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Submission to Parliamentary Inquiry into the Australian Live Music Industry

Dear Committee Secretary,

Thank you for considering this submission to the Standing Committee on Communications and the Arts inquiry into the challenges and opportunities facing the Australian live music industry.

This submission represents the collaborative joint work and expertise of researchers from two Australian universities with a specific interest and research background in the Australian live music sector. Each are active members of several relevant academic associations (The Australian Sociological Association; the International Association for the Study of Popular Music), advocacy groups (SA Artists at Work Taskforce; the Arts Industry Council of South Australia), and unions (Musicians Australia). Our combined expertise and knowledge of the sector is represented in the submission below, which is written in response to each of the inquiry's Terms of Reference.

Introduction

Live music is a sector comprising multiple industries,¹ and incorporating diverse and competing interests. Throughout research on the sector, it is increasingly common to speak of the music industries (plural)—including live performance—as distinct from recording, publishing, instrument-making, and music education.² It is therefore necessary to recognise the plurality of live music as a sector within policy discourse and consultation. Failing to do

¹ Three-quarters of live music employment spans five ABS industry categories, and all live music employment spans 19 industries. Source: Bureau of Communications, Arts and Regional Research (2023) *Australia's live music sector: an occupation-based analysis*. <https://www.infrastructure.gov.au/research-data/bureau-communications-arts-and-regional-research/arts/australias-live-music-sector-occupation-based-analysis>

² Homan S et al (2015) Popular music and policy. In S Homan, M Cloonan, J Cattermole (eds) *Popular Music and Cultural Policy*. Routledge.

so obscures differences and inequalities, advantaging powerful interests to the detriment of underrepresented groups such as workers, small businesses, regional music spaces, events and activities, cultural minorities, and socially disadvantaged groups. Recognising plurality and interdependence within the live music sector is crucial to addressing challenges and opportunities for the sector and realising the wide and equitable enjoyment of its benefits.

Key recommendations include:

- **Funding and support should be structured in ways that promote a diverse and competitive sector**, and that do not reward anti-competitive or cartel-like behaviour.
- **The ACCC should investigate the current market dominance and concentration of the Australian live music sector**, particularly the monopolistic and price-setting behaviours of the Live Nation/Ticketmaster and TEG/Ticketek duopoly, reflecting similar initiatives taken by the U.S. Department of Justice concerning Live Nation.
- **Legislating a cap on insurance premiums for live music events, venues and festivals, similar to New Zealand’s adventure tourism sector**. This acknowledges risk, without rendering insuring such activities prohibitively expensive. Governments should also consider options to support accessible music venue and event insurance, including a public underwriting scheme.
- **Recognise the vital contribution of small venues, including working with state and local governments to protect these venues as critical spaces of sociality, creativity, and cultural participation**. This should include recognition of the cultural value of venues when considering development proposals and zoning requirements, facilitating pathways for venue owners to purchase their building freeholds (e.g., through a public loan scheme), and prioritising capital works for small venues and similar initiatives in grant funding rounds that alleviate financial stress and overheads.
- **Support live music censuses in Australian cities and regions to develop an evidence base and means of ongoing evaluation**.
- **The expansion and availability of grant and subsidy schemes that offer a minimum rate of pay for musicians per performer in line with the Musicians Australia \$250 minimum rate**, such as Music Victoria’s recently announced 10,000 Gigs: Victorian Gig Fund.
- **Promote union membership in the live music sector and engage with unions on policy development and implementation**, including with MEAA, Musicians Australia, and other worker advocacy groups.
- **Include education and skills training relevant to the facilitation and promotion of events** (e.g., event planning and management, public relations, graphic design, marketing, trades etc.) **in vocational learning settings and fee-free TAFE schemes**.

