



MINISTER FOR TOURISM AND CULTURE

Parliament House
State Square
Darwin NT 0800
minister.moss@nt.gov.au

GPO Box 3146
Darwin NT 0801
Telephone: 08 8936 5532
Facsimile: 08 8936 5637

Mr Luke Howarth MP
Chair
House of Representatives Standing Committee
on Communications and the Arts
PO Box 6021
Parliament House
CANBERRA ACT 2600

Email: communications.reps@aph.gov.au

Dear Mr Howarth

I am pleased to enclose the Northern Territory Government's submission to the House of Representatives Standing Committee on Communications and the Arts into the factors contributing to the growth and sustainability of the Australian Music Industry. I understand that staff from my Department of Tourism and Culture negotiated an extension with the Inquiry Secretary until 16 November 2018, in which to provide this submission.

The Northern Territory (NT) Music sector provides a voice for NT musicians and bands including Aboriginal artists who contribute significantly to shaping the NT and our national culture and identity and contribute to the domestic and international profile of Australian music.

A key challenge for growth and sustainability in the Australian music sector for regional jurisdictions such as the NT is addressing barriers that exist for the creation of product, distribution and participation for musicians, music workers and enterprises. Taking into consideration the growth of digital markets and content creation, we have addressed two key areas for the consideration of the Committee – digital access and capacity building.

Thank you for the opportunity to provide input to the inquiry.

Yours sincerely

LAUREN MOSS

15.11.18



Northern Territory Government Submission to the House of Representatives Standing Committee on Communications and the Arts Inquiry into the Australian Music Industry

Terms of Reference: “Factors contributing to the growth and sustainability of the Australian Music Industry”

Submission Date: 16 November 2018

The Department of Tourism and Culture, on behalf of the Northern Territory (NT) Government, welcomes the opportunity to lodge this submission to the current inquiry of the House of Representatives Standing Committee into the growth and sustainability of the Australian Music Industry.

This submission will focus on the Northern Territory (NT) music sector in relation to other states and territories within Australia. Statistics released by the ABS in September 2018 indicate the NT population, at 246 688, accounts for one per cent of the overall population of Australia.¹ In 2017-18, the NT Government provided \$1.41 million in funding to the NT music sector. This funding provides support for the peak music industry organisation, MusicNT, to provide music industry development and showcasing opportunities such as the development of the NT Contemporary Live Music Strategy and delivery of the annual National Indigenous Music Awards (NIMA). In addition, grant program funding is provided from small to medium arts organisations, individual artists/arts workers, festivals and events that provide showcasing and employment opportunities for NT musicians and community access and participation in music.

The NT music sector provides a voice for NT Aboriginal musicians and bands who contribute significantly to shaping the NT and our national culture and identity, and contribute to the domestic and international profile of Australian music. Some of the most defining Australian songs of the era, often considered “anthems” have been written and created by musicians living in remote communities of the NT – Yothu Yindi, Warumpi Band, the late Dr G Yunupingu, B2M and emerging artists such as Danzel Baker (also known as Baker Boy).

Research undertaken in 2017 by MusicNT in partnership with the University of Tasmania and the National Live Music Office into *The Economy of Live Music in Australia*², highlights that the NT rates well below average for Live Music performance opportunities compared to the national average, yet returns a higher dollar ratio per dollar spent, than its national counterparts. For every dollar invested into the Live Music sector in the NT, \$4.39 is returned (GVA)³. The NT Government is considering outcomes of this research and working with MusicNT to consider opportunities and priorities for music industry development in the NT commencing with the development of a Live Music Strategy. The NT Government is also partnering with the Chamber of Commerce NT to develop a Creative Industries Strategy to identify ways of strengthening the industry sector, including the music industry.

¹ (2018) ABS 3101.0 - Australian Demographic Statistics, Mar 2018

² The Economic and Cultural Value of Live Music in the Northern Territory 2017 - MusicNT, UTAS and The Live Music Office

³ Gross Value Add is the grand total of all revenues, from final sales and (net) subsidies, which are incomes into businesses.

A key challenge for growth and sustainability in the Australian music sector for regional jurisdictions, such as the NT, is addressing barriers that exist for the creation, promotion and distribution of product, the development of enterprise and music business skills, as well as, the small number of commercial music business enterprises or record labels that develop, produce and distribute NT music.

The development of a National Contemporary Music Plan by peak body Music Australia in 2016 “*identifies music as a powerful regional tourism attractor*”⁴. While this plan is yet to be formally adopted by Government agencies, it highlights possible solutions on a national level to benefit music creators and industry workers across Australia regardless of their geographical or economic location.

MusicNT has provided a separate submission to the Inquiry identifying a broad range of matters it considers important to the growth and sustainability of the music industry in the NT. Accordingly, this submission will focus on two priority areas that have been identified by stakeholders as key to growth and sustainability:

1. **Digital access:** Barriers to accessing digital and online streaming services via technology platforms.
2. **Capacity building:** Resourcing and support for musicians, music businesses and pathways for music industry development in remote and regional areas including the creation of content.

Digital access

A contributing factor to overall revenue growth within the industry currently derives from digital and online streaming, which was a negligible source of revenue only five years ago. The increase in digital and streaming revenue in the 2016-17 financial year accounts for 54 per cent of the total overall market revenue, which is double from the previous year⁵. The data available reflects the growing market for access to music via digital technology platforms for both consumption and creation. Access to digital and online streaming is a key factor for *future sustainability* for the sector for both the creators and distributors and a priority area for future growth potential given the rapidly changing way that consumers and audiences are accessing music content and product. In response to digitisation and new music technologies musicians, composers, producers and song writers, as well as, music enterprises will require resources, training and skills to adapt effectively to new technologies, digitisation and trends in the music industry. Adequate enterprise and music business skills, knowledge and resources are required for all music creators to generate revenue regardless of geographical location and physical environments. Consideration must also be given to the importance of the regulation regarding copyright retention in the negotiation of Free Trade Agreements’ for creators.

