

## STANDING COMMITTEE ON INDIGENOUS AFFAIRS

### **Growing presence of inauthentic Aboriginal and Torres Strait Islander 'style' art and craft products and merchandise for sale across Australia**

**The Hon Ms Claydon, asked the following question at a public hearing in Darwin on 10  
August 2018**

**Ms CLAYDON:** I will be brief. I really just want to put on record that I think it's terrific work that the foundation is doing here. One of our terms of reference is how we better promote authentic Aboriginal art. I can think of possibly no greater example where you make use of a terrific arts centre model that's well in place and affords considerable protections—not watertight but considerable—to the artists that it represents. Great work. I think all of the art fairs that we have visited around Australia. They work really hard at professional development of artists and providing a point of sale for people. You're doing a terrific amount of work in education here, obviously, and we're trying to get some economic data about the value of this particular art fair to the city of Darwin for a three-day period.

**Ms Summers gave the following response.**

**Ms Summers:** I'm happy to provide that. In 2017, we returned \$15 million to the Darwin economy. There's a report that I can provide from Regional Development Australia, who compiled those figures.

# Event Impact Calculation

## Darwin Aboriginal Art Fair 2017

City of Darwin LGA



### About the Event Impact Calculator

Events are very important contributors to local and regional economies. A successful well run event can provide significant value to an area by adding jobs and money to the local economy and providing additional cultural and social benefits.

The event impact calculator has been developed to enable Darwin Aboriginal Art Fair (DAAF) to calculate the potential economic impact of a proposed event being Run in City of Darwin LGA. This calculator alone cannot predict which events will be successful, however it can indicate the potential economic impact a successful event may have across a range of economic measures such as output, employment, wages and salaries and local jobs.

This tool uses input/output estimates to calculate the impact of an event based on the average spend per day by visitors to the event.

As events can also contribute to an area in other ways, such as socially, culturally and environmentally, it is important that other tools or methods are also used to evaluate the potential or benefit of an event.

## 1. Impact of **Visitors** attending the 2017 Darwin Aboriginal Art Fair Festival

DAAF have attendance and expenditure figures from the 2017 event. Attendance figures were collected at the venue, and sales figures were collected from exhibitors. A survey with 222 respondents was also conducted to estimate further expenditure from non local attendees over the 3 day event (Visitors). These have been extrapolated to estimate the attendance and expenditure for the visitors from out of Darwin attending the event. In 2017, 47% of attendees visited from outside the area (5021 people). The average expenditure per surveyed visitor is \$2295 over 3 days, including transport (306.70), accommodation 798.48), food and drink (\$305.48), Shopping (\$748.34).and Event Tickets (\$136.34). This equals an average spend of \$765 per visitor per day.

The total event spend for **Visitors** attending the DAAF is \$11 523 195. As the event is held in City of Darwin LGA, it is calculated to have the following potential impact:

### 1.1 Event Impact Summary (visitors)

City of Darwin LGA - Darwin Aboriginal Art Fair 2017 - Modelling the effect of \$11,523,195 from Visitors attending an Arts and Heritage event with State significance

	Output (\$)	Value-added (\$)	Wages & salaries (\$)	Employment (annual FTE)	Resident Jobs (annual FTE)
Direct impact	9,218,556	3,520,330	0	73.4	--
Industrial impact	4,152,190	1,924,841	0	15.0	--
Consumption impact	2,430,620	1,219,795	0	11.1	--
<b>Total impact on City of Darwin LGA economy</b>	<b>15,801,366</b>	<b>6,664,966</b>	<b>0</b>	<b>99.5</b>	<b>-</b>

Source: [National Institute of Economic and Industry Research \(NIEIR\)](#) ©2016. Compiled and presented in economy.id by [.id](#), the population experts.

Note: All \$ values are expressed in 2014-15 base year dollar terms.