- **Legislating paid internships and work-integrated learning placements** and providing subsidies for employers who are unable to provide these directly to host placements within the festival and events sector.
- **Analysis and research on the live music sector should account for local economic benefits beyond the live music event to properly reflect the economic value of these activities.**
- **Providing grant and support funding for venues, festivals and events in areas and regions that do not usually host live music.** This would increase touring opportunities and foster stronger touring routes throughout the country. Venues and festivals in the regions could be given priority here.
- **Promoting vouchers for use at live music (or broader arts) events,** similar to post-COVID tourism and hospitality vouchers (e.g., NSW and City of Gold Coast). This would encourage audience attendance and associated economic benefits, stimulating local economies and engaging local audiences.
- **Ensure grant funding and support programs are structured to prioritise nurturing grassroots spaces and the musicians that bring them to life,** rather than ‘picking winners’ or awarding public money to large commercial operations.
- **The introduction of a big-ticket levy on all major music events and festivals, priced at \$100 or more per ticket.** Collected revenue could then be redirected to a fund designed to support small live music venues to cover critical overheads, such as the cost of live audio engineers, subsidising skills pathways.
- **Support programs to encourage and enable under-18 and all-ages live music participation, in major cities and regionally.** Work with state and local governments to identify and remove disincentives for licensed venues to host all-ages events, in conjunction with increased funding to support events that make use of council venues and other appropriate spaces for all-ages music events.
- **Legislating local Australian content quotas for digital streaming services,** to prioritise and showcase Australian artists and content. This could apply to both music and screen media.
- **Create a certification system for human artists to protect against artificial intelligence replacing artists ‘by stealth’,** and to ensure transparency specific to the creation of musical products.
- **Reconsider and review trade agreements that unfairly advantage international artists in the streaming era.**
- **Provide legislative and funding support for grassroots small live music venues** to help them cope with changing audience behaviours, access new revenue streams,

protect them from increasing gentrification and rising costs, and support their capacity to host and pay musicians at the Musicians Australia minimum rate.

- **Provide legislative pathways and opportunities for communities, local governments, and other non-commercial entities to purchase and run venues as not-for-profit or cooperatively managed venue spaces**, such the model championed by the UK Music Venue Trust's Music Venue Properties.
- **Reward environmentally sustainable initiatives within the live music industry by making certain funding and grants conditional on climate action.**

Sustainability and growth of the industry

The live music industry is currently suffering a multitude of compounding problems relating to supply and demand, which have been exacerbated by inflation and the increased cost of living. However, key amongst these issues relevant to sustainability and growth has been the considerable concentration and vertical integration of the sector, which is embodied in the corporate triumvirate³ that currently controls a great deal of the Australian live music industry. This consists of Live Nation (which owns majority shares in Ticketmaster, Moshtix, and several major festivals, venues, and agencies), TEG (which owns majority shares in Ticketek, venues, agencies etc.), and AEG/Frontier. This concentration acts much like a duopoly, with Live Nation and TEG controlling both the dominant ticketing outlets and several major venues. Such market concentration inhibits diversity, stifles competition, and limits innovation within the sector, and has a trickle-down effect that negatively impacts the capacity of emerging artists and smaller, independent venues/promoters/agencies to compete and break through to larger audiences and bigger stages.

International research on the creative and cultural industries, including music, recognises diversity as a key factor in the resilience of overall cultural ecosystems.⁴ Such market concentration and power imbalances as that described above shape the impact of specific challenges throughout the Australian music sector. For example, in accounting for extreme weather and rapidly increasing insurance premiums required to adequately cover risks associated with outdoor music festivals, powerful multinational festival promoters (such as Live Nation) are now able to insist on contractual terms that shift further risk and costs on to artists, suppliers, and ultimately consumers. Further, these multinational corporations are less invested in nurturing and developing local talent and are therefore quick to cancel festivals with low initial ticket sales (e.g., Splendour in the Grass etc.), regardless of the impact on local communities, businesses, artists, and contracted suppliers.

³Sainsbury S (2022) The overseas giants swallowing Australia's live music industry, *The Sydney Morning Herald*, <https://www.smh.com.au/culture/music/the-overseas-giants-swallowing-australia-s-live-music-industry-20221026-p5bt01.html>

⁴ Berkers P et al (2023) From Metaphor to Measurement of Popular Music Ecosystems: Putting Diversities at the Heart of Resilience. In T Virani (Ed) *Global Creative Ecosystems*. Palgrave Macmillan.

Recommendation #1: Funding and support should be structured in ways that promote a diverse and competitive sector, and that do not reward anti-competitive or cartel-like behaviour.

