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This is an independent report from Sweet Reason Pty Ltd to the Steering Committee for the Planning Sydney’s Cultural Facilities Review. The accuracy and content of the report is the sole responsibility of the Consultant and its views do not represent the views of the NSW government nor the Steering Committee.

Sweet Reason is a company specialising in the development and production of theatre and performing arts festivals as well as providing arts consultancy services. Director Rob Brookman AM is one of Australia’s leading arts administrators having been General Manager of Sydney Theatre Company for 11 years, Co-founder and Director of Arts Projects Australia for 3 years, Founder and Artistic Director of WOMADelaide for 15 years, Artistic Director of three other major festivals including the Adelaide Festival, New Zealand International Festival of Arts and the National Theatre Festival, Artistic Director of the Adelaide Festival Centre Trust and Administrator and/or Associate Director of the Adelaide Festival for 8 years.

Sweet Reason’s project team for the Planning Sydney’s Cultural Facilities Review included:

- Andrew Bleby & Associates (International Benchmarking Performing Arts)
- RTM International (Performing Arts Venue Audit)
- Artcell (Visual Arts International Benchmarking, Venue Audit, Stakeholder Consultation)
- KPMG (Gap Analysis & Development of Options)
Executive summary

Context

Culture in its broadest sense defines who we are as a people – it embraces our history and its artefacts, our behaviour, our attitude to the world in which we live and the way we think, learn, feel and communicate. A successful culture creates a community that lives in balance and that prospers in material, intellectual and spiritual terms. A narrower definition of culture has come to embrace those things that arguably represent some of the most evolved elements of our broader culture – the arts.

While the arts are the results of creative human endeavour and, as such, can manifest themselves anywhere, the provision of an appropriate mix of high quality cultural facilities (in that narrower sense of the word) provides crucial spaces and places where we connect with our cultural heritage and also experience the excitement of the new. The interaction between object and observer, between performer and audience member, between one person’s idea and another’s mind is presented within and in many cases enhanced or mediated by the space in which this interaction takes place. Cultural facilities are creative spaces and thinking and feeling places. They are the bricks and mortar that facilitate the processes whereby we take imaginative flight on the journey to understand who we are and the world we live in. They are some of the most sophisticated and crucial expressions of our community’s aspirations.

So, while a Review of Sydney’s Cultural Facilities could appear to be a dry exercise in surveying buildings and, indeed, much of what follows is focussed to an almost banal degree on the technical detail of those buildings, we have approached this task with a sense of excitement as we consider the extraordinary range of creativity and human expression made manifest in our “cultural facilities”.

A vibrant city with a thriving culture also happens to be a highly attractive place for new arrivals, tourists, people looking to do business and those who are in the massive global game of conferences, trade shows and events – so, viewed through the lens of economics, they can also be viewed as a crucial and highly productive investment on behalf of the community.

The Review

In recognition of the key role played by cultural facilities and the importance of effective long-term planning of infrastructure needs, a Steering Committee comprising representatives from Communities NSW, Tourism NSW, Events NSW, Barangaroo Delivery Authority, City of Sydney and Greater Sydney Partnership, commissioned and jointly funded Sweet Reason to undertake a review of supply and demand trends of cultural facilities within the City of Sydney Local Government Area and adjoining areas.

The Review complements the recent site considerations for future development of arts and cultural facilities including Barangaroo, the continued evolution of Darling Harbour, and the development of Pier 2/3. It also examines the role and importance of dynamic cultural precincts in enhancing the liveability, reputation, social cohesion and economic success of great cities of the world.
This report presents the findings of the Review, as an independent report from Sweet Reason to the Steering Committee. It is intended the Review will assist the NSW Government plan the most appropriate mix of cultural facilities to reinforce Sydney as a leader in the cultural industries and the premier tourism and business destination in Australia.

Methodology

To provide a comprehensive review of supply and demand trends of cultural facilities, the following four-stage methodology was used to undertake the study.

A Venue Audit of existing cultural facilities and a review of utilisation and development trends

The focus for the audit was on facilities within a 20km radius of the city centre with:

- a capacity of over 500 seats and/or purpose built professional facilities;
- public exhibition spaces, museums and galleries (excluding private galleries);
- rehearsal and artist spaces;
- artist studios;
- outdoor facilities and spaces which could be adapted for major cultural events.

Benchmarking Sydney’s cultural facilities against four international and two domestic cities

Sydney was then benchmarked against four international cities chosen on the basis of international standing, regional representation, size and a sense of similar cultural aspiration - Manchester, Hong Kong, Copenhagen and Chicago. Sydney was also benchmarked against Melbourne and Brisbane.

Sydney was compared to the benchmark cities in terms of their:

- population, demographic and cultural profile; and
- number and characteristics of performing and visual arts venues (including principal use, capacity and funding source).
Extensive Stakeholder Consultation

An extensive process of stakeholder consultation was carried out with 94 consultations ranging across performing arts venues, galleries and museums, performing arts organisations of all sizes, producers, promoters, government departments and instrumentalities, architects, artists and industry bodies. Both commercial and non-profit organisations were consulted.

A current and future Needs and Gap Analysis

A Gap Analysis, building on the data compiled from the first three steps in the Review detailed above, was used to identify current and future needs for cultural facilities. Gaps were then prioritised according to a wide range of criteria including:

- Quantity, size and quality of venues compared with the benchmarking study;
- Adequacy for purpose as determined from the Venue Audit
- Demand – including utilisation, level of patronage, availability of relevant cultural products, potential future demand including recent attendance trends and recognised unfulfilled demand.

The context of identified gaps were also analysed to contribute to the rating. This included analysing:

- Demand and supply issues likely to affect the gap;
- Whether action was already underway to address the gap;
- Key findings contributing to the identification of the gap;

Following discussion of the Gap Analysis with the Steering Committee, the Consultants identified and analysed a limited number of high priority options for possible future investment with the provision of indicative costs of such options. It is noted that a number of important investment options were not given this detailed treatment.

Demand for and Impact of Cultural Facilities

Given a fifteen year view of Sydney’s needs for Cultural Facilities, the Review set out by looking at a snapshot of the current demand for and participation in cultural activities and then examined indicators of likely future growth – both in population and participation rates – to try and build a picture of the inevitable increase in the demand for cultural services and, as a result, the likely increased demand for cultural facilities.
Key indicators related to current and future demand for cultural services indicate that:

- The creative economy worldwide has experienced growth of 5.8 per cent per annum over the last two decades’ and Australia’s creative economy is worth $31 billion which makes a substantial contribution to the nation’s economic performance.\(^1\)

- The population of Sydney is expected to increase by approximately 40 per cent to almost 6 million by 2036 (based on the Metropolitan Strategy\(^3\)).

- Tourism growth (in terms of visitor nights) is expected to increase by ten per cent for domestic tourists and around 40 per cent for international tourists to 2020\(^4\).

- There has been a substantial increase in demand for cultural venues over the past 15 years and this trend is expected to increase as a result of population growth, tourism and increased participation rates. Demand (as measured by attendance) has increased substantially over the period 1995 – 2010 for both performing arts (20 per cent) and visual arts (37 per cent).

- Whilst it is evident that the Global Financial Crisis has had some impact on cultural attendance, this has not adversely affected total attendance numbers. If these trends continue into the long term, significant investment in cultural facilities to support this growth is likely to be required.

**Sydney’s Existing Cultural Facilities**

The last audit of Sydney’s Cultural Facilities was commissioned by the City of Sydney in 1994. Given that this current Review attempts 15 year foresight, it was interesting to be able to consider the previous review with 16 year hindsight. In that period (1994 - 2010) it is instructive to note that far more new cultural infrastructure was created than was proposed or envisaged by that report.

Just a few highlights from that period included the refurbishment and re-opening of the Capitol Theatre, Sydney Town Hall, Verbruggen Hall and Belvoir Street Theatre; the construction and opening of the Lyric Theatre at Star City, City Recital Hall and Sydney Theatre; the construction of Sydney Olympic Park with its major stadium and arena venues; the creation of CarriageWorks contemporary arts centre; the partial redevelopment of The Parachute Factory at Lilyfield; and the construction of a new Collections and Research building at the Australian Museum.

On the other hand the city has lost some significant cultural facilities including Her Majesty’s Theatre (along with the Betty Pounder Rehearsal Studios) and The Footbridge Theatre which has been largely de-commissioned as a performance space. The number and quality of venues presenting Indigenous art has also decreased.

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\(^3\) NSW Government, ‘Housing Sydney’s Population’ in *Metropolitan plan for Sydney 2039*, 2010
\(^4\) Tourism Forecasting Committee (note forecasts to 2025 were not available)
As this report is being written The Concourse Chatswood is under construction with completion and opening late in 2011, announcement has just been made that the Sydney Entertainment Centre will be re-built as part of the Sydney Multi-function Convention and Entertainment Centre, the redevelopment of the Museum of Contemporary Art has commenced, the Art Gallery of NSW is constructing a new contemporary art gallery due for completion in May 2011 and the Powerhouse Museum is currently redeveloping the forecourt and the entry level to include a new temporary exhibition space.

It is highly doubtful that the writers of the 1994 report would have imagined that there would be such major developments in the city’s cultural infrastructure in this period. Such is the nature of a dynamic and growing global city constantly seeking to better position itself nationally and internationally. This level of dynamism informs this Review – we should be prepared to imagine and anticipate change at the boundaries of current practice and thinking, rather than assume a status quo position or strictly incremental change.

Key Findings from the audit of Sydney’s cultural facilities suggest that:

**Performing Arts**

- Current performance venues are generally of high quality or are, at least, fit for purpose, with a few notable exceptions in terms of acoustics, capacity or technical inadequacies. Sydney Opera House is an international icon, Australia’s premier performing arts venue and a major asset. As noted below, however, technical limitations constrain the scope and nature of its operations.

- Sydney is generally well-served for concert halls for the presentation of fine music, jazz and world music in terms of existing and likely future demand.

- The acoustics of the Sydney Opera House Concert Hall present a serious issue of quality for Australia’s most famous and heavily-utilised cultural venue. The poor acoustics provide long-term problems for both audiences who should be able to expect a first-class experience at the Concert Hall and also for performers who find it difficult to maintain the highest standard of performance under the current conditions.

- Sydney is well-served by an appropriate range of mid-sized contemporary popular music and comedy venues suitable for rock, pop, blues, folk, world music, jazz, comedy, cabaret and burlesque.

- Sydney is limited in available main-stage lyric theatres suitable for presentation of opera, ballet and other major events requiring large stage space, top-class technical facilities, a full-sized orchestra pit and suitable audience capacity. Renovating the principal venue for such presentations, the Opera Theatre of the Sydney Opera House, to first-class international standard is not only an immense technical challenge with a significant cost but would also still leave the theatre with a significant and insoluble problem in terms of its limited seating capacity for major opera, ballet and theatrical events.

- Sydney is somewhat limited in its number of lyric theatres suitable for the presentation of musical theatre and two of the three theatres available have limitations as a result of
capacity, configuration, location or ownership/management structure. Growth in future demand is likely to exacerbate the shortage of theatre stock and reinforce the case for an additional first-class lyric theatre suitable for the presentation of musical theatre.

- While there are some technical inadequacies amongst Sydney’s suite of drama and dance theatres, the number and variety in size and configuration is a great asset to the City. The two most significant issues in terms of infrastructure are the acoustics of the Sydney Theatre and the lack of full flying facilities at the Drama Theatre. The most urgent of these is the problem of the Sydney Theatre acoustic which must be rectified for the future credibility of the venue with its core drama audience.

- The Enmore Theatre is in need of upgrading and consideration should be given to Government support for such renovation.

- Sydney has an excellent stock of large and appropriate multi-purpose performance spaces which should be maintained with the construction of the new Sydney Multi-function Convention and Entertainment Centre (SMCEC).

- There is a significant shortage in rehearsal space for musical theatre, theatre, music and dance that is of the right size and which is affordable, appropriately located and properly equipped.

- While Sydney has a plethora of outdoor performance spaces that reflect the City’s relaxed outdoor lifestyle and which celebrate the natural beauty of the Harbour and the City’s parks and gardens, there is one significant gap in the stock of outdoor venues, that being for a mid-scale venue capable of presenting both ticketed and free events. Other significant issues identified in outdoor venues are the cost of presenting performances in The Domain and the lack of a permanent space for temporary venues such as circus tents.

**Visual Arts**

- Sydney’s visual arts institutions house significant cultural heritage collections. However a number of venues are in need of investment to enhance and upgrade facilities, provide additional exhibition space, and support contemporary visual arts practice, including digital art and digital access to collections.

- While the footprint of the AGNSW is at capacity and difficult to further expand given the constraints of the site, it is able to fulfil its purpose including the accommodation of blockbuster exhibitions and should continue to meet demand over the next 15 years – particularly if consideration is given to extending opening hours as demand warrants. The main inadequacies of the AGNSW relate to accessibility and provision of education and learning programs as a result of inadequate educational facilities.

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5 As this report was being completed, plans were announced for a change of management at the Lyric Theatre. Whilst some stakeholders argue that this could significantly increase the Lyric’s utilisation, thereby addressing capacity issues, it is this Review’s conclusion that such increased utilisation would only slightly reduce the demand for an additional theatre, given the evidence of high utilisation of Sydney’s lyric theatres in Section 4.4.1 (Table 12).
• When the current redevelopment of the Powerhouse Museum is completed in 2011, it will be adequate for current and future demand to 2025 including the potential to accommodate blockbuster exhibitions. The Powerhouse is, however, seeking a further significant redevelopment which would allow it to create a large new exhibition space focussing on design.

• On completion of the major extensions to the Museum of Contemporary Art (MCA), it will have exhibition space comparable to most first-class international museums of contemporary art and will be able to accommodate substantial growth in visitation of around 82 per cent by 2025. The key requirement for the MCA will be the provision of first class digital infrastructure in order to increase its functionality.

• Even after re-development, The Museum of Contemporary Art will not include a Cinematheque or significant centre for the moving image. Given existing innovative international and national offerings of New Media centres, Sydney currently has an inadequate number of facilities for this genre. However a full audit of screening facilities was not within the scope of this Review.

• Sydney is well served in its number of University Art Museums, although many of these venues are small and require up-grading to provide for storage areas, digital infrastructure and the ability to exhibit significant permanent collections in order to meet current and future demand.

• Access to the extensive and important Pacific and Indigenous art collections of the Australian Museum would be substantially enhanced if current on-site storage were moved off-site and the space instead devoted to public display of these collections.

• Current venues for Sydney’s Contemporary Centres of Art (including Australian Centre for Photography, Artspace and 4A Centre for Contemporary Asian Art) are likely to be inadequate to meet future demand and most will need to consider either redevelopment of existing sites or relocation to larger, purpose built venues over time.

• While the Powerhouse Museum’s aspirations to extend its capabilities in presenting design related exhibitions with a new design centre would significantly address this area if funded, there is scope within Sydney to provide a more appropriate venue for Object: Australian Centre for Craft and Design that will complement the Powerhouse Museum’s offering.

• Digital infrastructure is a major issue across the whole visual arts sector both for educational purposes and on-line access to digitised collections as well as for the creation and display of art created through digital means.

• Location and proximity to transport is a limitation for a number of venues.

• Quality permanent Public Art is predominately limited to relatively out-of-the-way areas (e.g. universities, Sydney Olympic Park) and does not feature in high traffic pedestrian areas. As such, public art is not yet a notable part of Sydney’s overall cultural experience. While the Biennale of Sydney, Art & About, Vivid and Kaldor Art Projects deliver extensive public art experiences, they are by nature transitory events. The Review
acknowledges, however, The City of Sydney’s recently published draft form of a new public art policy.

**Benchmarking Sydney and the Role of Cultural Precincts**

In order to provide a sense of what a city like Sydney might aspire to in terms of cultural facilities, the Review undertook an extensive benchmarking study, lining up Sydney’s venues alongside those in Chicago, Manchester, Copenhagen, Hong Kong, Melbourne and Brisbane. Overall Sydney compared favourably with all benchmarked cities with a couple of notable individual exceptions in relation to particular venue types which are detailed below. It is also noted that the level of detail with which Sydney’s venues were audited was greater than the benchmarked cities and therefore that the number of venues in benchmarked cities may be relatively understated.

The study of a huge range of venues in the six benchmarked cities also involved consideration of what makes cultural facilities more or less successful – both in themselves but also, importantly, in relation to the community around them. A clear and strong thread emerged – that of the potent impact of aggregation and integration within a particular precinct. The findings of this part of the Review’s work give rise to strong arguments in favour of the creation of cultural precincts where the synergies between the cultural facilities and the surrounding community create great benefits for the city and for the cultural facilities themselves. Given the opportunity presented at this particular time in the Barangaroo/Walsh Bay precinct, these findings are particularly instructive. Sydney has a once-in-a-generation opportunity to create something of extraordinary value and this Review argues strongly that the conscious development of Barangaroo/Walsh Bay as a cultural precinct should be of the utmost priority.

Key findings from the Benchmarking Study identify that:

**Performing Arts**

- Sydney compares favourably with benchmarked cities in all categories except lyric theatres (Sydney 4 theatres / Benchmark 5.7 theatres).

- Sydney has a relatively large number of arena / large multipurpose venues compared to benchmarked cities. This probably reflects the impact of venues constructed for the 2000 Olympics and Australia’s temperate climate.

- Sydney appears to have an over-supply of drama and dance theatres, but a number of these are identified through stakeholder consultation as relatively unattractive to users. These are particularly those located within university campuses.

- Sydney and Melbourne have the largest number of seats available per capita, but this is skewed by both cities’ relatively large number of high capacity arena venues. If arenas are removed from the equation, Sydney’s capacity per capita is close to the benchmark.

- Overall, Sydney has 34 available venues compared with the benchmark of 25, however, it should be noted that the level of detail with which Sydney’s venues were audited was
greater than the benchmarked cities – particularly in the area of outdoor venues. This means that the number of venues in benchmarked cities may be somewhat understated.

Visual Arts

- In the visual arts space, the benchmark cities generally feature a number of large purpose-built public institutions, an active commercial gallery sector, a number of not-for-profit and artist run spaces as well as university run institutions. Many cities have gone through revitalisation periods through investment in visual arts venues, building new purpose-built spaces and investment in areas of urban regeneration and re-use. Many revitalisation projects have also included the launch of city specific arts events, for example, HK 2011, Art Copenhagen, Manchester Contemporary and the Melbourne Art Fair.

- All of the international cities in the study promote exhibition programs with a strong local/regional focus. These exhibition programs are run alongside shows of leading contemporary international art.

- Those cities which support the grassroots level of the visual arts industry (i.e. artists and artist run initiatives) appear to display a higher cultural vibrancy throughout the city. Many cities have specifically regenerated spaces to accommodate subsidised artist studios and facilities.

- The number of galleries and museums in Sydney are, on average, equivalent to benchmarked cities with the exception of the University Art Museums where Sydney exceeds the average (Sydney 9/Benchmarked cities average 2). It is noted, however, that Sydney’s University Arts Museums are, in the most part, not actively integrated into the wider Sydney arts sector, whereas the benchmarked cities tend to place these institutions at the core of cultural activity. It is also notable that Sydney is without an art gallery of a similar size to galleries in Melbourne, Chicago and Copenhagen.

- Sydney has less than an average number of museums focusing on social history found in benchmarked cities (Sydney 1/Benchmarked cities 2) suggesting that Sydney does not capitalise on its strong cultural heritage as compared to Copenhagen and Hong Kong.

- Unlike benchmarked cities, Sydney has not invested in a concerted effort to revitalise its international profile through investment in state-of-the-art, well equipped, purpose built visual arts venues, or in the creation of major events such as an Art Fair.

- Significant public art does not feature in Sydney’s visual arts scene to the same extent as in most benchmarked cities.

- Overall, 27 visual arts venues were included within the survey compared with the benchmark average of 18. It should be noted, however, that the level of detail with which Sydney’s venues were audited was greater than the benchmarked cities which means that the number of venues in benchmarked cities is probably understated.
• Sydney’s number of venues per capita is equivalent to the benchmark ascertained in this study.

General

• Those cities with a larger number of performance and visual arts venues tend to be more culturally vibrant. Further, those cities which have consciously invested in cultural facilities by either renovating existing venues or building new venues have developed reputations as lively and exciting cities in which to live, do business and visit.

• Cultural venues in lively and diverse precincts tend to be more successful and add additional value to the cultural vibrancy of the city. Such precincts ideally feature high levels of activity and diverse offerings including retail outlets, cafés, restaurants and bars. They operate both by day and by night and may feature a strong connection with tertiary education facilities. Evidence shows that when attending a performing or visual arts event, the wider cultural experience is almost as important as attending the cultural event itself (including the aesthetics of the vicinity, proximity to restaurants, bars and other civic areas). Findings also show that such precincts tend to become significant tourist attractions and are often promoted as a key feature of the character of the city.

• Venues with striking architectural features are often more successful and active. There has been a significant increase on an international scale in the development of architecturally iconic cultural venues. The effect on the cities in which they are built has, in most cases, been a focal point for tourism, a high level of activity and civic pride.

• The opportunity to develop a lively, active, accessible, participatory cultural precinct with state-of-the-art facilities in the Walsh Bay/Barangaroo precinct represents huge potential in terms of social, economic and community benefits, and the chance to enhance the character and reputation of Sydney as a dynamic, diverse and energised urban environment and true global city.

Stakeholder Consultation

Over a period of two months a huge range of stakeholders from across the performing arts and visual arts were consulted about their views of the current adequacy of and future requirements for cultural facilities in Sydney. 94 consultations took place including a number involving multiple participants. While there were naturally varying opinions, there was remarkable unanimity on many issues and, while many positions expressed were clearly coloured by the participants’ particular interests (some vested and some simply argued from a position of passion and, often knowledge), most interviewees brought a refreshingly objective view to the discussion.

6 For the purposes of this Review, the term “cultural vibrancy” has been used in respect of cities or precincts within cities that display a sense of an urban vivacity and dynamism created by the prioritisation of cultural uses for public spaces and high levels of public interaction, engagement and cultural expression. Cultural vibrancy is seen as a key to both ‘quality of life’ (a critical element in attracting the highest quality human capital to particular locations) and the ‘creative economy’ within the modern city which arises from a diverse and active community, accessible and energised by day and night, with a distinct identity. This is further discussed in Chapter 3 in the section The Role of Cultural Precincts.
Strong themes that emerged from the Stakeholder Consultations were as follows:

**Lyric Theatre**

- A wide range of stakeholders, particularly commercial producers and Live Performance Australia, argued that an additional lyric theatre that would accommodate musical theatre would be welcomed, as current perceived demand in Sydney outweighs supply. Opinions on the preferred size of such a theatre varied.

- A significant number of stakeholders including Opera Australia, the Australian Ballet and the Sydney Opera House Trust recognise the inadequacy of the Opera Theatre at the Opera House (particularly capacity, orchestra pit size, limited stage size and limited wing space). Opera Australia and the Australian Ballet indicate that they would utilise a new main-stage lyric theatre suitable for opera and ballet as a complementary venue to the Opera Theatre.

- Many stakeholders argued that the State Theatre should be renovated to make it adequate as a lyric theatre, though a number of contemporary music industry stakeholders were apprehensive that this could impact on the availability of venues for the contemporary music industry. Some stakeholders suggested making the Town Hall accessible to contemporary music acts could help solve this – although the Town Hall already enjoys a high rate of utilisation.

**Sydney Opera House Concert Hall**

- Fine music organisations including the Sydney Symphony Orchestra, Australian Chamber Orchestra and to a lesser extent Musica Viva argued that the problems with the acoustics of the Concert Hall must be addressed if standards of performance and listener experience are to be at a first-class level.

**Outdoor Performance Space**

- A large outdoor space with flexible facilities would be welcomed by many contemporary music presenters, several performing arts companies and the Sydney Festival. Many argue that Sydney should have a venue equivalent to the Myer Music Bowl in Melbourne.

- Circuses, festivals and spiegeltent operators would welcome a central city site for temporary venues with appropriate services and infrastructure. Australia’s premier contemporary circus, Circus Oz has for example, struggle to find a regular venue appropriate for their purposes in Sydney. They argue that they would ideally play in Sydney annually but that to do so, they need an appropriate and properly serviced site that is regularly available.

- Relevant stakeholders including Sydney Festival and Opera Australia argue that the cost of using the temporary performance infrastructure in The Domain is extremely high and the informal coalition of presenters using this infrastructure cannot be relied upon in the mid to long term to continue with the existing arrangements which may render the annual installation uneconomic for the Sydney Festival.
Sydney Entertainment Centre

- The re-development of the Sydney Entertainment Centre in order to retain a high quality CBD arena space is regarded as crucial by producers and presenters in the popular contemporary music field.

Technical Inadequacies

- Stakeholders identified technical inadequacies at a number of Sydney’s major drama venues including the poor quality of the acoustics at Sydney Theatre, lack of technical resources at CarriageWorks, the lack of adequate flying facilities at the Drama Theatre of the Sydney Opera House and the configuration of the auditorium/stage relationship at the Everest Theatre at the Seymour Centre.

Rehearsal Space

- A wide variety of performing arts organisations argue that there is insufficient affordable and suitable rehearsal space for both major productions and smaller scale work.

- Commercial producers lament the loss of the Betty Pounder Studios and argue that the lack of availability of adequate rehearsal studios is a disincentive to opening major productions in Sydney.

- A wide range of non-profit performing arts groups and companies argue that lack of access to reasonably priced and adequate rehearsal facilities is a chronic problem in Sydney.

Studio Theatre Space

- A number of smaller independent groups identified high demand for a 200 - 300 seat theatre (it is noted, however, that this was outside the scope of the project).

Companies Seeking Integrated Home Bases

- A number of companies, including Major Performing Arts Companies and music groups are pressing for re-location to an integrated home base to bring together rehearsal space, administrative headquarters and performance space in order to reach their full potential – with particular reference to Pier 2/3 - and a number have strong cases to present.

Small Scale Chamber Music Recital Hall

- A number of music organisations have argued for a smaller scale recital and chamber space of 300 – 500 seats. (We note that a venue of under 500 seats would be outside the scope of this Review.) While technically it could be argued that there is already sufficient capacity for such performances, the relevant organisations are reluctant to utilise Verbrugghen Hall or the Eugene Goossens Hall due to a combination of problematic location and the conflicting priorities of the Conservatorium and ABC respectively. Despite the fact that
audiences for fine music are relatively static, it is feasible that there would be demand for such a space particularly if created in conjunction with a dynamic music organisation such as the Australian Chamber Orchestra and located in a vibrant cultural precinct.

**Visual Arts**

Key findings from visual arts stakeholder consultations indicated that:

**Artists’ Studios & Residencies**

- There is very strong demand for more artist studios and residencies. Stakeholders suggested that Artist studios, if developed, should be multi-purpose, able to be used for a range of art media and equipped with digital infrastructure. These venues should be fully accessible to artists through all stages of their careers and accessible to both domestic and international artists. Having artist studios accessible to international artists allows for the exchange of skills, adds to the international perception of Sydney as a culturally dynamic city and creates diversity in the cultural space. Such a development would provide for audience development opportunities.

**Multi-disciplinary Spaces**

- Many stakeholders identified that Sydney lacks purpose built, multi-disciplinary experimental exhibition venues equipped with digital infrastructure. The venues should also be fully accessible to domestic and international artists throughout all stages of their careers.

**Public Art**

- A number of stakeholders recognised the need for an outdoor sculpture park and argue that there should generally be more Public Art on display in Sydney. This should include the possibility to incorporate new media and digital technologies. It suggested that significant international projects and seasonal festivals could inform this process.

**A Sydney Design Centre**

- Stakeholders also recognised the need for a forward thinking Design Centre in Sydney that incorporates Fashion, Architecture and addresses issues of sustainability. Given the quality and calibre of Australian designers and architects, there is a perceived gap in recognising and promoting this strength in Australia and as Sydney arguably leads the way in design training and practice, there is strong feeling that such a centre should be located in Sydney.

**Facilities for Educational Experiences**

- Many stakeholders, particularly amongst the Major Cultural Institutions, feel that Sydney’s visual arts facilities are currently constrained in their ability to deliver first class education programs both through a shortfall of space and digital infrastructure.
Upgrading Major Cultural Institutions

- A large number of stakeholders noted the importance of upgrading and expanding a number of key cultural institutions such as the Powerhouse and Australian Museum to ensure a more efficient use of existing infrastructure, to put permanent collections on public display and to capitalise on the history and status of existing buildings.

Digital Infrastructure

- The provision of adequate digital infrastructure as detailed in Chapter 2 (2.3.18) across public art institutions is seen by both artists and gallery and museum managers as a very high priority given the significant developments in visual arts practice over the last 30 years.

Other

Indigenous Cultural Centre

- There is widespread acknowledgement within both the performing and visual arts communities of the need for an Indigenous cultural centre, the lack of which is seen as a long-standing inadequacy for Sydney and, indeed, Australia. While there is currently no concrete proposal in terms of format, function or operational model for such a centre, stakeholders have suggested that an Indigenous arts centre is highly desirable on multiple levels. Possibilities for such a centre could include the addressing of limited exhibition space for existing world class Indigenous collections that would be of significant interest to international visitors, inclusion of traditional dance and ceremony, providing commercial opportunities and creating a space for the development of contemporary Indigenous culture including dance, theatre, visual arts and new media.

Sydney Film Centre/Centre for Moving Image

- A Sydney Film Centre, New Media Centre or a Centre for the Moving Image was also identified by many stakeholders as a current and future inadequacy for Sydney, particularly given existing innovative international and national offerings in this area. However this issue was not examined in detail as film was not within the scope of the venue audit.

Public Transport

- While outside the scope of this Review, a large number of stakeholders raised the issue of a lack of adequate public transport to enable a satisfactory level of accessibility.

Gap Analysis and Options for Further Consideration

Bringing together the findings from the Venue Audit, Benchmarking exercise and the Stakeholder Consultation, the Review then sought to objectively identify the gaps in Sydney’s cultural facilities – with particular reference to the fulfilment of demand over the next fifteen years. Utilising the available data, gaps were then given a priority rating of high/medium/low according to their performance against the criteria of quantity, adequacy and demand.
Following discussion of the Gap Analysis, the Steering Committee and the Consultants agreed that, given the scope of this project, those projects which had been identified as High Priority would be further examined. Key Findings of the Review have been identified in relation to these High Priority gaps. In addition, given the potentially crucial role that the development of Pier 2/3 can play in addressing a number of the gaps identified and in the creation of a major cultural precinct for Sydney, the Review argues strongly for the retention of 100 per cent of the space available at Pier 2/3 for cultural purposes.

A select number of investment options have also been developed for consideration. It should be noted, however, that a number of important findings were not given this detailed treatment given the time available and scope of this project.

The Key Findings in relation to each of the High Priority gaps, including the indicative cost estimates for the Investment Options, are listed in Table 1.
### Table 1: Summary of High Priority Gaps and Findings

<table>
<thead>
<tr>
<th>Gap</th>
<th>Priority</th>
<th>Review Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gaps Designated as High Priority</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Adequacy and supply of major lyric theatres to present opera, ballet and other large-scale performance at a first class level. (Possibly not sufficient to justify a stand-alone venue devoted purely to these art-forms)</td>
<td>High</td>
<td>• <strong>Main-stage lyric theatre</strong> with 2,000 seat capacity located in Sydney city, possibly at Barangaroo</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Able to present large-scale opera, ballet and musical theatre</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Ideally include significant rehearsal centre as part of complex.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Indicative cost estimate: $150 million</td>
</tr>
<tr>
<td>• Adequacy and supply of lyric theatres to present musical theatre productions at a first class level.</td>
<td>High</td>
<td>• <strong>Additional major rehearsal space</strong> ideally in association with new main-stage lyric theatre.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Indicative cost estimate: $3.5-5 million (excluding land costs)</td>
</tr>
<tr>
<td>• Availability of significant rehearsal studios for musical theatre and to a lesser extent opera and ballet.</td>
<td>High</td>
<td>• <strong>Detailed study needed of all rehearsal requirements.</strong></td>
</tr>
<tr>
<td>• Availability of appropriate and accessibly priced rehearsal space (in some cases combined with home base) for a range of drama, dance and music companies and ensembles for example: TaikOz/Synergy; Sydney Youth Orchestra; Sydney Philharmonia Choirs; Song Company.</td>
<td>High</td>
<td>• Rehearsal needs of arts organisations could be met through refurbishment of the top floor of the Parachute Factory at Lilyfield and development of Pier 2/3</td>
</tr>
<tr>
<td>• Potentially unsustainable cost of temporary performance infrastructure in The Domain</td>
<td>High</td>
<td>Improve <strong>outdoor multipurpose spaces</strong>, in particular:</td>
</tr>
<tr>
<td>• Lack of appropriate and economically viable outdoor performance spaces with flexibility to operate as free or ticketed venue.</td>
<td></td>
<td>• Economical performance infrastructure at The Domain</td>
</tr>
<tr>
<td>• Lack of an appropriately located and serviced space for temporary performance venues – e.g. circus, spiegeltents etc</td>
<td></td>
<td>• Creation of outdoor venue for both ticketed and free performances with capacity to 20,000. Could be considered for inclusion at Barangaroo</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development of central outdoor space for erection of temporary venues – e.g. circus tents, Spiegeltents</td>
</tr>
<tr>
<td>Gap</td>
<td>Priority</td>
<td>Review Findings</td>
</tr>
<tr>
<td>-------------------------------------------------------------------</td>
<td>----------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Potential lack of CBD-based arena venue with flexible seating capacity of up to 12,000 (if SEC demolished and not replaced)</td>
<td>High</td>
<td>Support for development of <strong>new arena venue</strong> as part of new SMCEC</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cost of entire complex estimated at $450-500 million</td>
</tr>
<tr>
<td>Technical adequacy of CarriageWorks to provide adequate technical fit-out suitable for the majority of intended hirers.</td>
<td>High</td>
<td><strong>Address technical deficiencies at CarriageWorks:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Option a): Renovate both the rehearsal rooms and theatres to provide basic lighting, rigging and sound items (estimated cost $1.58m)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Option b): Upgrade rehearsal spaces to allow these spaces to be used for ticketed performances (estimated cost $0.26m)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Option c): Includes both options a) and b) and provides all necessary infrastructure which will enable users to fully utilise the facility (estimated cost $3.38m)</td>
</tr>
<tr>
<td>Lack of first class acoustics of the Sydney Opera House Concert Hall.</td>
<td>High</td>
<td><strong>Improvements to Concert Hall to address acoustic issues</strong> to address quality and reputation issues rather than unmet demand.</td>
</tr>
<tr>
<td>Lack of first class acoustics of the Sydney Theatre.</td>
<td>High</td>
<td><strong>Improvements to Sydney Theatre to address acoustic issues.</strong></td>
</tr>
<tr>
<td>Low supply of artist studios, residential studio spaces, experimental, multi-purpose exhibition facilities</td>
<td>High</td>
<td>A consultancy has commenced to establish cost estimates</td>
</tr>
<tr>
<td>Lack of readily accessible Indigenous cultural experience including art and ceremony for tourists.</td>
<td>High</td>
<td><strong>Develop artists’ studios, spaces for residencies and experimental art</strong></td>
</tr>
<tr>
<td>Limited opportunity to display existing collections of Indigenous art.</td>
<td></td>
<td>Improved access to empty spaces on a temporary basis and examination of the potential use of buildings on Cockatoo Island are among options to address the limited supply.</td>
</tr>
<tr>
<td>No contemporary inter-disciplinary venue for Indigenous artists.</td>
<td></td>
<td><strong>An Indigenous Cultural Centre</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Further consultation will be needed with the community to develop a concrete proposal in terms of format, function and operational model for such a centre.</td>
</tr>
</tbody>
</table>
### Planning Sydney’s Cultural Facilities

*Review Prepared by Sweet Reason Pty Ltd*

**March 2011**

<table>
<thead>
<tr>
<th>Gap</th>
<th>Priority</th>
<th>Review Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of first class exhibition of Design in Sydney</td>
<td>High</td>
<td>• Upgrade Powerhouse Museum to improve space for exhibition of design</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Consider more appropriate venue for Object: Australian Centre for Craft &amp; Design</td>
</tr>
<tr>
<td>Upgrade Powerhouse Museum to improve space for exhibition of design</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consider more appropriate venue for Object: Australian Centre for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Craft &amp; Design</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriate digital infrastructure for a range of visual arts venues</td>
<td>High</td>
<td>• Survey Digital Infrastructure requirements of sector and consider options for development to meet needs of individual institutions</td>
</tr>
<tr>
<td>Australian Museum constrained in its ability to display its extensive permanent collection, including a significant proportion of its world class Pacific and Indigenous collections</td>
<td>High</td>
<td>Upgrade exhibition space at the NSW cultural institutions:</td>
</tr>
<tr>
<td>Art gallery exhibition space is significantly below benchmark cities and constraints on AGNSW to expand beyond current footplate.</td>
<td>High</td>
<td>• Create off site space for storage and redevelop Australian Museum to provide additional Exhibition Space.</td>
</tr>
<tr>
<td>Lack of exhibition area at Powerhouse Museum capable of hosting major exhibitions as well as permanent collection</td>
<td>High</td>
<td>• Extension of opening hours would increase capacity at the AGNSW and development of an Indigenous Cultural Centre could provide additional art exhibition space</td>
</tr>
<tr>
<td>Australian Museum constrained in its ability to display its extensive permanent collection, including a significant proportion of its world class Pacific and Indigenous collections</td>
<td>High</td>
<td>• Refurbish Powerhouse Museum to provide increased Exhibition Space as already approved</td>
</tr>
<tr>
<td>Art gallery exhibition space is significantly below benchmark cities and constraints on AGNSW to expand beyond current footplate.</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Lack of exhibition area at Powerhouse Museum capable of hosting major exhibitions as well as permanent collection</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Multi-gallery temporary exhibition venues (referred to as Contemporary Art Centres) able to accommodate experimental, multi-purpose practices</td>
<td>High</td>
<td>• Upgrade existing facilities to provide for experimental, multi-purpose practices</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Alternatively a single, large-scale, purpose built centre focusing on new media could be considered, although this would require significant recurrent funding</td>
</tr>
<tr>
<td>Limited educational facilities at AGNSW</td>
<td>High</td>
<td>• Create education centre within AGNSW</td>
</tr>
<tr>
<td>Lack of significant public art of high quality that also provides opportunities for a digital/virtual experience</td>
<td>High</td>
<td>• Incorporation of digital media in outdoor areas</td>
</tr>
</tbody>
</table>
Conclusions

This Review was commissioned to examine the current adequacy of cultural facilities in Sydney and future supply and demand trends. It is intended to assist the NSW Government and other members of the Steering Committee plan the most appropriate mix of cultural facilities for the people of Sydney and New South Wales over the coming fifteen years.

Whilst a broad wide range of facilities have been examined, each type of facility researched in this report could have been the subject of a separate and comprehensive analysis. The scope and timing for this project has necessarily limited the depth of discussion of specific needs in some cases and the development of the discussion around particular possibilities for the future has therefore been necessarily selective.

The Review therefore provides a relatively high-level picture of the facilities currently available in Sydney and the major gaps and needs for the future. Significant opportunities for the future development of cultural facilities in Sydney have also been noted. In particular the potential to create a major, vibrant cultural precinct at Walsh Bay and Barangaroo has been examined. It is anticipated that the findings of this report may provide the Review’s Steering Committee with an agenda for further detailed analysis of particular projects within the broad framework detailed within the report.
1 Introduction

The effective provision of cultural facilities can enrich community vibrancy and provide significant economic benefit by attracting events, activities, people and businesses. In recognition of this importance, Arts NSW, a division of Communities NSW, along with a Steering Committee comprised of Tourism NSW, City of Sydney, Events NSW, Communities NSW, Greater Sydney Partnership, and the Barangaroo Development Authority commissioned and jointly funded Sweet Reason Pty Ltd to undertake a review of supply and demand trends of cultural facilities within the City of Sydney Local Government Area and adjoining areas.

This complements the recent development of possibilities for the creation of arts and cultural facilities in a number of areas within Sydney and the inner city including Barangaroo, Pier 2/3 Walsh Bay and at Darling Harbour.

It is intended this review will assist the NSW Government in planning the most appropriate mix of cultural facilities to reinforce Sydney as the premier tourism, business and cultural destination in Australia.

This chapter provides:

- an outline of the scope of the project (section 1.1);
- the methodology used by the Review (section 1.2); and
- an overview of key statistics and trends in the supply of and demand for cultural products and services (section 1.3), which provides indicators of likely demand for cultural facilities over the next 15 years.

