

# **Australian Contemporary Music Industry**

***A multi-billion dollar contributor to Australia's economy & culture***



## **Australian contemporary music is big business**

- Music Australia estimates music contributes \$4 to \$6 billion to the Australian economy<sup>1</sup>
- Copyright industries generate more value add to the Australian economy than manufacturing and health care; recorded music is one of the most significant contributors<sup>2</sup>
- More Australians attend live music than sport<sup>3</sup>; over 40 million people attend contemporary music performances annually<sup>4</sup>
- Australia's live contemporary music industry generates revenues of \$1.5-\$2 billion annually<sup>5</sup>
- Australia's recorded music industry grew by 5.5% in 2016 with \$352.2 million in revenues<sup>i</sup>

## **Contemporary music generates jobs and growth**

- Expenditure associated with live music making in Australia is estimated to generate in the order of 64,747 jobs, 37,652 of which are full-time<sup>6</sup>
- Creative Industries are strong contributors to employment growth, growing 40 per cent faster than the economy as a whole<sup>7</sup>
- Australian music and performing arts businesses comprise almost one per cent of all Australian small businesses<sup>8</sup>.

## **Investing in music strengthens our economy**

- Research for APRA AMCOS by Ernst & Young has shown that tax incentives for Australian music could generate<sup>9</sup>:
  - 250,000 additional public performances each year
  - Over 30 million additional attendances at live music performances
  - Increased investment in sound recordings by new and current artists
  - Cashflow positive economic activity that returns \$40 M to the Australian economy
- Every dollar spent on live music circulates three dollars back into the broader community<sup>10</sup>
- Strategic partnerships between the Australian Government, APRA AMCOS, industry, and the *Sounds Australia* music export office have delivered an increasingly sophisticated export presence with substantially improved market access<sup>11</sup>.

## **Music is central to our culture and identity**

- Music contributes to quality of life for all Australians:
  - 97% of Australians listened to recorded music in 2016<sup>12</sup>
  - Music is the most common artform used by Australians to engage with their own cultural background<sup>13</sup>
  - 15% of Australians created music in 2016<sup>14</sup>
- Music leads to improvement in health, well-being and social capital<sup>15</sup>.

## Industry and Government working together can address key challenges and opportunities for Australian music

- **Australia is a net cultural importer:** Copyright has declined from 4.1 per cent to 1.8 per cent of exports in 10 years<sup>16</sup>.

**However** Australian recorded product revenue is now 6<sup>th</sup> globally, up from 7<sup>th</sup> in 2006<sup>17,18</sup> and grew by 5.5% in 2016<sup>i</sup>

**Music** and performing arts have been the strongest recent performers within the creative industries<sup>19</sup>

**In** 2015/16 revenue generated by APRA AMCOS (representing the rights of songwriters and publishers in AU/NZ) grew by 11% to \$333m – a record rate of growth, which included a 12% increase in export revenue to \$38m<sup>20</sup>

- **Australian music must compete globally** with content from the rest of the English-speaking world, and domestic consumption of Australian music is low by international standards<sup>21</sup>

**31 of the top 100 albums** in the 2016 ARIA chart were by Australian artists<sup>22</sup>

- **We need to invest in our creators:** 56 percent of all Australian musicians earn less than \$10,000 from their creative income, with only 16 percent earning more than \$50,000<sup>23</sup>.

**We are successfully** opening export doors for our artists. Our music export office, SOUNDS AUSTRALIA, has showcased 728 Australian artists at 50 international events, across 20 countries, leading to 1593 business outcomes, and is engaged in current research to investigate the cultural and economic value of Australian music exports<sup>24</sup>.

- **Globally Australia has a small creative sector** compared with our counterparts<sup>25</sup>, at between 4-9 percent of GDP, it is well short of the 20 percent for most advanced economies<sup>26</sup>.

**In Australia** music and performing arts are driving creative industries sector growth, with 6 percent average growth<sup>27</sup>

- **The live music industry faces pressures**, with regulatory and planning barriers, urban development, changing consumer trends, and increasing touring and other costs. A 2016 arts participation study showed a seven percent drop in live music attendance and a 5 percent drop in participation over four years<sup>28</sup>.