Recommendation #2: The ACCC should investigate the current market dominance and concentration of the Australian live music sector, particularly the monopolistic and price-setting behaviours of the Live Nation/Ticketmaster and TEG/Ticketek duopoly, reflecting similar initiatives taken by the U.S. Department of Justice concerning Live Nation.⁵

Suitability and location of venues for organisers, participants, and attendees

Small live music venues (less than 500 capacity) are valuable spaces for the development of artist careers and other pathways for music industry professionals, such as audio engineers, venue promoters, and agencies. They are not just a steppingstone but a vital cultural space that underpins the entire live music ecosystem. In 2019, the Melbourne Live Music Census identified 505 small venues offering live music at least weekly, with 12.5 million attendances over 97,000 gigs. In Greater Melbourne, excluding City of Melbourne and Port Phillip (which host large concerts and festivals) but encompassing inner-suburban live music precincts as well as outer suburbs, this small venue activity represents 75% of gigs and audiences, and 65% of revenue.⁶ The Melbourne and Victorian Live Music Censuses provide a model for developing a similar evidence base in cities and regions nationally, which is currently lacking.

Across the country, these small venues are currently threatened on multiple fronts⁷ by changing audience behaviours, rapidly rising public liability insurance, inflation, and gentrification. These compounding problems have squeezed our small venues, particularly those in our major cities, which are struggling to compete in the current property market. However, without these small, grassroots venue spaces emerging artists would have few opportunities to hone their craft and audiences would not be exposed to local music that reflects their experiences.

Recommendation #3: Legislating a cap on insurance premiums for live music events, venues, and festivals, similar to New Zealand's adventure tourism sector. This acknowledges risk, without rendering insuring such activities prohibitively expensive.⁸ Governments should also consider options to support accessible music venue and event insurance, including a public underwriting scheme.

⁵ Michaels D and Steele A (2024) Justice department to file antitrust suit against Live Nation, *The Wall Street Journal*, <https://www.wsj.com/business/media/live-nation-justice-department-antitrust-lawsuit-ab98c268>

⁶ Music Victoria (2022) *Melbourne Live Music Census 2022*.

<https://www.musicvictoria.com.au/initiatives/victorian-live-music-census/>

⁷ Whiting S (2024) The real value of Adelaide's live music venues, *InDaily*,

<https://www.indaily.com.au/opinion/2024/02/02/the-real-value-of-adelaides-live-music-venues>

⁸ We do not propose further caps on claims, noting national reforms already implemented in 2002.

Recommendation #4: Recognise the vital contribution of small venues, including working with state and local governments to protect these venues as critical spaces of sociality, creativity, and cultural participation. This should include recognition of the cultural value of venues when considering development proposals and zoning requirements, facilitating pathways for venue owners to purchase their building freeholds (e.g., through a public loan scheme), and prioritising capital works for small venues and other similar initiatives in grant funding rounds that alleviate financial stress and overheads.

Recommendation #5: Support live music censuses in Australian cities and regions to develop an evidence base and means of ongoing evaluation.

Artist development and career pathways

The live music sector was estimated to employ 41,000 people in 2020, with an average total income of \$57,700p.a., 13% below the national average.⁹ According to the 2021 Census, median income for workers earning their main income in the performing arts (\$54,700) is the second lowest in the cultural production industries (the lowest being creative arts).

Work for Australian musicians is especially insecure and low-paid. The vast majority of musicians are self-employed or casual workers. The number of people working as musicians as their main source of income fell by around a quarter between the 2016 and 2021 Censuses.¹⁰ According to MEAA Musicians Australia, only one in five musicians derive all of their income from music, with two-thirds working outside the industry. Half of musicians earned less than \$6,000 from the music industry in the preceding financial year, and nearly two-thirds earned less than \$15,000. More than 80% of musicians receive no superannuation for performance work. The vast majority of musicians (86%) said they felt musicians were treated unfairly by the industry.¹¹

Insecure work and low pay contribute to critical problems of low diversity, excluding young people that lack other financial support, people with disabilities, parents, and carers. Increasingly, only the wealthy, privileged and well-off can afford to make music, which affects broader cultural and creative representation. Further, men comprise three-quarters of 'primary' live music occupations (musicians, technicians, directors, and managers),¹² and dominate senior roles across the music industries.¹³ Insecure work also enables unsafe

⁹ Bureau of Communications, Arts and Regional Research (2023) *Australia's live music sector: an occupation-based analysis*. <https://www.infrastructure.gov.au/research-data/bureau-communications-arts-and-regional-research/arts/australias-live-music-sector-occupation-based-analysis>

¹⁰ University of Canberra et al (2022) THE CREATIVE ECONOMY IN AUSTRALIA WHAT CENSUS 2021 TELLS US Briefing paper 1.