1.1 Scope of the Project

To provide a comprehensive review of supply and demand trends of cultural facilities, this report is comprised of four main elements, as outlined in the terms of reference.

- Collection of data on existing facilities, utilisation and development trends;
- Benchmarking Sydney against appropriate international and Australian cities and environmental scan;
- Needs analysis based on extensive stakeholder consultation; and
- Analysis of options to address a range of the needs identified in the above steps.

The methodology of these components will be outlined in section 1.2.

The project was overseen by the Steering Group referred to above.

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7 It was agreed with the Steering Committee that modelling of identified options for further development would be at a high level only and intended to provide approximate costs and benefits.
1.2 Methodology

To provide a comprehensive review of supply and demand trends of cultural facilities, this section outlines the methodology used to undertake the study in the respective chapters of the report. The overview of the methodology is outlined in Figure 1-1 below.

Figure 1-1: Methodology Process Diagram

Chapter 2: A venue audit\(^8\) of existing cultural facilities and a review of utilisation and development trends

- The Steering Committee required an audit of Sydney’s current cultural facilities. The audit required the Consultants to focus on public theatre venues with a capacity of over 500 seats and/or purpose built professional facilities; public exhibition spaces and galleries and museums (excluding private galleries); rehearsal and artist spaces; artist studios; outdoor facilities and spaces which could be adapted for major cultural events. Venues audited were within a 20km radius of the city centre.

- The venue audit also required a review and analysis of current and projected utilisation trends in the period to 2011 and for the period 2012-2015.

Chapter 3: Benchmarking Sydney’s cultural facilities against four international cities, Melbourne and Brisbane

- The Steering Committee agreed that Sydney be benchmarked against Manchester, Hong Kong, Copenhagen, Chicago, Melbourne and Brisbane. The international cities were chosen based on a range of criteria including population size, similarity of international standing,

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\(^8\) NB: The term “audit” has been used in this Review as meaning a detailed survey of the facilities available within Sydney’s cultural venues and is not intended to imply a financial audit which is outside the scope of the Review.
and geographic spread, with one city each from the United Kingdom, North America, continental Europe and Asia. In some cases the cities chosen were of interest because of recent cultural renewal which could inform options to address any gaps identified in Sydney’s cultural facilities. Key reasons for the selection of each city include:

- Manchester – due to a similar approach to funding for arts infrastructure in both the UK and Australia and its cultural regeneration over the last 20 years;
- Hong Kong – due to its high numbers of tourists, significant investment in cultural facilities and its role as a business hub in Asia;
- Chicago – a US city of comparable size and status to Sydney with a thriving cultural life; and
- Copenhagen – a European city which has seen significant cultural renewal in recent years based on centralised cultural planning.

- As per the Scope of Works, the two domestic cities chosen by the Steering Committee were Melbourne and Brisbane.

**Chapter 4: A current and future needs analysis based on a benchmarking exercise, venue audit and extensive stakeholder consultation with a cost analysis of potential options to assist in providing the best mix of cultural facilities within the scope of the project**

- This section required the Consultants to investigate, assess and report on the adequacy of current facilities and identify any venue facilities shortfalls that should be provided to meet current and projected demand for Sydney and surrounding areas to 2025.
- Stakeholder consultation was a major part of the gap analysis and the Consultants conducted extensive consultations across the performing arts and visual arts sectors and with a number of key government stakeholders and interested independent parties.
- Following discussion of the Gap Analysis with the Steering Committee, the Consultants identified and analysed possible options for future investment in cultural facilities with provision of indicative costs of such options.

Details supporting these chapters are included in the appendices.

The following sections explain the detailed methodology used in the international benchmarking, venue audit and gap analysis components of this review.

**1.2.1 Methodology: Sydney’s Existing Cultural Facilities Audit**

The cultural venue audit was carried out in a two-step process. Initial desk-top research was augmented by the distribution of surveys and, in some cases individual consultations. Information assembled included detail of physical and technical facilities as well as current utilisation, patronage and audience demographics as well as projections for these areas into the
future. In addition, the audit also reviewed the availability and adequacy of rehearsal facilities and artist studios/residences that existed within audited venues and the level of utilisation of these facilities both by resident companies/organisations as well outside hirers/artists. It should be noted that separate rehearsal studios were not surveyed specifically, so only rehearsal space within venues that are over 500 seats were captured through this process.

As per the Scope of Works, the various aspects of the venues that were audited through the desk-top research, consultations and survey were:

- Strategic purpose as reflected in collections and/or main activities;
- Number of spaces (e.g. number of galleries);
- Seating capacity;
- Utilisation;
- General facilities including catering and event facilities;
- Stage and exhibition size and capacity;
- Public Art facilities
- Artist Studio/Residency details
- Technical and support services;
- Acoustic performance;
- Public Amenities
- Educational Amenities
- Back of house facilities;
- Projected (firm) developments in relation to cultural facilities – including refurbishments and renovations of existing venues;
- Provision for disabled access;
- Location;
- Public transport access;
- Security;
- Dimensions of spaces (e.g. square and running metreage and ceiling height, exhibition and gallery area);
- Loading facilities;
- Climatic and security controls; and
- Hours of operation.

A total of 30 performing arts venues, 30 visual arts venues and a further 31 outdoor or “found space” venues were surveyed. The results of this survey are provided in detail in Appendix A.

1.2.2 Methodology: Benchmarking Study

The methodology of the benchmarking exercise compares Sydney’s cultural facilities with six other cities in terms of type, number and characteristics. Data was sourced through desktop research, and data collected was confirmed by arts sector representatives of each city.

Whilst averaging of the number and capacities of the facilities available only goes so far in providing a picture of Sydney’s relative adequacy, it does provide a rough check of how Sydney stands relative to peer cities.

It is noted that the level of detail gathered for Sydney venues has been more extensive than that collected for the comparator cities due to the more comprehensive nature of the venue audit conducted for Sydney, which results in some anomalies. For example, 29 outdoor venues were audited in Sydney including many informal spaces used only irregularly whereas the international benchmarking included only formal spaces in regular usage (only three venues on average). Similarly, more detailed information was available for artist run initiatives in Sydney, Melbourne and Brisbane than for comparable international venues. It is further noted that the Sydney audit includes the State Library of New South Wales, because of its exhibition space, whereas libraries have not been included in the international benchmarking study with the exception of Brisbane.

Performing arts venues in the study were categorised as:
- Concert Hall;
- Contemporary Music Venue;
- Lyric Theatre – Main-stage;
- Lyric Theatre – Musical Theatre;
- Drama Theatre;
- Arena / Large Multi-Purpose;
• Outdoor Space; and

• Other.

(Multi-venue centres were listed separately, but without detailed venue information. Each individual venue within the centre is included in the venues list where relevant).

Visual arts venues were categorised as:

• Museum of Art - A museum whose strategic purpose / collection / exhibitions is solely focused on art and art history. This section includes Regional Museums of Art (a museum whose strategic purpose / collection is solely focused on art and art history specifically of the region).

• Museum of Applied Art - A museum whose strategic purpose / collection / exhibitions is focused on a combination of art and/or design and/or craft.

• Museum of Contemporary Art - A museum whose strategic purpose / collection / exhibitions are solely focused on contemporary art. This section includes Museums of Contemporary Photography - a museum whose strategic purpose / collection / exhibitions are solely focused on contemporary photography.

• University Museum of Art - An art museum / gallery affiliated with a university or equivalent art institution.

• Museum of Social History - A social history museum that also runs visual arts exhibition programs.

• Museum of Natural History - A natural history or science museum that also runs visual arts exhibition programs. This section includes science museums that also runs visual arts exhibition programs.

• Contemporary Centre of Art - Large multi-gallery venue that shows changing temporary exhibitions of art, has no permanent collection (unlike Museums of Contemporary Art) and operates public and education programs. This venue type also includes cross-disciplinary venues that combine temporary visual arts exhibitions, performing arts, music, bar/café, restaurant etc.

• Contemporary Centre for Applied Arts - Large multi-gallery venue that shows changing temporary exhibitions of art and/or design and/or craft, runs public and education programs.

• Not-for-Profit Artist Run Art Centre / Studios / Galleries - Multi-functional artist-run centre including experimental and temporary exhibition spaces, studios and artist resources.

As information on a number of international benchmarked venues has been difficult to source, detailed information including data on a number of specific venues was not available.
Where a visual arts institution crosses over between social and natural histories, general industry perception determined the most appropriate category the venues fall within.

1.2.3 Methodology of Stakeholder Consultation Program

A total of 94 stakeholders were consulted. Those consulted were a mix of visual and performing arts representatives from both the public and private sector.

- Performing art consultations included commercial presenters and producers, music companies, theatre and dance companies, venue designers and operators and the industry’s peak body Live Performance Australia. Visual arts consultations included a variety of cultural institutions, not-for profit and publicly funded galleries, university galleries and art schools, artist studio and residencies operators, visual art event organisers, artist run initiatives and cooperatives, artists, visual arts organizations, funding bodies, patrons, visual arts writers, academics and architects. Other cultural organisations included the Sydney Writers Festival and the Sydney Film Festival. Various government bodies and authorities were also consulted. The full list of consultations is attached at Appendix C.

- Positive responses to requests for interviews were generally very high with less than 10 of the 100 plus stakeholders contacted refusing or failing to participate. In most of these cases alternative relevant stakeholders were identified and interviewed. Securing follow up information was less straight-forward with response rates varying between roughly 70-90 per cent for performing arts and visual arts respectively. While a number of representatives from the Indigenous arts sector were interviewed, consultation in this sector was somewhat less extensive than originally anticipated due to difficulty in arranging meetings with several stakeholders.

- Interviews were conducted on a Chatham House Rules basis and all stakeholders were asked the same questions (which appear in Appendix C). Individual responses have generally been aggregated and specific information about particular organisations has only been included in this report with the agreement of the stakeholders concerned given a number of interviewees’ concerns about commercial-in-confidence material.

1.2.4 Methodology: Current and Future Needs and Gap Analysis

The development of a gap analysis identifying current and future needs of cultural facilities was built on the data compiled from the benchmarking and venue audit exercises along with an extensive stakeholder consultation program and expected trends in arts visitation. These studies were relevant to developing the gap analysis as:

- the benchmarking exercise compared Sydney’s cultural facilities with facilities offered in comparator cities;

- the venue audit analysed the supply and quality of Sydney’s current facilities; and

- stakeholder consultations provided views on the adequacy of current facilities and drivers of future demand (supplemented by a brief analysis of future demand presented in Section 1.3).
Gaps were prioritised based on their performance in the benchmarking exercise, venue audit and stakeholder consultations. Criteria used to identify and prioritise identified gaps focused on:

- **Quantity:**
  - Quantity of venues compared with the benchmarking study;
  - The size of the venue, including either the number of seats or the area of the exhibition and gallery spaces;
- **Adequacy:**
  - Qualitative description of the quality of the venue;
  - Configuration and technical adequacy of the venue;
  - Location of the venue;
  - Access to the venue, including disabled access;
  - Stakeholder perception of the venue;
- **Demand:**
  - Venue utilisation;
  - Venue capacity and patronage;
  - Availability of the cultural products the venue presents to the public;
  - Potential future demand including recent growth trends; and
  - Any recognised unfulfilled demand.

The context of identified gaps were then analysed to contribute to the rating. This included analysing:

- Demand and supply issues likely to affect the gap;
- Whether action was already underway to address the gap;
- Whether the gap was priority for Sydney, NSW or Australia;
- Key findings contributing to the identification of the gap;
- The main source (either the Venue Audit, International Benchmarking or Stakeholder Consultation) or a combination of sources which identified the gap; and
Principal proponents for such a gap (including balanced consideration of opinion driven by vested interest).

Based on the Consultants’ professional judgement, these priorities were rated according to their performance against the above criteria. Following detailed discussion of the high priority gaps with the Steering Committee, a select number of investment options have been developed for further consideration.

1.3 The Demand for and Impact of Cultural Facilities

This section provides context to Sydney’s cultural facilities review by analysing current trends in tourism, population growth, business attraction, liveability attraction and demand for cultural events.

As stated in the 2010 NSW Metropolitan Strategy, Sydney is projected to grow by 1.7 million (40 per cent) to almost 6 million people by 2036 (this includes natural growth and migration). This expected increase, along with expected increases in tourism, is likely to increase the demand for cultural services and, as a result, an increasing demand for cultural facilities.

Key findings from research into current demand for cultural products indicate that:

- The creative economy worldwide has experienced growth of 5.8 per cent per annum over the last two decades.\(^9\)

- Australia’s creative economy is estimated to be worth $31 billion and makes a substantial contribution to the nation’s economic performance.\(^{11}\)

- Overall attendance patterns for cultural venues and events in NSW have seen a steady increase over the last 15 years. Attendance at galleries and museums has grown by 37 per cent over this period and attendances at performing arts by 20 per cent.

- In absolute terms, the largest increases were attendance at cinemas followed by natural attractions, for example zoological parks and aquariums.

Whilst Sydney’s attendance rate in 2010 (85 per cent) was slightly lower than that for Melbourne (88.3 per cent) and Brisbane (90.3 per cent), the total number of attendees in Sydney was higher with approximately 3.6 million people attending cultural venues and events.\(^{12}\)

Key conclusions from current tourism statistics show that international tourism has been increasing steadily since 2004 and is expected to continue to increase.\(^{13}\) On the other hand, domestic tourism has seen a slight decrease in numbers from 2007–2010. This is, however,\(^9\) NSW Government, ‘Housing Sydney’s Population’ in Metropolitan plan for Sydney 2039, 2010.
\(^{10}\) United Nations Development Program: Report on the Global Creative Economy, 2010
\(^{11}\) Ibid
\(^{13}\) Note that, whilst the scope of this project requires demand forecasting to 2025, tourism figures have only been forecasted to 2020.
forecast to increase again from 2011-2020. These results are positive indicators for forecast demand of cultural goods and services.

Indicators also show that international and domestic visitors spend a higher amount per person in Melbourne compared with Sydney. This may, however, be influenced by the nature of activities available in that Melbourne offers a number of paid visitor experiences requiring a level of spend, whereas Sydney provides a range of natural experiences requiring limited expenditure. It is possible that, with a larger number of cultural venues in Sydney, tourist expenditure may increase.

In terms of business location and migration, Sydney is still a popular choice, suggesting demand is expected to continue to increase both from Sydneysiders and tourists. This is further supported by the results of various liveability indicators outlined in section 1.3.1 which, while subjective, suggest Sydney is likely to continue to grow in terms of population and visitor numbers. This is expected to translate into a steady increase in demand for cultural facilities for the next 15 years.

The remainder of this chapter provides more detail on these issues.

- Section 1.3.1 looks at trends in population growth, and business and liveability attractiveness;
- Section 1.3.2 looks at trends in domestic and international tourism; and
- Section 1.3.3 looks at indicators of how demand may be split between cultural activities.

### 1.3.1 Projected Population and Migration Trends

The Australian Bureau of Statistics (ABS) produces population projections for Sydney. These projections are not forecasts; they are instead calculated using three sets of different assumptions, which indicate a likely range. As can be seen from Figure 1-2 below, there is very little difference in the projections over the next 20 years. Projected population ranges between 5.82 million and 6.17 million equating to a growth rate between 1.3 per cent and 1.4 per cent per annum. These figures are also closely in line with the NSW Planning projections and the NSW Metropolitan Strategy, projecting Sydney’s population to grow by 1.7 million to almost 6 million people by 2036.
These population projections indicate that demand for cultural services is likely to increase, which is likely to increase demand for cultural facilities as a result.

In terms of migration patterns, NSW was the most popular Australian state for new migrants in 2008–09, accounting for 30.2 per cent of permanent additions. Whilst overall numbers of migrants settling in NSW have been increasing, NSW’s dominance has been declining over the last five years (down from 37.3 per cent of permanent additions in 2004-05) as increasing proportions of migrants settle in Queensland and Western Australia.

NSW attracted the highest number of skilled migrants of all states in 2008–09, with around 33,000 skilled permanent additions (or 27.9 per cent of total skilled permanent additions). Further, there were around 43,000 Temporary Business (Long Stay) visa holders in NSW at 30 June 2009 (or 28.0 per cent of total Temporary Business (Long Stay) visa holders).

### 1.3.2 Sydney’s Business and Liveability Attractiveness

The NSW government has an objective of reinforcing Sydney as the premier tourism and business destination in Australia. Business and liveability attractiveness can significantly influence the demand for cultural facilities in an urban centre.

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15 Ibid.

16 Ibid, p.137 - 138

17 Ibid, p. 139
As a major regional financial centre, liveability and a high quality of life, including cultural life, is important to maintain Sydney’s appeal as a place to do business. Recent studies have found that Sydney ranks just outside the top ten in several indices rating global financial centres on their business attractiveness:¹⁸


- City of London Global Financial Centres Index ranked Sydney 11th out of 75 in 2010, a fall from 9th in 2009.²⁰ In 2007 (Sydney ranked 7th at the time), the report commented that Sydney was “a strong national centre with good regulation, offering a particularly good quality of life” but noted that retention of skilled labour was an issue with “many financial professionals leaving for large English-speaking centres”.²¹ Melbourne ranked 23rd in 2010 up three places from 26 in 2009.

Regarding liveability attractiveness, Sydney generally performs well in a number of surveys that compare the relative cost of living and quality of life across cities, but its position is variable depending on the type of survey conducted.

- Sydney has recently been rated number one in the World Festival and Event City Award by the International Festivals and Events Association.²²

- The 2010 Economist Intelligence Unit’s Liveability Survey’s overall results saw Sydney ranked 7th in the world for liveability with a score of 96.1 out of a total score of 100.²³ Previously Sydney has scored 5th in 2005, 9th in 2007, 8th in 2008, and 9th in 2009. Melbourne was the only other benchmarked city to appear in the survey ranking 3rd.

- In terms of relative expensiveness, however, the UBS survey of purchasing power ranked Sydney 12th (2010) out of 73 world cities (38th in 2009). Sydney was also rated 6th for gross wage levels (20th in 2009), and 2nd in domestic purchasing power compared to New York.²⁴ The change in rankings was predominantly due to the strength of the Australian dollar compared with the US dollar. Copenhagen, Chicago and Hong Kong also featured in the survey ranking 5th, 27th and 32nd respectively.

- The Mercer 2010 Quality of Living Survey saw Sydney achieve a world ranking of 10th with a rank of 2nd place in the Asia Pacific Region behind Auckland, New Zealand. This is slightly down on historic surveys, which placed Sydney 5th in 2003 and 2004, and then 9th in 2005, 2006 and 2007²⁵. The Mercer Quality of Living Survey evaluates local living

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¹⁸ Infrastructure Australia, *State of Australian Cities*, 2010
¹⁹ Melbourne was the only other benchmarked city to feature in the survey.
²³ Economist Intelligence Unit, 2009, *The Economist Intelligence Unit’s Liveability Survey*, p 6
²⁴ UBS, *prices and earnings*, URL: http://www.ubs.com/1/e/wealthmanagement/wealth_management_research/prices_earnings.html
²⁵ Mercer, *Mercer 2010 Quality of Living survey highlights – Global*, URL:
conditions among 420 cities based on a number of political, social and economic factors. Of the benchmarked cities that featured, Copenhagen ranked the highest in 11th place, followed by Melbourne which ranked 18th, Brisbane 36th and Chicago which placed 45th.

- The Global Power City Index (2009) found that Sydney ranked below the median for accessibility (international and inner city transport) and liveability (indicators for life support functions, security and safety and the working environment). Of the three benchmarked cities which featured in the index - Hong Kong, Chicago and Copenhagen - Hong Kong was the only city to rank relatively higher.

- Nationally, in January 2011, a survey by the Property Council of Australia ranked Sydney last as the most liveable Capital City in Australia. Adelaide and Canberra were 1st and 2nd respectively. Melbourne was ranked 3rd and Brisbane 6th. The results were based on a quantitative on-line survey of Australians who live in capital cities.

As indicated above, Sydney has generally performed well ranking close to the top ten in several international indices. Domestically however, there is room for improvement. Further investment in Sydney’s cultural facilities promoting a higher quality of life is likely to positively contribute to future rankings.

1.3.3 International and Domestic Tourism

Key indicators set out below include international and domestic visitor nights, reason for travel and expenditure per person.

Visitor Nights

Figures 1.3 and 1.4 below show the number and forecast number of international and domestic visitor nights by capital city. Forecast figures were unavailable for Brisbane.

26 Infrastructure Australia, State of Australian Cities, 2010
Figure 1.3 shows that the number of international visitor nights increased by nearly 40 per cent over the period 2005-2010, which is broadly in line with the increases in both Melbourne and Brisbane. Conversely Figure 1.4 shows that domestic visitor nights in Sydney have decreased since 2007. Brisbane also experienced a decline, however domestic visitor nights remained relatively steady in Melbourne over the same period.
International visitor nights are forecast to increase significantly over the next ten years in both Sydney and Melbourne. Domestic visitor nights are forecast to increase only slightly over the next ten years. Overall, an increase in both international and domestic tourism could see demand for cultural tourism increase and consequently higher demand for cultural facilities.

Visitor Numbers by Category

Figures 1.5 and 1.6 below outline the reason for international and domestic travel to Sydney, which can identify the type of tourist who may attend cultural events and activities. Please note that NSW statistics are used in 1.6 as Sydney statistics were not available.

Figure 1-5: International Visitor Numbers by Category - Sydney

![International Visitor Numbers by Category - Sydney](image)

Source: Tourism statistics, Department of Resources, Energy and Tourism

Figure 1-6: Domestic Visitor Numbers by Category NSW

![Domestic Visitor Numbers by Category NSW](image)

Source: Tourism statistics, Department of Resources, Energy and Tourism
As illustrated above, a holiday is the main reason for both international and domestic tourism. Visiting family and relatives (VFR) and business are the other main reasons. It is interesting to note that international holiday visitor numbers and business visitors have decreased by 11.4 per cent and 14.5 per cent respectively since 2007. With regard to domestic visitors, both VFR and business visitor numbers have fallen slightly. These trends have the potential to negatively impact on the demand for cultural venues as holiday-makers and business people contribute to the attendance of cultural activities in Sydney. Whilst overall visitor numbers have been falling, however, the number of visitor nights has been increasing as indicated in figures 1.1 and 1.2. and it is arguable that the increased number of visitor nights is likely to cancel out the negative effects of lower visitor numbers.

**International and Domestic Expenditure**

Figures 1.7 and 1.8 below show the amount of expenditure an international and domestic tourist spends in Sydney, Melbourne and Brisbane

**Figure 1-7: International visitor expenditure – per visitor**

![Graph showing international visitor expenditure per visitor in Sydney, Melbourne, and Brisbane from 2006 to 2010.](image)

*Source: Tourism statistics, Department of Resources, Energy and Tourism*
As indicated in the figures above, overall demand for goods and services in all cities has increased over the period 2006-2010. This also shows that, per international and domestic visitor, expenditure in Sydney is slightly lower than Melbourne. As previously noted, a possible reason for this could be the type of tourist and cultural activities available. For example, Melbourne visitors may be attracted to retail and paid cultural activities while tourists in Sydney may instead visit many natural tourist attractions which do not require significant expenditure.

### 1.3.4 Trends in Demand for Cultural Products and Services

During 2009-10, approximately 86 per cent of the Australian population aged 15 years and over attended at least one cultural venue or event.\(^28\) The attendance rate in Sydney (85 per cent of the population) was slightly lower than that for Melbourne (88.3 per cent) and Brisbane (90.3 per cent).\(^29\)

Research by the Australia Council for the Arts indicated that 92 per cent of the New South Wales population over the age of 15 attended or participated in at least one art form over the previous 12 months. Of those who participated:

- 42 per cent attended visual arts and crafts events;
- 43 per cent attended theatre and dance performances;
- 83 per cent engaged in reading; and
- 61 per cent attended music performances.\(^30\)

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\(^29\) ibid
The number of people attending cultural venues and events in Sydney is illustrated in the Figure 1.9. Melbourne and Brisbane are also shown for comparative purposes.

*Figure 1-9: Persons attending cultural venues and events, Sydney, Melbourne and Brisbane, 2009-2010*

Source: Australian Bureau of Statistics. Attendance at Selected Cultural Venues and Events, 2009-10, Cat. No. 4114.0

As indicated above, the highest number of attendees in Sydney visited cinemas followed by zoological parks and aquariums, libraries and botanic gardens. The lowest attendance was recorded for classical music performances and dance performances.

Although Figure 1.9 indicates that the number of attendees in Sydney was higher than Melbourne and Brisbane for the majority of cultural venue and event types, comparison of the population with the number of attendees indicates that the attendance rates in Sydney were generally lower than the other cities as illustrated in Figure 1.10 below.\(^{31}\)

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\(^{31}\) Attendance rate is calculated by expressing the number of attendees as a percentage of population.
Figure 1.10: Attendance rate cultural venues and events, Sydney, Melbourne and Brisbane, 2009-10

Source: Australian Bureau of Statistics. Attendance at Selected Cultural Venues and Events, 2009-10, Cat. No. 4114.0

Trends in demand for cultural products and services since 1995

Figure 1.11 below shows the persons attending cultural venues and events in NSW from 1995-2010.
As identified in Figure 1.11 above, overall attendance patterns for cultural venues and events have seen a steady increase over the past 15 years, albeit with some anomalies (for example, a small decline in attendance at musicals and operas and “other” performing arts events). Growth in the areas of free activities (galleries, zoological parks and aquariums, libraries and botanic gardens) has been particularly striking. The other large growth areas have been attendance at dance events (36 per cent increases) and classical music concerts (49 per cent increase), perhaps reflecting more “popular music” programming by symphony orchestras. In absolute terms, the largest increases in the number of attendees were attendance at cinemas.

We note that these trends do not necessarily correspond to the gaps identified by stakeholders and the venue audit which indicate the need for more facilities to support opera, ballet, musicals and drama. It is possible that the demand has been influenced by the quality of venues on offer in Sydney and the figures can be significantly skewed by a single blockbuster attraction. We also note that these figures are NSW based and may not reflect actual figures in Sydney. Above all, it must be noted that in absolute terms, with the exception of musicals and operas, all categories have seen a rise in attendance in cultural venues and events which will increase the overall demand for cultural facilities in Sydney.

More detail on specific cultural venues is provided below.
Art Galleries

The number of attendees at art galleries increased by approximately 37 per cent between 1995 and 2009-10. The attendance rate also increased from 22.4 per cent to 27.3 per cent.

Museums and Libraries

Attendance at both museums and libraries increased slightly between 1995 and 2009-10. The number of attendees at museums in New South Wales increased by approximately 1 per cent between 1995 and 2009-10. The number of attendees at libraries in New South Wales rose by approximately 12 per cent (218,000 persons) between 1995 and 2009-10.

Performing Arts

While there is significant variation between growth rates in various different genres of the Performing Arts, attendances overall increased by 20 per cent between 1995 and 2009-10.

In summary, all cultural genres have experienced increases in attendance which has inevitably had an impact on venue demand. Reasons for increases in attendance range from population growth to market penetration. Whilst it is evident that the Global Financial Crisis has had some impact on attendances, it has not adversely affected total attendance numbers. If these trends continue long term, investment in cultural facilities to support growth is likely to be required.

1.4 Key Findings

- The creative economy worldwide has experienced growth of 5.8 per cent per annum over the last two decades and Australia’s creative economy is worth $31 billion which makes a substantial contribution to the nation’s economic performance.

- The population of Sydney is expected to increase by approximately 40 per cent to 2036 (based on the Metropolitan Strategy)

- Tourism growth (in terms of visitor nights) is expected to increase by ten per cent for domestic tourists and around 40 per cent for international tourists to 2020.

- There has been an increase in demand for cultural venues over the past 15 years and this trend is expected to increase both from tourism and participation growth. In particular, demand (as measured by attendance) has increased over the period 1995 – 2009-10 for performing arts (20 per cent) and visual arts (37 per cent).

- Whilst it is evident that the Global Financial Crisis has had some impact on cultural attendance, this has not adversely affected total attendance numbers. If these trends continue into the long term, investment in cultural facilities to support growth is likely to be required.

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34 Tourism Forecasting Committee (note forecasts to 2025 were not available)
2 Sydney’s Existing Cultural Facilities

2.1 Introduction

The venue audit undertaken as a part of this review has, as per the scope of works focussed on:

- public theatre venues over 500 seats and/or purpose built professional facilities;
- public exhibition spaces and galleries (excluding commercial galleries);
- rehearsal and artist spaces;
- artist studios; and
- outdoor facilities and spaces which can be adapted for major cultural events.

The Venue Audit is provided in two sections:

- one which provides narrative commentary on the venues, their usage (including current and projected utilisation and patronage trends in the period to 2011 and for the period 2011-2015), their adequacy and significant issues to be addressed; and
- a second which collates a range of data on the venues as a stand-alone document that may be used as a data base for the future and which may perhaps be up-dated by officers of Arts NSW from time to time, which can be found in Appendix A.

The last audit of Sydney’s Cultural Facilities was commissioned by the City of Sydney in 1994. Completed by Derek Watt (Performing Arts) and Noel Frankham (Visual Arts) in December of that year, the report did not seek to undertake the level of technical audit commissioned within the Scope of the current review. It did, nevertheless, inevitably touch on many of the same issues dealt with in this Review and we acknowledge the work undertaken at that time.

In particular we note that, in the intervening 16 years, some things have changed dramatically - and some that should have changed have not. In general, however, it is fair to say that the last 16 years have seen the arrival of much of the infrastructure proposed in that report – and more! In this period:

- The refurbished Capitol Theatre has been re-opened
- The Lyric Theatre at Star City has been constructed and opened
- City Recital Hall has been built and opened
- The Sydney Theatre at Walsh Bay has been built and opened
- Sydney Olympic Park with its major stadium and arena venues has been built and opened.
• Verbrugghen Hall has been fully refurbished

• Sydney Town Hall has been refurbished

• CarriageWorks contemporary arts centre has been created in the old Railway workshops at Eveleigh

• The Parachute Factory at Lilyfield has been partially redeveloped creating The Red Box (rehearsal space for physical theatre), a new store for the Arts Gallery of NSW and other office and rehearsal space for small to medium performing arts companies.

• While venues under 500 seats are not within our Scope of Works, it is worth noting that: Belvoir Theatre has both been refurbished and that the company now has rehearsal facilities; the Performance Space has re-located to Bay 20 at Carriageworks; and additional rehearsal space is available at both CarriageWorks and The Red Box at Lilyfield.

• The number of Artist Run Initiatives (ARIs) has increased.

• Sydney now has two private foundations/museums in operation.

• Sydney’s commercial gallery numbers have increased.

• A new Collections and Research building has been constructed at the Australian Museum

• Although outside the scope of this project, there has been significant investment in cultural infrastructure in Western Sydney.

On the other hand the city has lost some cultural facilities:

• Her Majesty’s Theatre - along with the Betty Pounder Rehearsal Studios.

• The Footbridge Theatre which has been largely de-commissioned as a performance space.

• The number and quality of Indigenous venues has decreased, with the loss of Djamu Gallery formerly based at Customs House and Hogarth Galleries. Boomalli Aboriginal Artists Cooperative is the only Indigenous visual arts organisation with exhibition space.

• The Artist in the House extended program at Elizabeth Bay House has ceased with Historic Houses Trust currently only organising one day artistic events.

Some of the issues that remain unaddressed include:

• The need to substantially upgrade the Opera Theatre at the Sydney Opera House

• An Indigenous Cultural Centre

• A cinemateque (previously proposed as part of the Museum of Contemporary Art)
• A quality Sydney Art Fair.

• A percentage for art scheme proportional to the costs of new developments in the city.

As this report is being written:

• The Concourse Chatswood with a well-designed and well-equipped new concert hall and drama and dance theatre is under construction with completion and opening late in 2011.

• Announcement has just been made that the Sydney Entertainment Centre will be re-built as part of the Sydney Multi-function Convention and Entertainment Centre.

• It is understood that there are plans afoot for the construction of a new popular contemporary music venue at Star City

• The redevelopment of the UTS/Ulmmo area of which a key aspect is the Frank Gehry designed building has been announced.

• The City of Sydney’s Public Art Strategy is being developed and the Biennale of Sydney has increased in scope and impact

• The redevelopment of the Museum of Contemporary Art (albeit without cinemateque) has commenced.

• The Art Gallery of NSW is constructing a new contemporary art gallery due for completion in May 2011.

• The Powerhouse Museum is currently redeveloping the forecourt and the entry level to include a new temporary exhibition space.

It is highly doubtful that the writers of the 1994 report would have imagined that there would be such major developments in the city’s cultural infrastructure in this period. Such is the nature of a dynamic and growing global city constantly seeking to better position itself nationally and internationally. This level of dynamism informs this Review – we should be prepared to imagine and anticipate change at the boundaries of current practice and thinking, rather than assume a status quo position or strictly incremental change. And, as the disappearance of both her Majesty’s Theatre and the Footbridge from the scene should remind us, it cannot be automatically assumed that the there will be no attrition in the city’s stock of venues over the next 15 year period.

The balance of this chapter:

• provides a summary of key venues audited (section 2.2);

• identifies key issues of venues audited (section 2.3); and

• outlines key findings from the chapter (section 2.4).
Further detail from the Venue Audit is attached at Appendix A.

2.2 Summary of Key Venues

2.2.1 Concert Halls

- **Concert Hall, Sydney Opera House** (2,679 capacity)
- **Sydney Town Hall** (2,008 capacity)
- **City Recital Hall, Angel Place** (1,238 capacity)
- **Verbrugghen Hall, Sydney Conservatorium of Music** (497 capacity)

**The Concert Hall at the Sydney Opera House** is a large hall of international standard that will continue to serve the City’s needs for the foreseeable future. It is an appropriate size as a large concert hall, has a warm aesthetic dominated by natural timber and, best of all, is located in one of the world’s greatest and most famous buildings. Audiences love to go there and performers from around the world see it as an iconic destination.

It is the performance home of the Sydney Symphony Orchestra but also hosts a wide diversity of other musical events including fine music (including choral), world music, rock, jazz, blues and various other events including, occasionally, semi-staged music theatre such as *Jerry Springer: The Opera* and contemporary circus. Generally the Concert Hall is well-appointed with a fine auditorium and good sized concert platform. Unfortunately, it is the opinion of fine music organisations that one crucial element for a concert hall is missing – a world-class acoustic.

Demand on the Concert Hall is very high and it regularly operates at effective 100 per cent utilisation.

- **Sydney Town Hall** was, until the opening of the Sydney Opera House, the city’s major venue for the performance of music. This handsome and centrally-located building has continued to fulfil a valuable performance venue role since then but also a wide range of community obligations (speech nights, meetings etc) and is also in strong demand from the commercial and corporate sector for meetings, conventions and exhibitions. The rough balance of events presented is 40 per cent cultural / 40 per cent commercial and corporate/20 per cent community. It has a high level of recognition and affection from the community.

The hall has been well refurbished and maintained and is strongly in demand for a wide range of events. With activity five days out of seven a week, it is very close to 100 per cent effective utilisation and is the busiest town hall in Australia. There is little opportunity to significantly increase utilisation.

- **City Recital Hall (Angel Place)** is a venue with a world-class auditorium and fine acoustic for small orchestras and chamber ensembles. Unfortunately it adds little to the ambience of
the city given its location within a commercial building, down an alley-way in a dominantly commercial precinct. It is in many ways invisible to the wider city with its patrons regularly arriving in the basement car park, ascending via lift, attending a concert and then departing via lift and car park having never touched the city.

Since its opening, demand has not been sufficient for it to operate purely as a performing arts facility and it balances its programming (and its finances) with corporate hirings. While these contribute to the venue’s viability, they are not its primary purpose, which means there is capacity for it to be more fully utilised for cultural purposes.

- **Verbrugghen Hall** is a high quality auditorium for smaller-scale fine music presentations including small orchestras, instrumental ensembles and recitals. It is largely used by the Conservatorium for its own purposes and is available for hire, often to under-resourced groups at very reasonable rental.

As a public venue it suffers from a lack of street frontage, the perception of inaccessibility experienced by most university based venues and irregular availability to concert organisers outside the Conservatorium. While utilisation rates are moderate and could potentially allow greater usage, this is not a venue of choice for most presenters.

### 2.2.2 Contemporary Popular Music & Comedy Venues

- **State Theatre** (2,100 capacity)
- **Enmore Theatre** (2,450 capacity)
- **Metro Theatre** (1,200 capacity)
- **Factory Theatre** (800 capacity)

- **The State Theatre’s** interior is a unique asset to the city. Opened in 1929, its ornate and whimsical decoration make the theatre an attractive and much-loved destination for a wide variety of audiences and it hosts a broad range of events including film, contemporary music, comedy, acrobatics, variety, spoken word, conferences and, occasionally, musical theatre. Originally designed as a grand picture palace that could, in addition to film screenings, also host variety performances, it has developed an eclectic programming mix over its eighty year life,

With a capacity of over 2,000 seats, the theatre is in strong demand from a wide variety of hirers and utilisation is relatively high for a venue that offers the opportunity for single night bookings. While the theatre is sometimes used for musical theatre, its stage area, fly tower and technical facilities are such that it can rarely host such shows that are not specifically designed to fit the State.

- **The Enmore Theatre** is one of Sydney's oldest operating entertainment venues and is located in the vibrant Enmore/Newtown area. Along with the State Theatre, it is one of Sydney’s few surviving theatres from the early part of the 20th Century and it has gone
through numerous face-lifts that have delivered an interesting melange of art nouveau, Edwardian, arts deco and art moderne styles.

While outside the CBD, the Enmore has established a loyal following particularly with younger audiences from the Inner West. Its deco ambience, laid-back atmosphere and flexible capacity (1,500 seated – 2,450 including open standing area) make it a popular venue for smaller scale rock, alternative bands, world music, comedy and, occasionally, family entertainers. The theatre is in strong demand from a wide variety of hirers and has established a very strong niche market. As a result utilisation is high. The theatre is limited from a technical point of view and it is not really workable as a venue for theatre or musical theatre requiring any staging complexity. It is in need of some significant refurbishment work in coming years.

- **The Metro Theatre** is located in the heart of Sydney’s CBD on George Street. The venue was redeveloped, from two former cinemas by property developer Leon Fink in the 1980’s. The foyer of the Metro, designed by leading Australian stage designer Brian Thomson, sets a somewhat grungy, tongue-in-cheek, pop-culture tone that suits the indie-rock and alternative bands that comprise the majority of its programming.

With a seated capacity of about 600, rising to 1,200 for standing performances and its highly limited technical and staging facilities, The Metro is unlikely to move outside its programming niche in the foreseeable future. Utilisation has historically been uneven and the venue has changed hands and management a number of times since opening as it struggles to achieve financial viability given its limited capacity. While there is theoretically the possibility to increase utilisation, increased demand is constrained by lack of promoters working at this scale and a lack of music acts that are affordable for a venue of this scale.

- **The Factory Theatre** is a purpose built contemporary music and comedy venue located in the vibrant Newtown district. It opened in December 2006. With flexible seating and stage configurations, it can host up to 1,000 audience members and has become a popular choice for mid-scale contemporary music groups and comedy.

While it is well-equipped and laid out for the purpose of music and comedy it is, like **The Metro Theatre** unlikely to move outside its programming niche in the foreseeable future. Utilisation has been uneven to date as the venue has been in an establishment phase. There is definitely the possibility of increased utilisation as the venue become more established and as the market for mid-scale contemporary entertainment continues to grow.

### 2.2.3 Lyric Theatres (Main-stage)

- **Sydney Opera House Opera Theatre** (1,507 capacity)

  **The Opera Theatre**’s shortcomings are well documented – it has a small stage, a small pit (which despite expansion is still creating occupational health and safety problems for the Australian Opera and Ballet Orchestra), restricted wing space and limited seating capacity, particularly after allowing for the restricted viewing seats. The theatre is fully booked year
to year principally by Opera Australia, and the Australian Ballet, with the remaining dates programmed by the Opera House’s own Programming Department.

Opera Australia has developed a house style that compensates for many of the shortcomings and wishes to retain the venue as its major performing venue, but some of its repertoire would clearly be better suited to a venue with a larger stage and pit and some elements of the standard repertoire (eg major Wagnerian operas) are simply out of reach or significantly compromised in their staging. Much of the Australian Ballet’s repertoire is severely compromised by the stage and lack of wing space. The relatively low audience capacity adds significantly to their operating costs as they must play longer seasons in order to meet audience demand and generate revenue.

Utilisation is regularly at 100 per cent of effective capacity (having regard to required maintenance periods and dark nights in the middle of seasons). The general demand for venues at the Opera House (particularly by in-house presentations) means that there are many presentations available that would move into any gaps vacated by Opera Australia and the Australian Ballet if they did present some of their performances elsewhere.