The Darwin Aboriginal Art Fair 2017 event started on the 10/08/2017 and run for 3 days. It is an event of State significance and is estimated to attract 5021 out of town visitors per day over the 3 days, with an average spend per person per day of \$765. This equals a total visitor spend of \$11,523,195 attributed to this event. Assuming the event will be held in the City of Darwin LGA, it is calculated to have the following potential impact:

## 1.2 Impact on Output (visitors)

The total visitor spend of \$11,523,195 attributed to staging the Darwin Aboriginal Art Fair 2017 would lead to a direct impact on output of \$9,218,556. This additional direct output from the economy would also lead to an increase in indirect demand for intermediate goods and services across related industry sectors. These indirect industrial impacts (Type 1) are estimated to be an additional \$4,152,190 in Output.

There would be an additional contribution to the City of Darwin LGA economy through consumption effects as correspondingly more wages and salaries are spent in the local economy. It is estimated that this would result in a further increase in Output of \$2,430,620.

The combination of all direct, industrial and consumption effects would result in total estimated rise in Output of \$15,801,366 in the City of Darwin LGA economy.

## 1.3 Impact on value added and GRP (visitors)

The impact of an additional of \$11,523,195 spend to the local economy as a result of running Darwin Aboriginal Art Fair 2017 would lead to a corresponding direct increase in value added of \$3,520,330. A further \$1,924,841 in value added would be generated from related intermediate industries.

There would be an additional contribution to the Northern Territory economy through consumption effects as correspondingly more wages and salaries are spent in the local economy. It is estimated that this would result in a further increase in value added of \$1,219,795.

The combination of all direct, industrial and consumption effects would result in an estimated addition in value added of \$6,664,966 in the Northern Territory economy.

Value added by industry represents the industry component of Gross Regional Product (GRP). The impact on the Northern Territory's GRP as a result of staging this event is directly equivalent to the change in value added outlined above.

In summary, GRP in the Northern Territory is estimated to increase by \$6,664,966.

## 1.4 Impact on Employment (jobs, 12mth FTE) (visitors)

The employment impact of an event is expressed in Full Time Equivalent (FTE) jobs. For example, an event that generates 4 weeks of full time work for 13 people (52 weeks of full time work in total), would have an employment impact equivalent to 1.0 annual FTE job.

The direct addition of \$11,523,195 spend to the local economy as a result of staging the Darwin Aboriginal Art Fair 2017 in the Northern Territory is estimated to lead to a corresponding direct increase of employment equivalent to 73.4 annual FTE jobs across a range of industries. From this direct expansion in the economy it is anticipated that there would be flow on effects into other related intermediate industries, creating an additional employment equivalent to 15.0 annual FTE jobs.

This addition of employment in the local economy would lead to a corresponding increase in wages and salaries, a proportion of which would be spent on local goods and services, creating a further increase equivalent to 11.1 annual FTE jobs through consumption impacts.

The combination of all direct, industrial and consumption effects would result in a total estimated increase of employment equivalent to 99.5 annual FTE jobs located in the Northern Territory.

## 2. Impact of *Art Sales* the 2017 Darwin Aboriginal Art Fair

DAFF have attendance and expenditure figures from the 2017 event. In 2017 10 683 people attended and spent a total of \$2 224 000 on Art over the three days.

### 2.1 Event Impact Summary (art sales)

#### Event Impact Summary

Northern Territory - Darwin Aboriginal Art Fair 2017 - Modelling the effect of \$2,222,064 from a Arts and Heritage event with State significance

	Output (\$)	Value-added (\$)	Wages & salaries (\$)	Employment (annual FTE)	Resident Jobs (annual FTE)
Direct impact	1,777,651	678,838	0	15.5	--
Industrial impact	707,606	340,744	0	2.9	--
Consumption impact	368,556	187,214	0	1.8	--
Total impact on RDA Northern Territory economy	2,853,813	1,206,796	0	20.2	--

Source: [National Institute of Economic and Industry Research \(NIEIR\)](#) ©2016. Compiled and presented in economy.id by [.id](#), the population experts.

Note: All \$ values are expressed in 2014-15 base year dollar terms.