¹¹ MEAA Musicians Australia (2024) *2023 End Of Year Survey Report*. <https://www.meaa.org/mediaroom/insecure-work-and-poor-pay-forces-musicians-to-hang-up-their-instruments-new-survey/>

¹² BCARR (2023).

¹³ Cooper et al (2017) *Skipping a beat: Assessing the state of gender equality in the Australian music industry*. <https://ses.library.usyd.edu.au/handle/2123/21257>

workplaces. Bullying, harassment, and discrimination at work have been experienced by a majority of musicians,¹⁴ and around three-quarters of women across the contemporary music industry.¹⁵

Public discourse concerning the live music sector is dominated by employer perspectives, including through employer industrial organisations. Employer advocacy groups, such as on behalf of live music venues and promoters, have attempted to act as proxies for musician's voices in the past, despite venues and musicians having competing interests in regard to wages and conditions. This has often occurred in the absence of a collective voice and advocacy group for musicians as a distinct group of workers. Music industry workers, and musicians in particular, require greater collective representation. The recently established Musicians Australia is now the leading union for musicians and has led prominent campaigns on working conditions in the live music sector, most significantly the Musicians Australia \$250 Minimum Rate. It is important that any public funding designed to support musical performances adheres to this rate, as lifting the wages of musicians will make music-making more accessible and address other issues regarding representation and diversity.

Recommendation #6: The expansion and availability of grant and subsidy schemes that offer a minimum rate of pay for musicians per performer in line with the Musicians Australia \$250 minimum rate, such as Music Victoria's recently announced 10,000 Gigs: Victorian Gig Fund.

Recommendation #7: Promote union membership in the live music sector and engage with unions on policy development and implementation (as already occurs with employer groups), including with MEAA, Musicians Australia, and other worker advocacy groups. Employer groups should not be relied on as proxies for the broader sector, and worker voices, such as that of Musicians Australia, are important in all policy considerations and consultation processes, and should be engaged with by relevant stakeholders and governments.

Capacity building in facilitation and promotion of events and festivals

Project management, logistics, event planning, programming, publicity, graphic design, electrical work, marketing, and promotion are all critical skills when it comes to successfully promoting and facilitating live music events and festivals. Electricians and other tradespeople are also critical to event and festival work, which aligns with the federal government's new Future Made in Australia policy strategy. There is a considerable gap in terms of these professions and required skills when it comes to the Australian events and festival sector. Including these vocations within state and federal government fee-free TAFE funding schemes would increase the number of workers entering these roles. It is also important that

¹⁴ MEAA (2024).

¹⁵ MAPN Consulting & Support Act (2023) *Raising Their Voices: Report into Sexual Harm, Sexual Harassment and Systemic Discrimination in the Contemporary Music Industry*. <https://musicindustryreview.com.au/>

any internships or work-integrated learning placements are paid, to make training more accessible. Such paid placements may need to be subsidised by the government.

Recommendation #8: Include education and skills training relevant to the facilitation and promotion of events (e.g., event planning and management, public relations, graphic design, marketing, trades etc.) in vocational learning settings and fee-free TAFE schemes. Electricians and other tradespeople are also critical to event and festival work, which aligns with the federal government's new Future Made in Australia policy.

Recommendation #9: Legislating paid internships and work-integrated learning placements and providing subsidies for employers who are unable to provide these directly to host placements within the festival and events sector.

