Music Sector Snapshot | 2013

Introduction

This report provides an overview of the music sector in NSW. It outlines some of the key issues and trends impacting the sector and provides a summary of the structure and business models it operates within.

The report is based on consultation with key sector representatives.

It has been developed to provide Arts NSW Arts Funding Program (AFP) assessment panels with an up-to-date sector overview and insights as identified by sector representatives.

Arts NSW acknowledges the invaluable contribution of all involved in the preparation of this report.

Overview – Music Sector in NSW

Renowned for its world-class musicians and music organisations, NSW is home to a strong and vibrant music sector boasting a high level of creative and audience participation from a grass roots level to more established and traditional musical forms.

Figure 1. NSW Music Sector
NSW has the strongest classical and contemporary music sectors in Australia in terms of attendances and ticket sales. In 2011, NSW revenue from ticket sales for classical music was $28.5 million (47.4% of the national revenue) with over 400,000 attendances (38.9%). In the same year contemporary music revenue in NSW reached almost $200 million (35.7%) with over 2 million attendances (35.9%). These figures exclude musical theatre and festivals.

The variety and breadth of the NSW music sector is evidenced by the diversity of forms and subgenres, encompassing opera, orchestral, choral, chamber, new music, improvised, experimental, jazz, world, youth, bands, musical theatre and the contemporary music industry which is predominantly micro-businesses of bands, managers, promoters and recording labels as well as independent musicians.

The sector also includes Indigenous music, a large number of regionally based music festivals and concert presenters, touring organisations, peak and service organisations and a network of 17 regional conservatoriums.

Classical music includes those genres that have historically been identified as most in need of public subsidy, namely orchestral music and opera, as well as classical and modern chamber music. Five of the 14 national Major Performing Arts music companies producing and performing classical music are NSW-based and are funded in partnership with the Federal Government. These organisations are the largest presenters and employers of musicians in NSW.

In addition to the major companies, Arts NSW supports a range of organisations across music genres with multi-year and annual funding some of which are also funded by the Australia Council.

Small to medium (S2M) companies are often dependent on part-time and volunteer labour. Arts NSW support for individual artists, musicians and bands is available through project funding categories of the Arts Funding Program and devolved funding programs managed by the sector’s peak bodies, Music NSW and the Band Association of NSW. Arts NSW does not support recording.

State and local government also provide a significant amount of the sector’s infrastructure including performing arts and rehearsal venues.

In addition to funding provided by governments, the subsidised music sector earns income from performance fees, box office, corporate partnerships, philanthropy and other activities including workshops and training.

Key issues and trends

The following issues and trends were identified during discussions with key sector representatives:

Infrastructure

- Government legislation, regulation and approval processes have a large impact on the accessibility of venues for the sector, particularly the contemporary music sector which is dominated by bands and individual musicians.
- While the removal of the Place of Public Entertainment (POPE) licensing requirements at the end of 2009 has gone some way to increase opportunities for the presentation of live music there is still scope for industry and government to work together to reduce the legislative and regulatory barriers to live music entertainment in NSW.
- Music touring in NSW would be facilitated by the development of a network of fit-for-purpose venues with hiring cost structures that do not prohibit S2M music companies, independent artists and bands from accessing them.

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1. Live Performance Australia: Ticket Attendance and Revenue Survey 2011. Note these figures exclude musical theatre and festivals.
Audience development
- There is an abundance of musical activity, particularly in Sydney, which results in a highly competitive market place all vying for the same audience base.
- The National Broadband Network presents enormous opportunities for NSW musicians and music companies to develop content and grow new and existing audiences, providing plans are in place to ensure the development of local content.
- The development of a sustainable regional touring network in NSW would result in new audiences and access opportunities.