2.2.4 Lyric Theatres (Musical Theatre)

- **Theatre Royal** (1,200 capacity)
- **Capitol Theatre** (2,300 capacity)
- **Lyric Theatre, Star City** (2,100 capacity)

**Theatre Royal** was constructed in the 1960’s as a replacement for the old Theatre Royal. It is well located and, with 1,200 seats, ideally suited to the smaller and mid-scale musicals, though it can work with some compromise for larger musicals. It can also be used for larger scale drama although the acoustics are such that intelligibility can be a significant issue and its scale is a little too large for most theatre other than large ensemble work. The incursion of noise from trains passing nearby is a perennial problem but one to which audiences have largely become accustomed. The configuration of the theatre is not ideal with the steepness of the Dress Circle being a concern for older audiences. Technically the theatre presents problems with its limited wing space and limited equipment. Its construction as part of an office and retail complex and resulting limited footprint for foyer space and the location of the main foyer underground means that the theatre lacks ambience and street presence. The decor of the public spaces is also at a point where it is badly in need of refurbishment.

The Royal once enjoyed the status as Sydney’s only readily available lyric theatre before the refurbishment of The Capitol and the construction of the Lyric Theatre at Star City. It played host to a string of Cameron Mackintosh-produced musicals through the 80’s into the 90’s and ran at virtually full capacity for many years. Since the Lyric Theatre opened it has struggled to attract long-running shows given its less-than-desirable capacity and utilisation has been low for the last few years. It has, however, recently seen the opening of *Jersey Boys* which appears to be set for an extended run.
• **Capitol Theatre** was originally built on a traditional circus site as a hippodrome for arena theatre and subsequently converted into a movie palace in 1927. Its ornate foyers and auditorium create the effect of an Italian garden or piazza. It continued its life as an "atmospheric" picture palace for many years, but fell into disuse and disrepair in the 1970s and 1980s before its renovation and re-opening in 1995. As with the State Theatre, its rich and evocative décor makes it a favourite with audiences looking for a touch of spectacle and magic in their night out. The building is listed on the Register of the National Estate.

Technically The Capitol is well-configured and resourced for musical theatre but does not have stage facilities or an orchestra pit ideal for major opera or ballet. Its capacity of over 2,000 seats is also commercially advantageous for major musical theatre producers.

Since its renovation The Capitol has enjoyed high utilisation as the preferred house for major musicals including *Miss Saigon* and *The Lion King*. It has also hosted a wide variety of concerts, dance attractions, festival events and even some large-scale theatre (The Royal Shakespeare’s *A Midsummer Night’s Dream*).

• **The Lyric Theatre** at Star City was built on a green-fields site and, as a result is probably the best of the three lyric theatres available for musical theatre in Sydney in terms of stage size and technical facilities. Located within the Star City casino complex this 2,000 seat theatre is highly functional with expansive foyer space, modern back-stage facilities and good load-in access. Its location is, however, not central and the ambience of the casino tends to dominate.

The theatre has generally been well utilised since its opening ten years ago and has played host to a number of major musical theatre seasons including *The Producers* and the remounted *Phantom of the Opera*. The theatre has recently under-gone a re-fit and upgrade of its auditorium.

### 2.2.5 Drama & Dance Theatres

- Sydney Opera House Drama Theatre (544 capacity)
- Sydney Theatre (896 capacity)
- York Theatre (Seymour Centre) (788 capacity)
- Everest Theatre (Seymour Centre) (605 capacity)
- Parade Theatre (NIDA) (709 capacity)
- Carriageworks (Bay 17) (800 capacity)

- The **Drama Theatre** has limited wing space, problematic stage access, an unconventional and restrictive proscenium arch design, does not have a full fly tower and, at 544 seats, it is not large enough to deliver a significant return for commercial offerings. Shortcomings notwithstanding, the resident companies - Sydney Theatre Company, Bell Shakespeare and
Bangarra – are all committed to remaining in the Drama Theatre given its unique location within the Opera House. All of these resident companies have developed ways of compensating for the physical deficiencies.

The theatre enjoys very close to 100 per cent effective utilisation due to occupancy from the resident companies and Sydney Festival. As with the Opera Theatre, the Opera House’s presenting unit would use more time if it became available at the Drama Theatre.

- **The Sydney Theatre** is an 850 seat theatre in the developing Walsh Bay cultural precinct. It was purpose-built for the Sydney Theatre Company (STC) and is located 100 metres from the STC’s home-base at The Wharf (Pier 4/5). Constructed on two levels, the theatre is equipped with state-of-the-art technology including one of the few power-flying systems in Australia. The configuration of the theatre is excellent with good sightlines, large stage area and an orchestra pit capable of housing a band sufficient for smaller scale musical theatre productions. The backstage areas are well-appointed and the venue also features a corporate function room and large rehearsal room which also doubles as a small-scale performance space from time to time. The stylish foyer space creates an ambience that is at once contemporary with its clean lines and yet evocative of the history of Walsh Bay through use of re-cycled materials and the featuring of the facade of a 19th century bond store which houses the back of house facilities. The engagement with the precinct is strong with the theatre’s huge entrance arch providing both an aesthetic echo of the rest of Hickson Road’s streetscape and the sense of a window into and out of the world of the theatre. Unfortunately the theatre has been dogged by one significant problem ever since opening – a reputation for an unforgiving acoustic which has generated much comment and complaint – much justified and some unjustified.

With the exception of 2007, utilisation has generally been high since the theatre opened with effective utilisation running at about 87 per cent. STC manages the building and is the anchor hirer with Sydney Dance, Sydney Festival, Sydney Writers Festival and the Australian Ballet’s Bodytorque program constituting the other “preferred hirers”.

- **The Seymour Centre** is a substantial campus-based performing arts centre with three performance spaces, two of which fall within the scope of this Review – the 800 seat **York Theatre** and the 600 seat **Everest Theatre**. While technically quite well-equipped, the theatres suffer from a number of issues including their campus-based locations which, according to stakeholder consultation have historically created perceptions of inaccessibility. It is worth noting that, worldwide, very few campus-based theatres in anything other than university towns manage successful engagement with the broader community. This perception of isolation is exacerbated by the lack of related activity in its immediate surrounds and an awkward distance from the coffee shops, restaurants and bookshops of Newtown. It is also fair to say that the building is not attractive, featuring as it does the rather dour 70’s aesthetic dominated by off-form concrete.

Configuration of the two theatres also creates difficulties with the set-back of the proscenium in the Everest creating an uncomfortable audience/stage relationship and the

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35 Utilisation rates for Sydney theatre have assumed a 100 per cent capacity of 49 weeks which includes a December/January holiday break and a two week programmed maintenance period. This differs from the method for calculating utilisation rates at other venues.
thrust/arena stage layout of the York Theatre being decidedly uncommon (the only other such theatre in Australia is Perth’s The Octagon - also located on a university campus) which therefore restricts its use for anything that is not purpose-designed for the space.

- **The Parade Theatre** is located on the campus of the National Institute of Dramatic Art (NIDA). Opened in 2003, the 690 seat theatre was conceived principally as a training theatre for students in all disciplines at NIDA. NIDA management reasoned that, in order to adequately prepare acting, directing, design and technical students for the reality of working in the professional theatre, they should have the opportunity to work in a first-class venue of scale. The theatre is well-equipped and, notwithstanding some sightline problems in the balconies, well-configured. The location on the UNSW campus at Kensington does, however, present challenges for audiences used to attending theatres in the CBD. When opened, it was envisaged by management that significant parts of the year would be utilised by external professional producers and presenters but, despite some early forays by Sydney Theatre Company, Sydney Dance Company and Sydney Festival this has generally not eventuated – largely due to the sense of isolation from any central or vibrant precinct. As a result utilisation is relatively low and there is available capacity.

- **CarriageWorks** is the most recent addition to the performing arts venue stock in Sydney and *Bay 17* is its flagship space with a capacity of up to 800. The CarriageWorks centre was created to house Sydney’s burgeoning contemporary performance activity and is located on the fringe of the culturally vibrant Newtown area. While being close to Newtown, CarriageWorks is perhaps not quite close enough and it is perceived as somewhat isolated and unconnected to any sense of community. The theatre is housed within the heritage listed Carriage Workshops of the Eveleigh Rail Yards which were built in the late 19\(^{th}\) century. These arresting buildings are considered one of the best examples of railway workshop complexes in Australia. While the adaptive re-use of the workshops has created an atmospheric space that is evocative of its industrial past, the sheer scale of the buildings is also the source of some of the operational issues that it faces. Bay 17 is a large black box space that requires extensive fit-out for each hirer of the space. This includes trussing, drapes, lighting and sound equipment most of which must be brought in afresh for each event as the theatre has virtually no stock.

Utilisation of Bay 17 has been moderate since the venue opened, averaging approximately 70 per cent utilisation. The size of the space and the consequent expense of technical fit-out make it difficult for small to medium contemporary performance groups to use. There is definitely spare capacity in this venue.

### 2.2.6 Arena/Large Multi-Purpose

- **Sydney Entertainment Centre**  
  (12,500 capacity)

- **ACER Arena**  
  (21,000 capacity)
-- Planning Sydney’s Cultural Facilities
--- Review Prepared by Sweet Reason Pty Ltd
--- March 2011

- ANZ Stadium (81,500 capacity)
- Sydney Cricket Ground (46,000 capacity)
- Sydney Football Stadium (44,000 capacity)
- Luna Park Big Top (2,000 capacity)
- Hordern Pavilion (4,200 capacity)
- The Forum (Fox Studios) (1,800 capacity)
- The Dome (Sydney Showgrounds) (7,000 capacity)
- Royal Hall of Industries (Moore Park) (4,000 capacity)

**Sydney Entertainment Centre (SEC)** is a multi-purpose venue, located in Haymarket. It opened in 1983, to replace the demolished Sydney Stadium. In concert mode it accommodates up to 12,500 people. SEC hosts concerts, family shows, sporting events, circus and corporate events. Major artists to have played there include Elton John, Genesis, David Bowie, Kylie Minogue and Pink. It also hosted an arena version of *The Boy from Oz*. As a sporting venue, the SEC is the home stadium for the Sydney Kings basketball team, but other sports such as boxing, tennis and indoor motor-cross have also been held there and in the 2000 Summer Olympics, the SEC was the venue for indoor volleyball final. The Centre is owned by the Sydney Harbour Foreshore Authority and currently operated by the Sydney Convention and Exhibition Centre (SCEC).

While the SEC continues to provide adequate facilities for a range of events, it is perceived to be nearing the end of its useful life with many advances having been made in the design and construction of large scale arena venues over the last thirty years. While it usually averages close to 1 million attendances per annum, utilisation has diminished over recent years with competition from the larger and more up-to-date ACER Arena becoming more intense. There is currently spare capacity for increased utilisation.

The Government of NSW recently announced that the SEC would be replaced by the new Sydney Multi-Function Conference and Entertainment Centre (SMCEC) the configuration of which will allow for a flexible performance space of between 3,000 and 12,000 seats.

- **ACER Arena** (formerly Sydney SuperDome) is a large entertainment and sporting complex located at Sydney Olympic Park at Homebush Bay and was originally constructed to host events such as basketball and gymnastics at the 2000 Sydney Olympics. Capable of holding up to 21,000 people, it is the largest indoor venue in Australia. Acer Arena is home to many major entertainment and conference events and is currently the arena venue of choice for major entertainment promoters. The arena is regarded as an excellent venue of its type and has been rated amongst the Top Five indoor venues worldwide on a number of occasions. It has hosted acts such as Coldplay, Britney Spears, Metallica and Muse. It also hosts sporting events and major conventions. The venue is technically well-appointed and transport and parking are readily available. While lacking in atmosphere and any sense of precinct, as a
mega-venue, an arena such as this creates its own context given the large crowds that it accommodates.

Utilisation rates are relatively strong for a venue of this nature as the number of events suitable for presentation in an arena of this size are limited and seasons usually limited to one or two nights given the large capacity. That being said, there is currently still spare capacity at ACER Arena.

- **Other Arena/Large Multi-Purpose Venues**

Sydney has a plethora of other large venues and stadiums available for entertainment purposes. These include major sporting arenas such as the ANZ Stadium, Sydney Cricket Ground and Sydney Football Ground all of which comfortably accommodate major concert events from time to time when dates are available between sporting fixtures. Other large venues include three venues at the former Showgrounds at Moore Park (Hordern Pavilion, The Forum and Royal Hall of Industries), Luna Park’s Big Top and The Dome at Sydney Showgrounds. These venues present a huge variety of options for promoters and the concert-going public ranging in size, ambience and location.

While utilisation of these venues is relatively low for cultural purposes, this is because they are either multi-purpose spaces or principally devoted to sport, convention or exhibition activities with cultural activity making up only a relatively small part of their business. The general availability of large multi-purpose spaces is strong, thereby offering considerable flexibility to presenters.

### 2.2.7 Outdoor Performance Spaces

Sydney has many available outdoor spaces to cater for a range of outdoor performance, exhibition, installations, festivals and also the temporary establishment of tented venues. The Venue Audit undertaken as part of this Review identified 29 separate spaces that are utilised for cultural purposes from time to time. This list is by no means exhaustive in terms of potential but focuses on spaces that are used with any regularity. The majority of these spaces have no specific cultural mandate and are not specifically equipped in order to facilitate cultural events. Two such spaces (the Domain and Tumbalong Park at Darling Harbour), do, however, feature significant infrastructure (either permanent or temporary) and actively pursue outdoor events of significance. The Review also noted the group of indoor and outdoor venues at Cockatoo Island and their significant potential for cultural usage.

It is of note that the contemporary music scene has seen the rise of a wide array of outdoor festivals over the last two decades. While some of these festivals utilise relatively formal venues such as the Sydney Showgrounds, many create temporary festival sites for crowds that may vary between 5,000 and 50,000. This includes the rise of so-called “lane-way” festivals which are by their nature peripatetic and always on the look-out for a new and unconventional space with a focus on the potential for intimacy of performance.

### 2.2.8 Museums of Art

- Art Gallery of New South Wales
• Museum of Contemporary Art

• SH Ervin Gallery

Sydney has two international standard Museums of Art one which (The Museum of Contemporary Arts) is dedicated to contemporary work. The other Museum of Art (S H Ervin Gallery) is of a regional standard.

• **The Art Gallery of New South Wales** has a total floor area of 30,703 square metres, is nationally significant and recognised as a reputable institution internationally. It is the most visited art museum in Australia and 28th most visited art museum in the world (with 1.3 million visitors in 2009).\(^{36}\) It is a highly respected gallery by the local community and one of stakeholders’ first choices when asked to identify Sydney’s cultural strengths. The AGNSW is surrounded by parklands and within walking distance to the CBD and other cultural institutions including The Australian Museum, The State Library of NSW, The Mint, Hyde Park Barracks, The Museum of Sydney and the Museum of Contemporary Art. The AGNSW is generally free entry and has active exhibition and public programs. The AGNSW charges an entry fee for some temporary exhibitions which is an important source of revenue for the institution. The venue audit reveals that the AGNSW attracts a diverse and predominately local audience.

• **The Museum of Contemporary Art** is located in a central location at Circular Quay and is a widely visited and highly respected institution both nationally and internationally. It is popular and locals admire the institution. Between 1999 and 2009 attendance increased by 372 per cent to almost 550,000 annually, particularly as a result of a major sponsorship that allowed the gallery to make admission free. Along with the AGNSW, it is one of stakeholders’ first choices when asked to identify Sydney’s cultural strengths. The outdoor Quay side area is occasionally used for public art, as demonstrated last year with the installation of the Roxy Paine sculpture as part of the Biennale of Sydney. Projected local attendance for 2025 is 1 million visitors, almost double current visitation. While general entry is free, there is usually one ticketed exhibition per year.

The Gallery is located in the tourist and retail hub of The Rocks and within walking distance of the CBD and other cultural institutions including The Museum of Sydney, the AGNSW, The State Library of NSW, The Mint and Hyde Park Barracks. The MCA has an active and diverse exhibition, education and public programs in place and is one of the key venues for major events such as The Biennale of Sydney. The MCA is currently undergoing major renovations to be completed in early 2012. The redevelopment will provide galleries of a size and standard to present major international shows and accommodate circulation flows required for paid shows to be presented in these galleries. As a collecting institution, the MCA will be able to exhibit their permanent collection in the new building.

• **SH Ervin Gallery** has been recognised within the Venue Audit as a Regional Museum of Art as it is acknowledged that this venue is not of a similar standing or calibre as the AGNSW or MCA. Located in the National Trust Centre on Observatory Hill in close

\(^{36}\) Source: 2009 visitation figures compiled by The Art Newspaper and published online in March 2010
proximity to the Sydney Observatory, the SH Ervin Gallery is isolated and therefore constrained by its location. This has been an ongoing issue and also noted in Noel Frankham’s report. Although it is recognised for the quality exhibitions it presents, the scale of the exhibition space is modest (400 sq. m) but has an active exhibition and public program, despite the low staffing levels which are off-set by the high level of voluntary labour available.

Although beyond the scope of this survey, the Review acknowledges the important role of other regional art galleries including Hazlehurst Regional Gallery and Arts Centre, Campbelltown City Bicentennial Arts Gallery and Penrith Regional Gallery.

2.2.9 Museums of Applied Art

- The Powerhouse Museum

  - **The Powerhouse Museum (PHM)** is located within the UTS/Ultimo redevelopment area and positioned behind Darling Harbour. This location sits well particularly with the UTS and its Design education offering. It is one of Australia’s largest museums and has 17 permanent exhibition spaces, 9 temporary exhibition spaces and incorporates an active exhibition, education and public programs as well as hiring of the venue for various functions. The venue has screening facilities however does not currently offer screenings as part of their public program. The PHM has a limited outdoor space of 1,450 square metres split between 3 separate areas.

  The PHM charges an entry fee and currently receives an average of 1300 visitors per day with its busiest ticketed day being 4,500 visitors for a blockbuster exhibition. On one Australia Day when entry fees were dropped visitation rose to a record 6,500.

  Accessibility was cited as a concern in Noel Frankham’s 1995 report and continues to be an issue for the institution particularly as far as public transport is concerned. While the PHM is located behind Darling Harbour, within the CBD and a moderate 25 minute walk from Railway Square, bus services are limited both day and night although bus stops are well placed directly at the front of the PHM.

  The PHM is also responsible for the Sydney Observatory at Observatory Hill and the Discovery Centre at Castle Hill 25kms west of Sydney. The Discovery Centre has provided a unique experience in Sydney as a result of opening up their collection storage area which has proven to be successful with locals of Castle Hill, family and school groups.

  It should be acknowledged that while the Powerhouse Museum is recognised as Sydney’s Museum of Applied Arts it also incorporates a significant program which addresses the Social History of Australia and NSW.

2.2.10 Museums of Social History

- Historic Houses Trust, including the Museum of Sydney
• The **Historic Houses Trust** (HHT) is responsible for conserving, interpreting and managing 14 diverse sites and properties of cultural significance, including houses, public buildings, a farm, gardens, parklands, a beach and urban spaces, is effectively one of the largest state museums in Australia. It is entrusted with the care of key historic buildings and sites in New South Wales including the Museum of Sydney, Elizabeth Bay House, Hyde Park Barracks Museum, The Mint, Government House and Vaucluse House within central Sydney. These museum spaces are by nature specific to the places in which they are located – either housed within notable historic buildings deemed by government as worthy of preservation for the State’s heritage or located on a particular site of significance (Museum of Sydney being located on the site of the first Government House).

The venue audit has focused, only on the Museum of Sydney, given the limited exhibition and gallery areas at the other sites – e.g. only 115 sq m of exhibition space is available in the stables at Vaucluse House and approximately 125 sq. m at The Mint. However survey details on these properties, the Hyde Park Barracks Museum and Government House are included at Appendix A.2.

The **Museum of Sydney** focuses on the history of Sydney and New South Wales and is located in the centre of the CBD and within walking distance to Circular Quay railway station and bus interchange. It is also within walking distance to the Museum of Contemporary Art, The State Library of NSW, The Mint and Hyde Park Barracks. The MoS has an active exhibition, education and public program and is currently operating at maximum capacity. Visitation increased by 35 per cent between 1999 and 2009 (from 65,852 to 88,698). The HHT expect visitor numbers to increase by 32 per cent to approximately 117,000 from 2009 to 2025.

### 2.2.11 Museums of Natural History

• **The Australian Museum**

• **The Australian Museum** (AM) is located in the centre of the CBD, close to public transport and in close proximity to several city hotels. It is also within walking distance of the Art Gallery of NSW, Hyde Park Barracks, The Mint and The State Library of NSW. The AM is highly regarded throughout the industry for its world class Pacific and Indigenous collections as well as its active exhibition, education and public programs. The institution is popular with younger audiences and families and visitation has remained relatively steady over the 10 years from 1999 to 2009 at between 375,000 – 400,000).

The AM has recently undergone a $40 million revitalisation project, including the new Collections and Research building opened in 2008 and the refurbishment of the Barnet Wing for its standing Dinosaurs exhibition. This is the largest capital investment made by the Government in any of the state visual arts cultural institutions in recent years.

### 2.2.12 University Museums of Art

• **UTS Gallery**
University of Sydney Art Gallery

Nicholson Museum

Macleay Museum

Tin Sheds

Verge Gallery

National Art School

COFA Space Gallery

Ivan Dougherty Gallery

Kudos Gallery

University Museums of Art are abundant in Sydney, particularly in comparison to internationally benchmarked cities. Total attendances in 2009 were approximately 97,200 across 6 venues.

The UTS Gallery collection holds over 1000 artworks in its permanent and loaned collections. Mediums include paintings, drawings, photographs, lithographs and etchings, bronze, wood and mixed media sculptures, textiles, ceramics, and paintings and pukumani poles by Aboriginal artists. The UTS Art Collection was formed in the early '90s from the amalgamated art collections of the NSW Institute of Technology, Sydney College of the Arts design school, Kuring-gai College of Advanced Education and the Institute of Technical and Adult Teacher Education of the Sydney College of Advanced Education. The gallery is very well positioned for public transport in close proximity to Railway Square and the vibrant Chinatown precinct.

Located in Camperdown, the University of Sydney is surrounded by residential and retail areas. The University has a diverse collection of museums and galleries:

- The Macleay Museum: a museum of natural history, ethnography and history;

- The University Art Gallery: houses a collection including paintings, works on paper, sculpture and decorative arts which have been acquired by donation and bequest since 1850.

- The Nicholson Museum: the largest collection of ancient artefacts from Greece, Italy, Cyprus, Egypt, the Near and Middle East in Australia. It has an active exhibition and public program with over 40 events per annum.

- Tin Sheds Gallery: a contemporary art space located within the University of Sydney’s Faculty of Architecture Design and Planning
Verge Gallery: a student-run gallery providing for temporary exhibitions featuring student artworks

Public transport to the venues is limited, but the Macleay Museum, University Art Gallery and Nicholson Museum have all seen large increases in visitor numbers over the past decade to a combined total of 78,500 in 2009.

The National Art School is Australia’s oldest visual arts educational institution. The NAS is located on the site of the old Darlinghurst Gaol and is in close proximity to the College of Fine Arts and within walking distance to Object: Australian Centre for Craft & Design Gallery. Access and public transport to the venue is ample, although the venue is not visible from the major intersection and meeting place at Taylor Square. It includes the National Art School Gallery, which presents an annual program of exhibitions including collaborative projects with domestic and international visual art institutions. The Cell Block Theatre is used for performances, exhibitions and talks. There are also outdoor spaces on campus. The NAS also offers many studio spaces dedicated to use by students and teachers in the degree programs. In addition there are two studio areas which are publicly available for use by artists: one area (2 studios) for use by artists who are accommodated in the artist-in-residence facility; and one area (2 studios) for use by visiting artists or artists creating work in residence.

The COFA Space located on the grounds of the Paddington campus is a foyer space that has been converted into a gallery venue. This site provides for a variety of exhibitions and serves as an exhibition space predominately for COFA students. Annual events such as ARTEXPRESS, the Jenny Birt Award, Fowlers Gap Field Trip exhibitions, The Australian Decorative & Fine Arts Society Scholarship exhibition and The COFA Annual Graduate Exhibition also take place at this venue as well as occasional national and international touring exhibitions.

Kudos Gallery is not a University Museum of Art but rather a gallery run by and for students of the College of Fine Arts (COFA), University of New South Wales. Located close by to the College of Fine Arts campus in Paddington, it is well known by students and alumni as a venue offering professional development for CoFA students. While Kudos Gallery is located in close proximity to the National Art School and Oxford St, it has low visibility.

2.2.13 Contemporary Centres of Arts

- 4A Centre for Contemporary Asian Art
- Australian Centre for Photography
- Artspace
- CarriageWorks (venue for Performance Space)
- The Newington Armory
For the purposes of this review, a **Contemporary Centre of Art** is defined as a large multi-gallery venue that shows changing temporary exhibitions of art, has no permanent collection (unlike Museums of Contemporary Art) and operates public and education programs. This venue type also includes cross-disciplinary venues that combine temporary visual arts exhibitions, performing arts, music, bar/café, restaurant etc.

The **Contemporary Centres of Arts** are a crucial link between Sydney’s visual arts educational institutions and the domestic and international visual arts industry. They represent great diversity, are attractive in their thinking, experimentation and potential insight into future practices. These venues are recognised for their ability to reach out to and collaborate with national and international peers and attract a great deal of interest and enthusiasm from predominately younger to middle-aged audiences.

- **4A Centre for Contemporary Asian Art** is located in Chinatown, in close proximity to the UTS/Ultimo redevelopment, the Powerhouse Museum and within walking distance to the CBD and well served for access to public transport. It has active exhibition and public programs. The organisation is recognised for its specific purpose and is respected within the community. 4A has recently completed a feasibility study for a capital project that aims to transform the existing site into a cultural hub for contemporary Australian/Asian art.

- **The Australian Centre for Photography** is located in Paddington and has active exhibition and public programs in place including numerous workshops. The venue is functioning at maximum capacity and is seeking an opportunity to move to an area with higher pedestrian traffic. Like 4A, ACP is recognised for its specific purpose and respected within the community. Public transport is limited and accessible only by bus. Parking in the area is difficult because of the surrounding high-end retail and residential area.

- **Artspace** is unique in Sydney in that it is able to offer limited studios and residencies to local and international artists in close proximity to the CBD. Artspace is located in the Gunnedah, an historic building extensively refurbished by the NSW government in 1992 and owned by Arts NSW. Artspace is a highly respected institution and recognised by industry for its cutting edge programs and its work in research and development including both local and international artists. It is also recognised as one of the key venues for the Biennale of Sydney.

- **The Newington Armory** at Sydney Olympic Park is located in a heritage-listed former naval depot and gazetted nature reserve with prime river views. It is surrounded by emerging residential areas and industrial suburbs. The gallery has a large collection of Public Art with more than 50 pieces and has an outdoor area with a capacity for up to 10,000. It offers 17 studios and 4 residencies to local and international artists. The exhibition venue accommodates the longest uninterrupted 40 metre wall space in Sydney. The Armory has a limited public exhibition program but good education facilities. It also provides for cross-disciplinary capabilities. The venue is, on the whole, under-utilised, receiving only 25,000 visitors in 2009 although it is forecasting a steady increase to 40,000 patrons in 2015 and 60,000 in 2025.

- **CarriageWorks** is located at Eveleigh, in close proximity to Newtown and Redfern. Redfern station is an approximate 20 minute walk as is the closest bus stop that offers frequent and
direct links to the CBD. While primarily a performing arts venue, the centre has a strong visual arts remit especially as it is home to the Performance Space. Bay 19 is recognised as the centre’s exhibition space and has 16 metres of wall space and approximately 1,000 square metres of exhibition area. Overall attendances have grown from 48,202 to 112,014 for the centre as a whole but disaggregated figures for the visual arts program are not available.

### 2.2.14 Contemporary Centres of Design

- **Object: Australian Centre for Craft and Design**

  *Object: Australian Centre for Craft and Design* is a gallery devoted to contemporary craft and design. Originally located within Customs House at Circular Quay, Object moved to its current location in St Margaret’s (behind Taylor Square) in 2003. It captures little of the pedestrian traffic created by the residential blocks and cafes nearby. The gallery has 200 square metres of exhibition area.

  Since its re-location Object has experienced a dramatic (45 per cent) decrease in visitation (to 29,754 in 2009) and retail sales. Attendance figures in relation to years surveyed, suggest the difference in visitation is principally a result of lack of exposure to international visitors.

### 2.2.15 Artist Run Centre/ Studios/ Galleries

- Firstdraft at Chalmers Street, Surry Hills
- Firstdraft at Riley St Depot
- PACT (principally performing arts)
- Pine Street Creative Art Centre
- Boomalli Aboriginal Artists Cooperative
- China Heights
- Gaffa

Currently, Sydney has a network of 39 artist run initiatives including the venues listed above (which have been included within the venue audit with the exception of Boomali) and many smaller established venues such as MOP Projects, SNO, Red Rattler, Peloton, Bill & George, and LockSmith. These venues can be hard to find, particularly for visitors to the city, and often occupy small and ill-equipped areas that accommodate experimental exhibitions. These venues are frequented mainly by 18-35 year olds although the biannual fringe festivals and SafARI, have assisted in highlighting these venues for local and international audiences. While a response to the venue audit was not received from Boomalli Aboriginal Artists Cooperative, there is a view from a number of stakeholders that Sydney under-caters for contemporary Aboriginal visual art venues.
2.2.16 Other

- The State Library of New South Wales.

- The State Library of NSW is a highly frequented venue by local business people, local students and retirees. Tourists are few. The State Library of NSW is recognised for the high quality exhibitions created from its own collection. While the name of this venue supports its exclusion from what is generally considered 'visual art', many recognise the very high quality of the exhibitions at the State Library of NSW. The Library is developing a plan to address the shortcomings of the building and is also currently redeveloping the reading room.

2.3 Key Issues

2.3.1 Concert Halls

Sydney is well-served by an appropriate range of concert halls suitable for fine music, world music and jazz. The variety of spaces available is a strength with capacities ranging from the SOH Concert Hall at 2,700 to the Verbrugghen Hall at 500.

Consultations with the music sector indicate that current and forecast demand is and will be met by the existing suite of venues especially when The Concourse Chatswood opens in 2011 – although it remains to be seen whether this new venue will be embraced by the professional orchestras, organisations and ensembles. Most remain cautious and are adopting a wait-and-see attitude rather than committing to perform there in advance. There is also some still some room for growth in mid-scale presentations with City Recital Hall not yet at capacity.

Generally the venues are technically adequate with the striking exception of the acoustic of the Sydney Opera House which is of concern to the fine music organisations - with the Sydney Symphony Orchestra in particular highly concerned about the long-term impact on music-making and appreciation in Sydney given their contention that neither audiences nor the musicians themselves are getting a first-class auditory experience.

2.3.2 Contemporary Popular Music & Comedy Venues

Sydney is well-served by an appropriate range of mid-sized contemporary popular music and comedy venues suitable for rock, pop, blues, folk, world music, jazz, comedy, cabaret and burlesque. The variety of spaces available is a strength both in terms of style and capacities which range from the 2,000 seat State Theatre to the 800 seat Factory Theatre.

Consultations with the popular entertainment sector indicate that current and forecast demand is and will be met by the existing suite of venues and that capacity for some growth remains – particularly at The Factory Theatre and The Metro.

In terms of technical adequacy, most venues are fit-for-purpose although it is noted that The Enmore Theatre is in need of upgrading and that its current business model does not generate
sufficient surplus funds to address these issues. Given the importance of this venue as a performance venue and in terms of theatre heritage, consideration should be given to Government support for such renovation.

2.3.3 **Lyric Theatres (Main-stage)**

Sydney is limited in available lyric theatres suitable for presentation of opera, ballet and other major events requiring large stage space, top-class technical facilities, a full-sized orchestra pit and suitable audience capacity. The principal venue for such purpose is the Opera Theatre at the Sydney Opera House and it fails to meet any of the foregoing key criteria. While both The Capitol and Lyric Theatres are both technically capable of staging most large scale opera, ballet and theatrical events, both have limitations whether in location or staging/orchestra pit facilities and, more importantly, as commercially managed venues, are virtually impossible to access for limited length bookings far enough in advance to satisfy the scheduling needs of opera, ballet and major events.

Renovating the Opera Theatre to first-class international standard would be an immense technical challenge with an associated cost estimated at up to $1 billion. It would also still leave the theatre with a significant and insoluble problem in terms of its limited seating capacity for major opera, ballet and theatrical events.

The Opera Theatre runs at close to 100 per cent effective capacity and has done so for many years. As such there is no opportunity to create greater access to this venue.

2.3.4 **Lyric Theatres (Musical Theatre)**

Not only is Sydney somewhat limited in its number of lyric theatres suitable for the presentation of musical theatre, it is also fair to say that two of the three theatres have limitations as a result of capacity, configuration or location. While the Capitol Theatre is regarded as a world class venue, the Lyric Theatre is not ideally located and the Theatre Royal is of limited capacity and has a number of design and technical flaws which make it less than ideal. Its operation is also arguably compromised to an extent given that it is managed by a property trust that has no inherent interest in managing a theatrical venue.

The existing theatres are already operating at a high level of utilisation and projected demand for musical theatre over the next fifteen years is likely to see considerable growth in this sector. Stakeholder consultation also indicates a strong belief that Sydney requires an additional first-class lyric theatre suitable for the presentation of musical theatre.

2.3.5 **Drama & Dance Theatres**

While there are some technical inadequacies amongst Sydney’s suite of drama and dance theatres, the number and variety in size and configuration is a great asset to the City. With a couple of significant exceptions, the theatres are fully fit-for-purpose. Unfortunately four of the six theatres struggle to find regular hirers and audiences due to their locations; interestingly three (the Everest, York and Parade Theatre) are campus-based theatres as was The Footbridge which was decommissioned as a venue for regular presentations of live theatre some years ago.
The two most significant issues in terms of infrastructure are the acoustics of the Sydney Theatre and the lack of full flying facilities at the Drama Theatre. While the latter problem has been circumvented by inventive design and compromise over the 37 year life of the Drama Theatre and may continue to managed thus in the future, the problem of the Sydney Theatre acoustic is crucial for the future credibility of the venue with its core drama audience (who reasonably expect clarity of acoustic for the spoken word) and is in need of urgent rectification.

The Seymour Centre’s theatres continue to offer an immense challenge for those commissioned with the task of programming these venues. Over their entire history the theatres have struggled to get traction with artists, presenters, producers and audiences. The Watt review reports (rather bluntly) 16 years ago that “most ....regard it as a lost cause”. It is hard to see from whence demand will emerge over the coming fifteen years, particularly as, without a resident company creating works for the The York, its use comes from visiting companies having to adapt productions for its unusual configuration. While the Sydney Festival have generated strong usage for the three week period of the festival over the last two years, the most consistently successful use of the two theatres at the Seymour Centre has come from the children’s theatre sector and it is arguable that it should look to build on this strength in the future – although the possible advent of a Children’s Theatre at Darling Quarter may provide some tough competition. While the current management of the Seymour Centre have some good ideas about how to improve the audience/stage relationship of The Everest, it would be hard to argue for major public investment in such a renovation given the theatre’s history of relatively low utilisation and lack of acceptance from the public as a first-class venue.

2.3.6 Arena/Large Multi-Purpose

Sydney has an excellent stock of large and appropriate multi-purpose performance spaces which provide presenters with a wide variety of choice and an ability to match the drawing power of the artists that they are presenting with an appropriately sized venue. The principal concern of the industry in terms of venue adequacy – the somewhat out-dated facilities at the Sydney Entertainment Centre - is being addressed via the Government’s announced plan to build a new multi-function convention and entertainment venue (SMCEC).

Assuming that the redevelopment proceeds as currently planned and announced, the future concern of promoters will be that sufficient dates are mandated for use of the venue for entertainment purposes. In order to avoid interruption to the industry promoters will also be concerned that the timing of construction of the SMCEC is planned such that the new venue is available before the existing SEC is demolished.

2.3.7 Studio & Rehearsal Space

Stakeholder consultation reveals a significant shortage in affordable rehearsal space for musical theatre, theatre, music and dance that is of the right size and which is affordable, appropriately located and properly equipped. Given the contribution made to Sydney’s cultural life by a number of companies already struggling with this issue and anticipated growth in the performing arts sector, this is a matter that needs to be addressed urgently. This issue is more fully discussed in Chapter 4.
2.3.8 Outdoor Performance Space

Sydney has a plethora of outdoor performance spaces that reflect the City’s relaxed outdoor lifestyle and which celebrate the natural beauty of the Harbour and the City’s parks and gardens. Stakeholder consultation reveals, however, that there appears to be one significant gap in the stock of outdoor venues, that being for a mid-scale venue capable of presenting both ticketed and free events. The other two significant issues identified are the cost of presenting performances in The Domain and the lack of a permanent and well-serviced hard-surface location for temporary venues such as circus tents and spiegeltents. This issue is more fully discussed in Chapter 4.

2.3.9 Museums of Art

The Art Gallery of NSW is currently operating at close to maximum capacity with no foreseeable possibility for expansion of exhibition space on site apart from a new contemporary art gallery opening in May 2011. While stakeholder consultations and international benchmarking indicate that the AGNSW would probably benefit from increased exhibition space, the gallery is capable of accommodating not only a fine permanent collection but is also capable of hosting major “blockbuster exhibitions”. Given that the foot-print of the site seems to be exhausted, future increases in demand could be met either through a new building on a separate site or through extending opening hours. There is potential to extend daily opening hours into the evening as is the case with many galleries around the world. The Gallery is currently open 10am-5pm 363 days a year (except Wednesdays when opening extends to 9pm), so an extension of hours to 8pm would, for example, provide an increase in capacity of over 30 per cent. While there are clearly operational issues that would stem from such an approach, it would appear that there is the capacity for AGNSW to meet demand over the next fifteen years under this option. There are also international examples of art museums that have expanded at separate sites, including the National Gallery of Victoria, with the Ian Potter Centre, and the Tate Gallery with the Tate Modern. Further discussion will, however, need to be undertaken with the AGNSW management to determine whether this would be an appropriate approach for the AGNSW.

Access directly to AGNSW is an ongoing issue given that it has one main entrance and no dedicated meeting area. This poses a problem particularly for visiting school groups and larger groups obliged to leave their belongings at the vestibule. Limited parking, the distance from the closest train station and limited bus scheduling make for less-than-desirable access. While current disabled access is not satisfactory, this will be rectified in 2011.

While having screening capabilities allowing for the delivery of its well known Art After Dark program, the other principal physical inadequacy of the AGNSW relates to the institution’s inability to deliver more frequent and diverse education programs as a result of limited education facilities (exacerbated by the positioning of the Indigenous gallery) – these being a devoted and well-equipped education room and seminar/meeting spaces.

The AGNSW has limited outdoor capacity but has incorporated Public Art on the grounds to provide for that experience. It should also be acknowledged that the parklands surrounding the AGNSW often host public art projects and performances organised as part of the Biennale of Sydney, by John Kaldor Art Projects and others.
The Museum of Contemporary Art (MCA) is well located and enjoys high visitation and a high reputation. Previously identified inadequacies of the facility are currently being addressed through redevelopment. Adaptations to the facility will provide galleries of a size and standard to present major international shows and accommodate circulation flows required for paid shows to be presented in these galleries. On the back of substantial increases in visitation over the last decade, the MCA forecasts further substantial increases of around 82 per cent by 2025. Given comparable international benchmarked standards, the Museum of Contemporary Art will be able to accommodate this projected level of visitation. The key issue in the future for the MCA will be a continuing need to deliver its programs (including educational) digitally in order to increase its functionality and utilisation. The issue of digital infrastructure requirements is further discussed at 2.3.18 below. It is also noted that the redevelopment does not allow for a cinemateque as is available in other similar institutions such as the Gallery Of Modern Art, Queensland Art Gallery in Brisbane.

The SH Ervin Gallery has limited education facilities and an additional building for education workshops, lecture theatre, exhibition & storage spaces and artist studios would increase functionality and utilisation. Access to SH Ervin is an ongoing issue given its out-of-the way location.