Local economic benefits

Small venues in our major cities are struggling to attract audiences post-Covid, which is having a depressing effect on other local hospitality businesses. The economic benefits of local live music scenes, events and festivals have a pronounced effect on the communities and regions in which they take place. This is especially significant for regional communities. Music festivals and events attract tourists and visitors to both our cities and regions, who spread their spending across local hospitality, retail and accommodation. This is not only true for major events, but also small, local venues on our high streets. It's what Mark Davyd, CEO of the UK Music Venue Trust, calls "the kebab effect" i.e. live music attracts audiences to urban, suburban, and regional venues and festivals, who spend money in local eateries (including kebab houses). Live music therefore serves as a destination and an event that can activate local areas of the economy, spreading economic benefits beyond the venue or festival grounds. However, an appropriate understanding of these local economic benefits should include all scale and size of musical activities, from the small, grassroots inner-city venue that brings in patrons from the suburbs to the major festival that attracts interstate tourists to our regions and cities alike. Such local economic benefits, and the impact when live music events are threatened, needs to be taken into consideration.

Recommendation #10: Analysis and research on the live music sector should account for local economic benefits beyond the live music event to properly reflect the economic value of these activities.

Recommendation #11: Providing grant and support funding for venues, festivals and events in areas and regions that do not usually host live music. This would increase touring opportunities and foster stronger touring routes throughout the country. Venues and festivals in the regions could be given priority here.

Recommendation #12: Promoting vouchers for use at live music (or broader arts) events, similar to post-COVID tourism and hospitality vouchers (e.g., NSW and City of Gold Coast). This would encourage audience attendance and associated economic

benefits, stimulating local economies, and engaging local audiences (See also **Audience development and consumer behaviours**, below).

Grant and support programs

Several suggestions for improved grant and support programs have been included as part of the recommendations throughout this submission. However, it is important that grant and support programs are aimed at supporting the most vulnerable components of our live music industry, namely musicians (by tying grant funding to minimum rates of pay) and small venues (by addressing rising and critical overheads, and other associated costs). Revenue for such grant and support programs could be sourced from a potential ‘big ticket levy’, such as that proposed in the UK¹⁶, revenue from which may go towards essential overheads for small venues, such as live audio engineers, providing subsidised skills pathways.

Recommendation #13: Ensure grant funding and support programs are structured to prioritise nurturing grassroots spaces and the musicians that bring them to life, rather than ‘picking winners’ or awarding public money to large commercial operations.

Recommendation #14: Introduction of a big-ticket levy on all major music events and festivals priced at \$100 or more per ticket. Collected revenue could then be redirected to a fund designed to support small live music venues to cover critical overheads, such as the cost of live audio engineers, subsidising skills pathways.

See also Recommendations #1, #4, #6, #11, and #12

Audience development and consumer behaviours

Since the COVID-19 pandemic there has been a drop in live music attendance by young people, especially in the 16–24 age bracket, as well as a reduced frequency of festival attendance among 25–39-year-olds. This has been accompanied by delayed ticket purchasing and reduced spending at events generally. While the desire to attend live music remains strong, the primary barrier to attendance for young people is a reduction in discretionary spending due to financial pressures.¹⁷ Market research reveals that the highest reductions in discretionary spending in response to the rising cost of living are among young people (under 35), and Australians who rent their homes (close to a third of the population).¹⁸ These groups overlap significantly. Accordingly, there is a need to reduce the costs of live music events

¹⁶ Bakare L (2024) Concert arenas urged to add £1 ticket levy to help small UK venues, *The Guardian*, <https://www.theguardian.com/business/2024/mar/26/concert-arenas-urged-to-add-1-ticket-levy-to-help-small-uk-venues>

¹⁷ Creative Australia (2024) *Soundcheck: Insights into Australia’s music festival sector*. <https://creative.gov.au/advocacy-and-research/soundcheck-insights-into-australias-music-festival-sector/>; Music Victoria (2024) *Perceptions of Live Music: Insights from Young Victorians*. <https://www.musicvictoria.com.au/resource/report-perceptions-of-live-music-insights-from-young-victorians/>; Patternmakers (2023) *City Lights to Red Dirt: Connecting with Audiences Across Australia*. <https://creative.gov.au/advocacy-and-research/audience-outlook-monitor/>

¹⁸ CommBank iQ (2023) *Cost of Living Insights Report*. <https://www.commbank.com.au/articles/newsroom/2023/05/cost-of-living-commbank-iq.html>

(without further damaging the viability of careers and businesses), while also addressing factors driving the cost-of-living crisis: enabling real wage growth and limiting rent and grocery inflation.

