

**ABC Submission to the House
Standing Committee on
Communications Inquiry into the
Australian Music Industry
October 2018**



ABC submission to the Australian Government

Australian Music Industry Inquiry

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1. Executive summary

- The ABC has a long and proud history as a partner in the success of Australian music. The ABC Charter mandates the Corporation to encourage and promote musical, dramatic and other performing arts in Australia.
- Through adaptation and innovation the ABC has successfully moved with the audience to digital platforms.
- The ABC plays the highest proportion of Australian music of any broadcaster, nurturing new talent across a broad range of genres. This then influences other media, both commercial and community, setting the agenda for digital media and the local operations of global music platforms.
- A well-funded and well-resourced ABC is the one of the most effective ways the Australian government can support the Australian music industry, ensuring its health and sustainability.

2. Introduction

The Australian Broadcasting Corporation (ABC) welcomes the opportunity to make its submission to this Inquiry. As the country's pre-eminent cultural institution, the ABC views its contribution to Australia music as a central tenet of its public service obligations. The ABC Charter sets out that one of the key functions of the Corporation is:

*to encourage and promote the musical, dramatic and other performing arts in Australia.*¹

Those 13 words reveal little about the significant contribution the ABC has and continues to make to the Australian music industry. This paper will set out the integral part the ABC plays in nurturing new talent and providing Australian artists with a platform to bring their music to domestic and international markets, which as an outcome sustains and develops the local music environment.

The ABC has been synonymous with the local music scene since its inception in 1932 as music "flourished under a Chairman who loved it, a Controller of Programming who had written *Music and the Listener*, and a General Manager who threw his energy into building up permanent concert orchestras".² From the outset, the ABC's commitment was not just to classical but also contemporary music. During the 1930s the ABC encouraged popular dance music, with the formation of the National Dance Orchestra as well as Jim Davidson's ABC National Dance Band. Jim Davidson's band was "the only local dance group whose work was put on commercial gramophone records, and in 1938 four of its discs sold better than any other except one by American singer Allan Jones".³

¹ *Australian Broadcasting Corporation Act 1983* (Cth), s.6(1)(c).

² Ken Inglis, *This is the ABC* (Black Inc. 1983) 49-50

³ Inglis, *This is the ABC*, 52.

This is an early example of the ABC's ability to foster and promote Australian musical artists and give them a platform to compete against high-profile international acts. Through all the developments in media technology and changes in listener tastes, the ABC's ability to support local music has been a constant thread throughout its history. In a country the size of Australia, where travel and touring takes time and money, broadcast technology has historically been crucial in allowing local artists to reach audiences across the continent, in regional and metropolitan centres, providing exposure that inevitably influences popularity and sales.

The introduction of television to Australia in 1956 provided another vehicle for Australian music. The ABC was quick to recognise the influence of contemporary music on youth culture and in 1959 built a live music show around local star Johnny O'Keefe. *Six O'Clock Rock* was first in a number of ABC television programs that reflected and influenced the nascent Australian popular music scene, with the introduction of *GTK* in 1969 capturing the counterculture of the era and then the prescient arrival of *Countdown* in late 1974, only a few months before the introduction of colour television to Australia, and thereby able to capture the full lurid spectacle of glam and other popular 1970s music genres.

Much has been made of the dominance of *Countdown* and the influence its host, Ian 'Molly' Meldrum, had on popular music of the time. Indeed, many of the Australian acts that first featured on *Countdown* went on to high acclaim and enormous international success, including the Little River Band, Cold Chisel, Air Supply, AC/DC, The Angels and Men at Work. However, just as critical to the local music industry and the burgeoning Australian sound was the establishment of the 2JJ, ABC's youth radio station, in Sydney in 1975.

The first song played on 2JJ was a very conscious call to arms. Skyhooks' *You Just Like Me Cause I'm Good in Bed* was not only Australian but had been banned by local commercial radio stations. This was a signal that 2JJ was first and foremost committed to Australian acts and to giving exposure to music neglected or ignored by commercial radio. From its earliest days 2JJ championed independent talent that appeared to have limited commercial appeal. This was a commitment to quintessentially Australian artists such as the aforementioned Skyhooks, Mental as Anything and Paul Kelly, hugely influential bands like Radio Birdman, The Saints and The Go-Betweens, and acts that would go on to be internationally successful, like Midnight Oil.

Over the last 43 years the evolution of 2JJ to the national triple j network and its many offshoots closely resembles the recent history of the domestic music industry - not only in the expansion of new musical genres, but in the way the network has adapted to technological change and audience expectations. The network's continued success and reinvention is evidence of the ability of Australian music to thrive in an increasingly congested and competitive international market.