2.3.10 Museums of Applied Art

A current issue for the Powerhouse Museum is one of perception, particularly in relation to it being a Museum of Design. While it is officially recognised as Sydney’s Museum of Applied Arts and Sciences, it is also more than that. The PHM presents itself as “Sydney’s museum of science, technology, design, decorative arts and social history”. Its self-defined mandate is to “present(s) exhibitions and programs based on the ideas and technologies that have changed our world, and the stories of the people who inspire and create them. Our purpose is to enable visitors to discover and be inspired by human ingenuity.” The multi-faceted strategic program has led to a qualitative observation within the visual arts sector that the PHM has too many genres to cover and may therefore not be satisfying its remit in relation to design in particular. Internationally, such a varied program would be spread out across numerous venues. For example, although not being a benchmarked city, it is interesting to note that London has eight individual venues cover similar ground to the PHM in Sydney including: The British Museum (Art, decorative arts, archaeology, antiquities), The Science Museum (National museum of science and technology, transportation, medicine, steam engines), The Victoria and Albert Museum (National collection of applied arts, includes ceramics, glass, textiles, costumes, silver, ironwork, jewellery, furniture, medieval objects, sculpture, prints and printmaking, drawings and photographs, theatre and performing arts, Asian art and decorative arts, architecture), The William Morris Gallery (Arts and Crafts movement furniture, textiles, ceramics and glass), The London Transport Museum (Public transportation including the railway, underground, buses, memorabilia), The Fashion and Textile Museum (Fashions, textiles and jewellery, both historic and contemporary), The Design Museum (Product, industrial, graphic, fashion and architectural design) The Barnet Museum (Local history, costumes, domestic items, lace).

The PHM prides itself on having a vast collection situated both on-site and off-site at The Discovery Centre. However it should be noted that over half of the PHM’s permanent exhibitions have not changed for over a decade. There is a need to refresh and rotate the exhibitions to give access and prominence to the collection. The PHM also aspires to re-align its
commitment to the design genre, through the development of a dedicated design centre within the museum.

The current refurbishment which includes works to enlarge gallery spaces and improve entry and exit infrastructure will enable the Museum to present major exhibitions on a single floor, improve safety, increase capacity and improve the experience for school groups. This includes the creation of a new 1000 square metre temporary gallery space on the entry level which would ensure that PHM can meet expectations to host a minimum of one blockbuster exhibition per annum – with capacity to accommodate up to 400,000 visitors in a three-four month exhibition period. This should see a substantial increase on current total attendances of approximately 500,000 per annum.

2.3.11 Museums of Social History

*The Museum of Sydney* has a small floor plate that constrains its ability to accommodate existing demand and future growth. The floor plate restricts educational visits to the MoS and the ability to safely cater for school groups is compromised – the numbers of bathrooms are inadequate as are storage facilities for school bags. As with many other institutions, the MoS has identified a need to invest in digital infrastructure in order to make its work more accessible on-line for its audiences and particularly for students.

It is also noted that, whilst the Historic Houses Trust properties provide numerous and diverse venues to explore Sydney’s social history, Sydney does not have a large-scale museum which is focused on social history, including Indigenous history and culture.

2.3.12 Museums of Natural History

The *Australian Museum*’s ability to exhibit its collections is limited by the use of its valuable CBD space for storage. The Pacific and Indigenous collection held within the AM is recognised as world class, yet only a small proportion is on display with the rest held in storage. On site storage currently occupies 5,739 square metres. Consideration should be given to re-locating this storage off-site, thereby freeing up permanent exhibition space for its valuable collection.

The AM is currently reconfiguring temporary exhibition spaces for (particularly) blockbuster exhibitions, with work due to be complete later in 2011. The AM is also seeking funding for a major program of capital works on the public entrances including the construction of new access ramps to improve access for people with a disability and for families with prams.

The Australian Museum would benefit greatly from investment to support improved exposure of the collections and in the digital infrastructure required to allow on-line access to local and international audiences and deliver an educational program in line with the strategic aims to augment visitation - both physical and virtual – to the Museum. The Australian Museum experienced a 6 per cent decrease in attendance between 1999 and 2009. While this is not necessarily a highly significant figure, stakeholder consultation indicates the likelihood of an increase in demand for viewing artefacts as a result of virtual experiences.
2.3.13 University Museums of Art

The University Museums of Art suffer many of the same inadequacies as each other – often arising from the fact that most are not purpose-built venues. These issues include lack of storage, lack of digital infrastructure, lack of educational facilities, lack of visibility, an inability to keep up with demand from students, local and international artists requiring studio space and residencies, and an inability to exhibit permanent collections.

The UTS Gallery is addressing its current constraints within the context of the broader redevelopment of the UTS. Current limitations include inadequate storage, lack of digital infrastructure including technical support and educational amenities - although a theatre and lecture theatre are available nearby. The loading dock is also problematic. While UTS Gallery has several public art objects, outdoor space is distinctly limited.

The University of Sydney venues including the Macleay Museum, the Nicholson Museum the University Art Gallery and Tin Sheds mostly experience similar issues. Stakeholder consultations indicate that exhibition spaces are too small to cater for the demand and school and public programs are at full capacity.

All except the Nicholson Museum have limited education amenities. The Macleay Museum has an active public program but has reached capacity. The Macleay is the worst served for availability of exhibition space and has a significant Oceanic Collection which it is unable to exhibit. Given these capacity issues, the University of Sydney has preliminary plans to renovate the entire Macleay building to house and exhibit the combined museum and gallery collections.

It has also been identified that the University Art Gallery would benefit from relocating to a larger, purpose built venue. The Tin Sheds Gallery has a screening facility but lacks digital infrastructure and climate control throughout the venue.

The National Art School is undertaking a refurbishment of Building 11 on the Darlinghurst Road border of the campus which will create a fit-for-purpose facility to house the NAS collections in a way that preserves them and makes them publicly accessible; create an additional point of public access to the site; have provision for a retail space catering to the school community and the general public; house a postgraduate study centre including studios and multi-purpose lecture, tutorial, seminar rooms. This refurbishment has been supported with a grant of $6 million from the NSW Government.

Further work on access and BCA compliance is required to increase the functionality and utilisation of the site. The addition of services (bathrooms, back-of-house facilities, catering kitchen) to support the use of the Cell Block Theatre for performances, events and functions would increase the attractiveness of the venue for performance, exhibition and other hirers.

A master-planning project is currently being undertaken to determine the most efficient and effective use of the site and may identify further developments that are desirable to maximise the potential of the site and it is expected that the NAS will benefit from the Gateway@COFA project.

The former College of Fine Arts gallery, Ivan Dougherty Gallery will be replaced by a new gallery in the Gateway@COFA project due for completion in 2013 which will see the COFA
campus open up to Oxford Street, aiming to revitalise the area into an arts and cultural hub. This major development will create a building that will house two purpose built galleries featuring “state-of-the-art digital infrastructure, climate control, exhibition and storage facilities”\textsuperscript{37}. It is planned that the new facilities will “act as a laboratory space where experimentation, enquiry and discovery across the disciplines of art, design and media are championed.”\textsuperscript{38}

Both the \textit{Kudos Gallery} and \textit{COFA Space Gallery} will also benefit from the Gateway@COFA project.

\subsection*{2.3.14 Contemporary Centres of Arts}

Sydney has a small number of Contemporary Art Centres (i.e. multi-gallery, temporary exhibition venues) each with a distinct strategic purpose. The range of facilities is similar to the internationally benchmarked cities with the exception of both Brisbane and Melbourne where such centres are developing progressive new media centres including Signal in Melbourne and The Edge in Brisbane.

The adequacy of existing Contemporary Art Centres differs according to the strategic aims of each organization, however such inadequacies often stem from occupying adaptive re-use venues not fit for purpose. Particular inadequacies include limited gallery and exhibition area, limited ability to incorporate cross-disciplinary practice that incorporate new media and new technologies, inadequate digital infrastructure, limited visibility and accessibility. This presents something of a contradiction as these venues should embody cutting edge artistic practice, thinking and culture. Stakeholder consultation identified the extent to which these venue types are recognised for their ability to reach out to and collaborate with national and international peers and attract a great deal of interest and enthusiasm from predominately younger to middle aged audiences. They are considered to have great potential but suffer in their ability to offer world class programs and facilities as a result of inadequate facilities.

Generally, the venues are physically restricted which therefore impacts on the quality of the exhibitions and programs. The nature of the spaces do not easily allow for cross-disciplinary practice, nor do they allow for the type of practice that is now standard within the milieu and which is predominately “process driven”. In such process driven work, the series of actions and steps taken to achieve a particular outcome is, for many artists, as important as the presentation of the consequence of those actions. Consequently, the aim of many artists has and continues to be, to position these processes at the forefront of their practice. Requirements for process driven work varies, but generally access to a studio and experimental exhibition space with adequate digital infrastructure for a particular duration is the basic requirement.

With the exception of Newington Armory, each venue surveyed is at capacity and seeking alternatives to cater for current and anticipated demand. Attendances at the Australian Centre for Photography increased by 79 per cent between 1999 and 2009 (to 39,871); attendance at 4A Contemporary Centre for Asian Art increased by 106 per cent between 2008 and 2009; and attendances at Artspace increased by 119 per cent between 2007 and 2009 (to 13,000) with attendances expected to increase by a further 35 per cent up to 2025 pending redevelopment.

\textsuperscript{37} COFA website
\textsuperscript{38} COFA website
plans. Looking to the future, current venues will be inadequate for these Contemporary Centres of Art and each would benefit in addressing current inadequacies either through the redevelopment of existing sites or relocation to larger, purpose built venues. Alternatively a new purpose built centre focussing on new media may be required although this raises the issue of recurrent funding.

**Artspace** lacks visibility and as a result fails to capitalise on pedestrian traffic in the area, including those staying at the hotel directly opposite. Redevelopment plans include converting the three level corner heritage building into a ‘major centre for the development and presentation of contemporary visual art and for related community activity.’ This would involve two gallery areas totalling 710 square metres and ten residential studios. There is, however, currently no funding available for this.

**Newington Armory** does not have climate control or an adequate loading dock. Located 13kms from the CBD, public transport is available but limited in terms of its frequency. Parking is available but the lack of lighting at night creates safety issues for visitors and users of the site. Transportation options for artists without vehicles and often on a limited budget is restricted. Travelling to and residing at The Newington Armory presents an unattractive proposal to potential users who prefer to be located closer to the CBD. This arts precinct within Sydney Olympic Park is located outside the “Sydney Olympic Park Town Centre”, further isolating an already sequestered cross-disciplinary arts and cultural venue.

**CarriageWorks**: The venue audit established the need for exhibition lighting in the foyer and exhibition space. Water penetration is also an issue for this venue as is the car parking which is limited in spaces, has poor signage and needs resurfacing. In-house AV equipment is limited as is other digital infrastructure. CarriageWorks does not currently offer artists studio or residencies but rather has seven resident companies of which Performance Space is one. Stakeholder consultations identified accessibility, the large scale and inflexibility of CarriageWorks as a cross-disciplinary venue as limiting the range of cultural activities able to be held within the venue.

### 2.3.15 Contemporary Centres of Design

Sydney’s existing Contemporary Centre of Design, **Object: Australian Centre for Craft and Design** is very restricted with regard to exhibition space, visibility, accessibility and digital infrastructure. The creation and delivery of exhibitions and associated education and learning programs are restricted by its small exhibition area and it is obliged to partner with other institutions in order to fulfil its mission due to these space limitations.

The decreased visitation and lack of visibility at the existing site, compared to its previous location at Customs House, have led Object to put forward a proposal to the Barangaroo Delivery Authority to re-establish the organisation at Barangaroo.

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39 Gunnery Building Redevelopment Plan November 2009
2.3.16 Artist Run Centres/ Studios/ Galleries

While Sydney has developed a number of artists’ studios over the last few years (eg Pine Street and Queen Street – although the future of Fraser Studios is under a cloud beyond 2011) and this Review acknowledges the work of the City of Sydney to promote further activity in this area, there remains a long established, ongoing and significant need for affordable artist studios, residencies, galleries, including experimental spaces. This need is strongly supported by the visual arts sector across the board.

International urban regeneration initiatives have demonstrated the contribution artists and their practice can provide a city in terms of cultural vibrancy. The International Benchmarking section of this Review repeatedly provided examples of the importance of the contribution made by artists’ residencies to the quality of life in the cities surveyed. Stakeholder consultation with those operating artist studios and residencies indicates a significant unfulfilled demand for affordable venues of this type from both local and international artists. While the scope of this Review did not allow for an objective quantification of the demand for artists’ studios and residencies, most Sydney venues with artist studio or residency offerings - including universities, artist run initiatives and contemporary centres of art - were at maximum capacity and stated there was clear current demand for additional space which will inevitably increase over time.

2.3.17 Other

Benchmarking was not sought for libraries for the purpose of this Review. The State Library of New South Wales was, however, included in the venue audit and was consulted as part of stakeholder consultations. The State Library is not fully adequate for its purpose and has developed plans to address existing inadequacies, subject to further government investment. There is no perceived demand for further gallery space within other libraries in Sydney.

2.3.18 Digital Infrastructure

Given the rapidly changing nature of digital technology and the ready adoption of digital technologies by visual artists, it has become critical that contemporary galleries and museums are well equipped with the right infrastructure both to show digitally produced art and also to provide access to digitised collections as well as high quality educational resources to be accessed both on-site and on-line. The advent of the National Broadband Network (NBN) represents an excellent opportunity for many of Sydney’s galleries and museums if they have the infrastructure to take advantage of the high speed delivery of information via the NBN.

While the specific requirements of each venue will vary depending on the nature of their collections, exhibitions policy and level of educational program offered, it is arguable that many of Sydney’s galleries and museums are in need of significant upgrading in this area if they are to function effectively to the greatest benefit of the people of NSW.

In many contemporary art spaces, digital infrastructure is not just an adjunct to the presentation of existing or touring collections presented in traditional format but is at the core of making and presenting the art itself and reflects the genre-hopping world that young artists now inhabit. The
role digital infrastructure plays in our contemporary lives has created a demand for such spaces
to be digitally well equipped.

Whilst different venues will have different requirements, the range of infrastructure needed may
include:

- digital media production labs for video and sound editing,
- electronic publication and distribution channels for content produced at visual arts
  venues,
- constant and uninterrupted access to fast streaming internet (allowing for international
  projects/discussions/performances etc.)
- independent network and server capability with internal support and maintenance,
- technical infrastructure including cameras, lighting, sound and vision mixing and AV
  support.

Venues that may be looked to for examples as institutions leading in digital technology
offerings for both internal and external users in benchmarked cities include The Edge and The
MultiMedia Arts Pacific (MAAP) in Brisbane and the Manchester Digital Arts Laboratory
(MAD Lab). While these are specialist institutions specifically working across multiple media,
some detail of these venues is provided below to illustrate the various ways in which digital
infrastructure can be used within contemporary visual arts spaces.

The Edge building presents itself as “a medium for screening and projection of content produced
by The Edge with broadcast opportunities inside and out”. It is a state-of-the-art facility
equipped with open wireless internet, hardware and software for sound recording, video and
filmmaking, and graphic design. It has multiple spaces ranging from a large central venue to a
series of smaller studios and media labs and can host music gigs, major events like conferences
and exhibitions, workshops, think-tanks, structured collaborations, gaming tournaments and
creative installations. Activities include VJing, DJing, machinima, video game programming,
music and soundscape production, creative writing, blogging, journalism, web and graphic
design and illustration, workshops in robotics, hardware-hacking, re engineering and
reconfiguring, as well as informal short-term residencies audio recording and mixing.

MAAP has been operating since 1998. In that time it has produced 7 international multimedia
festivals across Brisbane, Beijing and Singapore and established an international reputation as a
critical multimedia platform for both emerging and mid-career practitioners. It explores media
art through exhibition and research initiatives that engage the region’s major and emerging
practitioners and producers and aims to bring focus to “unmapped” media art activity from
Australia, Asia and the Pacific. It is still the only art organisation in Australia with an Asia
Pacific focus specially dedicated to internet, interactive, digital and screen-based art practices
integrating new media technology. MAAP projects have commissioned new work by many of
the region’s most important contemporary media artists, including: Young Hae Chang Heavy
Industries, Zhang Peili, Yang Zhenzhong, Feng Mengbo, Charles Lim (tsunami.net) and
CANDYFACTORY PROJECTS.
Manchester Digital Arts Laboratory (MAD Lab) is a self-funded enterprise located in a building of 1000 sq. ft. in the Northern Quarter of Manchester. It is an initiative that provides “… a space you can get together with like-minded individuals and work on your urban gardening, crochet, hacking, programming, media arts, filmmaking, animating project without worrying that you’re in a library, coffee shop, pub or other unsuitable venue. We know hackers and craftspeople need work space and may need to get down and dirty – we also know sometimes you need a quiet area to present and show works to your peers. We support both activities. And we hope there will be a rich mix of individuals who’ll get out of the usual zones, the knitter talking to the software architect, the cupcake maker scheming with the laser etching builder.”

2.4 Key Findings

- Sydney is generally well-served for concert halls for the presentation of fine music, jazz and world music.

- The acoustics of the Sydney Opera House Concert Hall present a serious issue of quality for Australia’s most famous and heavily-utilised cultural venue. The poor acoustics provide long-term problems for both audiences who should be able to expect a first-class experience at the Concert Hall and also for performers who find it difficult to maintain the highest standard of performance under the current conditions.

- Sydney is limited in available main-stage lyric theatres suitable for presentation of opera, ballet and other major events requiring large stage space, top-class technical facilities, a full-sized orchestra pit and suitable audience capacity. Renovating the principal venue for such presentations, the Opera Theatre of the Sydney Opera House, to first-class international standard is not only an immense technical challenge with a significant cost but would also still leave the theatre with a significant and insoluble problem in terms of its limited seating capacity for major opera, ballet and theatrical events.

- Sydney is somewhat limited in its number of lyric theatres suitable for the presentation of musical theatre and two of the three theatres available have limitations as a result of capacity, configuration or location. Growth in future demand is likely to exacerbate the shortage of theatre stock and reinforce the case for an additional first-class lyric theatre suitable for the presentation of musical theatre.

- Sydney is well-served by an appropriate range of mid-sized contemporary popular music and comedy venues suitable for rock, pop, blues, folk, world music, jazz, comedy, cabaret and burlesque.

- The Enmore Theatre is in need of upgrading and consideration should be given to Government support for such renovation.

- While there are some technical inadequacies amongst Sydney’s suite of drama and dance theatres, the number and variety in size and configuration is a great asset to the City. The two most significant issues in terms of infrastructure are the acoustics of the Sydney Theatre and the lack of full flying facilities at the Drama Theatre. The most urgent of these is the problem of the Sydney Theatre acoustic which must be rectified for the future credibility of the venue with its core drama audience.
• Sydney has an excellent stock of large and appropriate multi-purpose performance spaces which should be maintained with the construction of the new Sydney Multi-function Convention and Entertainment Centre (SMCEC).

• Stakeholder consultation indicates that there is a significant shortage in rehearsal space for music theatre, theatre, music and dance that is of the right size and which is affordable, appropriately located and properly equipped.

• While Sydney has a plethora of outdoor performance spaces that reflect the City’s relaxed outdoor lifestyle and which celebrate the natural beauty of the Harbour and the City’s parks and gardens, there is one significant gap in the stock of outdoor venues, that being for a mid-scale venue capable of presenting both ticketed and free events. Other significant issues identified in outdoor venues are the cost of presenting performances in The Domain and the lack of a permanent space for temporary venues such as circus tents.

• While the footprint of the AGNSW is at capacity and difficult to further expand given the constraints of the site, it is able to fulfil its purpose including the accommodation of blockbuster exhibitions and should continue to meet demand over the next fifteen years – particularly if consideration is given to extending opening hours as demand warrants. The main inadequacies of the AGNSW relate to accessibility and provision of education and learning programs as a result of inadequate educational facilities.

• When the current redevelopment of the Powerhouse Museum is completed in 2011, it will be adequate for current and future demand to 2025 including the potential to accommodate blockbuster exhibitions. The Powerhouse is, however, seeking a further redevelopment which would allow it to create a new exhibition space focussing on design.

• On completion of the major extensions to the Museum of Contemporary Art (MCA), it will have exhibition space comparable to most first-class international museums of contemporary art and will be able to accommodate substantial growth in visitation of around 82 per cent by 2025. The key requirement for the MCA will be the provision of first class digital infrastructure in order to increase its functionality.

• Even after re-development, The Museum of Contemporary Art will not include a Cinematque or significant centre for the moving image. Given existing innovative international and national offerings of New Media centres, Sydney currently has an inadequate number of facilities for this genre.

• Sydney is well served in its number of University Art Museums, although many of these venues are small and require up-grading to provide for storage areas, digital infrastructure and the ability to exhibit significant permanent collections in order to meet current and future demand.

• Access to the extensive and important Pacific and Indigenous art collections of The Australian Museum would be substantially enhanced if current on-site storage were moved off-site and the space instead devoted to public display of these collections.

• Current venues for Sydney’s Contemporary Centres of Art are likely to be inadequate to meet future demand and most will need to consider either redevelopment of existing sites or relocation to larger, purpose built venues over time.
While the Powerhouse Museum’s aspirations to extend its capabilities in presenting design related exhibitions with a new design centre will significantly address this area if funded, there is scope within Sydney to provide a more appropriate venue for Object: Australian Centre for Craft and Design that will complement the Powerhouse Museum’s offering.

Digital infrastructure is a major issue across whole visual arts sector both for educational purposes and on-line access to digitised collections as well as for the creation and display of art created through digital means.

Location and proximity to transport is a limitation for a number of venues.

Quality permanent Public Art is predominately limited to relatively out-of-the-way areas (e.g. universities, Sydney Olympic Park) and does not feature in high traffic pedestrian areas. As such public art is not yet a notable part of Sydney’s overall cultural experience. While the Biennale of Sydney, Art & About, Vivid and Kaldor Art Projects deliver extensive public art experiences, they are by nature transitory events. The Review acknowledges, however, The City of Sydney’s recently published draft form of a new public art policy.
3 Benchmarking Sydney and the Role of Cultural Precincts

Six international cities (2 Australian, 1 European, 1 UK, 1 USA, and 1 Asian) were surveyed to provide comparative benchmarks in terms of the nature and number of their performance venues and their broader cultural life.

The cities that were selected were Chicago, Copenhagen, Hong Kong and Manchester as well as Melbourne and Brisbane. These cities were selected as they were viewed to be roughly comparable with Sydney in size, scale, geographic spread and status. Cities such as London and New York were deliberately not chosen as benchmarks as gap in population and scale is too large for meaningful comparisons to be drawn.

This chapter outlines:

- the trends in cultural facilities identified among comparator cities (section 3.1);
- key outcomes for Sydney following the benchmarking exercise (section 3.2);
- comparative data showing how Sydney compares (section 3.3); and
- further detail outlining the role of precincts in cultural planning – a key finding from the benchmarking exercise (section 3.4).

It should be noted that the level of detail with which Sydney’s venues were audited was greater than the benchmarked cities. This means that the number of venues in benchmarked cities may be somewhat understated. The conclusions from the benchmarking exercise should therefore be seen as indicative of how Sydney compares internationally, to provide context to the audit of Sydney’s venues.

Appendix B provides detailed information on the individual international and domestic venues used in the benchmarking exercise and describes the cultural landscape of the surveyed cities.

3.1 Trends in Cultural Facilities Identified in Comparator Cities

Performing Arts

Some general observations can be made arising from the examination of the performing arts life in these six cities:

- Several cities surveyed – Melbourne, Manchester and Chicago – have in the last few decades undertaken careful renovations of old venues while also building new ones. The cities that have invested in their performance venue infrastructure have developed reputations for being lively, culturally vibrant cities with a wide range of performance experiences on offer.

- In some cases, this has led to a resurgence of a theatre district which helps to enliven the commercial heart of the city.
The most successful and active venues are often those with the most striking architectural features – whether in the meticulous restoration of former glory or in the creation of bold, striking new buildings.

With the possible exception of Hong Kong, cities with a good supply of venues tend to have a more active cultural life at many levels throughout the community.

Hong Kong, however, noted primarily for its commercial life, is undertaking a concerted and ambitious program of building cultural assets in order to develop the city’s cultural life and its own reputation as a great city of the world.

It is clear that over the history of a city, performing arts venues have been developed in response to fashion, need and technology. Most cities surveyed have undertaken some kind of renaissance in creating new or converted iconic performing arts venues since the 1980s, alongside reinvigorated support for the art forms which they house.

While this survey did not specifically assess the success of concentrated venue precincts, it can be observed in the cases of Melbourne and Chicago (and, incidentally from common experience in other cities including London and New York) that a critical mass of venues within one precinct can provide a vibrancy which is more than the sum of its parts. Once these precincts are established (or revived), they tend to become a significant tourist attraction and are promoted as a key feature of the character of a city.

Visual Arts

Several key observations can be made about the existing visual arts infrastructure in these six cities.

Each international city’s visual arts infrastructure is comprised predominantly of large purpose-built public institutions, an active commercial gallery sector, not-for-profit and artist run spaces and University run institutions.

Throughout the course of the previous two decades each city has revitalised its international profile through investment in the visual arts venues, building new-purpose built spaces and areas of urban regeneration and re-use. Many have capitalised on this investment in infrastructure by launching city-specific arts events such as HK 2011, Art Copenhagen, Manchester Contemporary and the Melbourne Art Fair.

In Manchester, Hong Kong, Chicago and Copenhagen some of the regenerated spaces have specifically been used to accommodate subsidised artist studios and facilities, viewing the investment in the arts community as a key way to generate sustained benefits for the city, increase its profile and enrich its cultural life.

All of the international cities have strong cultural identities within the international visual arts arena– particularly Hong Kong and Copenhagen. This is largely due to their location (Asia and central Europe respectively) and centrality to the economy and heritage of their country. While Manchester has worked to build a national reputation, internationally it is
still largely over shadowed by London; this is also true of the relationship between Chicago and New York.

- All of the international cities’ exhibition programs combine a strong local/regional focus (such as Hong Kong’s Contemporary Asian focus, Copenhagen’s heritage programs, Chicago’s community oriented projects and Manchester’s promotion of itself as the creative hub of the North West) alongside shows of leading contemporary international art that work to create cross-cultural exchange and pathways.

- All of the international cities have more large-scale purpose built visual arts venues than Sydney. These venues are often equipped with excellent public facilities and offer comprehensive events and education programs, including community and outreach initiatives. The majority of these venues also offer late-night openings and have both paid and free exhibitions.

- Both Melbourne and Brisbane are equipped with state-of-the-art purpose built visual arts venues, reflecting substantial recent investment by the Victorian and Queensland governments. This includes investment of $290 million in the Melbourne Museum, over $300 million in the National Gallery of Victoria and $300 million in the Millennium Art Project in Brisbane, which included the Queensland Gallery of Modern Art and the Queensland State Library.

- Copenhagen, Hong Kong and Manchester offer a balance of historic and cutting-edge contemporary venues.

- In Chicago, Hong Kong and Manchester the University is placed centrally within the arts and cultural life of the city.

- The majority of all cities’ venues are, with the exception of Hong Kong and Kowloon, located within, or in close proximity, to the CBD.

Further discussion with regard to the importance of creating cultural precincts can be found in section 3.4 below.

### 3.2 Benchmarking Results

**Performing Arts**

- Sydney compares favourably with benchmarked cities in all categories except lyric theatres—(Sydney 1 Main-stage Lyric Theatre and 3 Musical Theatre Lyric Theatres compared with Benchmarking averages of 1.7 Main-stage Lyric Theatre and 3.3 Musical Theatre Lyric Theatres)

- Sydney has a relatively large number of arena / large multipurpose venues compared to benchmarked cities. This probably reflects the impact of venues constructed for the 2000 Olympics and Australia’s temperate climate.
• Sydney appears to have an over-supply of drama and dance theatres but a number of these are identified as unattractive to users through stakeholder consultation. These are particularly those located within university campuses.

• Sydney and Melbourne have the largest number of seats available per capita but this is skewed by both cities’ relatively large number of high capacity arena venues. If arenas are removed from the equation, Sydney’s capacity per capita is close to the norm.

• Overall Sydney has 34 available venues compared with the benchmark norm of 25, however, it should be noted that the level of detail with which Sydney’s venues were audited was greater than the benchmarked cities – particularly in the area of outdoor venues. This means that the number of venues in benchmarked cities may be somewhat understated.

• Sydney’s number of venues per one million population is equivalent to the norm.

• Sydney’s ownership of venues is more heavily skewed to private rather than public ownership relative to the norm.

• While Sydney’s venue capacity per capita is much greater than benchmarked cities, this figure is skewed due to the relative over-representation of arenas and stadia in Sydney.

Visual Arts

• The number of galleries and museums in Sydney are on average equivalent to benchmarked cities with the exception of the University Art Museums where Sydney exceeds the average (Sydney 9/Benchmarked cities average 2).

• While Sydney has a large number of University Art Museums, most of these venues function on the periphery of creative industry activities. Benchmarked cities tend to place these institutions at the core of cultural activity. The aggregate space encompassed by these museums and visitation is also lower than in benchmarked cities. For example, The University Museums in Manchester have a total of approximately 6,000 square metres of exhibition and gallery exhibition area and had 580,891 visitors in 2009. Similarly, Chicago’s University galleries have a total of 98,739 square metres of exhibition and gallery area and visitation of 1,865,000 in 2009

• Sydney has less than an average number of Museums of Social History found in benchmarked cities (Sydney 1/Benchmarked cities 2 to 3) suggesting that Sydney does not capitalise on its strong cultural heritage as Copenhagen, Chicago and Hong Kong do.

• Sydney has limited venues that accommodates for experimental, multi-disciplinary practices. The nature of existing spaces does not allow for cross-disciplinary practices, nor for a predominately process driven practice that is inherent to all visual arts practice. As seen with internationally benchmarked cities, these types of venues present cities as culturally well-equipped and highly developed.
• While Sydney has comparatively more not-for-profit Artist Run Centre of Art / Studios / Galleries than internationally benchmarked cities, it should be noted that Sydney does not provide for artist studio/residency complexes on the same scale as internationally benchmarked cities.

• Overall Sydney has 27 available venues compared with the benchmark average of 18. It should be noted that the level of detail with which Sydney’s venues were audited was greater than the benchmarked cities which means that the number in benchmarked cities is probably understated.

• Sydney’s number of venues per capita is equivalent to the norm.

• Venues surveyed in Sydney demonstrate ownership of venues is more heavily skewed to public ownership rather than university or private ownership.

3.3 Comparative Data

Some of the key benchmarking data is tabulated in the following Tables and Graphs to show comparisons between cities. Additional data is included in the appendices.

Data includes population totals for greater metropolitan areas of each city, venues surveyed by type, venue ownership and seating capacity.

It should be noted that, given the inevitability of greater possibility of an exhaustive survey in Sydney, numbers of venues in Sydney may in some cases be somewhat over-represented relative to benchmarked cities.

Performing Arts

Volume

Table 2 provides an indication of the number of venues as categorised by their strategic purposes and compared between Sydney and comparable cities.

Table 2: Total venues surveyed for each city

<table>
<thead>
<tr>
<th>City</th>
<th>Concert Hall</th>
<th>Contemporary Music</th>
<th>Lyric Theatre Mainstage</th>
<th>Lyric Theatre Musicals</th>
<th>Drama and Dance Theatre</th>
<th>Arena/Large Multipurpose</th>
<th>Outdoor Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>3</td>
<td>9</td>
<td>3</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>5</td>
<td>6</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>6</td>
<td>3</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Manchester</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Melbourne</td>
<td>6</td>
<td>7</td>
<td>1</td>
<td>4</td>
<td>7</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Brisbane</td>
<td>6</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Average</td>
<td>4.3</td>
<td>4.3</td>
<td>1.7</td>
<td>3.3</td>
<td>3.8</td>
<td>4.5</td>
<td>2.8</td>
</tr>
<tr>
<td>Sydney</td>
<td><strong>5</strong></td>
<td>4</td>
<td><strong>1</strong></td>
<td><strong>3</strong></td>
<td><strong>6</strong></td>
<td><strong>10</strong></td>
<td><strong>5</strong></td>
</tr>
</tbody>
</table>
This table shows that Sydney compares well in the Concert Hall, Contemporary Music, and Lyric Theatres which specialise in musical theatre performance but compares poorly in relation to main-stage lyric theatres. Sydney has a higher number of Drama and Dance theatres and outdoor spaces available and a significant number of Arenas/Large multipurpose venues available compared to its urban comparators.

Figures below graphically represent these comparisons.

**Figure 3-1: Concert Halls Comparison**

![Concert Hall Comparison Graph](image1)

**Source: Sweet Reason analysis**

Figure 3.1 indicates that Sydney has more than the average number of Concert Halls (although 1 less than Melbourne and Brisbane).

**Figure 3-2: Contemporary Music Venue Comparison**

![Contemporary Music Comparison Graph](image2)
Source: Sweet Reason analysis

Figure 3.2 indicates that Sydney meets the average number of Contemporary Music venues.

**Figure 3-3: Lyric Theatre – Main-stage Comparison**

Source: Sweet Reason analysis

Figure 3.3 indicates that Sydney has less main-stage lyric theatres than comparator cities.

**Figure 3-4: Lyric Theatre - Musicals Comparison**

Source: Sweet Reason analysis

Figure 3.4 indicates that Sydney has, on average, slightly less lyric theatres suitable for musical theatre than comparator cities.
Figure 3-5: Drama and Dance Theatre Comparison

![Drama and Dance Theatre Comparison](image)

Source: Sweet Reason analysis

Figure 3.5 indicates that Sydney has an above-average number of Dance & Drama theatres.

Figure 3-6: Arena/Large Multipurpose Venue Comparison

![Arena/Large Multipurpose Comparison](image)

Source: Sweet Reason analysis

Figure 3.6 indicates that Sydney has the most Arenas and Large Multi-purpose venues and significantly more than the average.
Figure 3.7 indicates that Sydney has the most Outdoor Venues and well above the average.

Capacity

Table 3 provides an indication of the capacity of current venues and also provides an indication of capacity compared to the population of each city.

Table 3: Number of seats and venues surveyed for each city

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
<th>Total Seats</th>
<th>Seats / 1,000 population</th>
<th>Total Venues</th>
<th>Venues / 1,000,000 population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>9,700,000</td>
<td>82,948</td>
<td>8.55</td>
<td>26</td>
<td>2.7</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>1,894,521</td>
<td>62,380</td>
<td>32.93</td>
<td>20</td>
<td>10.6</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>7,100,000</td>
<td>39,601</td>
<td>5.58</td>
<td>17</td>
<td>2.4</td>
</tr>
<tr>
<td>Manchester</td>
<td>2,600,100</td>
<td>133,410</td>
<td>51.31</td>
<td>17</td>
<td>6.5</td>
</tr>
<tr>
<td>Melbourne</td>
<td>4,000,000</td>
<td>268,796</td>
<td>67.20</td>
<td>32</td>
<td>8.0</td>
</tr>
<tr>
<td>Brisbane</td>
<td>1,800,000</td>
<td>169,604</td>
<td>94.22</td>
<td>20</td>
<td>11.1</td>
</tr>
<tr>
<td>Average</td>
<td>4,515,770</td>
<td>126,123</td>
<td>27.93</td>
<td>22.0</td>
<td>4.9</td>
</tr>
<tr>
<td>Sydney</td>
<td>4,500,000</td>
<td>242,021</td>
<td>53.78</td>
<td>29.0</td>
<td>6.4</td>
</tr>
</tbody>
</table>

Source: Sweet Reason analysis

* Capacities and numbers of outdoor spaces have not been included for this comparison
As Sydney’s unusually large number of arenas and large multi-purpose spaces provide a huge number of seats, the table below looks at the situation excluding such venues.

**Table 4: Number of seats and venues surveyed for each city (excluding arenas and outdoor venues)**

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
<th>Total Seats</th>
<th>Seats / 1,000 population</th>
<th>Total Venues</th>
<th>Venues / 1,000,000 population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>9,700,000</td>
<td>41,030</td>
<td>4.23</td>
<td>24</td>
<td>2.5</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>1,894,521</td>
<td>17,380</td>
<td>9.17</td>
<td>18</td>
<td>9.5</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>7,100,000</td>
<td>14,701</td>
<td>2.07</td>
<td>12</td>
<td>1.7</td>
</tr>
<tr>
<td>Manchester</td>
<td>2,600,100</td>
<td>20,910</td>
<td>8.04</td>
<td>14</td>
<td>5.4</td>
</tr>
<tr>
<td>Melbourne</td>
<td>4,000,000</td>
<td>37,196</td>
<td>9.30</td>
<td>25</td>
<td>6.3</td>
</tr>
<tr>
<td>Brisbane</td>
<td>1,800,000</td>
<td>26,246</td>
<td>14.58</td>
<td>12</td>
<td>6.7</td>
</tr>
<tr>
<td>Average</td>
<td>4,515,770</td>
<td>26,244</td>
<td>5.81</td>
<td>17.5</td>
<td>3.9</td>
</tr>
<tr>
<td>Sydney</td>
<td>4,500,000</td>
<td>25,021</td>
<td>5.56</td>
<td>19.0</td>
<td>4.2</td>
</tr>
</tbody>
</table>

* Capacities and numbers of outdoor spaces and arena / large multipurpose venues have not been included for this comparison*

These figures show that Sydney has very close to the average number of venues, the average number of available seats and average number of seats per 1,000 population. This is excluding arenas and large multi-purpose spaces of which Sydney has a disproportionate number.

Figures below graphically represent these comparisons.

**Figure 3-8: Venue Seats per 1,000 of the Population (excluding outdoor venues)**
Figure 3-9: Venue Seats per 1,000 of the Population (excluding arenas and outdoor venues)

Source: Sweet Reason analysis

Figure 3-10: Venues per 1,000,000 of the population – excluding outdoor venues

Source: Sweet Reason analysis
Figure 3-11: Venues per 1,000,000 of the population – excluding arenas and outdoor venues

![Bar chart showing venues per 1,000,000 population excluding arena's and outdoor venues.](chart)

Source: Sweet Reason analysis

### Venue ownership

Table 5 below identifies the number of venues owned by the public sector, the private sector or universities.

<table>
<thead>
<tr>
<th>City</th>
<th>Government</th>
<th>Private</th>
<th>University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>7</td>
<td>20</td>
<td>4</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>11</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>13</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Manchester</td>
<td>3</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Melbourne</td>
<td>13</td>
<td>20</td>
<td>3</td>
</tr>
<tr>
<td>Brisbane</td>
<td>14</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>10.17</strong></td>
<td><strong>11.17</strong></td>
<td><strong>3.50</strong></td>
</tr>
<tr>
<td><strong>Sydney</strong></td>
<td><strong>7</strong></td>
<td><strong>18</strong></td>
<td><strong>4</strong></td>
</tr>
</tbody>
</table>

Source: Sweet Reason analysis

This table shows that Sydney is significantly more than the average for privately owned cultural facilities however less than the average for government owned venues. Sydney is on average for venues owned by universities.
Figures below graphically represent the comparisons above.

**Figure 3-12: Performing Arts Venue Ownership Per City**

![Bar Chart: Performing Arts Venue Ownership Per City](chart1.png)

*Source: Sweet Reason analysis*

**Figure 3-13: Performing Arts Venue Ownership Per City - Average**

![Pie Chart: Average Performing Arts Venue Ownership Per City](chart2.png)

*Source: Sweet Reason analysis*
Figure 3-14: Performing Arts Venue Ownership Per City - Sydney

Source: Sweet Reason analysis

Visual Arts

Volume

Table 6 provides an indication of the number of venues as categorised by their strategic purposes and compared between Sydney and comparable cities.

Table 6: Total venues surveyed for each city

<table>
<thead>
<tr>
<th>CITY</th>
<th>Museum of Art</th>
<th>Museum of Applied Arts</th>
<th>Museum of Contemporary Art</th>
<th>University Museum of Art</th>
<th>Museum of Social History</th>
<th>Natural History Museum</th>
<th>Contemporary Centre of Art</th>
<th>Contemporary Centres of Design</th>
<th>Not-for-profit Artist Run Centre of Art / Studios / Galleries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>11</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Copenhagen</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td>2</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Hong Kong</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>1</td>
<td>5</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Manchester</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>7</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Melbourne</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brisbane</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>2.33</td>
<td>0.17</td>
<td>0.67</td>
<td>2.00</td>
<td>1.67</td>
<td>1.50</td>
<td>4.17</td>
<td>0.67</td>
<td>4.83</td>
</tr>
<tr>
<td>Sydney</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>9</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: Sweet Reason analysis

This table shows that Sydney is on average for the number of museum of applied arts, museum of contemporary art, contemporary centres of art and contemporary centres of design provided. It is below average in the museum of art category and higher than average in the university museum of art and not for profit artist run centre of art/studios/galleries categories. However it is noted that the data does not reflect the varying size and scope of institutions in the different cities. For example, whilst Sydney has many more University Museums of Art than the benchmarked cities, together these nine venues do not come close in size or reach to the world
renowned Art Institute of Chicago (with 93,000 square metres of exhibition space), which is considered in the same category.