⁴ <https://musicaustralia.org.au/wp-content/uploads/2016/08/National-Contemporary-Music-Plan-Aug-2016>

⁵ apraamcos.com.au/media/YIR/2017/APRA_AMCOS_Year_in_Review_2017_AU.pdf

The growing demand for streaming and digital markets relies considerably on access to high speed, quality broadband and reliable internet services.

However, some 25,000 Territorians are without internet or mobile access where they live (excluding satellite services). Around 29 per cent of Territorians are connected to the NBN via technically inferior satellite, compared to 6 per cent nationally.

A lack service infrastructure and reliance on satellite dish signalling – which can be adversely affected by the NT's extreme weather conditions – is a disadvantage to participating in industry where the digital economy is vital to distribution of content and access to online Industry information.

Given that streaming speeds can be erratic and regularly impacted by weather and environmental events, this in itself provides a key challenge for musicians, music workers or audience members to be able to upload or download content via music technology platforms.

Cost is also a factor which needs to be considered when discussing the context of streaming services to remote areas. Given very few remote Territorians have access to fixed cable telephone lines, home broadband connection is limited, increasing the reliance on smartphone data which is charged at a higher rate.

The Australian Government is responsible for telecommunications and the NT Government continues to advocate strongly for more Federal investment in telecommunications infrastructure and services so all Territorians enjoy the same standards and opportunities as other Australians.

In partnership with Telstra, the NT Government has installed mobile and/or broadband infrastructure at 30 remote Territory communities, with a further \$28 million in co-investment funding committed 2019-2022.

The NT Government strongly urges the Australian Government to provide further investment into essential telecommunications infrastructure for remote Territorians, including exploring alternative mobile and broadband data models that better suit the cultural and economic needs of remote Aboriginal Australians.

Key areas for development in remote and regional Australia must also include consideration of quotas for radio / digital streaming across genres that include Aboriginal artists from regional and remote jurisdictions. This approach further supports sustainability for the sector by increasing the supply of music content to meet and grow demand.

Capacity Building – Resourcing and Support

While revenue streams for the digital platform continue to grow, the music industry as a sector has not experienced growth since 2003.⁶ Statistics released in 2010 state that 56 per cent of all Australian musicians earned less than \$10 000 per year from their

⁶ <http://apraamcos.com.au/media/9236/musicrightsaustraliaalrcsubmission.pdf>

creative income, 16 per cent earned more than \$50 000⁷. There are currently no figures available specifically for Aboriginal artists and arts workers in the music industry.

For many music makers living in remote and regional areas, access to equipment, production services and technology remains a key challenge. If a music maker is based in an urban area there are multiple rehearsal and recording studios to access, industry networks and live performance opportunities. This is not always the case for remote areas and currently there is limited opportunity for musicians wishing to rehearse, record or engage with music production on a regular basis. There are a few exceptions which quite often can be found in communities where a commitment from the governing Aboriginal Corporation is in place as the social and economic benefit may meet the charter of the organisation. Examples include recording and production studios set up in modified shipping containers built to cyclone code standards. This strategy may provide a flexible and affordable solution to accommodate the harsh environment in the North of Australia including cyclones and pest resistance.

Access to industry knowledge and experience for regional jurisdictions such as the NT is another key area that requires consideration. Though continued support from the NT Government for Music funded activity remains strong as reflected in *the 2016-17⁸ Cultural Funding report* (\$3.42 per person compared to the national average of \$2.04) again resources and access play a key role. Current programs and events provided by funding recipients such as MusicNT which include the highly successful *National Indigenous Music Awards*, Bush Bands Bash and Desert Diva's provide valuable industry opportunity and support for remote artists, however, have limited capacity to service the need and demand across the NT. A national approach with joint investment and partnerships across all tiers of government and with industry would increase resourcing and sustainability outcomes and opportunity to participate in the mainstream Australian industry.

Online resources providing industry information are readily available but this too is challenged by language and access to the digital platforms.

NT musicians face challenges in accessing opportunities to tour and promote their product in the Territory, nationally and internationally given vast distances and cost of travel. There are limited paid live performance opportunities in local venues, production and travel expenses can be cost prohibitive to access venues, touring and performance opportunities. Quite often referred to as the "tyranny of distance" amongst music industry workers, this is a key challenge for growth and sustainability for the sector in the NT, as well as, other regional and remote jurisdictions across Australia. The Indigenous Contemporary Music Action Plan 2008⁹ identified and recommended 13 pilot initiatives in addressing these barriers for participation. Those initiatives remain relevant to this Inquiry with respect to growth and sustainability.

The live music sector is an important contributor to the NT creative industries that could provide further employment and economic development opportunities in remote and regional areas of the NT as well as contributing to the growth and sustainability of the

⁷ <https://musicaustralia.org.au/publications/statistical-snapshot-australian-contemporary-music-industry-2016/>

⁸ Meeting of Cultural Ministers – Report, Cultural Funding by Government, Australia, 2016-17

⁹ <https://www.arts.gov.au/publications/indigenous-contemporary-music-action-plan-2008>

Australian Music Industry. A national coordinated approach to identify shared priorities, strategies and resources would benefit the growth and sustainability of the music industry ensuring participation and contribution of the talent from all jurisdictions.