = \$75

Door staff 9 hours x \$35/h = \$315

**Total revenue minus costs: \$153.95**

(we made \$153.95 from hosting this event but the promoter lost money, not the greatest outcome)

To bring this all together, I am speaking from the point of view of a small capacity live music venue.

From all the information I have communicated above, we are able to have a small insight to the issues our venue and other venues are facing nationally.

When we talk about live music in our venue, our venue is a safe space for LGBTQI+, a space where people feel comfortable, our values align with the community we serve and in turn create a greater cohesiveness within that same community. When people visit our venue it creates vibrancy for our precinct as our patrons will visit other businesses for food and beverages before and after events.

As a small capacity live music venue, we often feel overlooked by the state and federal government. We can understand the reasoning as there are no practical or measurable outcomes available to share with the appropriate members of parliament. But the honest truth is that we possibly play the most important role in the development and growth of new and emerging artists.

We understand the government supporting larger acts or venues, as the measurable outcomes are tangible such as attendance, revenue from local and national travel to the event, surrounding venues supported by the increase in food and beverage plus the stimulus of jobs created by these event.

The question we have to ask is, where did the careers of those artists start? They all started in small capacity live music venues. They were supported by their local community and at that point, they were unknown. They grew through their career, outgrowing the different capacity venues, finally ending in stadiums.

My view is that the support of small capacity live music venues can almost be likened to the education system for new and emerging artists. We create a space which is almost their training ground, our staff create an environment that teaches them how to play to a live audience, the venue creates a space that makes them feel safe and this all increases their chances to grow as

an artist, where the growth is then up to them as individual(s) as to how they choose to continue.

While alcohol is used by venues to subsidize the events that support this community, we can longer rely on alcohol consumption or commercial incentives from the suppliers of alcohol to support this industry. We need help to reduce the correlation between live music and alcohol. In the interim while a better solution is sought out, the sector needs support from the government, to allow it continue to grow.

Thanks for this opportunity.

Best Regards  
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