Whilst it has not been possible to obtain exhibition space details for every venue, it is apparent from the information available (see Appendix B.9) that Sydney is without a major gallery of the size and scale of the National Gallery of Victoria (Melbourne), the Museum of Contemporary Art (Chicago), the Art Institute of Chicago or the NY Carlsberg Glyptoteket (Copenhagen).

- Note that 'Museums of Social History' category may include indigenous collections.
- Outdoor venues were not included with the exception of the substantial parks featuring visual art (although only one such park was identified in Chicago).

NB: Graphic representation of individual categories has not been provided for visual arts as the numbers of venues involved in each category are so small – often only one venue per category.

**Capacity**

Table 7 below provides an indication of the number of museums and galleries in each city and also provides an indication of the number of venues per 1,000,000 people in each city.

*Table 7: Number of venues surveyed per population*

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
<th>Number of Venues</th>
<th>Venues / 1,000,000 population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>9,700,000</td>
<td>27</td>
<td>2.78</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>1,894,521</td>
<td>16</td>
<td>8.45</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>7,100,000</td>
<td>19</td>
<td>2.68</td>
</tr>
<tr>
<td>Manchester</td>
<td>2,600,100</td>
<td>19</td>
<td>7.31</td>
</tr>
<tr>
<td>Melbourne</td>
<td>4,000,000</td>
<td>15</td>
<td>3.75</td>
</tr>
<tr>
<td>Brisbane</td>
<td>1,800,000</td>
<td>12</td>
<td>6.67</td>
</tr>
<tr>
<td>Average</td>
<td>4,515,770</td>
<td>18</td>
<td>3.99</td>
</tr>
<tr>
<td>Sydney</td>
<td>4,500,000</td>
<td>27</td>
<td>6.00</td>
</tr>
</tbody>
</table>

*Source: Sweet Reason analysis*
Figure 3-15 shows that Sydney has an above average number of galleries and museums and also above average number of Galleries and Museums per 1 million people

**Figure 3-15: Venues / 1,000,000**

Source: Sweet Reason analysis

**Venue ownership**

Table 8 below identifies the number of venues owned by the public sector, the private sector or universities.
Table 8: Type of ownership

<table>
<thead>
<tr>
<th>City</th>
<th>Government</th>
<th>Private</th>
<th>University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>20</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>13</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>16</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Manchester</td>
<td>17</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Melbourne</td>
<td>12</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Brisbane</td>
<td>13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Average</td>
<td>15.17</td>
<td>0.50</td>
<td>1.83</td>
</tr>
<tr>
<td>Sydney</td>
<td>18</td>
<td>0</td>
<td>9</td>
</tr>
</tbody>
</table>

Source: Sweet Reason analysis

This table shows that Sydney is above average for the number of government and university owned venues provided however has less than the average for the number of private venues provided. The latter figure is, however, inconclusive as there are so few significant privately owned galleries in any of the cities.

Figures below graphically represent the comparisons above.

Figure 3-16: Visual Arts - Venue ownership per city

Source: Sweet Reason analysis
Figure 3-17: Visual Arts - Venue ownership per city - Average

Source: Sweet Reason analysis

Figure 3-18: Visual Arts - Venue ownership per city - Sydney

Source: Sweet Reason analysis
3.4 The Role of Cultural Precincts

"Places that succeed in attracting and retaining creative class people prosper - those that fail don't" – Richard Florida

It became evident during benchmarking research that a crucial element contributing to the success of many cultural venues is not only the venues themselves, but the broader cultural precincts within which they are located. Given that Sydney lacks for a true cultural precinct other than the mini-precinct created by the Sydney Opera House and that an opportunity exists to create such a precinct with the development of the Barangaroo site, the long-awaited development of Pier 2/3 at Walsh Bay and the UTS redevelopment in South Sydney, it is important to examine the importance of a crucial role that a vibrant precinct can play in the success of the city’s cultural life and venues.

Although notable for distinctive and singular buildings, cultural precincts are more than the sum of their parts, fostering an urban vivacity and dynamism generated by shared community spaces and public interaction and engagement. Cultural precincts, usually consisting of several cultural facilities within an identifiable urban landscape, prioritise cultural use and community cultural participation to foster cultural expression and the 'creative economy' within the modern city. Cultural institutions are interspersed with commercial, retail, residential and other recreational facilities, creating a mixed, vibrant and active community, accessible and energised by day and night, with a distinct identity. Cultural precincts are recognised by residents and visitors alike as expressing the soul of a city - reflecting its essential nature, identity, the values of its human community, and the potential it carries as an incubator of innovation and dynamism.

Cultural precincts in cities create lively, participatory communities and social and economic benefits to those communities. All forms of the arts have been an essential element of human communities since time immemorial, with the emergence of an artistic community historically heralding significant growth and prosperity in the region. In an age of unprecedented geographic mobility, social heterogeneity and competitive innovation, professor of regional economic development Richard Florida argues that attracting human capital is critical to the prosperity and indeed the very survival of cities. Talented, innovative (and productive) people choose to live in vibrant, diverse, and participatory cities, seeking a wide variety of experience and stimuli. Although a city may have been a giant of the industrial age, Florida argues that to remain economically competitive the urban community must generate 'cultural capital'. His research has found that increasingly ‘quality of life’ is a critical element in attracting the highest quality human capital to particular locations - diverse, public, and accessible cultural experiences are perceived as fundamental to the lifestyle to which the ‘creative class’ aspire.


John Montgomery, urban planner and consultant in arts-led urban regeneration, endorses Florida's perspective; he also emphasises the role of 'urban sociability' as critical to the development, dynamism and sustainability of a city. For Montgomery, 'urban sociability' reflects a multi-faceted understanding of community development as a process encompassing how people identify with the place in which they live, and with others living there, that combines with a broader concept of public social life and civility in a public realm. Cultural precincts are essential instruments to foster this sense of community in the urban context.

The manifold social and economic benefits flowing from community investment in cultural precincts are evident in literature and in cities which provide living examples. Such precincts assist in the re-creation of the 'public realm' in cities suffering from increasing retraction of social relations into a private sphere; they can assist in countering the 'divided city' phenomenon (and in particular socio-economic divides) by creating accessible public spaces tolerant (and celebratory) of diversity. Research indicates that public participation in the community is generated by sense of ownership, community spirit, participation and socialisation. Significantly, heightened community participation serves to reduce crime, increase health awareness, improve quality of physical environment, enhance services and improve social conditions. In a practical sense, cultural development creates jobs, stimulates local economy, and attracts tourism. The 'Bilbao Effect' refers to the widely discussed economic and cultural renaissance generated by the building of the Guggenheim Museum in the Spanish town of Bilbao which, accompanied by the strategic development of a cultural precinct, generated an unprecedented rise in tourism, employment and revenue to the town. Positive public spaces, especially iconic architecture, generate sense of civic pride. Finally, it is noted that an identifiable, vibrant cultural precinct can significantly build the international profile of a city.

Visionaries in urban planning have advocated for the development of cultural precincts as essential to the flourishing of an urban community. Cultural development is a well-established element of modern urban planning theory - this is based on a recognition of the inherent value of cultural expression and community cultural participation, and the many and well-documented social and economic benefits flowing to urban communities from investment in cultural precincts and activity.

Economic benefits generated by cultural precincts are significant, and can be understood as direct and indirect. While the direct economic activity generated by cultural precincts and

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43 John Montgomery is an urban planning consultant specialising in cultural quarters, urban revitalisation and economic development strategies for cultural industries. He is recognised as a leading authority on the evening economy, and is a consultant, speaker and author on his topics of expertise. For further information, see www.urbancultures.com.au.
49 The live performance industry in Australia itself directly contributes over $1 billion to the Australian economy, more than either the film and television industry or the sporting industry: Live Performance Australia, Press Release.
institutions is considerable, the indirect or “flow-on” effects expand the scale of economic impact considerably. An analysis of the economic and social contribution of cultural facilities and activities in three regional centres in New South Wales found that for every 10 jobs created within the cultural sector, 8.5 jobs are created outside the industry; millions of dollars are added to both the local economy and household income; and that volunteer labour is equivalent to more millions. The Salford Quays redevelopment in Manchester has bolstered demand for residential development in the area, with at least 3,900 houses, apartments and planning permissions, and commercial integration (160,000sqm commercial floor space). Rates of unemployment dropped from 8.7 per cent to 4.5 per cent in the decade during which the major redevelopment took place; in 1987 the Salford area supported 225 permanent jobs, in 2006 approximately 13,000 people were employed.

Single cultural institutions, such as the Guggenheim Museum in Bilbao, integrated into comprehensive redevelopment (as discussed above), may be the focal point of economic regeneration: since the opening of the museum in Bilbao, there have been 907 new jobs created, an average of 779,028 new overnight stays, and approximately $39.9 million generated in government revenue per year. It is suggested that iconic performance venues generate a “halo effect” for artists and their work, substantially increasing attendances and revenue.

Increased tourism based on the attraction of vibrant cultural precincts can be a significant economic factor; in Manchester, planning authorities witnessed over 1 million visitors to the Lowry building in its first 12 months; Salford Quays now attracts over 5 million visitors per annum; and following the Southbank redevelopment in Brisbane, visitor numbers increased 24 per cent over 5 years.


Michael Huxley (Museums and Galleries NSW), Value Added! The economic and social contribution of cultural facilities and activities in Central NSW, June 2010.


Ibid.

3.4.1 Key Criteria for building a Cultural Precinct

Urban planners and experts in cultural development acknowledge the complexity of the task and opportunity in the development of new cultural precincts. In order to derive the multiple benefits outlined above, it is suggested that the design of a cultural precinct must address from the outset and incorporate the following qualities:

- Accessibility
- The built environment – iconic architecture and revitalisation of heritage
- Venues and spaces
- Innovation
- Integration and support – one great building is not enough.

These are explained in detail below.

**Accessibility**

Vibrant cultural precincts are designed within the landscape of a city so as to be physically easily accessible from major city locations. They are generally in a central or near-central location, and are connected to the community by public transport and proximity to the Central Business District and/or an urban waterfront or other geographical feature (such as the Southbank precincts in Brisbane and Melbourne, or the Salford Quays redevelopment in Manchester). Cultural precincts feature integrated spaces allowing movement between precinct features. Southbank in Brisbane has been created around three ‘spines’, the planned development of Federation Square East in Melbourne (which draws heavily on the example of Millennium Park in Chicago) will connect sports and arts precincts with a continuous pedestrian thoroughfare following the course of the Yarra River. Cultural precincts are often pedestrian-friendly areas, facilitating ease of movement and integration of open public spaces. These features assist the precinct to be active by day and night. Best practice public access and safety, ease of use, excellent way-finding and information, inclusiveness of minority groups accessing the precinct are all factors which will build utilisation and community pride in and affection for the precinct.

**The built environment - iconic architecture and revitalisation of heritage**

Many successful cultural precincts are characterised by iconic architecture; Melbourne’s Arts Centre Spire and newly built Recital Centre, the Lowry Building in Manchester, the Jay Pritzker Pavilion in Millennium Park, Chicago - examples can be found all over the world. Investment in new buildings can generate significant community and tourist interest, such as Sydney’s own Opera House and Frank Gehry’s Guggenheim Museum in Bilbao. Cultural precincts may also,

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56 Ibid
however, draw their architectural and historical character from the redevelopment and conversion of old established buildings into cultural venues and/or from the transformation of industrial wasteland. Cultural development provides an opportunity to revitalise previously 'dead' urban space - urban planners, architects and developers engage art, architecture and landscape design to build a creative and authentic public precinct. Salford Quays in Manchester, Millennium Park in Chicago, and the planned Federation Square East development in Melbourne are all examples of the regeneration of urban/industrial voids into active, central cultural environments. Closer to home, Walsh Bay is an excellent work-in-progress with the precinct now beginning to realise its potential first hinted at 26 years ago with the Opening of Sydney Theatre Company’s headquarters at Pier 4/5. Similarly, the new precinct planned for UTS has enormous potential for Sydney with the recently unveiled Frank Gehry designed building providing an iconic element, excellent transport in the vicinity and a publicly espoused approach to planning and activity that embraces the core concepts behind cultural precincts.

The built environment of a cultural precinct is versatile and varied, including outdoor and indoor spaces usable in daylight and evening. Florida emphasises the importance of 'street-level culture', facilitated by horizontal 'low-rise' development allowing participation and integration of participant and spectator, and close-up 'real-world' experiences. A cultural precinct should express its identity through its architecture and landscape design, including public art installations, sculpture and artistic landscape features. A cultural precinct is identifiable within the landscape of a city – ‘visible diversity serves as a signal that a community embraces the open meritocratic values of the creative age’.

Venues and spaces

Cultural precincts incorporate a diverse range of venues and cultural spaces. These include open-air spaces (such as an outdoor amphitheatre, parklands), significant halls and theatres and, importantly, places where art is made. Versatile and adaptable spaces facilitate diversity in programming, and importantly allow for cultural production within the precinct as well as cultural consumption (Montgomery). Precincts are often recognisable due to a cluster of cultural venues - these often include theatres, recital halls, open-air performance spaces, dance, drama and music academies, galleries (commercial and cutting edge), artist studios and tertiary education campuses. Precincts feature the integration of commercial ventures (especially cafes, restaurants and bars) with artistic spaces which also enhances the economic sustainability of the precinct.

It should be noted that the discussion of venues and spaces here presupposes the opportunity to develop or redevelop an essentially empty urban area (such as the Barangaroo development) into a planned and designated cultural precinct. It should be further noted that variations in

'cultural precincts' are seen in Chicago's "Loop" precinct or Melbourne's West End Theatre district, where clustered venues within a built-up inner city area have seen a concentration of activity and urban vibrancy around venues organically integrated into the city landscape. This can also be understood as evidence of the long term vision and capacity of cultural venues and precincts to generate vibrant urban culture around them until they are firmly established in the life and character of the city.

Innovation

Cultural development is characterised by innovation coupled with an understanding of place; qualities which assist a community to maximise the potential of a cultural precinct and also generate local and international interest in their own right. Innovation can be incorporated into all elements of a cultural development - including design, architecture, technological capacity, accessibility and sustainability. New cultural venues and refurbishments tend to prioritise investment in state-of-the-art technology in staging, acoustics and technical features desirable in a specific cultural venue (the Hamer Hall redevelopment highlights this investment in technology, and the refurbishment and upgrading of Lyric theatres in Chicago's "Loop" has been critical to the development of the precinct). Increasingly, development in cultural precincts is incorporating community-wide priorities for innovation - the Southbank Cultural Precinct Redevelopment in Melbourne includes as a listed priority 'contemporary approaches to sustainability including power generation and water and waste management'. Innovation is an important contributor to the 'uniqueness' of place and experience essential to urban cultural precincts, as well as presenting an exciting opportunity to explore untapped possibilities in architecture, technology and amenities.

Integration and support – one great building is not enough.

The integration of a cultural precinct into the established urban environment, together with continued investment, maintenance and diverse means of support for the arts within the community, are essential to the success of a cultural precinct, especially a new development. It is argued that the 'Bilbao Effect' has exaggerated the influence of a single cultural venue upon the revitalisation of a city; former President of the Royal Institute of British Architects James Pringle emphasises the need for 'both infrastructure and iconic landmarks' and Frank Gehry (architect of the Bilbao Guggenheim) noted the particular importance of a deliberate 'intent to change the community'. Good programming is critical - it must be a lively and active precinct with new and engaging material continuously introduced and made accessible in day and evening hours. Cultural precincts provide the backdrop against which artists and creative development must be supported and funded; crucially, cultural precincts should provide space...

61 Quoted in Ben Hoyle, ‘Frank Gehry: the Bilbao Effect is bulls**t’, Times Online, 9 July 2008, viewed at [http://entertainment.timesonline.co.uk/tol/arts_and_entertainment/visual_arts/architecture_and_design/article4304855.ece](http://entertainment.timesonline.co.uk/tol/arts_and_entertainment/visual_arts/architecture_and_design/article4304855.ece) on 10/12/2010.
for cultural production, not just cultural consumption. Urban cultural developments should allow and provide for the organic development of arts and public spaces; the integrity and ultimately the attraction of the precinct will be compromised if it is perceived by the community to have undergone 'gentrification' or to be an artificial, homogenised imitation rather than a genuine hub of creativity. To ensure the success and sustainability of a new cultural precinct, development processes must engage the diversity of the existing community and with arts organizations and artists, maximise the existing resources of the site, and prioritise inclusivity in the development and management of the precinct once established.

3.4.2 A New Cultural Precinct for Sydney?

Government efforts to revitalise and stimulate urban centres and to inject growth into regional capitals include as a central feature investment in the development of cultural precincts. Public desire for cultural spaces has been expressed in a myriad of ways over time, from the signed petition of 40,000 presented to Victorian state government in 1944 advocating the establishment of a cultural precinct in Melbourne's Southbank area; through psychological studies of inclination to community participation; to empirically assessed indexes of "well-being".

The opportunity to develop a lively, active, accessible, participatory cultural precinct with state-of-the-art facilities in the Walsh Bay/Barangaroo precinct represents huge potential in terms of social, economic and community benefits, and the chance to enhance the character and reputation of Sydney as a dynamic, diverse and energised urban environment and true global city.

In considering the creation of a cultural precinct, however, it is not only an agglomeration of venues which will create cultural vibrancy. The precinct must be well served by transport and must include a range of other active functions including cafés, restaurants and bars, possibly other retail attractions as well, and must ideally be well populated during the day as well as at night. The precinct should offer an attractive and complete experience – patrons should be able to safely promenade, eat, drink, shop, watch and feel that they are part of a bigger buzz of broader activity, so that a decision to attend a cultural venue should also hold the promise of added value.

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Features of such a precinct should include:

- Multiple formal performance spaces for a variety of art-forms
- Formal museum or gallery exhibition space
- Informal outdoor spaces designed to be easily activated for festivals and other events through provision of power and other services
- Places where art is made and seen to be made – rehearsal rooms and studios where public engagement is encouraged (the public dance classes at Sydney Dance Company studios is a fine example as was Queen Street Studios and as is, the 798 Art Zone in the Dashanzi Art District for the visual arts)
- Opportunity for cultural organisations to create and manage retail offerings consistent in character with their core cultural activities and providing commercial return to make these organisations more self-sufficient.
- If possible, cross-fertilisation between cultural organisations and cultural training institutions.

3.5 Key Findings

- Those cities with a larger number of performance and visual arts venues tend to be more culturally vibrant. Further, those cities which have consciously invested in cultural facilities by either renovating existing venues or building new venues have developed reputations as lively and exciting cities in which to live, do business and visit.
- Cultural venues in lively and diverse precincts tend to be more successful and add additional value to the cultural vibrancy of the city. Such precincts tend to become significant tourist attractions and are often promoted as a key feature of the character of the city.
- Venues with striking architectural features are often more successful and active. The effect on the cities in which they are built has, in most cases, been a focal point for tourism, a high level of activity and civic pride.
- Sydney compares favourably with benchmarked cities in all performing arts categories except lyric theatres (Sydney 4 theatres / Benchmark 5.7 theatres).
- Sydney has a relatively large number of arena / large multipurpose venues compared to benchmarked cities. This probably reflects the impact of venues constructed for the 2000 Olympics and Australia’s temperate climate.
- Sydney appears to have an over-supply of drama and dance theatres but a number of these are identified as relatively unattractive to users through stakeholder consultation. These are particularly those located within university campuses.
- The total capacity of Sydney’s performing arts venues per capita (excluding arenas of which Sydney has an unusually large number) is close to the benchmark.
• Overall Sydney has 34 available performing arts venues compared with the benchmark of 25, however, it should be noted that the level of detail with which Sydney’s venues were audited was greater than the benchmarked cities – particularly in the area of outdoor venues. This means that the number of venues in benchmarked cities may be somewhat understated.

• The number of galleries and museums in Sydney are on average equivalent to benchmarked cities with the exception of the University Art Museums. However Sydney is without a gallery of similar size to either Melbourne, Chicago or Copenhagen.

• Sydney has less than an average number of museums focusing on social history found in benchmarked cities (Sydney 1/Benchmarked cities 2) suggesting that Sydney does not capitalise on its strong cultural heritage as compared to Copenhagen and Hong Kong.

• Those cities which support the grassroots level of the visual arts industry (i.e., artists and artist run initiatives) appear to display a higher cultural vibrancy throughout the city. Many cities have gone through revitalisation periods through investment in visual arts venues, building new purpose-built spaces or adapting existing spaces for re-use to accommodate subsidised artist studios and facilities. Many revitalisation projects have also included the launch of city specific arts events, for example, HK 2011, Art Copenhagen, Manchester Contemporary and the Melbourne Art Fair.

• Unlike benchmarked cities, Sydney has not invested in a concerted effort to revitalise its international profile through investment in state-of-the-art, well equipped, purpose built visual arts venues, or in the creation of major events such as an Art Fair.

• Significant public art does not feature in Sydney’s visual arts scene to the same extent as in most benchmarked cities. The Review acknowledges, however, The City of Sydney’s recently published draft form of a new public art policy.

• Overall 30 visual arts venues were included within the survey compared with the benchmark average of 18. It should be noted, however, that the level of detail with which Sydney’s venues were audited was greater than the benchmarked cities which means that the number of venues in benchmarked cities is probably understated.

• Sydney’s number of visual arts venues per capita is roughly equivalent to the benchmark figure.

• The opportunity to develop a lively, active, accessible, participatory cultural precinct with state-of-the-art facilities in the Walsh Bay/Barangaroo precinct represents huge potential in terms of social, economic and community benefits, and the chance to enhance the character and reputation of Sydney as a dynamic, diverse and energised urban environment and true global city.
4 Gap Analysis and Options for further consideration

4.1 Introduction

The gap analysis in this chapter has been developed from the work of the previous chapters on International Benchmarking and the Venue Audit in addition to an extensive process of Stakeholder Consultation. The analysis seeks to identify the shortfalls in Sydney’s current and future venue offerings to help improve the capacity, quality and vibrancy of Sydney’s cultural facilities and to meet future demand.

This chapter:

• summarises the key findings from Stakeholder Consultation program (section 4.2);

• outlines the high, medium and low priority gaps identified (section 4.3), with details supporting the gap analysis in the spreadsheet in Appendix D;

• provides detail on the high priority gaps identified in section 4.3 and provides discussion on the importance of the development of Pier 2/3 (section 4.4);

• analyses investment options for further consideration including information on the likely costs, impacts on demand and economic implications (section 4.5);

• provides discussion on potential for private sector involvement among investment options identified above (section 4.6); and

• summarises the key findings and indicative costs of the six developed options (section 4.7);

4.2 Stakeholder Consultation

This section briefly summarises the key findings from the extensive Stakeholder Consultations undertaken as part of the Review. The outcomes of these consultations were then brought together with the Venue Audit and International Benchmarking studies in order to inform the Gap Analysis process.

Performing Arts

Key findings from the performing arts Stakeholder Consultations indicated that:

Lyric Theatre

• A wide range of stakeholders, particularly commercial producers and Live performance Australia, argued that an additional lyric theatre that would accommodate musical theatre would be welcomed, as current perceived demand in Sydney outweighs supply. Opinions on the preferred size of such a theatre varied.
• A significant number of stakeholders including Opera Australia, the Australian Ballet and the Sydney Opera House Trust recognise the inadequacy of the Opera Theatre at the Opera House (particularly capacity, orchestra pit size, limited stage size and limited wing space) and indicate that they would utilise a new main-stage lyric theatre suitable for opera and ballet as a complementary venue to the Opera Theatre.

• Many stakeholders argued that the State Theatre should be renovated to make it adequate as a lyric theatre, though a number of contemporary music industry stakeholders were apprehensive that this could impact on the availability of venues for the contemporary music industry. Some stakeholders suggested making the Town Hall accessible to contemporary music acts could help solve this – although the Town Hall already enjoys a high rate of utilisation.

Sydney Opera House Concert Hall

• Fine music organisations including the Sydney Symphony Orchestra, Australian Chamber Orchestra and to a lesser extent Musica Viva argued that the problems with the acoustics of the Concert Hall must be addressed if standards of performance and listener experience are to be at a first-class level.

Outdoor Performance Space

• A large outdoor space with flexible facilities would be welcomed by many contemporary music presenters, several performing arts companies and the Sydney Festival. Many argue that Sydney should have a venue equivalent to the Myer Music Bowl in Melbourne.

• Circuses, festivals and spiegeltent operators would welcome a central city site for temporary venues with appropriate services and infrastructure. Australia’s premier contemporary circus, Circus Oz has for example, struggled to find a regular venue appropriate to their purposes in Sydney. They argue that they would ideally play in Sydney annually but that to do so, they need an appropriate and properly serviced site that is regularly available.

• The cost of using the temporary performance infrastructure in The Domain is extremely high and the informal coalition of presenters using this infrastructure cannot be relied upon in the mid to long term to continue with the existing arrangements which may render the annual installation uneconomic for the Sydney Festival.

Sydney Entertainment Centre

• The re-development of the Sydney Entertainment Centre in order to retain a high quality CBD arena space is regarded as crucial by producers and presenters in the popular contemporary music field.

Technical Inadequacies

• Technical inadequacies were identified by stakeholders at a number of Sydney’s major drama venues including the poor quality of the acoustics at Sydney Theatre, lack of technical resources at CarriageWorks, the lack of adequate flying facilities at the Drama
Theatre of the Sydney Opera House and the configuration of the auditorium/stage relationship at the Everest Theatre at the Seymour Centre.

Rehearsal Space

- A wide variety of performing arts organisations argue that there is insufficient affordable and suitable rehearsal space for both major productions and smaller scale work.

- Commercial producers lament the loss of the Betty Pounder Studios and argue that the lack of availability of adequate rehearsal studios is a disincentive to opening major productions in Sydney.

- A wide range of non-profit performing arts groups and companies argue that access to reasonably priced and adequate rehearsal facilities is a chronic problem in Sydney.

Studio Theatre Space

- A number of smaller independent groups identified high demand for a 200 - 300 seat theatre (however it is noted that this was outside the scope of the project)

Companies Seeking Integrated Home Bases

- A number of companies, including Major Performing Arts Companies and music groups are pressing for re-location to an integrated home base to bring together rehearsal space, administrative headquarters and performance space in order to reach their full potential – with particular reference to Pier 2/3 - and a number have strong cases to present.

Small Scale Chamber Music Recital Hall

- A number of music organisations have argued for a smaller scale recital and chamber space of 300 – 500 seats. (We note that a venue of under 500 seats would be outside the scope of this Review.) While technically it could be argued that there is already sufficient capacity for such performances, the relevant organisations are reluctant to utilise Verbrugghen Hall or the Eugene Goossens Hall due to a combination of problematic location and the conflicting priorities of the Conservatorium and ABC respectively. Despite the fact that audiences for fine music are relatively static, it is feasible that there would be demand for such a space particularly if created in conjunction with a dynamic music organisation such as the Australian Chamber Orchestra and located in a vibrant cultural precinct.

Visual Arts

Key findings from visual arts stakeholder consultations indicated that:

Artists’ Studios & Residencies

- There is very strong demand for more artist studios and residencies. Stakeholders suggested that Artist studios, if developed, should be multi-purpose, able to be used for a range of art media and equipped with digital infrastructure. These venues should be fully accessible to
artists through all stages of their careers and accessible to both domestic and international artists. Having artist studios accessible to international artists allows for the exchange of skills, adds to the international perception of Sydney as a culturally dynamic city and creates diversity in the cultural space. Such a development would provide for audience development opportunities.

Multi-disciplinary Spaces

- Many stakeholders identified that Sydney lacks purpose-built, multi-disciplinary experimental exhibition venues equipped with digital infrastructure. The venues should also be fully accessible to domestic and international artists throughout all stages of their careers.

Public Art

- A number of stakeholders recognised the need for an outdoor sculpture park and propose more Public Art on display in Sydney in general that incorporates new media and digital technologies that incorporates a virtual experience. It was suggested that significant international projects and seasonal festivals could inform this process.

A Sydney Design Centre

- Stakeholders also recognised the need for a forward thinking Design Centre in Sydney that incorporates Fashion, Architecture and addresses issues of sustainability. Given the quality and calibre of Australian designers and architects, there is a perceived gap in recognising and promoting this strength in Australia and, as Sydney arguably leads the way in design training and practice, there is strong feeling that such a centre should be located in Sydney.

Facilities for Educational Experiences

- Sydney’s visual arts facilities are currently constrained in their ability to deliver first class education programs both through a shortfall of space and digital infrastructure.

Upgrading Major Cultural Institutions

- A large number of stakeholders noted the importance of upgrading and expanding a number of key cultural institutions such as the Powerhouse and Australian Museum to ensure a more efficient use of existing infrastructure, to put permanent collections on public display and to capitalise on the history and status of existing buildings.

Digital Infrastructure

- The provision of adequate digital infrastructure as detailed in Chapter 2 (2.3.18) across public art institutions is seen by both artists and gallery and museum managers as a very high priority given the significant developments in visual arts practice over the last 30 years.
**Other**

**Indigenous Cultural Centre**

- There is widespread acknowledgement of the need for an Indigenous cultural centre, the lack of which is seen as a long-standing inadequacy for Sydney and, indeed, Australia. While there is currently no concrete proposal in terms of format, function or operational model for such a centre, stakeholders have suggested that an Indigenous arts centre is highly desirable on multiple levels.

**Sydney Film Centre/Centre for Moving Image**

- A Sydney Film Centre, New Media Centre or a Centre for the Moving Image were also identified by many stakeholders as a current and future inadequacy for Sydney, particularly given existing innovative international and national offerings in this area. However this issue was not examined in detail as film was not within the scope of the venue audit.

**Public Transport**

- While outside the scope of this Review, a large number of stakeholders raised the issue of a lack of adequate public transport to enable a satisfactory level of accessibility.

4.3 **Identified Gaps**

Please refer to the gap analysis spreadsheet identified in Appendix D. A concise list of the gaps are outlined below in Tables 10 and 11. Criteria used to identify and prioritise identified gaps include:

- **Quantity**
  - Quantity of venues compared with the benchmarking study;
  - The size of the venue, including either the number of seats or the size of the exhibition space.

- **Adequacy**
  - Qualitative description of the quality of the venue;
  - Configuration and technical adequacy of the venue;
  - Location of the venue;
  - Access to the venue, including disabled access;
  - Stakeholder perception of the venue.
Demand
- Venue utilisation;
- Venue capacity and patronage;
- Audience profile;
- Availability of the cultural products the venue presents to the public;
- Potential future demand including recent growth trends;
- Any recognised unfulfilled demand.

The context of identified gaps were then analysed to contribute to the rating. This included analysing:

- Demand and supply issues likely to affect the gap;
- Whether action was already underway to address the gap;
- Whether the gap was a Sydney or National priority;
- Key findings contributing to the identification of the gap;
- The main source (either the Venue Audit, International Benchmarking or Stakeholder Consultation) or a combination of sources which identified the gap; and
- Principal proponents for such a gap - including consideration of opinion driven by vested interest.

Based on the consultants’ professional judgement, these priorities were rated relative to the above criteria. The gaps identified and priority ratings are listed in the tables below. Gaps identified as high priority are summarised in Table 9 and other gaps of lower priority summarised in Table 10.

Table 9: Identified Gaps

<table>
<thead>
<tr>
<th>Gap</th>
<th>Priority</th>
<th>Further Investigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adequacy and supply of major lyric theatres to present opera, ballet and other large-scale performance at a first class level. (Possibly not sufficient to justify a stand-alone venue devoted purely to these art-forms)</td>
<td>High (combine with below)</td>
<td>Main-stage lyric theatre</td>
</tr>
<tr>
<td>Adequacy and supply of lyric theatres to present musical theatre productions at a first class level.</td>
<td>High (combine with above)</td>
<td></td>
</tr>
</tbody>
</table>
### Gap

<table>
<thead>
<tr>
<th>Gap</th>
<th>Priority</th>
<th>Further Investigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Availability of significant rehearsal studios for musical theatre and to a lesser extent opera and ballet.</td>
<td>High</td>
<td>Additional Rehearsal and Studio Space</td>
</tr>
<tr>
<td>• Availability of appropriate and accessibly priced rehearsal space (in some cases combined with home base) for a range of drama, dance and music companies and ensembles for example: TaikOz/Synergy; Sydney Youth Orchestra; Sydney Philharmonia Choirs; Song Company.</td>
<td>High</td>
<td>• Economical performance infrastructure at The Domain</td>
</tr>
<tr>
<td>• Potentially unsustainable cost of temporary performance infrastructure in The Domain</td>
<td>High</td>
<td>• Creation of outdoor venue for both ticketed and free performances with capacity to 20,000</td>
</tr>
<tr>
<td>• Lack of appropriate and economically viable outdoor performance spaces with flexibility to operate as free or ticketed venue.</td>
<td>High</td>
<td>• Development of central outdoor space for erection of temporary venues – eg circus tents, Spiegeltents</td>
</tr>
<tr>
<td>• Lack of an appropriately located and serviced space for temporary performance venues – eg circus, spiegeltents etc</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Potential lack of CBD-based arena venue with flexible seating capacity of up to 12,000 (if SEC demolished and not replaced)</td>
<td>High</td>
<td>Development of new arena venue as part of new SMCEC</td>
</tr>
<tr>
<td>• Technical adequacy of CarriageWorks to provide adequate technical fit-out suitable for the majority of intended hirers.</td>
<td>High</td>
<td>Address Technical Deficiencies of these three venues</td>
</tr>
<tr>
<td>• Lack of first class acoustics of the Sydney Opera House Concert Hall.</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>• Lack of first class acoustics of the Sydney Theatre.</td>
<td></td>
<td>Develop Artists’ Studios, Spaces for Residencies and Experimental Art Spaces</td>
</tr>
<tr>
<td>• Low supply of artist studios, residential studio spaces, experimental, multi-purpose exhibition facilities</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>• Lack of readily accessible Indigenous cultural experience including art and ceremony for visitors to Sydney.</td>
<td>High</td>
<td>Indigenous Cultural Centre</td>
</tr>
<tr>
<td>• Limited opportunity to display existing collections of Indigenous art.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• No contemporary inter-disciplinary venue for Indigenous artists.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Table 10

<table>
<thead>
<tr>
<th>Gap</th>
<th>Priority</th>
<th>Further Investigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of first class exhibition of Design in Sydney</td>
<td>High</td>
<td>Upgrade Powerhouse Museum and Object: Australian Centre for Craft &amp; Design</td>
</tr>
<tr>
<td>Appropriate digital infrastructure for a range of visual arts venues</td>
<td>High</td>
<td>Survey Digital Infrastructure requirements of Visual Arts sector and consider options for development.</td>
</tr>
<tr>
<td>Australian Museum constrained in its ability to display its extensive permanent collection, including a significant proportion of its world class Pacific and Indigenous collections</td>
<td>High</td>
<td>Create off site space for storage and redevelop Australian Museum to provide additional Exhibition Space.</td>
</tr>
<tr>
<td>Art gallery space significantly below benchmark cities and constraints on AGNSW to expand beyond current footprint.</td>
<td>High</td>
<td>Options to increase size and scale of art gallery space to international benchmarks</td>
</tr>
<tr>
<td>Lack of exhibition area at Powerhouse Museum capable of hosting major exhibitions as well as permanent collection</td>
<td>High</td>
<td>Refurbish Powerhouse Museum to provide increased Exhibition Space as already approved</td>
</tr>
<tr>
<td>Multi-gallery temporary exhibition venues (referred to as Contemporary Art Centres) able to accommodate experimental, multi-purpose practices</td>
<td>High</td>
<td>Upgrade existing facilities to provide for experimental, multi-purpose practices</td>
</tr>
<tr>
<td>Limited educational facilities at AGNSW</td>
<td>High</td>
<td>Create education centre within AGNSW</td>
</tr>
<tr>
<td>Lack of significant national and international public art of high quality that also provides opportunities for a digital/virtual experience</td>
<td>High</td>
<td>Incorporation of digital media in outdoor areas</td>
</tr>
</tbody>
</table>

Table 10 below outlines gaps which are medium to low priority. These gaps have not been investigated in further detail.
Table 10: Other gaps identified

<table>
<thead>
<tr>
<th>Other Gaps Identified</th>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Performing Arts</strong></td>
<td></td>
</tr>
<tr>
<td>• Unfulfilled demand for a small scale (300 - 600 seat) concert hall (however demand has not been tested outside proponents within the sector)</td>
<td>Medium</td>
</tr>
<tr>
<td>• Technical adequacy (Fly Tower) of the Sydney Opera House Drama Theatre.</td>
<td>Medium</td>
</tr>
<tr>
<td>• Studio Theatre (approx 250 - 300 seats) (however demand has not been tested outside proponents within the sector)</td>
<td>Medium</td>
</tr>
<tr>
<td>• Unfulfilled demand for additional rehearsal studios for performing arts companies in the Walsh Bay precinct.</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>Visual Arts</strong></td>
<td></td>
</tr>
<tr>
<td>• Configuration of entrance to the Art Gallery of NSW inadequate particularly for school groups.</td>
<td>Medium</td>
</tr>
<tr>
<td>• Purpose built venues for University Museums of Art.</td>
<td>Medium</td>
</tr>
<tr>
<td>• Lack of exhibition space and educational facilities at Museum of Sydney</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
</tr>
<tr>
<td>• Permanent exhibitions of Powerhouse unrefreshed for many years.</td>
<td>Medium</td>
</tr>
<tr>
<td>• Centre for screen culture (however demand has not been tested outside proponents within industry).</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>Performing Arts</strong></td>
<td></td>
</tr>
<tr>
<td>• Technical adequacy of the Enmore Theatre.</td>
<td>Low</td>
</tr>
<tr>
<td>• Additional contemporary music space required in mid - long term to deal with anticipated growth in demand as demographic continues to expand. (NB plans for creation of space at Star City)</td>
<td>Low</td>
</tr>
<tr>
<td>• Mid-sized theatre for drama, dance and small-scale music theatre (400 - 600 seats) for flexible use.</td>
<td>Low</td>
</tr>
<tr>
<td>• Large Drama Theatre (900 - 1100 seats) principally for commercial plays.</td>
<td>Low</td>
</tr>
<tr>
<td><strong>Visual Arts</strong></td>
<td></td>
</tr>
<tr>
<td>• Reading Room &amp; Exhibition Space State Library of NSW</td>
<td>Low</td>
</tr>
</tbody>
</table>

4.4 Gaps requiring Further Investigation

This section provides a detailed discussion of the high priority gaps as outlined in section 4.3. This section of the report also provides discussion in relation to the importance of the development of Pier 2/3, Walsh Bay.
4.4.1 Main-stage Lyric Theatre (Opera/Ballet and Musical Theatre)

A major gap identified in this study is the need for an additional main-stage theatre in Sydney which is centrally located, preferably within a dynamic precinct and which can accommodate musical theatre as well as large scale opera and ballet productions to an international standard.

Opera and Ballet

The Opera Theatre at the Sydney Opera House is the main-stage theatre for opera and ballet in Sydney and accommodates annual seasons for Opera Australia and the Australian Ballet as well as a limited number of other productions.

International Benchmarking indicates that, when Sydney is compared to other comparable cities, it only has one main-stage lyric theatre available appropriate for opera and ballet compared to the average of 1.7 venues.

The Venue Audit and Stakeholder Consultations have identified quality issues with the venue including its limited size, technical inadequacies in terms of the stage, wing space, audience capacity, sightlines and Occupational Health & Safety (OH&S) issues with its orchestra pit. These constraints make it impossible to stage many large scale opera productions at the Opera Theatre (e.g. Wagnerian productions), as well as significant international ballet companies such as the Paris Opera Ballet.

Stakeholder Consultations also confirmed the central role of the Sydney Opera House in the artistic and cultural identity of Sydney and the importance of the Opera Theatre as the home for opera and ballet in Sydney. Neither Opera Australia nor the Australian Ballet would contemplate moving the majority of their performances out of the Opera Theatre, but both would make some use of a better-quality venue of greater capacity as long as the building is located appropriately and has a significant presence within Sydney’s cultural and built environment.

Over the last three years, the Opera Theatre has averaged 243 performance days per year with an average annual attendance of 361,685 patrons. In comparison the State Theatre at the Victorian Arts Centre has averaged 206 performance days with an average annual attendance of 371,489. These figures show the very high utilisation of the Opera Theatre and also the limiting effect of the lower capacity of the venue (1,507 seats) when compared with the larger Victorian State Theatre (2,085 seats). This lower capacity means that the performance companies need to play for longer seasons and hence incur greater costs in order to play to the same number of patrons as they would at the State Theatre.