Sector Sustainability
- The NSW music sector has grown and strengthened over the last 10 years however sector representatives voiced concern that there is still an expectation that musicians, particularly contemporary musicians, create and perform their work for free.
- The development of minimum pay for music composition and performance would create a more sustainable working environment for the NSW music sector and go some way in addressing the drain of talent overseas.
- Limited capacity of the S2M and independent sector to generate income results in insufficient investment in marketing and business development skills and opportunities in the S2M sector.
- The majority NSW Government funding for music goes to the classical not-for profit music sector and the sector notes there is limited support available for the contemporary music sector which is perceived as more commercial.
- Brokering new relationships with tertiary education providers to expand tertiary training and professional development programs to build business, fundraising and marketing skills specifically for artists and arts workers would assist the sustainability of the sector.
- Unrealised opportunities for partnerships and greater collaboration between major music companies, smaller companies, commercial companies and independent artists. This includes closer engagement with the ABC and Destination NSW.

SWOT Analysis
Strengths, weaknesses, opportunities and threats as identified by key sector representatives are as follows:

Strengths
- NSW has a strong and diverse music sector with a rich subculture and vibrant underground scenes.
- NSW is home to world-class quality musicians and music organisations.
- There is a high level of participation, interest and involvement in music creation which is reflected in an abundance of activity, particularly in Sydney.
- The NSW music sector has grown and strengthened over the last ten years.
- Recording and producing entry points, particularly for contemporary music, are plentiful and distribution networks have improved significantly through digital technologies.
- There is a strong community and regional radio network promoting Australian music on air and online, facilitated by the Australian Music Radio Airplay Project (AMRAP) initiative.

Weaknesses
- As with many sectors, there are low remuneration levels for artists and managers in the music sector.
- The diversity of locally produced music is not well-represented on commercial radio or in the programming of major presenters and music festivals which rely on overseas artists.
It is difficult to establish a sustainable NSW music touring network – high touring costs, little operational support for music touring, lack of regional infrastructure and difficulties in developing audiences.

There are limited opportunities for the contemporary music sector to access support for operations.

Diversifying income through sponsorship and philanthropy in the S2M and independent sectors is problematic given increasing competition in this area and the resources required to establish and sustain these partnerships.

There is a lack of operational support channels for independent artists and the S2M sector has limited resources to undertake PR and marketing activities.

Career paths and opportunities for Australian professional singers, soloists and conductors within Australia are minimal and on the job training and professional development opportunities are lacking.

While industry markets to promote NSW musicians and music companies internationally for the contemporary sector are well established, there is no equivalent for the classical sector.

A lack of support structures for Aboriginal musicians and artists in Sydney can result in barriers to their career development.

While Sydney has a strong and diverse music scene this can result in a saturation of the market and companies and musicians competing for the same audience.

Opportunities

The roll out of the NBN will present increased opportunities for music content creation, dissemination, publicity, education, audience development and international exposure for musicians and music companies across NSW.

Increasing opportunities to engage with the education sector following the introduction of arts into the national curriculum.

Brokering new relationships with tertiary education providers to expand tertiary training and professional development programs to build business, fundraising and marketing skills specifically for artists and arts workers would assist the sustainability of the sector.

Unrealised opportunities for partnerships and greater collaboration between major music companies, smaller companies, commercial companies and independent artists. This includes closer engagement with the ABC and Destination NSW.

Unrealised opportunities to re-engage universities as key presenting venues in the NSW regional touring network, particularly for contemporary music.

Opportunities to promote NSW musicians and companies at major events, cross art-form collaborations and productions thereby increasing audience exposure and cost sharing.

Threats

Live contemporary music venues are adversely affected by a perceived association with issues of alcohol and violence and continue to face commercial and regulatory challenges when programming live music.

Venue access and affordability is an issue in the S2M music sector. Companies, ensembles and musicians often report difficulty in finding rehearsal space with the particular acoustic, soundproof and space requirements for music ensembles and orchestras.

While the uptake of digital technologies has had concrete benefits across music sectors, this has resulted in the streaming of music content rather than audiences paying to own it.

Implications for local music content on community and regional radio when federal funding to AMRAP expires in mid 2013.

There is a drain of talent as musicians follow career opportunities overseas.

The limited capacity of musicians and S2M music companies to generate income impacts on the sustainability of the sector.