An additional factor that is likely to have shaped live music attendance for younger age groups is the COVID-19 pandemic, in which up to two years of live music inactivity ‘broke the habit’ of young people’s formative live music participation. This, together with evidence that initial attendance promotes further and wider arts participation,¹⁹ suggests that targeted stimulus measures may be effective in rebuilding youth participation (see **Recommendation #12** above).

Our research consistently identifies a need for more ‘all-ages’/under-18 live music provision. Programs with a positive impact in this regard include The Push’s *FReeZA* (Victoria) and the Live Music Office’s *Live and Local*, providing models for wider development. Standard venues are often disincentivised from staging all-ages live music events (e.g., separate afternoon performance, or combined attendance) by licensing requirements, including fees and approval processes.

Recommendation #15: Support programs to encourage and enable under-18 and all-ages live music participation, in major cities and regionally. Work with state and local governments to identify and remove disincentives for licensed venues to host all-ages events, in conjunction with increased funding to support events that make use of council venues and other appropriate spaces for all-ages music events.

Barriers to growing the Australian industry, both domestically and internationally, including those relating to export

With digital streaming platforms increasingly becoming the means through which audiences access new music, Australian artists are now competing in a global market for the attention of new audiences. This puts Australian artists at a structural disadvantage, as not only are they isolated from the metropolises of global music markets in North America and Europe, and the touring routes that criss-cross those regions, but algorithmically driven recommendation systems (which have been further advanced by the integration of artificial intelligence) privilege established artists as well as artists emerging from markets in the Global North. Australian artists are therefore facing increasing isolation from audiences, both in Australia and abroad. The Australian government needs to legislate to ensure that these artists have requisite opportunities to grow and develop on these new platforms by legislating content quotas for streaming platforms. In particular, content guidelines and quotas that prioritise local artists to local audiences need to be implemented, similar to our pre-existing radio and television content quotas. Such quotas would ensure Australian artists continue to have access to Australian audiences.

¹⁹ See e.g. Music Victoria (2024); Patternmakers (2023), *ibid*.

Recommendation #16: Legislating local Australian content quotas for digital streaming services used and accessed in Australia, to prioritise and showcase Australian artists and content. This could apply to both music and screen media.

Recommendation #17: Create a certification system for human artists to protect against artificial intelligence replacing artists ‘by stealth’ and to ensure transparency specific to the creation of musical products.

Recommendation #18: Reconsider and review trade agreements that unfairly advantage international artists in the streaming era.

Building sustainability in the industry, domestically and internationally

In terms of financial sustainability, grassroots, small live music venues are being squeezed out of our major cities as a result of gentrification, rising costs, and changing audience behaviours. Audiences are also spending less at live music events (on alcohol etc.), which threatens the business models of many commercial live music venues. Without these local, accessible spaces, we will struggle to support the next generation of artists to find their feet, and audiences will be left without a vital connection to local artists. These grassroots venues need structural support now, as do our musicians, to ensure that the Australian live music industry can thrive from the bottom up. Such support might include supporting venue operators, communities, and local governments to purchase these venue spaces outright, to run them as not-for-profit, community or cooperative ventures.

In regard to environmental sustainability, grant and funding initiatives should prioritise events, venues, promoters and musicians taking action to address climate change. Climate action and environmentally sustainable initiatives should be included within assessment guidelines for grants and funding.

Recommendation #19: Provide legislative and funding support for grassroots small live music venues to help them cope with changing audience behaviours, access new revenue streams, protect them from increasing gentrification and rising costs, and support their capacity to host and pay musicians at the Musicians Australia minimum rate.

Recommendation #20: Provide legislative pathways and opportunities for communities, local governments, and other non-commercial entities to purchase and run venues as not-for-profit or cooperatively managed venue spaces, such the model championed by the UK Music Venue Trust’s Music Venue Properties.²⁰

Recommendation #21: Reward environmentally sustainable initiatives within the live music industry by making certain funding and grants conditional on climate action.

²⁰ <https://www.musicvenueproperties.com/>