Allowing for the program scheduling at the Sydney Opera House, with a number of productions loading in and out for limited seasons and the repertoire performance scheduling of Opera Australia as well as maintenance requirements, it is clear that the Opera Theatre is currently operating at very close to 100 per cent effective capacity. Average utilisation over the past three years is detailed in the Table 11 below.
It is important to note the Sydney Opera House management believes there is further demand for the Opera Theatre both from internal Opera House programming and outside hirers should additional dates in the venue become available. As noted above, Opera Australia do not wish to perform their current regular season programming at any other venue but agree that working at the Opera Theatre limits them in staging large-scale productions. The Australian Ballet have confirmed their belief that there is demand for an additional limited-length annual Sydney season (e.g. a Christmas Nutcracker) and would prefer to do this in a larger alternative venue should one be regularly available with suitable facilities. Other stakeholders confirmed there is additional demand throughout the industry for the Opera Theatre which is not met due to a lack of available dates (e.g. contemporary circus, international touring large-scale theatre (e.g. Warhorse) and movement-theatre (e.g. Edward Scissorhands)).

While significant improvements can be undertaken to improve the technical adequacy of the Opera Theatre, none of these improvements address the key issue of venue capacity. The cost of such works has already been investigated with estimates for a complete overhaul of the Opera House (with the largest portion going into the Opera Theatre) ranging up to $1 billion. Given that the venue would still be less than ideal in terms of capacity and that it operates at an effective 100 per cent utilisation, a decision to proceed with such a renovation of the Opera Theatre would inevitably be based more around the sense of pride in the theatre as a flagship for the arts and tourism than on an objective case of value-for-money.

It should be noted that in terms of technical facilities and stage capacity, both the Lyric Theatre at Star City and Capitol Theatre are capable of presenting much (although not all) of the opera and ballet repertoire. However, the nature of commercial theatre booking requirements (namely long and, in some cases, flexible booking periods with optional weeks contracted) means that it is very difficult to also book relatively short opera and ballet seasons far enough in advance to meet the planning requirements of the Opera and Ballet companies without diminishing the chances of securing lucrative long-running musicals. In addition, neither Opera Australia nor the Australian Ballet are enthusiastic about performing at the Lyric at Star City due to the ambience created by location within the Casino complex.

Musical Theatre

A major gap identified is the need for an additional venue suitable for musical theatre. There are currently three venues principally utilised for presentation of musical theatre in Sydney. The international benchmarking suggests that Sydney is already somewhat below the average of 3.3 such venues. In addition, of the lyric theatres currently available and suitable for musical theatre productions in Sydney, only one of these theatres is strongly favoured by producers and promoters with the other two constrained by either size or location.
Available theatres suitable for musical theatre include The Capitol, The Lyric Theatre (at Star City Casino) and The Theatre Royal.

Current issues with two of these venues include:

- The Lyric Theatre – while this theatre is technically of excellent quality, many stakeholders have identified its location within a casino complex and its lack of character as problematic. For most promoters it runs a distant second to The Capitol Theatre in terms of its attractiveness. Issues were also raised by some stakeholders with regard to a lack of strong direction in its programming and booking, potentially leading to under-use.

- The Theatre Royal – at 1,200 seats, it is generally too small (i.e. unprofitable) for major musicals, has some stage configuration difficulties, sightline issues, a steep dress circle, irritating train noise, dated décor and a somewhat claustrophobic feel given that it is built underground. Its location is central but the building lacks ambience and a vibrant relationship with the streetscape. There is a sense that this venue may be nearing the end of its useful life without significant upgrade.

Despite the Lyric and Theatre Royal not being considered by some stakeholders as ideal venues, their utilisation is still comparable to the utilisation of similar venues in Melbourne, indicating a strong level of demand from presenters and producers as identified in Table 12 below.

Table 12: Annual utilisation and attendance averages for Melbourne and Sydney lyric theatres

<table>
<thead>
<tr>
<th></th>
<th>Melbourne (average p.a.)</th>
<th>Sydney (average p.a.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Days</td>
<td>202</td>
<td>208</td>
</tr>
<tr>
<td>Bump-in / out Days</td>
<td>41</td>
<td>43</td>
</tr>
<tr>
<td>Dark Days</td>
<td>122</td>
<td>114</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>365</strong></td>
<td><strong>365</strong></td>
</tr>
<tr>
<td>Utilisation (assumes effective capacity 313 days allowing for one day dark per week)</td>
<td>77%</td>
<td>80%</td>
</tr>
<tr>
<td><strong>Attendance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total attendance</td>
<td>299,591</td>
<td>256,484</td>
</tr>
</tbody>
</table>

Source: Sweet Reason Survey of lyric theatres in Melbourne and Sydney

Comparing the utilisation of Sydney’s existing venues to their maximum effective capacity shows that the current venues are on average operating at around 80 per cent of maximum effective capacity, which leaves little opportunity for increased utilisation once the challenges of tour scheduling, cancellations and non take-up of option weeks are taken into consideration.

As this report was being completed, plans were announced for a change of management at the Lyric Theatre. Whilst some stakeholders argue that this could significantly increase the Lyric’s utilisation, thereby addressing capacity issues, it is this Review’s conclusion that such increased utilisation would only slightly reduce the demand for an additional theatre, given the evidence of high utilisation of Sydney’s lyric theatres (see above).

The information above has been gathered from The Regent Theatre, Her Majesty’s Theatre and The Princess Theatre in Melbourne and The Lyric Theatre, The Capitol and the Theatre Royal in Sydney and has been averaged across these venues for each city.
Stakeholder consultation amongst the musical theatre industry provided a unanimous response in support of the need for a new lyric theatre. While the argument can be seen as self-serving when made by promoters and producers (as another theatre would lead to greater availability of dates and therefore a stronger negotiating position for them), it was interesting to note that this opinion was also shared by a number of theatre managers of existing lyric theatres (which might potentially suffer from greater competition).

Some sectors of industry (including the peak body Live Performance Australia) have argued for a medium scale "Broadway" style house but there is not unanimity on this amongst producers. The conclusion of this Review is, however, that there is a case for building a lyric theatre of approximately 2,000 seats with the capacity to host both musical theatre and major opera and ballet productions. On balance, it is the Consultants’ belief that a mixed use large-scale lyric theatre in an iconic building would be preferable to either a purpose built musical theatre or opera and ballet venue. It is important to note, however, that such a venue would need to be provided with a very clear mandate in terms of its balance of programming to ensure that potentially competing demands between opera, ballet and musical theatre productions and between commercial and not-for-profit imperatives were balanced in the interests of the community. Barangaroo would potentially make an excellent location both locating the venue in and contributing to the critical mass of the Walsh Bay cultural precinct.

4.4.2 Rehearsal and studio space

Whilst a detailed analysis of all available rehearsal space in Sydney was not possible within this Review and was not included in the Venue Audit (except where venues have rehearsal spaces) or the International Benchmarking study, it is very clear through the stakeholder consultation process that accessible, affordable and fit-for-purpose rehearsal space is a key issue throughout the performing arts sector.

Of the existing organisations surveyed, nearly all of the subsidised companies who had their own rehearsal space responded that they retain this space for their own internal use which is close to 100 per cent effective utilisation. All companies recognised that they did have some dates where their rehearsal venues were not in use, however, these were so infrequent and came up so intermittently, that they generally did not make them available for hire for full rehearsal periods by external companies in case their own requirements changed. This limited the external use of these facilities to short-term activities such as auditions and workshops which only require a few days as opposed to the four to six weeks required for a full rehearsal period.

Outside those companies who have their own space available, there is very little space at all that is permanently designated as rehearsal space with those requiring rehearsal rooms being obliged to source space in church halls, schools, other institutions (eg the ABC) etc.

Affordability for rehearsal space was a central theme throughout consultations with many small, medium and independent sector companies advising that whilst space at times may be available, the cost of hiring venues often made them inaccessible.

CarriageWorks is strong case in point; in one case study, the company in question had a season booked at CarriageWorks and were keen to rehearse there. Space was readily available but operational and rental costs were such that the company simply could not afford it. This meant
that the company rehearsed off-site in a found space. Ultimately the result was a dark period and a loss of any revenue at all for CarriageWorks and a pressured bump-in period for the company, resulting in artistic compromise. Given CarriageWorks’ charter as a home of contemporary arts, this was a lose/lose situation.

Demand for three types of rehearsal space is particularly evident:

- **Accessible and affordable rehearsal space for small, medium and independent companies**
  
The type of space that the small to medium and independent sector requires can be relatively simple but should allow for a full stage mark-up (without containing pillars), have a floor suitable for dance rehearsals, have appropriate acoustic treatment (both for those rehearsing and also those external to the rehearsal room) and have access to toilets and, if possible, showers and a green room. While demand has not been specifically assessed, anecdotal evidence suggests that a rehearsal facility with perhaps two large and two smaller studios would probably maintain a busy booking schedule if the price was affordable for small independent groups.

- **Rehearsal space for large scale productions such as musical theatre, opera and dance**

  In the area of musical theatre, opera and dance, the loss of the Betty Pounder Studios which were demolished along with Her Majesty’s Theatre in the late 1990s, has significantly impacted the supply of rehearsal space in Sydney. Producers have indicated that this is a significant factor in their decision-making about the city in which they choose to open major musicals as suitable rehearsal rooms are only intermittently available in Sydney (e.g. at NIDA during semester breaks).

  In respect of larger rehearsal facilities that are suitable for opera or musical theatre, there are very limited options available. Current facilities that are used are the ABC studios at Ultimo, NIDA, Opera Australia and Australia Hall (not an ideal space but used when other facilities are not available). Obtaining the required number of rooms and available dates is extremely challenging in all of these venues and in some cases, even if available, these venues are not adequate. Disney Theatrical Productions, for example, were obliged to create a temporary built facility at Sydney Showgrounds in order to rehearse *The Lion King* thereby incurring very considerable costs. Other producers with less generous budgets would see such a cost as a genuine barrier to opening a production in Sydney.

  The type of space that is required to rehearse musical theatre productions is more complex and requires a number of co-located studios along with ancillary spaces. Such a rehearsal complex should have as a minimum:

  - two studios with dimensions of at least 15m x 20m and height 5m. This is to mark out the footprint of the stage plus room for wings, scenery and creative team tables;
  
  - one studio of dimensions of at least 10m x 10m and a height of 4m for vocal and scene work;
- all three studios would require sprung wooden floors; mirrors along one wall (which can be covered with a curtain), good acoustics, sound insulation (including above and below), ideally be at ground level and include loading dock access or similar; and must have double doors (for rehearsal sets);

- at least two offices to fit four people each are also necessary for Stage and Company /General Management;

- a large Green Room for the company (assume 50 people) with kitchen facilities;

- change rooms including showers and toilets; and

- preferably parking spaces for at least five cars and one truck.

- Individual companies requiring co-located rehearsal rooms and offices

A number of medium sized and major performing arts organisations, while having reasonably regular access to existing rehearsal spaces are working in facilities that are well below their reasonable requirements. Particular companies requiring improved rehearsal space include the Bell Shakespeare (current rehearsal space not fit-for-purpose), Australian Chamber Orchestra (current facilities are too small and ACO lease ends in next few years), a range of music groups including TaikOz/Synergy, Sydney Youth Orchestra and ATYP (also require more space). There may be other organisations with similar or greater needs that were not consulted.

4.4.3 Outdoor Multipurpose Spaces

A number of stakeholders including major event organisers, major performing arts companies and contemporary music promoters see outdoor performance as one of Sydney’s great strengths. With a temperate and relatively stable climate, it is unsurprising that Sydney-siders are renowned for their outdoor lifestyle. The tremendous success of events such as Sydney Festival First Night, Opera in the Park, Symphony In The Domain, Moonlight Cinema, annual seasons of outdoor theatre at the Royal Botanic Gardens and a plethora of outdoor contemporary music festivals indicate the public’s enormous appetite for large-scale outdoor events – both free and ticketed. These not only capitalise upon Sydney’s natural advantages in climate and the beauty of the Harbour and the City’s major parks but also provide a powerful sense of community not experienced to the same extent in formal indoor venues.

Unsurprisingly Sydney compares favourably relative to the international benchmarking cities with five major outdoor venues in Sydney identified compared with three on average among the benchmarked cities. Consultation with the City of Sydney suggests, however, that the major parks and outdoor spaces of Sydney are in many cases utilised at close to capacity when proper consideration is given to a balance of other recreational and sporting uses and restoration periods for grassed areas after heavy usage. Some parks are also limited in their ability to host events frequently due to concern from residents about noise (e.g. Centennial Park, Victoria Park, Prince Alfred Park).
A number of major festival and event organisers, major performing arts companies and contemporary music promoters have also highlighted that there are a number of significant impediments to their use of existing spaces, notably The Domain, due to very high associated financial costs which are threatening the viability of some events. For example, Opera Australia indicate that their ability to continue with the popular Opera In The Park program is under threat due to the high level of costs and two of the last three Directors of Sydney Festival have seriously questioned the Festival’s ability to continue with its massive commitment of budget to its events in The Domain. The fragility of the financial arrangement under which the cost of temporary infrastructure is shared amongst users was highlighted last year by the cancellation of contemporary music festival Homebake which left other presenters in The Domain with no option but to pick up an additional share of the substantial costs involved.

Three major issues have emerged from the Review’s stakeholder consultation with regard to the provision and utilisation of major outdoor spaces:

- Significant issues with the cost of temporary infrastructure when using the City’s largest outdoor space - The Domain
- The lack of a large-scale amphitheatre-style venue suitable for both ticketed and free events – particularly one which builds on the natural attractions of Sydney Harbour
- The lack of a major suitable hard (ie non-grassed) space

### 4.4.4 Re-development of the Sydney Entertainment Centre

Whilst Sydney is currently well served for arenas and large multi-purpose spaces, a number of stakeholders argue that the existing Sydney Entertainment Centre (SEC) is coming to the end of its useful life and that its existing configuration and facilities (including for example its lack of corporate boxes) are now well-outdated as many advances have been made in the design and construction of flexible large scale arena venues over the last thirty years. Presenters also argue very strongly that Sydney needs one substantial arena venue in the CBD of Sydney.

### 4.4.5 Technical deficiencies - CarriageWorks

The development of CarriageWorks as a dedicated centre for contemporary arts was a bold and important move in support of emerging and contemporary arts. While the venue has achieved many of its objectives and is a valued multipurpose venue and function space, many of its users – particularly dance, drama and other performance companies in the small to medium sector and the visual arts sector have identified through stakeholder consultation that the venue is very expensive to utilise because of the limited in-house technical facilities available. As a result, a number of its intended users are financially unable to use the venue without additional subsidy. This has put significant stress on both the budgets of such companies and on that of CarriageWorks which has effectively had to offer subsidies to maintain occupancy.

CarriageWorks has also identified the need to make small-scale public performance possible in rooms currently restricted to rehearsal purposes as a number of groups would make use of these smaller spaces as opposed to the larger and more expensive spaces licensed for performance.
4.4.6 Technical deficiencies - Concert Hall, Sydney Opera House

Whilst Sydney is relatively well served for concert hall venues, with five concert halls available compared to an average of 4.3 identified in the benchmarking study, the Concert Hall at the Sydney Opera House stands out as the key such venue for the city. Stakeholder consultation revealed a high level of concern relating to the quality of the acoustics of the venue. A number of stakeholders, principally from the fine music sector, and Opera House management argue that, as an internationally iconic building, the quality of the venue’s acoustics should complement its significance and contribution to both Sydney’s cultural sector and the economy of NSW.

Specialists in the fine music field argue strongly that the problematic acoustics of the Sydney Opera House Concert Hall currently impact on both the quality of performances and on the quality of experience for audiences. The Sydney Symphony Orchestra, Australian Chamber Orchestra and Musica Viva all regard the acoustic as sub-standard and argue that audiences are simply not getting the aural experience that they should reasonably expect in a world-class concert hall. They also argue that the musicians who play in the space regularly are also compromised by the difficulty in hearing each other due to the muddiness of the sound – which in turn leads to deterioration in top quality ensemble performance. While it can be argued that the quality of acoustics is a subjective matter, it is demonstrably true that the reputation of leading concert halls around the world largely stands or falls by the quality of their acoustics. There is no more important issue facing a venue principally designed to host performances of fine music.

To address this issue, The Sydney Opera House is currently commissioning preliminary work to make some limited improvements to the acoustics while also seeking support to commission designs that may fully address the major long-term problems. The preliminary works are only expected to abate a small part of the problems.

4.4.7 Technical deficiencies - Sydney Theatre

The Sydney Theatre has had a significant level of complaint about its acoustics since its opening in 2004. New South Wales Cultural Management (NSWCM) which operates the venue has received a steady and high level of complaints from disgruntled audience members who complain that it is difficult to hear the actors. Many have stated that they will not return to the theatre unless the problems are rectified. Given that Sydney Theatre Company (STC) is the anchor tenant of Sydney Theatre, that drama is its core business, and that the text of any play is at the core of understanding the drama, this is a very serious problem. This has occupied a good deal of time at Board and management level. On those occasions when Sydney Theatre has been used for cinema, similar or higher levels of complaint have been received.

NSWCM and STC have already undertaken a number of measures to try and alleviate the problems. These include:

- acoustic reinforcement via a specially designed sound system;
- installation of some sound-baffles in the fly tower; and
• an approach to designing sets for the Sydney Theatre stage that endeavours to provide hard reflective surfaces and which brings as much action as possible downstage.

These measures have had a limited level of success and ameliorated some of the worst problems but involve significant recurrent expense for STC when acoustic reinforcement is used (technical hires and sound operator costs). These measures do not, however, address the most fundamental issues. STC now regularly require even experienced actors to wear radio microphones when performing straight drama if the set is even moderately open (for example, *War of the Roses* and *Long Day’s Journey into Night*).

STC has had extensive discussions with a range of theatre experts, sound engineers and the original acousticians, and found two main problems from an acoustic point of view:

• unacceptable reverberation times resulting from the structure and shape of the building; and

• a failure to meet the appropriate standards for noise isolation in the theatre’s auditorium. The acceptable standard in this regard is a measured noise level of NR20 and areas within the auditorium deliver readings of almost double this figure at NR35.

Fully resolving the first of these issues (reverberation times) may present very significant problems given that they arise from the very structure of the theatre’s fly-tower and side-stage configuration. There may, however be techniques for ameliorating this problem that do not involve wholesale re-construction.

The second issue is probably more straightforward as it involves reducing the unacceptably high level of ambient noise in the auditorium through a series of individual measures including improvement of acoustic door seals, optimising of air-conditioning services vis a vis noise levels and providing sound insulation for winch rooms and other services. It should be noted, however, that maintaining the building’s mechanical services in the finely tuned and balanced state required to ameliorate the problem of background noise may require increased annual expenditure in this area.

NSWCM have recently commissioned acousticians Arup to fully investigate both the problem and the potential solutions.

### 4.4.8 Artist studios and residential studio spaces

The venue audit and stakeholder consultations have indicated there is a significant shortage in the number of accessible artist studios, residencies, experimental and multipurpose exhibition facilities within Sydney. Venues operating at the moment are considered by stakeholders as either unaffordable, inaccessible by public transport or occupied. The Venue Audit showed that of the 71 Artist Studios available 100% are continually occupied and that of the 20 residencies, 19 are continually occupied with the only one not being used located at Government House. Figures for the numbers of artists not able to access studios are not available as organisations do not necessarily record the number of artists turned away but anecdotal evidence is such that there is clearly substantial unfulfilled demand.
As a result, artists are moving out of the city areas and moving away from Sydney to afford suitable venues. For those artists within Sydney, many artists are increasingly concerned about the shortage, expense and legalities associated with inhabiting existing empty, non-functional, and ill-equipped spaces and their inability to work with the private sector.

This Review acknowledges the work Arts NSW has contributed through the Empty Spaces Project, which promotes short-term reuses of empty shops and other spaces for creative and community uses. The Empty Spaces project seeks to address some of these issues; however this has not yet resulted in significant projects to make use of temporary space in central Sydney. This Review also considers that the buildings on Cockatoo Island have potential to provide ideal locations for artist studios and residencies, which could help address this gap.

4.4.9 Indigenous Cultural Centre

Public institutions, educational institutions, performing and visual arts organisations, event organisations, patrons, artists and tourism authorities have all expressed the need for an Indigenous arts centre in Sydney, particularly given that NSW has the largest number of Indigenous sites of significance of any State. Many stakeholders indicated that Indigenous Australian culture, of which ‘art’ is an intrinsic expression, should be acknowledged and that this should be undertaken by exhibiting world class Indigenous art alongside a vigorous program of contemporary and traditional practice across all genres. A venue to incorporate this was highlighted as a way in which this could be achieved and other benefits of such a venue could provide as a meeting place for the Indigenous community and provide a major cultural experience for both visitors and locals.

The demand for Indigenous expression is highlighted by a study conducted by the Australia Council for the Arts stating that 47 per cent of people who participated in the study claimed that their interest in Indigenous arts was growing. Of those who had attended an Indigenous arts activity, these participants had a significantly stronger and more positive interest in Indigenous arts. Arts NSW have also acknowledged the growing appreciation for Indigenous art and culture in Australia.

It is also noted that Sydney’s existing art institutions offer only a limited focus on Indigenous arts and culture. As previously outlined, only a small proportion of the Australian Museum’s extensive Indigenous collection is currently on display for example and the floor space of the Museum of Sydney is much smaller than the average for social history museums in the benchmarked cities. Whilst there is a case for enhancing the Indigenous collections and exhibitions at existing institutions, the potential to achieve this is limited by capacity constraints. A new Indigenous centre could therefore provide further space for existing world class Indigenous collections (including art and archaeological and ethnographic artefacts) that would be of significant interest to international visitors, as one of several possible functions.

The concept of a cultural centre will require considerable consultation in the wider community and across government. Further, the location, design and involvement of the Indigenous

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70 Empty Spaces, About Empty Spaces, URL: http://emptyspaces.culturemap.org.au/page/about-empty-spaces
73 ArtsNSW, NSW Aboriginal Arts and Cultural Strategy 2010, p 3.
community will be crucial elements to the success of such a centre. The degree to which one institution may comfortably house the many impulses towards creating an Indigenous cultural centre is a complex question with stakeholders suggesting that it may encompass an enormous diversity of purposes including:

- exhibition of existing collections of precious and often fragile art and artefacts
- traditional performance and ceremony (requiring outdoor as well as indoor space)
- contemporary visual arts, crafts and fashion
- a commercial retail outlet
- contemporary performance in dance, theatre and music
- a community centre that would create a meeting place for the Indigenous community

The way forward in considering the creation of such a centre, which would almost certainly require significant ongoing operational funds as well as substantial initial capital investment, would require a significant feasibility study involving broad consultation.

### 4.4.10 Spaces for the Exhibition of Design

International benchmarking and stakeholder consultation both indicate the development of a strong focus on design in contemporary gallery and museum practice. For example, Victoria is investing in a 'State of Design' with collaborations between Swinburne and RMIT; Brisbane has held its first Design Triennial and both Manchester and Hong Kong have contemporary centres of art with significant elements devoted to design. There are powerful cross-connections with industry - with a growing understanding of the role of creativity and good design in successful sustainable commercial practice.

While Sydney has a vigorous design scene and arguably leads the way in design training and practice in Australia, design as a genre is not currently well-served by the existing visual arts institutions. Stakeholders have argued that there is a demand for a forward thinking Design Centre that incorporates all aspects covered within the genre including sustainability, industrial design, urban design landscape design, architecture, craft and fashion. There are, however, two visual arts institutions in Sydney (The Powerhouse Museum and Object: Australian Centre for Craft & Design) that already have a significant design focus and it seems likely that this gap identified in Sydney’s cultural scene could be best resolved through the up-grading of their facilities.

The Powerhouse Museum’s design collection has been described as the ‘DNA of Australian Design’. The PHM aspires to a redevelopment which will re-align its commitment to the design genre and address facility inadequacies through the dedication of Level Two of the building to a new design centre and gallery. Under this vision, a space of approximately 3,000 square metres would provide for a Design Library as well as temporary and permanent exhibitions of Industrial Design, Architectural Design, Fashion and other cutting edge developments in design.
The PHM will continue to host their yearly Engineering Design Awards, Industrial Design Awards and more. Students will also use the newly established Design Centre for their annual fashion exhibitions and awards. This proposal is, however, still at an early stage of development.

Object: Australian Centre for Craft and Design is currently the only centre of its type in Sydney but its functionality and ability to deliver on its mission is limited by the inadequacy of its space and low visibility in the marketplace. Since moving from Customs House in 2003, Object experienced a dramatic decrease in visitation and retail sales with the drop in visitation attributed to the lack of exposure to international visitors. Object wishes to re-establish the organisation in a larger site at Barangaroo and, following community/market research and consultation, believe that there is the demand for a stand-alone contemporary Design Centre.

Given the relative strengths of these two institutions, it would appear that, on balance, the design genre may be well represented in Sydney through an approach that supports both in their ambitions to re-develop their offerings and structures rather than through the difficult and costly establishment of a new institution. Such an approach should clearly be on the basis of complementary programming strategies with, for example, The Powerhouse focusing more strongly on areas of the history of design while Object focuses more strongly on contemporary design developments. As discussed in Chapter 2, the whole genre of design is extraordinarily broad (eg with London having no less than 8 institutions covering various areas of design), so the concept of supporting both institutions in their aspirations seems an appropriate response to the current lack of a major design centre.

4.4.11 Digital Infrastructure for Visual Arts Venues

It has become critical that contemporary galleries and museums are well equipped with the right infrastructure to show digitally produced art, to provide access to digitised collections and to offer high quality educational resources to be accessed both on-site and on-line. In addition artists’ studios and Contemporary Centres of Art require the infrastructure to create work in digital media and to interact digitally with artists and audiences in other locations. Section 2.3.18 gives further detail of the wide variety of digital infrastructure required to meet these various different functions.

Sydney’s visual art venues are, with a few exceptions, poorly equipped to meet this burgeoning requirement which limits exhibitions, public programs, education, outreach and the making of digital art.

The venue audit undertaken did not obtain the specific detail of the requirements of each of the 30 venues surveyed but they overwhelmingly reported a lack of appropriate equipment, cabling, wireless internet facilities etc. These specific requirements will vary substantially depending on the nature of their collections, exhibitions policy and level of educational program offered and it is suggested that an appropriately qualified consultant might be engaged to consider the specific needs in this area in order to then make specific recommendations in relation to various galleries and museums.
4.4.12 Upgrade of NSW Cultural Institutions (Additional Exhibition Space)

This finding deals with the lack of exhibition space at a number of galleries and museums in Sydney. In particular it has been noted that the Australian Museum and the Museum of Sydney have space constraints that affect the functionality of the venues and their ability to display important works from their collections. It is further noted that while there are existing exhibition space constraints at AGNSW and The Powerhouse Museum, there are re-developments either underway or proposed which will go some way to address concerns. These institutions are in some instances seeking investment for such developments and have strong cases to present.

Exhibition space compared with the benchmarked cities:

Table 13 gives a comparison between the floor spaces of institutions in Sydney and those in the benchmarked cities. Only venues over 2,000 square metres have been included, with a maximum of five venues. It is noted that some cities have more than five venues over 2,000 square metres and that data was not available for all venues).

Table 13: Floor space comparison

<table>
<thead>
<tr>
<th>City</th>
<th>Major visual arts facilities</th>
<th>Exhibition Space (sqm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>• The Art Institute of Chicago</td>
<td>93,000</td>
</tr>
<tr>
<td></td>
<td>• Museum of Contemporary Art</td>
<td>7,600</td>
</tr>
<tr>
<td></td>
<td>• The Mary and Leigh Block Museum of Art, Northwestern University</td>
<td>5,200</td>
</tr>
<tr>
<td></td>
<td>• Millennium Park</td>
<td>3,000</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>• NY Carlsberg Glyptotek</td>
<td>22,500 (NB: total floor area)</td>
</tr>
<tr>
<td></td>
<td>• The Danish Museum</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>• ARKEN The Museum of Contemporary Art</td>
<td>6,000</td>
</tr>
<tr>
<td></td>
<td>• Experimentarium venue</td>
<td>4,950</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>• The Hong Kong Museum of Art</td>
<td>17,530</td>
</tr>
<tr>
<td></td>
<td>• The Hong Kong Museum of History</td>
<td>8,000</td>
</tr>
<tr>
<td></td>
<td>• The Hong Kong Space Museum</td>
<td>8,000</td>
</tr>
<tr>
<td></td>
<td>• The Hong Kong Heritage Museum</td>
<td>7,500</td>
</tr>
<tr>
<td></td>
<td>• Hong Kong Science Museum</td>
<td>7,245</td>
</tr>
<tr>
<td>Manchester</td>
<td>• The Museum of Science &amp; Industry</td>
<td>16,250</td>
</tr>
<tr>
<td></td>
<td>• Manchester Art Gallery</td>
<td>3,200</td>
</tr>
<tr>
<td></td>
<td>• The Whitworth Art Gallery, University of Manchester</td>
<td>3,000 (approx)</td>
</tr>
<tr>
<td>Melbourne</td>
<td>• National Gallery of Victoria (NGV International)</td>
<td>12,000</td>
</tr>
<tr>
<td></td>
<td>• National Gallery of Victoria (Ian Potter Centre; NGV Australia)</td>
<td>7,000</td>
</tr>
</tbody>
</table>
As with many of the other cities, Sydney has one very large gallery (the Powerhouse Museum) and several other major galleries. Whilst Sydney’s overall exhibition space is not out of keeping with the benchmarked cities, it is particularly notable that Sydney’s art galleries have less floor space than the other cities, with the exception of Manchester, and that Sydney does not have an art gallery on the same scale as Chicago, Melbourne or Copenhagen.

**Confirmed redevelopments**

While the Venue Audit and International Benchmarking exercises have noted that AGNSW and the Australian Museum currently have less exhibition space than is adequate, it is noted that both galleries have significant plans underway to address these deficiencies. While the AGNSW development is seen as largely satisfying current and projected demand, the Australian Museum will still be constrained in their ability to display their permanent collection.

As noted above the Powerhouse Museum is in the process of redeveloping its ground floor space to accommodate an additional 1,000 square metres of exhibition space and reconfigure entrance, egress and circulation. Total capital expenditure is estimated at $8.6 million. The investment is also expected to improve safety, increase capacity and improve the experience for group visits.

This Review strongly endorses the redevelopments at these institutions, which are clearly supported in the gap analysis.

**Blockbuster exhibitions**

“Blockbuster” exhibitions have over the last few decades become a crucial part of the cultural mix for major cities around the world. These not only serve the needs of local populations by providing access to some of the greatest works of art, artefacts and antiquities in the world, but also act as powerful attractions for cultural tourists, thereby elevating the reputation of the host city as a prime tourism and business destination. It is therefore important that this Review specifically considers Sydney’s capacity to host blockbuster exhibitions now and into the future.
To provide an idea of the frequency of and market demand for blockbuster exhibitions in internationally benchmarked cities, the Review researched such exhibitions held in the period 2007 – 2010.

Table 14: Blockbuster Exhibitions in Benchmarked Cities

<table>
<thead>
<tr>
<th>City</th>
<th>Exhibition</th>
<th>Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Museum of Science and Industry: Harry Potter, the Exhibition (Apr – Sep 2009)</td>
<td>392,162</td>
</tr>
<tr>
<td>Copenhagen</td>
<td>The NY Carlsberg Glyptotek: Meeting of masters: Casper David Friedrich &amp; Christian Kobke (May – July 2010)</td>
<td>54,129 visitors</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>The Hong Kong Science Museum: Biodiversity in China 2010</td>
<td>172,000 visitors</td>
</tr>
<tr>
<td>Manchester</td>
<td>Manchester Art Gallery: Facing East: Recent Works from China, India and Japan from the Frank Cohen Collection Feb-Apr 2010 + Ron Mueck (Exhibitions took place in two separate exhibition areas).</td>
<td>Combined visitation: 65,903</td>
</tr>
<tr>
<td></td>
<td>Manchester Art Gallery: JS Bach/Zaha Hadid Architects Jul-Aug 2009</td>
<td>42,104 visitors</td>
</tr>
<tr>
<td></td>
<td>Manchester Art Gallery: Ten Drawings by Leonardo da Vinci from the Royal Collection Feb-May 2009</td>
<td>60,916 visitors</td>
</tr>
<tr>
<td></td>
<td>Manchester Art Gallery: Kylie – The Exhibition Jun-Sep 2007</td>
<td>76,651 visitors</td>
</tr>
<tr>
<td>Melbourne</td>
<td>National Gallery of Victoria: Salvador Dali: Liquid Desire, 2009</td>
<td>332,000 visitors</td>
</tr>
<tr>
<td></td>
<td>ACMI: Game On, 2008</td>
<td>130,000 visitors</td>
</tr>
<tr>
<td></td>
<td>ACMI: Tim Burton, 2009-10</td>
<td>275,000 visitors</td>
</tr>
<tr>
<td></td>
<td>National Gallery of Victoria: Titanic: The Artefact Exhibition, 2010</td>
<td>476,000 visitors</td>
</tr>
<tr>
<td></td>
<td>Museum Victoria: A day of Pompeii, 2009-10</td>
<td>332,679 visitors</td>
</tr>
<tr>
<td></td>
<td>National Gallery of Victoria: European Masters 2009-10</td>
<td>200,000 visitors</td>
</tr>
<tr>
<td></td>
<td>Museum Victoria: Star Wars: Where Science Meets Imagination 2009-10</td>
<td>192,745 visitors</td>
</tr>
<tr>
<td>Sydney</td>
<td>The Australian Museum: Egyptian Treasures 2009</td>
<td>61,384 visitors</td>
</tr>
<tr>
<td></td>
<td>The Australian Museum: Mammoth 2009</td>
<td>63,107 visitors (approx)</td>
</tr>
<tr>
<td></td>
<td>AGNSW: Monet and the Impressionists – 2008-09</td>
<td>225,745 visitors</td>
</tr>
<tr>
<td></td>
<td>AGNSW: The Lost Buddhas – 2008-09</td>
<td>50,816 visitors</td>
</tr>
<tr>
<td></td>
<td>AGNSW: Arts of Islam: Treasures from the Nasser D Khalili Collection – 2007-08</td>
<td>75,793 visitors</td>
</tr>
<tr>
<td></td>
<td>PowerHouse Museum: Star Wars: Where Science Meets Imagination (2008-09)</td>
<td>216,000 visitors</td>
</tr>
</tbody>
</table>
Information from Brisbane was unavailable as a result of the January 2011 flooding.

The table indicates that Sydney has been able to host a wide range of large-scale exhibitions, attracting significant visitor numbers. It is also noted that the blockbusters hosted in Melbourne have attracted even higher numbers of visitors, although it is unclear if the differential is associated with the available space in each city.

**Demand for additional space and facilities**

- **Art Gallery of NSW**

  While stakeholder consultations and international benchmarking indicate that the AGNSW would probably benefit from increased exhibition space, the gallery is capable of accommodating its permanent collection and of hosting one-off or travelling exhibitions including blockbusters. As the use of the physical site of the Gallery has already been maximised, it appears that future increases in demand would have to be met either through expansion at a new site or by extending opening hours. As outlined in Chapter 2, extending opening hours could increase capacity of over 30 per cent. If such an approach is feasible, it would appear that there is the capacity for AGNSW to meet demand over the next fifteen years. However Sydney would continue to have significantly less art gallery exhibition space than the benchmarked cities, notably Melbourne, although there would be potential to address this in the development of an Indigenous Cultural Centre.

- **The Powerhouse Museum**

  While the Powerhouse Museum is currently addressing some existing venue inadequacies through its redevelopment plans (see above), its plans for a major new gallery devoted to Design are as yet not approved or funded. Should these plans eventuate, there still remains a key issue in finding the resources to change the permanent exhibitions which, because of the nature of some of the exhibits, involves considerable renovation in itself. In terms of space, however, it would appear that the museum will serve Sydney well for many years to come assuming that the plans for redevelopment proceed.

- **Australian Museum**

  While the Australian Museum is currently re-aligning some of its temporary exhibition space to attract larger special exhibitions, which are not currently able to be physically accommodated, the Museum will still be significantly inadequate as it will still not have the space to put its extensive and important collections of Pacific and Indigenous art on display. Addressing this problem should be a priority in the Museum sector.

- **Museum of Sydney**

  An inadequate floor plate restricts the programming and educational programs of the Museum of Sydney. For example, the Museum is unable to house major exhibitions. It is also noted that Sydney is underserved in terms of space for exhibitions of social history. Given that the Museum of Sydney’s purpose and its site (that being the site of the first
Government House) are inextricably linked, options for expanding its exhibition and educational space are limited. However the concept of a new Indigenous Cultural Centre offers potential to address Sydney’s social history needs.

4.4.13 Upgrade facilities for experimental and multi-disciplinary practices

Stakeholder consultations, venue audits and international benchmarking identified that Sydney has limited venues that accommodate experimental, multi-disciplinary practices. The adequacy of existing Contemporary Art Centres differs according to the strategic aims of each organization, however particular inadequacies include limited gallery and exhibition area, limited ability to incorporate cross-disciplinary practice that incorporate new media and new technologies, limited visibility and accessibility. In particular, the nature of the spaces do not easily allow for the type of practice that is now standard within the milieu and which is predominately “process driven”. This presents something of a contradiction as these venues should embody cutting edge artistic practice, thinking and culture. Stakeholder consultation identified the extent to which these venue types are recognised for their ability to reach out to and collaborate with national and international peers and attract a great deal of interest and enthusiasm from predominately younger to middle aged audiences. They are considered to have great potential but suffer in their ability to offer world class programs and facilities as a result of inadequate facilities.

If Sydney is to be at the forefront of contemporary art, there should be strong consideration given to either the re-development of existing sites or relocation to larger alternative sites. Alternatively a single large-scale purpose built centre focussing on new media could be considered although it would inevitably bring with it the significant issue of recurrent funding on top of capital cost.

4.4.14 Improve Education Facilities at Art Gallery of NSW

The AGNSW is considered to be a national leader in the development and delivery of education programs to students ranging in ages from kindergarten to tertiary levels. The Gallery currently services some ten per cent of the NSW student population. Demand for visits by students is expected to increase by thousands every year. Given the crucial role that the AGNSW plays in the cultural life of Sydney and New South Wales, it is disappointing that the limited educational facilities of the institution prevent it from offering a more frequent and diverse education program.

Requirements to remedy this situation would be relatively modest – these being principally a devoted and well-equipped education room and seminar/meeting spaces.

The Gallery’s capacity to deliver education programs would also be enhanced through a separated education entrance to remove the congestion at the front door and provide an effective orientation space for school students and teachers. A separate entrance is estimated to increase capacity for school students from 85,000 per annum to around 110,000 per annum.
4.4.15 Incorporation of Digital Media in Outdoor Spaces

Stakeholder consultation and the venue audits identified that Sydney is well placed to offer significant local and international Public Art as part of Sydney’s overall cultural experience for residents and visitors. Sydney’s world class festivals including the Biennale of Sydney, Sydney Festival and Film Festival were often referred to as Sydney’s cultural strengths alongside its natural beauty and lifestyle. Given the role of new technologies in contemporary life and the perception that engagement with such progressive media affords, it is considered important that public displays of art should include digital technologies to offer a new media experience.

While individual installations both permanent and transient may use digital technology (e.g., Sydney Festival’s recent Your Name In Lights project), a permanent large scale digital screen such as the screen at Federation Square in Melbourne would offer the opportunity for regular large scale displays of digital art and if internet-enabled allow linkage to projects and events across the country and around the world and also allow interactivity with audiences through mobile telephony.

4.4.16 Pier 2/3 Development in Walsh Bay Cultural Precinct

In any consideration of meeting the needs of Sydney’s Cultural Facilities into the future, the potential of Pier 2/3 at Walsh Bay cannot be over-stated.

This magnificent heritage building mirrors Pier 4/5 which stands as one of the most unique and visionary developments in Sydney’s cultural facilities of the last thirty years and is beloved of audiences and artists alike. International visitors marvel at the building itself and the innovative and sympathetic adaptive re-use. Pier 4/5 has won numerous architectural and design awards including the Sulman Prize and was recently awarded a rare 25 year Award by the Royal Australian Institute of Architects. Above all, Pier 4/5 represents a pinnacle in the adaptive re-use of heritage buildings through the creation of a new life for the building.