**Regulatory reforms** in states working with the National Live Music Office are delivering planning improvements and recognition for small music venues

**Research** for Tourism Australia has shown that music, after food and wine, is the most popular attractor for tourists to regions and a key driver of overnight visits<sup>29</sup>

- **We want government recognition for our industry**, we generate significant revenues, employs thousands of people, are an exporting industry, and a major part of the tourism economy. Yet we lag other countries and industries in government backing and investment.

**Integrated approach** Australia's contemporary music industry is working collaboratively and cohesively to advocate for the economic and cultural impact and importance of the sector and to drive industry development.

## Prepared by Music Australia

This Fact Sheet is drawn from the [National Contemporary Music Plan \(2016\)](#) prepared by Music Australia with industry partners. Updated August 2017.



## Partners

Music Australia  
Association of Artist Managers  
Australian Independent Record Labels Association  
Australian Music Industry Network  
APRA AMCOS  
Australian Music Association  
Australian Recording Industry Association  
Australasian Music Publishers Association Ltd  
Country Music Association of Australia  
Folk Alliance Australia  
Live Music Office  
Live Performance Australia  
Music Rights Australia  
Sounds Australia

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<sup>1</sup> Estimating the Value of the Music Sector [Music in Australia Knowledge Base](#) (2005-2014)

<sup>2</sup> Australian Copyright Council (2015)

<sup>3</sup> Roy Morgan Research [Rocking on or all jazzed up, more Aussies go to see live music than live sport](#) (2014)

<sup>4</sup> University of Tasmania (2014)

<sup>5</sup> E&Y for APRA Economic contribution of the venue-based live music industry in Australia (2011) & 2014 Ticket Attendance and Revenue Survey Live Performance Australia (2015)

<sup>7</sup> The Economic and Cultural Value of Live Music in Australia, University of Tasmania (2014)

<sup>8</sup> ARC Centre of Excellence for Creative Industries and Innovation (CCI) CREATIVE ECONOMY REPORT CARD (2013)

<sup>9</sup> Valuing Australia's Creative Industries Final Report (2013) Creative Industries Innovation Centre

<sup>10</sup> [Investment initiative to cultivate the Australian contemporary music industry](#) E&Y for APRA AMCOS (2015)

<sup>10</sup> The Economic and Cultural Value of Live Music in Australia, 2014, University of Tasmania.

<sup>11</sup> Sounds Australia [available here](#)

<sup>12</sup> Australia Council for the Arts, Connecting Australians: [National Arts Participation Survey](#) (2017)

<sup>13</sup> Australia Council for the Arts, National Arts Participation Survey (2017)

<sup>14</sup> Australia Council for the Arts, National Arts Participation Survey (2017)

<sup>15</sup> University of Tasmania (2014)

<sup>16</sup> Australian Copyright Council (2015) *The Economic Contribution of Australia's Copyright Industries 2002-2014*, prepared by Pricewaterhouse Coopers (PwC)

<sup>17</sup> Australia Council for the Arts (2012) *The Music Recording Sector in Australia: Strategic Initiatives*

<sup>18</sup> IFPI (2016) *Recording Industry in Numbers*

<sup>19</sup> Valuing Australia's Creative Industries Final Report (2013) Creative Industries Innovation Centre

<sup>20</sup> APRA AMCOS (2016) *Year in Review 2015-16*, [available here](#)

<sup>21</sup> IFPI (2014) Digital Music Report 2014

<sup>22</sup> 2016 ARIA charts

<sup>23</sup> Australia Council for the Arts, Australian Government (2010) Do You Really Expect to Get Paid? An Economic Study of Professional Artists in Australia

<sup>24</sup> Sounds Australia [available here](#)

<sup>25</sup> Culture, Creativity, Cultural Economy: A Review (2014) Justin O'Connor and Mark Gibson

<sup>26</sup> Schultz J, Comparative advantage. Culture, citizenship and soft power (2015) [available here](#)

<sup>27</sup> Valuing Australia's Creative Industries Final Report Creative Industries Innovation Centre (2013)

<sup>28</sup> Australia Council for the arts [National Arts Participation Survey](#) (2017)

<sup>29</sup> Tourism Research Australia (2014) Impact of Regional Events, Report prepared by GfK Australia

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<sup>i</sup> Australian Recording Industry Association (ARIA), Wholesale Sales Figures (2016)