The Darwin Aboriginal Art Fair 2017 event started on the 10/08/2017 and run for 3 days. It is an event of State significance and is estimated to attract 3561 visitors per day over the 3 days, with an average spend per person per day of \$208 on art. This equals a total visitor spend of \$2,222,064 attributed to this event. Although the event was held in the City of Darwin LGA, the calculations were done for the whole of the Northern Territory, as sales from the Art are distributed in communities across the Northern Territory.

### 2.2 Impact on Output (art sales)

The total visitor spend of \$2,222,064 attributed to staging the Darwin Aboriginal Art Fair 2017 would lead to a direct impact on output of \$1,777,651. This additional direct output from the economy would also lead to an increase in indirect demand for intermediate goods and services across related industry sectors. These indirect industrial impacts (Type 1) are estimated to be an additional \$707,606 in Output.

There would be an additional contribution to the Northern Territory economy through consumption effects as correspondingly more wages and salaries are spent in the local economy. It is estimated that this would result in a further increase in Output of \$368,556.

The combination of all direct, industrial and consumption effects would result in total estimated rise in Output of \$2,853,813 in the Northern Territory economy.

### 2.3 Impact on value added and GRP (art sales)

The impact of an additional of \$2,222,064 spend to the local economy as a result of running Darwin Aboriginal Art Fair 2017 in the Northern Territory would lead to a corresponding direct increase in value added of \$678,838. A further \$340,744 in value added would be generated from related intermediate industries.

There would be an additional contribution to the Northern Territory economy through consumption effects as correspondingly more wages and salaries are spent in the local economy. It is estimated that this would result in a further increase in value added of \$187,214.

The combination of all direct, industrial and consumption effects would result in an estimated addition in value added of \$1,206,796 in the Northern Territory economy.

Value added by industry represents the industry component of Gross Regional Product (GRP). The impact on the Northern Territory's GRP as a result of staging this event is directly equivalent to the change in value added outlined above.

In summary, GRP in the Northern Territory is estimated to increase by \$1,206,796.

## 2.4 Impact on Employment (jobs, 12mth FTE) (art sales)

The employment impact of an event is expressed in Full Time Equivalent (FTE) jobs. For example, an event that generates 4 weeks of full time work for 13 people (52 weeks of full time work in total), would have an employment impact equivalent to 1.0 annual FTE job.

The direct addition of \$2,222,064 spend to the local economy as a result of staging the Darwin Aboriginal Art Fair 2017 event in the RDA Northern Territory is estimated to lead to a corresponding direct increase of employment equivalent to 15.5 annual FTE jobs across a range of industries. From this direct expansion in the economy it is anticipated that there would be flow on effects into other related intermediate industries, creating an additional employment equivalent to 2.9 annual FTE jobs.

This addition of employment in the local economy would lead to a corresponding increase in wages and salaries, a proportion of which would be spent on local goods and services, creating a further increase equivalent to 1.8 annual FTE jobs through consumption impacts.

The combination of all direct, industrial and consumption effects would result in a total estimated increase of employment equivalent to 20.2 annual FTE jobs located in the Northern Territory.

## 3. Combined Impact 2017 Darwin Aboriginal Art Fair

Combined Local and visitor event impact.

Northern Territory Wide – 2017 DAAF - Modelling the effect of combined visitors and art sale expenditure from an Arts and Heritage event with State significance

	Output (\$)	Value-added (\$)	Wages & salaries (\$)	Employment (annual FTE)	Resident Jobs (annual FTE)
Direct impact	9 396 207	4 199 168	0	88.9	--
Industrial impact	4 859 796	2 265 585	0	17.9	--
Consumption impact	2 799 176	1 407 009	0	12.9	--
<b>Total impact on Northern Territory economy</b>	<b>18 655 179</b>	<b>7 871 762</b>	<b>0</b>	<b>119.7</b>	<b>--</b>

- The combination of all direct, industrial and consumption effects would result in total estimated rise in Output of \$18 655179 in the Northern Territory economy.
- The GRP in the Northern Territory is estimated to increase by \$7 871 762
- The combination of all direct, industrial and consumption effects would result in a total estimated increase of employment equivalent to 119.7 annual FTE jobs located in the Northern Territory.