Rather than being respectfully moth-balled for students of social history and design to admire, it is a busy and exciting space playing host to a plethora of creativity. It is a place where the public meet artistic activity head-on. It has also been fundamental to one of Sydney’s largest and most successful urban renewal projects (Walsh Bay) and provides a classic case-study of what cultural activity can do to activate a precinct.

It is also important to note what the building has done for the arts organisations which it houses:

- It provides them with an integrated home base.
- The spectacular nature of the location and attraction of the building make it a magnet for top creative artists and indeed the cream of Australia’s talent in all other areas of cultural production – technicians, administrators, marketing and development staff etc.
- It attracts audiences who love the ambience of the building.
• It creates commercial value for the organisations through their ability to leverage other income streams – e.g. through The Wharf Restaurant, the Sydney Dance Cafe, Sydney Dance Studio with their public dance classes or Bangarra’s mezzanine space.

Most companies resident at Pier 4/5 – but particularly STC, Sydney Dance and Bangarra, would acknowledge that the venue itself has been crucial in their development over the last two decades.

The multiplicity of venues also makes Pier 4/5 a brilliant festival venue and the Sydney Writers Festival has shown how the synergy between location and cultural activity can create something very special indeed – again, the Writers Festival would acknowledge the key role of Pier 4/5 and now Sydney Theatre in the success and growth of the event.

Given the key role of cultural precincts outlined in 3.4 of the Report, this Review highlights the value in maximising cultural space on Pier 2/3. This space has sat empty since the renovation of the fabric of the building was completed by Walsh Bay Finance in 2003 as part of its obligations under the Walsh Bay development. Originally designated as “Cultural Space” on the Walsh Bay Masterplan, many views have been expressed by various stakeholders that the full allocation of the Pier as cultural space cannot not be afforded and that a substantial part of the building must be made over to commercial purposes in order to pay for the fit-out for cultural purposes. This would appear to be strictly short-term thinking. If such thinking had been applied to Pier 4/5 in 1984, one can but imagine the long-term loss to the community.

Sydney has the opportunity to create one of the most unique and exciting cultural precincts in the world between Walsh Bay and Barangaroo. Pier 2/3 is one of the keys to building the precinct particularly if the cultural organisations offered the opportunity to locate there, are selected on the basis of their ability to actively contribute to the critical mass of the precinct. This means that their location there should contribute to activity by day and by night; they should contribute to performance and/or exhibition activity that attracts audiences; they should offer workshops, classes and other participatory experiences that bring in both professionals and members of the public seeking education in the arts; they should be encouraged to engage in commercial artistic activity that engages consumers, contributes to a lively ambience and which offers financial support to their core activities. In pursuit of the principal that the building should provide a strong and stable base from which companies can develop, the Pier should also be created as an integrated home to selected groups.

This Review concludes that the allocation of any commercial space on Pier 2/3 (other than such space to be directly controlled by cultural organisations) would see a once-in-a lifetime opportunity lost to maximise the consolidation of the Walsh Bay Cultural Precinct. It is noted that a significant number of excellent cultural organisations are very enthusiastic to become part of the precinct. The key principles for determining the future use must relate to activation, engagement with the public, synergies within the precinct and consolidation of key organisations through use of the space.

In considering particular facilities that may be located at Pier 2/3, the Review notes that a significant gap identified through the stakeholder consultations is the high demand for a 200-300 studio theatre. The Consultants acknowledge that this gap is out of the scope of this project and that real demand has not been tested but consultations suggest that a studio theatre as part of
the Pier 2/3 re-development would generate significant usage. Companies interested in such a venue are Bell Shakespeare, Australian Theatre for Young People (ATYP) and Sydney Writers Festival. Future demand for such a theatre is expected to be intensified given the loss of the Belvoir Downstairs Theatre as a venue available to independent production in 2010. Such a theatre would provide valuable opportunity for interaction between the independent sector and other professional arts organisations which is to be strongly encouraged.

4.5 Key Findings

Key findings in relation to the High Priority Gaps are:

- **Main-stage Lyric Theatre**: There are limited facilities in Sydney for both musical theatre and opera and ballet. This review concludes that there is a case for an additional mixed-use, large-scale, 2000-seat lyric theatre. The theatre should be centrally located, preferably within a dynamic precinct and able to accommodate musical theatre as well as large scale opera and ballet productions to an international standard.

- **Rehearsal and studio space**: There is an insufficient supply of rehearsal space for large scale productions, such as musicals and opera, as well as rehearsal space for small to medium performing arts companies. Large scale rehearsal space linked to a new lyric theatre is likely to promote cultural vibrancy and financial viability.

- **Outdoor Multipurpose Space**: There are a number of significant impediments to the use of existing outdoor spaces and an additional space would be a significant asset to the City. Options include reducing the costs of temporary infrastructure associated with use of the Domain; developing a mid-scale amphitheatre-style venue for both free and ticketed events; and providing a hard (i.e. non-grassed) space for temporary performance structures.

- **Redevelopment of the Sydney Entertainment Centre**: Whilst Sydney is currently well served for arenas and large multi-purpose spaces, stakeholders argue that the existing Sydney Entertainment Centre is coming to the end of its useful life and that its existing configuration and facilities are well-outdated as advances have been made in the design of flexible large scale arena venues. There is strong support for the planned inclusion of an upgraded facility in the new Sydney Multi-purpose Convention and Entertainment Centre.

- **Technical Deficiencies of existing performance venues**: The technical deficiencies of CarriageWorks (equipment and infrastructure), Sydney Opera House Concert Hall (acoustics), and Sydney Theatre (acoustics) are impacting on either the quality of these venues and/or impeding potential demand.

- **Artist studios and facilities for residencies**: The venue audit and stakeholders have indicated there is a significant shortage in the number of accessible artist studios, residencies, experimental and multipurpose exhibition facilities within Sydney. Improved access to empty spaces on a temporary basis and examination of the potential use of buildings on Cockatoo Island are among options to address the limited supply.
• **An Indigenous cultural centre**: There was widespread interest in and support for an Indigenous arts centre in Sydney, although the nature and scope of the centre was not agreed. Considerable further consultation with the community will be needed to develop a concrete proposal in terms of format, function and operation model for such a centre. Possible functions include display of Indigenous collections from existing State visual arts institutions; display of contemporary visual and applied arts; traditional performance and ceremony; contemporary performance in theatre, dance and music and a meeting place for the Indigenous community.

• **Exhibition of Design**: While Sydney has a vigorous design scene, design is not well served by existing visual arts institutions. This gap could be best resolved through upgrade of the Powerhouse Museum and consideration of a more appropriate venue for Sydney’s only Contemporary Centre for Design (Object: Australian Centre for Craft and Design).

• **Digital infrastructure for visual arts venues**: There are challenges for visual arts venues to keep pace with requirements for creation and display of contemporary art created through digital means. There is also a need for increased on-line access to digitised collections at the visual arts museums. A further study is required to identify the specific needs of individual institutions.

• **Exhibition space at NSW Cultural Institutions**: The Australian Museum has insufficient gallery area to display its extensive permanent collection. Moving storage offsite would free up space which could be redeveloped for exhibitions. Sydney’s major art gallery is smaller than those in other international centres. The Powerhouse Museum has exhibition space constraints but a redevelopment is underway to address immediate concerns, which is strongly supported. Investment to support other findings such as an Indigenous Cultural Centre may also help to address exhibition space limitations.

• **Facilities for experimental and multi-disciplinary practices**: Existing venues (Artspace, 4A Centre for Contemporary Asian Art and The Australian Centre for Photography) are limited in their ability to accommodate experimental, multi-disciplinary practices for which demand is growing. Consideration should be given either to the redevelopment of existing sites or relocation to larger sites. Alternatively a single, large-scale, purpose built centre focusing on new media could be considered, although it will inevitably require significant recurrent funding, on top of the capital cost.

• **Educational Facilities at Art Gallery of NSW**: Given its flagship role as the State’s leading visual arts institution and the significant demand from schools and tertiary students, AGNSW should have first class educational facilities. The principal requirements are a devoted and well-equipped education room and seminar/meeting space.

• **Incorporation of digital media to outdoor areas**: Given the role of new technologies in contemporary life and the engagement such progressive media afford, public displays of art should include digital technologies to offer a new media experience. This would also provide key infrastructure for a number of the City’s major festivals and events.
5 Investment Options

5.1 Investment Options To Be Developed

Following the detailed discussion of the high priority gaps in section 4.4, a select number of investment options have been further developed for consideration which include:

- A new main-stage lyric theatre;
- New rehearsal and studio space;
- The addressing of technical deficiencies of:
  - Carriageworks (technical infrastructure)
  - Sydney Opera House, Concert Hall (acoustics)
  - Sydney Theatre (acoustics)
- Redevelopment of the Entertainment Centre within the CBD; and
- Outdoor multipurpose spaces including:
  - Economical temporary infrastructure for outdoor events in The Domain
  - Outdoor performance space that builds on the natural attraction of Sydney Harbour
  - An outdoor space developed for temporary performance structures.

Due to the limited scope of this project, a number of important investment options were not given this detailed treatment.

5.1.1 A new Main-stage Lyric Theatre (Opera/Ballet and Musical Theatre)

Description

This option analyses the costs and economic implications of a lyric theatre with a capacity of approximately 2,000 seats located in the City of Sydney.\textsuperscript{74}

Pursuant to the objective of developing a vibrant cultural precinct for Sydney, an ideal location for such a venue would be Barangaroo.

\textsuperscript{74} 2,000 seats was indicated as the preferred capacity of Opera Australia, Australian Ballet, a number of musical theatre producers and other stakeholders including Events NSW.
Such a theatre would ideally also house significant rehearsal studios in order to both address the gap identified (as discussed at section 4.5.7 below) as well as providing daytime activation to the precinct.

Future Demand

As there are specific differences in technical requirements, particularly in size of orchestra pit, for a main-stage lyric theatre that can accommodate large scale opera and ballet compared to a ‘basic’ lyric theatre designed purely for musical theatre, the Review considered whether future demand would support one or two lyric theatres. Results indicate that in the short to mid-term, audience demand and producer activity levels are unlikely to support the immediate construction of more than one new lyric theatre in Sydney but that within a 15 year time-frame there may well be demand for two new theatres.

Supply indicators for both opera and ballet and musical theatre are currently tight. Such indicators are outlined in section 4.4.1 along with detail of the capacity and technical challenges with many of the existing theatres:

In terms of demand indicators for musical theatre, data provided by the venues shows the average annual attendance per theatre over the last three years for musical theatre was around 256,000 with total average annual attendance around 770,00 for these three venues.75

Whilst attendance data from the Australian Bureau of Statistics data presented in Chapter shows a decline in attendance at musicals and operas between 1995 and 2010, there has been an increase in attendance between 2006 and 201076. Live Performance Australia’s ticketing survey estimates the annual growth rate for musical theatre in Australia over 2004-2009 was 5.8 per cent, as compared to Sydney’s annual population growth rate of 1.8 per cent77.

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75 In order to assess demand indicators for musical theatre, the average annual attendance over the last three at each of the theatres in Sydney that regularly accommodate musicals was calculated from figures provided by these venues, along with the total average attendance for all three venues over the last three years.

76 Australian Bureau of Statistics: Attendance at Selected Cultural Venues and Events, 2009-10, Cat. No. 4114.0

77 Note, for this Review’s forecasts we have used current ABS forecasts which project a growth rate for Sydney’s population of approximately 1.4% per annum.
IBIS World reports suggest that Music and Theatre productions in Australia are anticipated to rise at a growth rate of 3.4 per cent per annum.\textsuperscript{78} IBIS World further suggests that attendances at performing arts venues are anticipated to grow by 3.3 per cent.\textsuperscript{79}

For the purpose of this Review, we have assumed that the 3.4 per cent projected growth in music and theatre productions projected for 2011 to 2016 continues until 2026. This is greater than the projected population growth, but less than the growth rate indicated by Live Performance Australia, and therefore can be seen as a relatively conservative assumption.

Table 15: Estimated growth in Sydney musical theatre attendance

<table>
<thead>
<tr>
<th>Year</th>
<th>Audience Numbers prior year</th>
<th>Growth Rate</th>
<th>Annual audience growth</th>
<th>Total audience</th>
<th>Audience increase from 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>769,452</td>
<td>3.40%</td>
<td>26,161</td>
<td>795,614</td>
<td>26,161</td>
</tr>
<tr>
<td>2016</td>
<td>909,462</td>
<td>3.40%</td>
<td>30,922</td>
<td>940,383</td>
<td>170,931</td>
</tr>
<tr>
<td>2021</td>
<td>1,074,947</td>
<td>3.40%</td>
<td>36,548</td>
<td>1,111,495</td>
<td>342,043</td>
</tr>
<tr>
<td>2026</td>
<td>1,270,546</td>
<td>3.40%</td>
<td>43,198</td>
<td>1,313,742</td>
<td>544,290</td>
</tr>
</tbody>
</table>

Source: Live Performance Australia, Ticketing survey

Assuming that, as per Table 13, average attendance at a lyric theatre operating at regular utilisation is 256,000 this table shows that by 2016, based on annual increases in audiences for musical theatre of 3.4 per cent, musical theatre productions would utilise one new lyric theatre

\textsuperscript{78} IBIS World, \textit{Music and Theatre Production in Australia}, 2010 p7.

\textsuperscript{79} IBIS World, \textit{Performing Arts Venues in Australia}, p3.
to about 67 per cent of effective capacity. It further suggests that within 15 years demand would justify the provision of two such theatres for musical theatre alone (assuming growth rates remain constant over this time).

It is harder to quantify the demand for a new theatre for large scale opera and ballet as these productions are not currently staged in the absence of an appropriate venue. However, consultations with the Sydney Opera House, Opera Australia and the Australian Ballet (as outlined in section 4.5.1) indicated that there is demand from these organisations as well as other parties for a larger, more flexible theatre as an alternative to the Opera Theatre at the Sydney Opera House for select performances. A relatively conservative indicative utilisation from the Australian Ballet, Opera Australia, Sydney Festival and other major events would be 12 weeks per annum (i.e. 25 per cent of effective capacity, assuming 49 weeks per annum as effective 100 per cent capacity).

It is this Review’s conclusion therefore that within five years demand will require one new major lyric theatre in the CBD of Sydney and that within fifteen years demand may probably require a second.

It has been argued by Live Performance Australia that a dedicated theatre for musical theatre would not need to be in an iconic building or located within a particular precinct. It has further been argued that the gap that exists for musical theatre is for a 1,500 – 1,700 seat theatre. It is this Review’s conclusion, however, that such a theatre should:

- have a capacity of approximately 2,000 seats;
- be mandated to serve opera and ballet productions and other major theatrical events, as well as musical theatre;
- be located in a vibrant cultural precinct (as discussed in Chapter 3); and
- feature iconic architecture (as discussed in Chapter 3).

This would ideally be located at Barangaroo to add to and develop the Walsh Bay cultural precinct.

Given the time required to reach final decisions, determine funding options, design and construct a new theatre, it is anticipated that demand for the theatre would have fully matured by the time it could open. Should demand continue to grow according to the projections in this Report, another medium scale lyric theatre of approximately 1500 – 1,700 seats exclusively for musical theatre could still be developed in time to meet such projected future demand and could be possibly factored in to the design of Barangaroo – i.e. towards the end of the fifteen year time-frame in approximately 2025.

Estimated costs

This section estimates the capital and recurrent costs and economic implications of a lyric theatre which can accommodate opera, ballet and musical theatre is built as per the recommendations above.
Capital cost

Table 16 provides examples of previous capital costs of a number of domestic and international theatres which can indicate likely capital costs\(^{80}\). It should be noted that, as can be seen by the wide variation in costs per seat below, the cost estimate can only be regarded as very broadly indicative and that the greater the ambition of the building (and likely impact on the city and precinct), the greater the cost per seat. The estimated average capital cost per seat is $73,000.

It is noted that the estimated capital cost per seat has been adjusted to deal with variations including adaptive re-use vs. Greenfields construction, other capital works associated with the project (eg second smaller venues) and other issues to try to bring the estimates of the cost per seat to a more comparable basis for each venue. Explanation of these adjustments is provided in the footnotes below.

It is further noted that the Melbourne Theatre Company Theatre and Melbourne Recital Centre which were built as "iconic architecture", have the highest per seat cost. For example, the MTC Theatre at 500 seats cost $5.9 million more than the 850 seat Sydney Theatre. It would appear that constructing a building with “iconic architecture” may add approximately 30 to 60 per cent to the cost.

On the basis of an approximate cost per seat of $73,000 as estimated below, a 2,000 seat lyric theatre could cost approximately $146 million. It must be stressed, however, that this is a broadly indicative figure only and is likely to be subject to very substantial variation.

Table 16: Examples of capital costs for the construction of a Lyric Theatre

<table>
<thead>
<tr>
<th>Theatre</th>
<th>Year Constructed</th>
<th>Estimated Capital Cost (adjusted to 2011 prices)</th>
<th>Capacity</th>
<th>Average cost per seat</th>
<th>Adjustments to reflect unique characteristics of venue</th>
<th>Adjusted Estimated cost per seat (adjusted to 2011 prices)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney Theatre</td>
<td>2004</td>
<td>$48.7m</td>
<td>850</td>
<td>$57,000</td>
<td>+15(^{81})</td>
<td>$65,898</td>
</tr>
<tr>
<td>Melbourne Recital Centre</td>
<td>2008</td>
<td>$87.6m</td>
<td>1000</td>
<td>$88,000</td>
<td>+5(^{82})</td>
<td>$91,975</td>
</tr>
<tr>
<td>Melbourne Theatre Company</td>
<td>2008</td>
<td>$54.6m</td>
<td>500</td>
<td>$109,000</td>
<td>-20(^{83})</td>
<td>$87,389</td>
</tr>
<tr>
<td>Lyric Theatre Star City</td>
<td>1997</td>
<td>$96.7m</td>
<td>2000</td>
<td>$48,000</td>
<td>0%</td>
<td>$48,359</td>
</tr>
<tr>
<td>Charlotte Theatre, Seoul</td>
<td>2008</td>
<td>$72.1m</td>
<td>1200</td>
<td>$60,000</td>
<td>0%</td>
<td>$60,000</td>
</tr>
</tbody>
</table>

\(^{80}\) Note that international costs have been converted into AUD

\(^{81}\) Allow +15% as ST Back of House adaptive re-use

\(^{82}\) Allow +15% theatre vs. Music usage; -10% remove 120 seat concert chamber

\(^{83}\) Allow -20% remove Lawler Studio
Recurrent cost

In order to gain a picture of the viability of operating a new lyric theatre, the Consultants have created a high-level operating budget of annual income and expenditure. The Income estimates are based on the experience and industry knowledge of the Consultants. The operating Expenditure estimates are based on work done by Ernst & Young in their Preliminary Business Case for a new live performance venue in Sydney commissioned by Live Performance Australia (October 2010). These expenditure estimates have been examined by the Consultants and would appear to be in line with industry standards although it is noted that the allowance for repairs and maintenance would be adequate only in the early years of operation. Depreciation or other finance costs have not been included in the calculation.

Table 17: Examples of operating costs for a Lyric Theatre

<table>
<thead>
<tr>
<th>Lyric Theatre</th>
<th>Indicative Budget</th>
<th>(All figures 2011 $)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Venue hire - performance mode</td>
<td>34 weeks @ $70K</td>
<td>$2,380,000</td>
<td>Assumes 80% effective capacity</td>
</tr>
<tr>
<td>Venue hire - bump in / out mode</td>
<td>5 weeks @ $50K</td>
<td>$250,000</td>
<td>Assumes 80% effective capacity</td>
</tr>
<tr>
<td>Catering (Nett profit)</td>
<td>$2 per attendance</td>
<td>$513,000</td>
<td>70% avge attend - approx 280,000 pax</td>
</tr>
<tr>
<td>Merchandise (Venue Royalty)</td>
<td>$0.50 per attendance</td>
<td>$140,000</td>
<td>70% avge attend - approx 280,000 pax</td>
</tr>
<tr>
<td>Ticket Agency Rights Fees</td>
<td>$1.50 per ticket sold</td>
<td>$420,000</td>
<td>70% avge attend - approx 280,000 pax</td>
</tr>
<tr>
<td>Supplier rights</td>
<td>$25,000</td>
<td></td>
<td>Coffee, liquor, confectionery rights</td>
</tr>
<tr>
<td>Rehearsal space</td>
<td>$0</td>
<td></td>
<td>Rehearsal studios separate budget</td>
</tr>
<tr>
<td>Naming rights</td>
<td>$0</td>
<td></td>
<td>Not included as speculative</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>$3,728,000</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Expenditure

---

84 Allow 5% reduction lesser tech facilities (e.g., ice-rink) balanced by lower labour cost
85 Averages are not weighted
### Lyric Theatre Indicative Budget (All figures 2011 $)

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour costs (including payroll tax etc)</td>
<td>$1,082,400</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Advertising, marketing &amp; promotion</td>
<td>$394,600</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Electricity, gas &amp; water (not recovered)</td>
<td>$50,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Security (non recoverable)</td>
<td>$75,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Cleaning (non recoverable)</td>
<td>$75,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Administration/accounting</td>
<td>$75,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Legal</td>
<td>$50,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Insurance premiums</td>
<td>$125,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Travel, accommodation &amp; entertainment</td>
<td>$25,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Land tax &amp; land rates</td>
<td>$50,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td>Repairs &amp; maintenance</td>
<td>$195,000</td>
<td>Per Ernst &amp; Young report for LPA</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>$2,197,000</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Operating Surplus/Deficit</strong></td>
<td><strong>$1,531,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

This rough budget indicates that a new lyric theatre should be able to generate an operating profit of approximately $1.5 million per annum excluding financing/depreciation costs and costs arising from management or service arrangements between the owner and the operator. It must be emphasised that this budget is indicative only for the purposes of illustrating whether such a theatre would require on-going subsidy or would deliver some return of capital.

It should further be noted that it does not include potential revenue from naming rights or other sponsorship.

This budget does not pre-suppose a particular Ownership or Operating Model.

### Economic Implications

The construction of a new lyric theatre in Sydney could have the following economic implications:

- The construction of the theatre will in itself generate short-term economic impact during the construction period.

- Sydney would be better positioned to bid for and secure major first-run musicals which bring with them substantial economic benefit to the State. For example, Events NSW has indicated the economic impact of a first-run musical with a season of nine months could...
range from $9.9 million-$22 million in direct expenditure from 1,000 overseas visitors and 20,000 interstate visitors. These figures are based on the following assumptions:

- The theatre show will be first-run and initially promoted as exclusive to Sydney
- The theatre show will be of status akin to a ‘blockbuster’ that will have the capacity to attract significant interstate and overseas visitors
- The theatre will be have a capacity of at least 1,700 and will average 80 per cent occupancy for each show.
- Only visitors who came specifically to see either show will be counted (i.e. visitors who were in Sydney anyway are not counted for the purposes of this analysis) and figures have used the average daily expenditure rates and average length of stay figures

• The establishment of a well-utilised lyric theatre in Sydney will create employment in the theatrical industry and substantial positive flow-on benefits to a variety of businesses both within and beyond the precinct.

• The construction of a new lyric theatre will increase the supply of venues that could house opera, ballet and musical theatre. As supply increases following the construction of the lyric theatre, other venue operators may not be able maintain the rent premiums currently charged due to increased competition which could adversely impact the profit margins of individual venue operators. Given the forecast increase in audience demand, however, it is anticipated that such negative impact would be short-lived.

• It is possible that the impact on the most marginal of the existing lyric theatres, the Theatre Royal, would be such that the theatre may no longer operate viably in the short to mid-term. If this were the case, one avenue that could be explored would be the City’s agreement that the owners may de-commission the Theatre Royal as a theatre venue and alter the land usage in return for a significant financial contribution to the construction of the new lyric theatre. This would, however, probably lead to the earlier requirement to deliver a second lyric theatre for Sydney within the 15-year time-frame. This would also be a complex and time consuming process requiring extensive investigation.

• If no investment is made, however, current demand for venues is likely to outweigh supply and this is likely to increase prices. Over the medium to long term, this shortage will be exacerbated with the anticipated economic recovery, increasing consumers’ level of disposable income, population and tourism growth and an anticipated rise in performing arts venues industry real revenue of 3.4 per cent per annum.

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86 Events NSW
87 IBIS World, Music and Theatre Production in Australia, 2010 p7.
Alternatives

- While the above scenario contemplates the construction of a new building, ideally located at Barangaroo, there is one striking alternative to building a new lyric theatre on a greenfields site. This is the substantial renovation and reconstruction of the back of house areas of the State Theatre in order to make it suitable for presentation of large scale musical theatre. Such a possibility has been mooted a number of times over the last two decades and has been ruled out due to the unavailability of crucial adjacent land required to expand the size of the stage housing.

- While it appears that the problem of land acquisition may now be surmountable and there is no doubt that a renovated and technically adequate State Theatre would be a highly attractive proposition for both audiences and producers of musical theatre, current activity presented at the State Theatre which experiences a high utilisation may be compromised, leading to supply problems in another sector of the live performance industry. This option would also require further significant consultation with the owners of the State Theatre.

- On balance, it is this Review’s view that this alternative solution may not adequately address the problem, as the technically challenging renovation required may still see a theatre limited in flexibility.

5.1.2 Rehearsal and Studio Space

Description

Two options have been identified to address the issue of the two identified types of limited rehearsal space:

- Rehearsal space for large scale productions – which could be accommodated by building rehearsal space within the building hosting a new lyric theatre; and

- Rehearsal space for small to medium and independent performing arts companies – space needs to be affordable and therefore there may not be a strong case for locating it within the CBD. Developments that are being investigated at the old Parachute Factory in Lilyfield as well as Pier 2/3 could potentially fill this gap.

Current & Future Demand

It is demonstrably true that current demand for rehearsal space outstrips supply given the number of companies and producers who indicate that they obliged to make do with improvised spaces and work under significantly compromised circumstances. In some cases the lack of studio space directly impacts on their ability to raise revenue (eg TaikOz who have demand for more income-generating workshops and classes which they cannot currently accommodate in their existing rented premises).

It is anticipated that such base-level demand will steadily increase over coming years given continued increasing trends in performance activity.
Should a new lyric theatre be built in Sydney (see 4.5.1 above) it is clear that there will be a significant shortfall in rehearsal space - particularly if the theatre is successful in attracting first-run musical theatre. Assuming that such a theatre caters for both opera and ballet in addition to musical theatre, it would be vitally important to have rehearsal studios associated with the theatre especially for visiting ballet and dance companies whose dancers must train every day. Having rehearsal studios associated with the lyric theatre would also create optimal circumstances for the production of musical theatre and give Sydney a point of difference with Melbourne, where none of the lyric theatres have significant rehearsal studios attached. It should also be noted that Opera Australia cannot currently accommodate all their rehearsal needs on site at their Surry Hills base and that they would, in all likelihood, make use of such a rehearsal facility for particular productions – especially any to be performed at a new lyric theatre.

Estimated Costs

Building a new facility

Based on discussions with industry professionals, the cost to build a new, high quality rehearsal facility which would include multiple rooms, toilets, showers, kitchen facilities and production offices that would be suitable to rehearse large scale production, has been estimated at somewhere between $3,500 - $5,000 per square metre assuming a flat, level site is available.

On the above basis, the cost of a major new rehearsal facility for musical theatre, opera and dance might be anywhere between $3.5 -$5 million (excluding land costs) although this may be reduced somewhat if built as part of a main-stage theatre development given access to shared services.

Refurbishment of existing facility

Based on discussions with industry professionals, the cost to refurbish existing buildings to make them suitable for rehearsals could range from $1,250 per square metre to create a very basic facility without any special finishes or fit out/technologies right through to $5,000 per square metre for a first-class facility. This is due to the potential costs of altering an existing building, which can sometimes be as costly as building from scratch as there are many unknowns eg. structural strengthening works, contaminated materials in the building, extent of the alterations and adjustments to existing electrical, mechanical, fire and hydraulic services etc.

There are working examples of rehearsal spaces being created less expensively than this such as Heffron Hall and FraserStudios that are run by Queen Street Studios. However, it should be noted that these facilities would not be capable of accommodating major productions and were primarily created for and are used by the independent sector.

FraserStudios are a particularly interesting model which, with minimal capital expenditure has taken advantage of temporarily unused space to create a rehearsal and exhibition facility. In 2008, Frasers Property introduced a new initiative to make creative use of vacant warehouse space in the old Kent Brewery development site on Broadway. Three warehouses have been temporarily transformed into a multi-disciplinary art space. The main aim of the project is to encourage artistic development and exchange by providing free work space and subsidised
rehearsal space to both the visual and performing arts community. FraserStudios contains three studios and can accommodate meetings and functions, contemporary performance rehearsals as well as visual arts exhibition space. It should be noted, however, that this is a temporary development but it does provide a model which serves both the developer in activating the space and also the performing and visual arts sectors through providing affordable, accessible space.

Possible Sites

- As discussed above, a major new rehearsal facility for musical theatre, dance and opera would ideally be co-located with a new lyric theatre and in a vibrant cultural precinct where the daily comings and goings and activities of the artists would add to the lively atmosphere of the precinct by day to complement performance activity by night.

- For small to medium companies and the independent sector the Parachute Factory at Lilyfield would seem to provide an excellent option for the refurbishment of an existing building. Work is currently being undertaken by Arts NSW examining the possibility of converting the top floor of the Parachute Factory into multiple rehearsal spaces. This appears to be a highly desirable solution to the majority of the shortage of space for this sector as the space available at The Parachute Factory is very significant indeed. Creation of a significant multi-purpose rehearsal facility at Lilyfield would also add to the life of this small creative precinct and be an effective and efficient use of an existing Government owned building. The Callan Park site at Rozelle could also be considered as an alternative site for this purpose should the Lilyfield site prove not to be feasible.

- For a number of companies that currently have inadequate rehearsal space (for example, Bell Shakespeare whose rehearsal space is compromised by lack of size and columns and the Australian Chamber Orchestra whose space is also too small and has OH&S concerns) Pier 2/3 at Walsh Bay can provide a logical possibility to finally resolve their rehearsal (and other) space issues. Rehearsal studios would also provide a high intensity activity activating the precinct by day and extending the lively cross-disciplinary atmosphere of Pier 4/5. It should also be noted that co-location of a number of such companies also leads to possibilities of synergies and efficiencies between different performing companies. It is already the case the Bangarra, ATYP, STC, Sydney Dance and the Sydney Philharmonia Choirs often co-operate to help solve each others’ rehearsal overflow problems and the provision of further rehearsal space for music and theatre in the precinct would extend these synergies.

- A detailed study of individual companies’ rehearsal needs (floor area, height, number of co-located studios, floor treatment, sound insulation, ventilation, amenities, access etc) would need to be carried out in order to create a plan to meet all requirements but assuming a new rehearsal facility built in conjunction with a new lyric theatre, the development of the top floor of the Parachute Factory at Lilyfield and rehearsal space being provided for performing arts tenants at Pier 2/3, the city should have adequate rehearsal space for the next 15 year period.
Economic Implications

- Rehearsal space linked to a Lyric Theatre is likely to increase the demand for the Lyric Theatre as vertical integration of facilities is likely to be cost effective for users as well as having the appeal of being able to rehearse within the facility in which the production is to be presented.

- A high quality large scale rehearsal facility will make Sydney a more attractive destination in which large scale first run musicals may be originated.

- Access to affordable, quality rehearsal space for the independent and small to medium performing arts sector will allow these companies to continue to develop their work and will enhance the vibrancy and vitality of these sectors. In some cases, provision of adequate rehearsal and studio space will contribute directly to their financial viability by allowing them to run revenue-producing classes.

- Access to affordable rehearsal spaces will reduce the financial pressure on small to medium and independent companies’ budgets - allowing them to allocate resources otherwise spent on expensive rehearsal space towards creating better quality work.

- Whilst detailed work has not been done on the flow-through effect of having a vibrant small to medium performing and independent arts sector, it is evident that many of the leading artists working in Sydney commenced their careers in the independent sector and then moved on to smaller companies and then to the larger ‘main stage’ companies such as Sydney Theatre Company, Belvoir, Bell Shakespeare, Sydney Dance, etc. Creating more opportunities in better spaces for emerging artists to work may ultimately assist in creating a more vibrant, dynamic and creative sector as a whole, thus increasing the appeal of the performing arts in Sydney for both local and tourist audiences.

5.1.3 Technical Deficiencies

5.1.3.1 Renovate CarriageWorks to address technical limitations

Description

To increase the utilisation of CarriageWorks and address potential demand, this option comprises three alternatives developed as a result of consultation with CarriageWorks to address the technical limitations of the venue and the possibility of extending the public performance areas.

- **Alternative a):** Renovate both the rehearsal rooms and theatres to provide basic lighting, rigging and sound items.

- **Alternative b):** Upgrade rehearsal spaces to allow these spaces to be used for ticketed performances.
• **Alternative c):** Includes both Alternative a) and b) and provides all necessary infrastructure to significantly improve the operations and utility of the facility.

**Future Demand**

CarriageWorks has been experiencing growth since it commenced operation in 2007. Attendances increased 11 per cent from 2008 to 2009 and the number of artists using the venue rose by 35 per cent in the same period to 3,002. The numbers of programs presented rose from 217 in 2008 to 232 in 2009. Utilisation figures are outlined below.

<table>
<thead>
<tr>
<th>2009 Venue Usage</th>
<th>Days in use</th>
<th>Dark Days</th>
<th>Percentage in use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bay 17</td>
<td>219</td>
<td>146</td>
<td>60%</td>
</tr>
<tr>
<td>Bay 20</td>
<td>241</td>
<td>124</td>
<td>66%</td>
</tr>
<tr>
<td>Bay 19</td>
<td>288</td>
<td>77</td>
<td>79%</td>
</tr>
<tr>
<td>Track 8</td>
<td>336</td>
<td>29</td>
<td>92%</td>
</tr>
<tr>
<td>Track 12</td>
<td>323</td>
<td>42</td>
<td>88%</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>281</strong></td>
<td><strong>83.6</strong></td>
<td><strong>77%</strong></td>
</tr>
</tbody>
</table>

*Source: CarriageWorks*

In 2009 average occupancy was 77 per cent. This was, however, a decline of 6 per cent from 2008 average occupancy of 83 per cent.

In 2009, CarriageWorks reported an operating deficit of $18,000 against a budgeted deficit of $205,000. This was, however, a significant decline from the previous year (2008) in which a surplus of $331,000 was recorded. It is noted that between 2008 and 2009, expenses increased by $121,000 whereas income fell by $197,000.

These figures may have been affected by the unstable economic conditions in 2009. In this year, corporate events declined significantly, major arts companies cancelled or reduced their use of the centre and the government reclaimed commercial bays to install commercial film maker Kennedy Miller Mitchell which reduced potential revenue streams. As economic recovery continues, opportunities for growth in the area of corporate hires can be expected.

A risk to future revenue and the viability of CarriageWorks is the lack of a diversified client base. In 2009, one venue hire client made up 34 per cent of the venue’s hire revenues. Added technical infrastructure which is likely to make the venue more viable for a wider range of hirers would not only enhance CarriageWorks’ ability to deliver on its mission as a contemporary arts centre – by increasing usage by performing arts companies relative to corporate hirers - but would also potentially diversify the client base and lead to an increase in future income.

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88 CarriageWorks, 2009 Annual Report, p21
89 CarriageWorks, 2009 Annual Report, p24
90 ibid
91 ibid
Estimated costs

Alternative a) – Basic lighting, rigging and sound

This Alternative addresses basic technical issues and includes the installation of basic lighting, rigging and sound equipment in rehearsal spaces and theatres. This Alternative would provide basic infrastructure to increase the utilisation of the theatres and rehearsal spaces.

Estimated figures are provided in Table 19.

Table 19: Estimated Costs of Alternative a)

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upgrade technical facilities rehearsal spaces</td>
<td>$0.15 m</td>
</tr>
<tr>
<td>Upgrade technical facilities performance spaces</td>
<td>$1.38 m</td>
</tr>
<tr>
<td>Venue general - scissor lifts</td>
<td>$0.05 m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1.58 m</strong></td>
</tr>
</tbody>
</table>

Source: CarriageWorks

Alternative b) – Upgrade Rehearsal Rooms

- Alternative b) seeks to increase the utilisation of CarriageWorks by upgrading the rehearsal rooms to enable the spaces to host small-scale ticketed performances. Through upgrading fire doors and air-conditioning, this allows CarriageWorks to meet standards required to use the spaces for public performances. It should be noted that, as utilisation of the venue increases as a result of these measures, this may have implications for the existing planning framework in terms of building use and access (for example parking). Estimated figures provided by CarriageWorks are provided in Table 20.

Table 20: Estimated Costs of Alternative b)

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire doors</td>
<td>$0.06 m</td>
</tr>
<tr>
<td>Air-conditioning</td>
<td>$0.2 m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$0.26 m</strong></td>
</tr>
</tbody>
</table>

Source: CarriageWorks

Alternative c) – Full Upgrade

Alternative c) addresses the technical limitations of the rehearsal spaces and theatres spaces as well as front and back of house areas. The Alternative includes Alternatives a) and b) and also includes:

- Power locks and accessories, digital stage boxes, visual tannoi system, a hazer, a ProTool Digital audio workstation, kinetic motor controls, IT infrastructure, power factor correction unit, roof top splash protectors, LED lighting throughout the venue, foyer exhibition lighting system, a touring production office, a boom lift, electric VML, a bar code scanner and barcodes, one utility vehicle, digital signage, and air conditioning for the foyer.
Estimated figures are provided in Table 21.

<table>
<thead>
<tr>
<th>Item</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full upgrade of rehearsal spaces (this includes Alternative a and b)</td>
<td>$0.3 m</td>
</tr>
<tr>
<td>Full upgrade theatre spaces (this includes Alternative a and b)</td>
<td>$1.71 m</td>
</tr>
<tr>
<td>Full upgrade of back of house, front of house and operational systems not including rehearsal and theatre spaces (this includes Alternative a and b)</td>
<td>$1.36 m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3.37 m</strong></td>
</tr>
</tbody>
</table>

*Source: CarriageWorks*

**Economic Implications**

The upgrading of CarriageWorks is likely to have the following economic implications:

- CarriageWorks will become a more viable option for small to medium performance and visual arts organisations thereby increasing the demand for the venue and providing Sydney with a more diverse range of performance and visual art on offer.

- CarriageWorks’ financial viability should improve as a result of higher levels of cultural activity and the ability to attract lucrative corporate events.

- As utilisation will increase, existing planning framework in terms of building use and access (for example parking) will need to be reconsidered to support increase in demand.

**Other Issues**

Whilst not included in the option analysis, stakeholders have highlighted the problems with access to public transport and parking to ensure ease of access to Carriageworks. In this respect, there appears to be substantial space available in the short-term for on-site parking on adjacent land in the old rail-yards if access can be negotiated.

**5.1.3.2 Renovate the Sydney Opera House Concert Hall to address acoustic issues**

**Description**

This section investigates and provides estimates (as far as that is currently possible) of the costs of improvements to the Concert Hall in order to ensure that the quality of its acoustics match the quality and reputation of the building as a whole. According to internationally respected acoustician Larry Kirkegaard, four key actions the Opera House can take to improve the acoustics include:

1. Flatten the saw tooth walls in the hall on the front of the boxes;

2. Curtaining around some areas of the hall to dampen excess reflection;
3. Electronic on-stage pickup and strategic speakers amplifying bass response; and

4. A large acoustic ceiling positioned over the platform

Currently, the Sydney Opera House is undertaking saw tooth wall flattening paid for through the venue’s capital plan which is expected to be completed late 2011. Item 2 (curtaining) will be investigated following the completion of Item 1 and is also expected to be funded from within the Sydney Opera House capital budget. Item 3 (electronic enhancement) is not likely to be pursued until all other avenues are exhausted.

The final Item 4 (large acoustic ceiling) requires extensive mechanical and load bearing studies to be undertaken in order to develop a design and to examine the impact on other uses of the Concert Hall.

The Opera House is seeking funding to undertake a full study of the Concert Hall uses and future requirements within the next 2-3 years as a key priority, with the potential for works to be undertaken beyond that time-frame.

**Future Demand**

The Opera House has experienced relatively stable performance and audience (usage) trends over the last 10 years, with only a small reduction in audience numbers during 2008-09. Its utilisation has also remained stable over this time, indicating the venue is operating at close to 100 per cent effective capacity as indicated in Table 22 below.

**Table 22: Sydney Opera House: 10 Year Performance Trends**

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Performances</th>
<th>Audiences</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1,679</td>
<td>1,272,097</td>
<td>82%</td>
</tr>
<tr>
<td>2009</td>
<td>1,677</td>
<td>1,241,763</td>
<td>83%</td>
</tr>
<tr>
<td>2008</td>
<td>1,661</td>
<td>1,269,996</td>
<td>83%</td>
</tr>
<tr>
<td>2007</td>
<td>1,595</td>
<td>1,212,270</td>
<td>85%</td>
</tr>
<tr>
<td>2006</td>
<td>1,558</td>
<td>1,129,879</td>
<td>83%</td>
</tr>
<tr>
<td>2005</td>
<td>1,543</td>
<td>1,134,881</td>
<td>81%</td>
</tr>
<tr>
<td>2004</td>
<td>1,653</td>
<td>1,145,789</td>
<td>80%</td>
</tr>
<tr>
<td>2003</td>
<td>1,730</td>
<td>1,252,846</td>
<td>81%</td>
</tr>
<tr>
<td>2002</td>
<td>1,563</td>
<td>1,101,320</td>
<td>83%</td>
</tr>
<tr>
<td>2001</td>
<td>1,434</td>
<td>1,124,976</td>
<td>83%</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>1,609</strong></td>
<td><strong>1,188,582</strong></td>
<td><strong>82.4%</strong></td>
</tr>
</tbody>
</table>


While the above figures encompass performances at all the venues at the Opera House, it is fair to say that the overall pattern in usage and attendance holds good across all the House’s venues including the Concert Hall.
The data above suggest that the Sydney Opera House has a relatively inelastic demand for its events and a correspondingly stable customer revenue base, making it relatively shielded from economic conditions. As such, it is hard to build a purely economic case for the improvements to the Concert Hall acoustics as it seems likely that audiences will continue to be attracted to the venue despite its limitations. It is also highly unlikely that its anchor tenant the Sydney Symphony Orchestra will seek to perform elsewhere despite their dissatisfaction with the acoustics. It also seems likely that the iconic status of the building will continue to attract top quality musical performers and ensembles such as the Berlin Philharmonic on those rare occasions when the resources can be found to bring these performers to Sydney. However over-reliance on the iconic status of a building, without maintaining its facilities and acoustics at internationally recognised levels of quality, may ultimately create a detrimental impact on its reputation and international standing. This may risk its ability to bring premier performers and thereby risk the stability of its revenue generating activities in the longer term.

Given the Opera House’s major demonstrable economic impact on the city and state, which arise from its iconic status and international reputation, the case for investment to maintain such reputation by ensuring that the quality of performance and experience inside the building matches the famous exterior is strong.

Estimated costs

The Sydney Opera House has indicated that a full study and preliminary redesign of the use of the Concert Hall is likely to range from approximately $6 million to $10 million. The cost of the refurbishment of the Concert Hall will be determined when that study has been executed.

Economic Implications

The upgrade to the acoustics of the Concert Hall may have the following economic implications:

- It would provide Sydney with a Concert Hall in which performance conditions and audience experience live up to the expectations of a first class cultural facility in an internationally iconic venue. This has the potential to maintain the Opera House’s substantial economic impact estimated at $264 million to Sydney, $276 million to NSW and $304 million to the Australian economy. These benefits are driven by a combination of international, interstate, intrastate and local residents.

- Renovation may not necessarily increase demand for the Concert Hall because it is currently operating at full capacity. If investment is not made, however, attendance at performances held in the Concert Hall may ultimately decrease because of inferior quality with a concomitant reduction in revenue to the Opera House and its key fine music presenters. It is possible if the Concert Hall’s reputation declines that some acts may choose not to come to Sydney.

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5.1.3.3 **Investigate solutions and upgrade Sydney Theatre to address acoustic issues**

*Description*

This option examines the upgrade of Sydney Theatre to address the venue’s acoustic issues.

*Future Demand*

The figure below shows the number of hiring weeks at Sydney Theatre from 2004 to 2009.

*Figure 5-2: Trends in Sydney Theatre Hiring*

![Graph showing trends in Sydney Theatre Hiring from 2004 to 2010](source: Ian MacRae review of Sydney Theatre for Arts NSW)

The hiring figures in Figure 5-2 above appear relatively stable with only one significant dip in 2007 which was a result of the cancellation of a significant season by the ill-fated Kookaburra Musical Theatre company. In 2010, the Sydney Theatre had the highest number of rented weeks on record thanks to the highest-ever usage by STC driven by presentation of major productions featuring Cate Blanchett, William Hurt and the legendary Steppenwolf Theatre Company.

To calculate the effective utilisation rate of the theatre, the Consultants have assumed a 100 per cent capacity of 49 weeks which includes both a December/January holiday break and a two week programmed maintenance period. The utilisation figures for the Sydney Theatre from 2004 – 2010 are identified in Figure 5-3 below.
As evident in Figure 4.5 above, Sydney Theatre has averaged a high effective utilisation rate averaging 87 per cent from 2004 to 2010. Utilisation has been relatively stable since 2004 only once falling below 80 per cent in 2007 due to the cancellation referred to above. While this may suggest that there is little significant evidence that the Theatre’s acoustic issue is impacting upon demand for the venue, these statistics must be taken within the context of STC’s current success under the leadership of Cate Blanchett and Andrew Upton. In particular it is noteworthy that Blanchett has chosen to appear in productions (*Wars of the Roses*, *A Streetcar Named Desire* and *Uncle Vanya*) at Sydney Theatre over the last three years thereby shoring up the theatre’s position with STC’s core audience and growing new audiences. Given the level of complaint experienced by NSWCM with regard to the acoustics, it seems likely that the baseline response to the theatre is being masked by the audience’s enthusiasm for “must-see” attractions. It is the view of this Review that the poor quality of the acoustics at Sydney Theatre will ultimately result in disaffection from audiences and a reduction in both utilisation and attendances at drama events at the theatre.

**Estimated Costs**

STC has recently begun negotiations for a consultancy by Arup to consider the likely costs of measures to upgrade the acoustics. The consultancy is expected to cost in the order of $50,000. The estimates for the renovation cost will be available once this consultancy is completed.

Source: Ian MacRae review of Sydney Theatre for Arts NSW and Sweet Reason analysis
Economic Implications

The upgrade to the acoustics of the Sydney Theatre may have the following economic implications:

- If investment is not made, attendance rates at Sydney Theatre performances are likely to fall and producers may substitute for acoustically higher quality venues – eg STC may choose to present more productions at the Drama Theatre at the Opera House.

- Even if producers (especially STC) maintain their rate of utilisation it is possible that attendances for productions at Sydney Theatre will fall, which will negatively impact upon STC’s financial viability.

- Upgrading the acoustics at the Sydney Theatre is unlikely to increase demand for the theatre as the venue is currently operating at high capacity. It is likely, however, to assist in preventing a reduction in utilisation.

5.1.4 Redevelopment Sydney Entertainment Centre

Description

In late 2010, the NSW Government released a new master-plan to expand Sydney’s Convention and Exhibition Facilities at Darling Harbour.

The plan, aiming to expand convention and exhibition space proposes a dedicated conference and entertainment auditorium which can hold live performance events for up to 12,000 visitors through to concerts on a smaller scale for as few as 3,000.\(^93\) The venue would be suitable for sporting events such as basketball, tennis and boxing and include 17 corporate boxes.

This plan includes the demolition of the current Entertainment Centre and the development of a new Sydney Multi-function Convention and Entertainment Centre (SMCEC). Construction is expected to be completed by the end of 2015. The existing SEC would be demolished.\(^94\)

Provided that an appropriate balance of live performance and convention activity is mandated as part of the operating model for the SMCEC, the development is welcomed and supported by this Review as it addresses the continuing need for a flexible entertainment space with a capacity of between 3,000 and 12,000 seats in the CBD as outlined above.


\(^94\) ibid
Future Demand

Existing demand (see utilisation Table 23 below) indicates that there is currently some spare capacity for higher utilisation of the SEC. It is interesting to note that utilisation and attendances have dropped somewhat over the last three years for which data is available. This is attributed to the winning of business away from the SEC by the larger and more up-to-date ACER Arena in Homebush which itself still has some significant capacity for increased utilisation. It can therefore be assumed that the sharing of the new SMCEC facility between the convention and entertainment industries will still allow sufficient availability to meet the mid to long-term demands of the entertainment industry for a CBD-based venue (assuming that growth in demand is consistent with Sydney’s projected population growth of 1.8 per cent per annum).

Table 23: SEC Attendance and Utilisation

<table>
<thead>
<tr>
<th>Year</th>
<th>Attendances</th>
<th>Utilisation (number of event days incl bump in and rehearsal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>746,200</td>
<td>124</td>
</tr>
<tr>
<td>2008</td>
<td>586,562</td>
<td>99</td>
</tr>
<tr>
<td>2009</td>
<td>545,570</td>
<td>111</td>
</tr>
<tr>
<td>Average</td>
<td>626,100</td>
<td>111</td>
</tr>
</tbody>
</table>

Source: SEC Redbook Historical Booking Data

Estimated costs

In 2011, the NSW Government will invest $5 million to prepare a Concept Plan, report on procurement options and prepare a Final Business Case for the SMCEC. It has also been announced that the project will require private sector investment and the total cost to Government will depend on the final procurement options selected.95

Whilst firm figures for this project are not available, the NSW Ministerial Taskforce into Tourism, Planning & Investment released a Position Paper in November 2009 recommending, an “Allocation of State budget funding in the order of $450 - $500 million into 2010-11 forward budget estimates to commence construction of the Sydney Multifunctional Convention and Entertainment Centre facility for the 2011-12 year.”96

Economic Implications

- Redevelopment of the Sydney Entertainment Centre site will allow the creation of development sites, including opportunities for hotel developments to be integrated with the SMCEC providing opportunities for private sector partnership.

96 (Recommendation 8 (c)):
• This project is expected to deliver more than $600 million in economic benefits including benefits from tourism and business to NSW over the next 20 years. It is also expected to create more than 400 ongoing jobs.\textsuperscript{97}

5.1.5 Outdoor Multipurpose Spaces

\textit{Investment Option 1 – Reduce costs associated with outdoor events in The Domain}

\textit{Description}

Since roughly 1832, The Domain has provided the largest open public space in the centre of Sydney. The Domain (to be more precise - the Phillip Precinct of The Domain) is a space that attracts very high usage from a wide range of community groups and activities including schools, sporting groups, rallies, memorial events and more. Its use as Sydney’s prime outdoor cultural venue took a major step forward in 1982 when the Australian Opera presented the first \textit{Opera in the Park}, Sydney Festival presented the first \textit{Symphony Under The Stars} (now \textit{Symphony in The Domain}) and the first \textit{Carols In The Domain} took place. The annual cycle of presentations was significantly enhanced by the creation of the portable Domain canopy which remains in place for three months from December to February. Attracting crowds of up to 35,000 (sitting) and 60,000 (standing),\textsuperscript{98} The Domain continues to provide the largest outdoor gathering space in Sydney and is a key cultural asset.

The current arrangements for the presentation of major concerts at The Domain through the summer period are managed by a combination of the Royal Botanic Gardens & Domain Trust (RBG) and the Sydney Festival (SF). RBG determine policy in terms of how many events may be staged (having regard to the maintenance of the park) and also control bookings which are subject to Heritage, Conservation and Management Plan objectives, Environmental Protection Agency regulations, negotiations with neighbouring organisations (e.g. Art Gallery of NSW), balancing other community needs and, inevitably, the weather. SF own the concert shell and some additional related infrastructure and also coordinate the provision of the other temporary infrastructure including backstage compound, toilets, lighting towers and provision of services (electricity, water and sewerage). The costs of the installation are then shared on a per-event basis between the various users. Typically there would be 6 or 7 such events - for example:

• Carols in The Domain
• Homebake
• Sydney Festival First Night (SF)
• Summer Sounds in The Domain (SF)
• Field Day

\textsuperscript{97} Ibid
\textsuperscript{98} Source: Sydney Festival estimates
• Symphony In The Domain (SF)

• Opera In The Park

Other events such as Tropfest (which uses less of the infrastructure) make smaller contributions to the combined cost which in 2010-11 is budgeted at $730,000 – which, when amortised, results in an infrastructure cost of approximately $104,000 per user. The relatively small number of events involved means that presenters, of which many receive a significant government subsidy, still face great financial vulnerability if there are less users than expected. Removing one presentation from the equation immediately adds 16.8 per cent to the per concert costs for the remaining presenters. Removing two adds 39.9 per cent to the per concert cost and so on. Given that SF presents 3 of the concerts, this makes them particularly vulnerable to such variations.

Given the high costs of presentation and their high vulnerability to cost escalations, a number of SF Directors have questioned the large proportion of their available budget that goes into the Domain concert series. In 2010 the Domain concerts cost a total of $1,729,828 including infrastructure, technical and artistic costs. This represents a staggering 27 per cent of the Festival’s available deficit funding for its programming budget spent on three concerts.

Despite the very high profile of these concerts, their great popularity, their attractiveness to sponsors and the sense that they are at the core of the Festival’s program, it is inevitable that such a high allocation of available resources will be subject to intense debate and the potential for the series to be reduced or abandoned – thereby also jeopardising the remaining events due to a very large increased share in costs. It could be argued that SF is providing a cultural service that goes well beyond its remit in that it indirectly supports the other three to four events both through bearing such a significant proportion of costs but also through its management of the infrastructure.

In terms of other presenters, all would appear to be a year-to-year proposition with Homebake having cancelled in 2010, Field Day being under no obligation to maintain their presence, Opera Australia actively investigating alternatives to Opera In The Park, and Carols In The Domain regularly suggesting that they may not be able to continue to afford their contribution.

To address concerns expressed by key stakeholders about the diminishing viability of presenting performances in The Domain, this option proposes the investigation of ways in which venue and infrastructure costs may be reduced in order to maintain utilisation.

Current Costs

As detailed above, the current annual shared core infrastructure costs for presentation of events at The Domain is $730,000. This comprises:

• Storage, maintenance and erection of the stage canopy

99 Source: Sydney Festival
100 Source: Sydney Festival
101 Source: Sydney Festival
• Erection of temporary stage
• Back of house compound fencing
• Temporary services
• Portable toilet rental and installation
• 24hr site security for back of house compound and stage
• Phone and internet connection
• Power connection and distribution
• RBG ground rental, grass restitution and staff costs (cost recovery only for free events)

In addition to these costs, each presenter must bear additional direct per concert costs of up to $200,000 in respect of:

• Lighting Hires
• Sound Hires
• Visual Amplification (giant video screens)
• RBG Rental (NB cost recovery only for free events)
• Toilet hires for public
• Event security

Current & Future Demand

Demand for the Domain Concert series and other Summer events at The Domain is high. Attendances at cultural events at RBG outdoor venues over the last three years are detailed in Table 24 below.

NB: While these include a small number of events other than those in The Domain, the vast majority of both the events held and the attendances were at The Domain.

Table 24: Attendances at RBG outdoor venues

<table>
<thead>
<tr>
<th>Year</th>
<th>Attendance</th>
<th>Number of Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>351,320</td>
<td>17 Events</td>
</tr>
<tr>
<td>2008-09</td>
<td>297,650</td>
<td>14 Events</td>
</tr>
<tr>
<td>2009-10</td>
<td>381,216</td>
<td>21 Events</td>
</tr>
</tbody>
</table>
While the number of events and attendances are somewhat variable, these figures show the strong ongoing demand for events in The Domain. It should be noted, however, that there is not necessarily a significant opportunity to increase cultural usage to any great extent given the competing demands on the space, recovery time for the grassed areas and EPA restrictions.

- Live Performance Australia estimate that attendance at festivals has grown by 50.22 per cent between 2004 and 2009 with the vast majority of this increase coming from the outdoor contemporary music festival sector. While these are ticketed events, it provides a clear indication that the community is embracing outdoor performance in ever-increasing numbers and it seems unlikely that this trend will reverse.

**Options**

There are two options for reducing costs to the presenters and thereby ensuring viability:

- Build permanent infrastructure in order to significantly reduce the annual cost of providing temporary infrastructure; and

- Provide ongoing annual support for the annual establishment costs of temporary infrastructure

**Option 1: Build permanent infrastructure**

One way in which high temporary infrastructure costs may be mitigated is to consider the case for providing permanent infrastructure instead. The case study below sets out the relative advantages in operating costs of fixed infrastructure vs those of temporary infrastructure.

**Case study highlighting the benefits of fixed infrastructure – Opera in The Domain**

This case study shows that operating outdoor performances at venues with fixed infrastructure is more cost effective than those venues requiring temporary infrastructure.

Table 25 below outlines the difference in cost of producing Australia Post’s Opera In The Bowl at the Sidney Music Myer Bowl compared with the Mazda’s Opera in The Domain, Sydney. Discussion of these costs is provided below.
Table 25: Estimated difference in cost of event between Music Myer Bowl and The Domain

<table>
<thead>
<tr>
<th>Cost</th>
<th>The Domain</th>
<th>Myer Music Bowl</th>
<th>Price Difference ($)</th>
<th>Price Difference (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venue Hire Fee &amp; Infrastructure Cost</td>
<td>$212,250</td>
<td>$83,288</td>
<td>$128,962</td>
<td>155%</td>
</tr>
<tr>
<td>Total Opera Australia Direct Costs</td>
<td>$89,554</td>
<td>$24,339</td>
<td>$65,215</td>
<td>268%</td>
</tr>
<tr>
<td>Total Technical Fees</td>
<td>$7,000</td>
<td>$7,000</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>Total Manufacturing Costs &amp; Other Staff Costs</td>
<td>$42,000</td>
<td>$47,000</td>
<td>-$5,000</td>
<td>12%</td>
</tr>
<tr>
<td>Total Event Costs</td>
<td>$350,804</td>
<td>$161,627</td>
<td>$189,177</td>
<td>117%</td>
</tr>
</tbody>
</table>

Source: Opera Australia

Above figures show that the overall difference in total event cost for performances of directly comparable artistic content and scale was approximately $189,000 (a 117 per cent price difference).

Reasons for the divergence include:

- A large difference in the venue hire fee and staging infrastructure costs.
  - The Domain staging infrastructure cost is $83,250 which is nearly ten times greater than the $8,668 venue hire fee for the Bowl.
  - RBG also require a $25,000 ground rental fee and $13,019 cost recovery for services (water, power, acoustic monitoring) which is not required at the Sidney Myer Music Bowl (“the Bowl”).

- Other Infrastructure costs.
  - Other temporary infrastructure at The Domain (toilets, fencing etc) is approximately $129,000 which is nearly double the expense of the Bowl which is approximately $75,000.
  - In addition, the audio costs at The Domain are nearly double at $33,000 whereas audio costs using the Bowl are approximately $18,000.
  - Finally, the Domain’s equipment expenses are $28,000 which is more than double the Bowl’s expense estimated at $11,000.

These figures show that fixed infrastructure can significantly reduce the costs of producing outdoor events. It should be noted, however, that the larger audience size at The Domain relative to The Bowl drives a part of this additional cost and that some of the temporary infrastructure (for example, portable toilets) is probably not suitable to be considered for permanent installation. Consideration has therefore been restricted to staging and back-of-house costs only. The difference in these costs is approximately $74,500 per concert.
Assuming seven concerts are staged in each Summer series, the provision of permanent infrastructure could result in a saving of approximately $521,500 per annum.

The scope and time available to this Review has not allowed the development of a meaningful estimate of the cost of providing such infrastructure on a permanent basis. It is noted, however, that the cost of the Music Myer Bowl in 1956 was approximately £200,000. This equates to approximately $5.1 million in 2010 prices.102

It should also be noted that the Scope of this Review has not permitted analysis of the ongoing maintenance and running costs of a permanent bowl-style venue which would have to be taken into account if this Option were to be further pursued.

It is further noted that RBG may offer well-reasoned arguments as to why they would not consent to permanent infrastructure being installed in The Domain including the reduction in flexibility for use of this key public space for a diversity of community purposes and aesthetic concerns. It is also worth noting that there is probably little opportunity to actually increase the usage of the Domain for cultural events given the high level of usage for a wide variety of events, proper upkeep of the park and EPA restrictions.

Option 2: Ongoing annual support for the establishment of temporary infrastructure

• While generally this Review has been confined to examination of issues that may be resolved through provision of facilities and therefore capital expenditure, this issue is one that may be better resolved through a consideration of a new model of operational support in order to secure the future of The Domain concert series. While the Festival receives annual Government subvention, such funding is considerably less than the major festivals in Adelaide, Perth, Melbourne and Brisbane none of which present a regular concert series on the scale of SF’s Domain concerts. Government (perhaps a combination of State and Local) might consider the provision of annual support for and management of the temporary infrastructure currently utilised at The Domain, thereby relieving Sydney Festival of this considerable pressure. Such support could be via an annual budget of available subsidy to be allocated to reduce infrastructure rental charges according to City and State priorities. As is currently the case, it would be expected that, under such an arrangement, commercial events such as Field Day would pay full commercial rental and non-profit companies (eg Sydney Festival, Opera Australia and Tropfest) would pay a significantly reduced rental.

• If the City or RBG were not prepared to take on the management of the infrastructure, it could be argued that Sydney Festival should receive an annual fee or further reduction in rental in return for continuing to manage the infrastructure.

• Stakeholder consultation – particularly with Sydney Festival and RBG - strongly favours this second Option as they see potential usage for permanent infrastructure for a venue the size of The Domain as being limited beyond the existing Summer concert season and permanent infrastructure would potentially limit other year-round usage of the park for other activities. They also argue that a permanent structure would inevitably bring with it ongoing maintenance and operational costs no matter how simple and durable the structure.

102 Source TBC
Economic Implications

- The resolution of the high cost of performing arts infrastructure at The Domain would significantly reduce the costs of holding outdoor events, making such events more viable and increasing the economic benefits of existing events.

- Furthermore, this could increase the opportunity for Sydney to host a limited number of additional events. Economic benefits will emerge provided that the demand exists to meet this potential additional supply.

5.1.5.1 Investment Option 2 – Create an outdoor performance space that builds on the natural attraction of Sydney Harbour

Description

Stakeholder consultations with a number of performing arts organisations, event organisations and commercial music promoters suggest that Sydney needs a mid-scale outdoor performance venue which is capable of hosting both paid and free events. There is particular enthusiasm for a venue that would take advantage of the natural beauty and attraction of Sydney Harbour as this would create an outdoor venue that echoed the indoor venue of the Sydney Opera House as being “quintessentially Sydney” in flavour. It is also arguable that, even with improved arrangements for the cost of infrastructure for cultural performances at The Domain, there is little capacity to increase the number of presentations there given the limited months of the outdoor concert season, recovery time for grassed areas, competing demands and EPA restrictions.

Given the enormous area required to host events with audiences of more than 20,000 and the lack of any such spaces around the Harbour in suitable locations, it is suggested that such a venue should not be seen as a replacement for The Domain but rather complementary and smaller in scale – with a maximum capacity of 15,000 – 20,000. It is evident that, with the intensity of development around the Harbour, finding space for a larger venue would be very difficult but the development of Barangaroo offers a once-off opportunity for consideration of such a venue.

The model that immediately presents itself is the Sidney Myer Music Bowl (SMMB) in Melbourne which was itself modelled on the Hollywood Bowl. The Bowl concept allows for a formal stage area to address a large sloping grassed area – a semi-natural amphitheatre. This also allows for performances for relatively small audiences to play in a large space without the sense of it being empty. The SMMB has a capacity that varies from 2,000 – 25,000. It has a formal seating area of about 2,000 but this is not seen as being necessary or indeed desirable.

The development of Opera Australia’s Harbour Stage may provide a prototype for such a facility which would allow a floating stage and shell to substitute for the fixed shell of the SMMB. Such a space could be used at both Mrs Macquarie’s Chair as proposed by Opera Australia and/or Barangaroo.
Clearly the question of creating an outdoor performance space as part of the Headland Park is potentially sensitive both in terms of planning for Headland Park and also in terms of potential issues with amplified sound travelling across the water to Balmain, North Sydney and other nearby harbour locations but the Consultants believe that it is worth investigating possible designs that would allow the space to be landscaped in such a way as to allow a “natural” amphitheatre with good sight-lines to be created without compromising the amenity of the area. The amphitheatre could slope down to the water’s edge and be addressed by a floating stage that could be towed into place for one-off events or for a season of events. Given that this is a greenfields site, services could be planned and installed in advance so that, to the greatest extent possible, the stage could operate as a “plug-in” facility – ie with a minimum of other temporary infrastructure having to be installed each time the venue is used. Services could also be concealed in such a way that the amenity of the area was uncompromised when the venue was not in use: eg for formal ticketed events requiring temporary fencing, sleeves for fencing modules could be permanently set into the ground – invisible when the venue is not in use but enabling rapid installation when required.

Such a venue would build community affection for and activity in Headland Park and make it a true centre of public recreation. It would also extend the possibilities of creating a unique cultural precinct in the Walsh Bay/Barangaroo area.

**Future Demand**

As noted previously, public appetite for relatively large scale public events in the outdoors has been growing rapidly over the last decade. It is noted that in this period Sydney has seen the development of the Opera House Forecourt as a significant venue capable of drawing large audiences. Industry experts are clear that such events attract higher audience numbers than might otherwise be expected because of the iconic location next to the Harbour and the Opera House. The use of the Opera House Forecourt has, however, been dogged by complaint from residents of the nearby “Toaster” and the number of events per year is limited. Opera House management indicate that there is unfulfilled demand in this area.

While utilisation and attendances at the SMMB have declined somewhat over the last three years, the venue still played to 114,000 people and was used for 52 days in 2010 (see figures below). Given Melbourne’s less welcoming weather, it could be assumed that an amphitheatre style venue on Sydney Harbour would deliver numbers in excess of this. It must be noted that the creation of such a venue would be to allow periodic events rather than to seek maximised year-round occupancy as would be the case for a major bricks-and-mortar venue.
Figure 5-4: Occupancy, Myer Music Bowl

Source: The Arts Centre

Figure 5-5: Attendance, Sidney Myer Music Bowl

Source: The Arts Centre
Estimated Costs

Opera Australia’s harbour stage will have significant installation and operational costs which cannot be detailed due to issues of commercial confidentiality. It is, however, indicative of the potential commercial power of such a concept that Opera Australia consider that these costs may be recovered through the season.

The Consultants are not able, at this stage, to provide any estimate of costs of creating an amphitheatre-style venue at Headland Park as there are no immediately comparable facilities of which we are aware. It is the recommendation of this Review that the concept be further examined by the Barangaroo Development Authority and, if attractive as a concept, draft designs and specifications and costings should be developed.

Economic Implications

Provided the demand for such a facility exists, potential economic implications of such infrastructure may include:

- It is likely that the construction of this venue will lead to direct revenue resulting from increased ticket sales in the entertainment industry. This facility may positively impact tourism as it is likely to be considered a rare and unique opportunity that will attract interstate and overseas visitation.

- The facility is also likely to increase domestic spending on cultural services as its unique location would encourage attendance by consumers who do not regularly attend arts events.

- It is likely to create jobs at both the construction level and the operation level. The term ‘construction level’ refers to the increase in employment generated in response to construction requirements for example the building of the stage. The term ‘operational level’ captures those jobs created in order to run the facility on a day-to-day functional level, for example, front of house and ticketing staff.

- Expenditure on the facility is likely to have numerous spill over effects these include;
  - Increased demand for parking in the precinct
  - Increased demand for restaurants and shops in the precinct.

Investment Option 3 – Develop Hard Space for Temporary Performance Structures

Description

In addition to spaces that capitalise on the natural beauty and green space of the City, a full suite of outdoor venues should ideally include at least one significant hard space for events that need to establish temporary structures for extended periods. Structures such as circus tents and the popular Spiegeltents generally work better in areas that already have high visibility, high
pedestrian activity and a good range of available services and catering outlets. While a major city park like The Domain is an excellent space for large crowds, the smaller community created by a tented venue with a capacity of 800 – 1,000 can feel dwarfed and isolated in a major public park – especially given that circuses in this day and age do not rely to the same extent on creating their own temporary village of caravans etc.

Green space also presents substantial additional cost through the requirements to restore turf, the inevitability of damaging irrigation systems, the requirement to establish temporary power and sewer connections, hire of temporary toilet blocks etc.

Companies such as Circus Oz and the Moscow Circus have successfully used Tumbalong Park recently and there is clear potential for this area or perhaps an area at Barangaroo Central to provide a home for circus and other tented events in the heart of Sydney.

Consultation with Sydney Harbour Foreshore Authority (SHFA) indicates that they are keen to freshen the offering at Tumbalong Park as the new Darling Quarter development is completed and plans for the SMCEC evolve. There seems to be a natural synergy that suggests that a key consideration in the re-development of Tumbalong Park should be the creation of a facility that can easily host temporary performance structures.

Alternatively the provision of such a facility in the parkland area of Barangaroo Central could further extend the nascent cultural precinct there.

Features of such a space would include:

- Sufficient open space to hold a circus tent and associated foyer tent designed to seat up to 1,200 people plus a small number of temporary buildings for offices, ticket booth etc.
- Easily available sewer, water, 3 phase power and telecommunications connections
- Nearby public toilets sufficient to cater for up to 1,200 people
- Easy access to public transport
- Proximity to a lively precinct including cafes, bars and restaurants.

**Future Demand**

One of the oldest human performance genres is that of circus. The tradition of travelling troupes of artists skilled in physical performance, music and comedy stretches back thousands of years. This ancient tradition has been re-vitalised in the last twenty five years with the emergence of “new circus”, championed in Australia by Circus Oz and internationally by Cirque du Soleil. This re-vitalisation of the form has seen dedicated training institutions created in many countries including the National Institute of Circus Arts (NICA) in Melbourne. The number of contemporary circus troupes has proliferated along with audience demand for spectacular physical theatre.
Alongside the emergence of new circus, Australia has also seen the whole-hearted embrace of the Spiegeltent – a traditional Dutch form of hard-sided tent that creates an atmospheric temporary performance space. Spiegeltents have become ubiquitous fixtures at almost every Australian international festival and are increasingly being installed for more extended seasons by other cultural organisations (eg The Arts Centre in Melbourne) or even in parallel with other major events (eg the Australian Open Tennis tournament). These venues are ideally suited to urban environments and their programming usually features an eclectic mix of contemporary music, jazz, cabaret, burlesque, comedy and smaller scale physical and circus acts. Australian entertainment presenters and promoters have led the way in the proliferation of Spiegeltent seasons with Australian promoter Ross Mollison responsible for the highly successful three-month long Spiegelworld seasons in New York.

It is anticipated that the demand for temporary venues will increase steadily over time in line with trends in contemporary culture to create a melange of entertainment offerings - particularly when combined with a cabaret setting.

**Estimated Costs**

Costs of providing the facilities described above are highly contingent on the location chosen and what services may already be in place. The likely variation in costs is so extreme that the Consultants have not been able to provide a meaningful estimate. In the case of a space like Tumbalong Park, for example, a very significant part of the costs involved could probably quite easily be subsumed within whatever budget is allocated for a wider upgrade of the space.

**Economic Implications**

- Provision of a suitable space for temporary performance venues could significantly reduce the costs of such installations, making such events more viable.

- This could increase the opportunity for Sydney to showcase more events. Economic benefits will emerge provided that the demand exists to meet this potential additional supply.

### 5.2 Potential for Private Sector Involvement

There is scope for the private sector to be involved in all Options. Private sector involvement will, however, depend on the ability for:

- all risks to be specified in a contract and allocated to those parties best placed to manage the risk; and

- the private sector to capture benefits from the investment, that is, for the private sector to generate a commercial return on the investment.

Construction works for all Options would most likely be undertaken by the private sector on behalf of Government, given current Government procurement processes to tender out
construction projects, and the fact that there is a well developed market for this. The particular method of procurement chosen and level of ongoing private sector involvement (for example a Build Own Transfer (BOT) or Build Own Operate and Transfer (BOOT) model) would however depend on a range of factors including, but not limited to, the:

- Government’s objectives for the Option;
- nature of the market for the option; and
- appetite/interest from the private sector.

Table 26 considers the nature of the market for each Option.

**Table 26: Nature of market for cultural facilities**

<table>
<thead>
<tr>
<th>Option</th>
<th>Nature of market</th>
</tr>
</thead>
<tbody>
<tr>
<td>• New main-stage lyric theatre</td>
<td>• Combination of government and private sector ownership and operation across existing Sydney lyric theatres. For example:</td>
</tr>
<tr>
<td></td>
<td>- Sydney Opera House – Government built, owned and operated (Opera House Trust)</td>
</tr>
<tr>
<td></td>
<td>- Capitol Theatre - Government owned and under long term lease to private sector</td>
</tr>
<tr>
<td></td>
<td>- Theatre Royal – built by property trust as part of MLC Centre development and managed by private sector operator. Obligation under planning approval to continue to operate as a theatre</td>
</tr>
<tr>
<td></td>
<td>- Lyric Theatre - privately built, owned and operated as part of casino development, obligation to Government to continue to operate as a lyric theatre</td>
</tr>
<tr>
<td>• Upgrade of the Entertainment Centre within the CBD</td>
<td>• Combination of government and private sector ownership and operation of exhibition and entertainment space in Sydney and across Australia</td>
</tr>
<tr>
<td>• Technical deficiencies</td>
<td>• CarriageWorks - Government owned and operated (not for profit company established to operate facility, receives Government subsidy)</td>
</tr>
<tr>
<td>• 3.1 CarriageWorks</td>
<td>• Sydney Opera House Concert Hall - Government built, owned and operated</td>
</tr>
<tr>
<td>• 3.2 Sydney Opera House – Acoustics</td>
<td>• Sydney Theatre – Government owned, leased from government and operated by not-for-profit company currently without subsidy from government</td>
</tr>
<tr>
<td>• 3.3 Sydney Theatre - Acoustics</td>
<td></td>
</tr>
<tr>
<td>• Rehearsal and Studio Space</td>
<td>• Combination of public and private organisations renting from government and private owners, many organisations receive a public subsidy</td>
</tr>
<tr>
<td>• Outdoor Multipurpose Space</td>
<td>• Typically Government owned (i.e. space is located on Crown Land) and operated by Council or other Government authority</td>
</tr>
</tbody>
</table>
Other considerations for Government include:

- Competitive neutrality issues in those markets where the private sector is already involved, for example, the ownership and operation of lyric theatres.

The level of private sector appetite for investing in these options has not been tested, and would typically occur during the project scoping and feasibility study stage.

There is no reason to rule out private sector involvement in the above Options at this early stage. However, recent examples of the private sector constructing and financing these types of facilities have typically occurred as part of a larger project that will deliver a commercial return overall. For example, the Lyric Theatre was constructed as part of the Star City development and must continue to be operated as a lyric theatre under the agreement with Government.

5.3 Key Findings

A summary of the Options for Investment is set out below:
**Table 27: Summary of options**

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
<th>Future demand</th>
<th>Estimated costs (indicative only)</th>
<th>Economic implications</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Main-stage theatre</td>
<td>2,000 seat capacity located in Sydney city &lt;br&gt;Able to present large-scale opera, ballet and musical theatre – equipped with large orchestra pit, expansive wing-space and rear-stage space. Ideally include significant rehearsal centre as part of complex.</td>
<td>Within five years, one new lyric theatre of 1,500 – 1,700 seats could be required to meet increasing musical theatre demand. Should demand continue to grow in line with current estimates, another medium scale theatre for musical theatre could be required within 15 years.</td>
<td>$150 million</td>
<td>Improve position to secure first run musicals, attracting greater share of domestic and international visitors. Employment in theatrical industry. Possible short term negative impact on rent premiums and profit margins for existing venue owners. Improve financial performance of large scale opera &amp; ballet productions for Opera Australia and the Australian Ballet.</td>
<td>* Substantial renovation and reconstruction of State Theatre back of house could be further explored as an alternative to a Greenfields development. * Location of new theatre at Barangaroo strongly preferred given opportunity to contribute to vibrant cultural precinct.</td>
</tr>
<tr>
<td>2. Redevelopment of the Entertainment Centre within the CBD</td>
<td>Dedicated conference and entertainment auditorium with configurations of between 3,000 and 12,000 seats.</td>
<td>Demand assumed to grow in line with population growth</td>
<td>$450 – 500 million (based on Government estimates)&lt;sup&gt;103&lt;/sup&gt; *NB cost of entire complex not just arena space</td>
<td>NSW Government estimates suggest economic benefits of more than $600 million over next 20 years and creation of 400 ongoing jobs</td>
<td>Concert promoters argue strongly for one large-scale venue in CBD to augment ACER Arena at Homebush-</td>
</tr>
</tbody>
</table>

<sup>103</sup> NSW Ministerial Taskforce into Tourism, Planning & Investment Position Paper, November 2009
<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
<th>Future demand</th>
<th>Estimated costs (indicative only)</th>
<th>Economic implications</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Addressing technical deficiencies at Carriageworks</td>
<td>Option a): Renovate both the rehearsal rooms and theatres to provide basic lighting, rigging and sound items. Option b): Upgrade rehearsal spaces to allow these spaces to be used for ticketed performances. Option c): Includes both options a) and b) and provides all necessary infrastructure which will enable users to fully utilise the facility.</td>
<td>Average utilisation of 77% in 2009, down from 88% in 2008. Demand frustrated by high cost of venue for small to medium hirers Demand anticipated to grow in line with forecasts for population growth and demand for the performing arts.</td>
<td>Option a) $1.58 million Option b) $0.26 million Option c) $3.38 million</td>
<td>Added technical infrastructure would make venue more viable for intended range of hirers (e.g. small to medium sized organisations) could help diversify the client base and lead to an increase in future income.</td>
<td>Problems with access to public transport and parking should be addressed.</td>
</tr>
<tr>
<td>3.2 Addressing technical deficiencies at Sydney Opera House (Acoustics)</td>
<td>Improvements to Concert Hall to address acoustic issues to address quality and reputation issues rather than unmet demand.</td>
<td>Relatively stable performance, audience and near capacity utilisation trends over last 10 years are expected to continue</td>
<td>Further technical investigation would be required to establish cost estimates.</td>
<td>Help to maintain the Opera House’s substantial economic impact to NSW and Australian economies. Renovation may not necessarily increase demand as it is currently operating at full capacity, however lack of investment may lead to a reduced utilisation over time due to reputation.</td>
<td>Improvement also key to future success of Sydney Symphony Orchestra (eg to attract premier conductors and soloists and to improve quality of performance by orchestra)</td>
</tr>
<tr>
<td>3.3 Addressing technical deficiencies at Sydney Theatre (Acoustics)</td>
<td>Improvements to venue to address acoustic issues</td>
<td>Relatively stable hiring and near capacity utilisation trends over last seven years are expected to continue, underpinned by government subsidy</td>
<td>A consultancy has been commenced to establish cost estimates</td>
<td>If acoustic not rectified it is likely that theatre’s reputation will suffer leading to reduced utilisation and financial viability.</td>
<td>-</td>
</tr>
</tbody>
</table>
### Option 4. Rehearsal and Studio Space

**Description**
Rehearsal space for large scale productions – preferably constructed in association with new main-stage theatre. Rehearsal space for small to medium and independent performing arts companies – possibly at Parachute Factory location.  

**Current demand for rehearsal space outstrips supply given the number of companies and producers who indicate that they are obliged to make do with improvised spaces which are compromised.**

**Estimated costs (indicative only)**
The cost of a major new rehearsal facility for musical theatre, opera and dance might be anywhere between $3.5 - $5 million (excluding land costs) - this may be reduced if built as part of a new lyric theatre. Other rehearsal space cost between $3,500 - $5,000 per sq metre.

**Economic implications**
Rehearsal space linked to a Lyric Theatre is likely to increase the demand for the Lyric Theatre. Access to affordable, quality rehearsal space for the independent and small to medium performing arts sector will allow these companies to continue to develop their work and will enhance the vibrancy and vitality of these sectors.

**Other**
Major rehearsal space ideally in association with new main-stage lyric theatre at Barangaroo.

### Option 5. Outdoor Multipurpose Spaces

**Description**
Provide economical infrastructure in The Domain Mid-scale outdoor performance venue Hard space for events that need to establish temporary structures for extended periods.

**Demand for the Domain Concert series and other summer events at The Domain is high.**

Relatively large scale public events in the outdoors have been growing rapidly over the last decade. It is anticipated that the demand for temporary venues will increase steadily over time in line with trends in contemporary culture.

**Depends on location chosen and what services may already be in place.**

**Economic implications**
It is likely that the creation of a new venue will lead to direct revenue resulting from increased ticket sales in the entertainment industry. It will create jobs at both the construction level and the operation level.

**Other**
Both the mid-scale outdoor performance venue and the hard space for temporary venues could be considered for inclusion at Barangaroo.