In tandem with the introduction of the 'youth' music station 2JJ, in 1976 the ABC established a dedicated classical music station. This was one of the first radio stations in Australia to broadcast on the FM band, enabling the network to deliver enhanced listening quality of its classical music, opera, recitals and live concerts broadcasts. More than 40 years later, Classic FM is Australia's only national classical music network and is committed to Australian music and performance, particularly from emerging composers and musicians. Currently triple j has an estimated five city reach of 1.85 million people, while Classic FM's reach is 762,000 listeners.⁴

From the foundations of these two radio networks in the last decade the ABC has added four digital-only music stations - ABC Country, ABC Jazz, triple j Unearthed and Double J. These stations provide for dedicated coverage of specialist genres, and ABC Jazz and Double J are the highest rating digital-only radio networks in the Australian metropolitan markets.⁵

⁴ GfK 5 city survey 1-5 average, 2018.

⁵ GfK 5 city survey 5, 2018.

While ratings and audience reach is integral to artist popularity and music sales, initial exposure is becoming increasingly challenging for new talent due to the abundance of content available on a global scale and the ability for listeners to select and personalise their music. Later in this paper we examine the key role triple j Unearthed plays in discovering new Australian talent, bringing them to an audience and giving independent artists an opportunity to develop careers in a disrupted media environment. In many ways Unearthed exemplifies the contribution the ABC as a whole makes to the local industry, setting strong foundations from which commercial success can be achieved.

Radio networks and audio platforms are the primary medium for music consumption, however the ABC continues to invest in music television programs as another stage for local artists. If *Countdown* was the personification of Australian music in the 1970s and 80s, from high-camp pop to beer barn rock, the ABC programs that followed were similarly influential and reflective of their eras. *Rock Arena*, *The Factory* and *Recovery* gave a new generation of musicians the opportunity to perform in front of mass audiences, with a focus on independent acts and gritty alternative music. *Rage* has recently celebrated more than 30 years on air and continues to be a late-night ritual for music fans across Australia, with new music a feature of the Friday night/Saturday morning program.

Ausmusic month is set aside as a special time to recognise and celebrate Australian music in all its forms, and the ABC runs a huge range of events, concerts, programs and other initiatives each November. This year, on the eve of Ausmusic month, the ABC will introduce a new live music program to Wednesday and Saturday night television. *The Set* will air live performances from the likes of Brisbane's Ball Park Music, Mallrat and Tia Gostelow, as well as Angus and Julia Stone, The Rubens, Baker Boy, Vera Blue and the Presets, all in front of a studio audience.

This program continues the long tradition of ABC music programs that give substantial airtime to contemporary Australian acts and support the next wave of emerging talent. Beyond traditional television, *The Set* also establishes a strong digital presence for these live performances, following audience behaviours to their preferred platform. Next year, ABC TV will also broadcast *The Recording Studio*, a new series that enables everyday Australians to record the most important song of their life, showcasing the transformative effect of music.

The ABC's value to the music industry isn't limited to broadcast programs, and in section 4 of the submission there is additional information about the holistic approach the ABC takes to music; from recording, publishing and distribution through the ABC Music label, the promotion of live events like One Night Stand, partnerships with musical institutions, and the fostering of new talent through initiatives like the ABC Young Performers Awards.⁶

The breadth of ABC services and programs intrinsically contributes to Australian music and its commercial viability. Through the existence of a strong and effective national broadcaster, the ABC is able to fulfil its charter obligation to encourage and promote Australian music and ensure it remains financially robust and culturally significant.

3. Australian music in a digital world

By the mid-1990s the ABC's two national music networks, Classic FM and triple j, were available via analogue FM transmitters to most Australians. The ABC had established a news website in 1995, but the effect of digital technology on music broadcasting still appeared far off on the horizon. However, the popularity of file-sharing services like Napster, which started in 1999, were any early indication that the status quo was under threat,

⁶ <https://www.abc.net.au/classic/events/abc-young-performer-of-the-year-awards/9985738>

particularly for music sales. This audience-led innovation was quickly followed by industry innovation in the form of iTunes and the iPod in 2001, which gave even greater choice and control to listeners.

The growth of online services and proliferation of mobile devices over the last 20 years has transformed all media and consumer industries, from books, newspapers and broadcasting to retail and transport. The digital disruption to the music industry has been particularly rapid as mass audiences fragment and break off to their genres of interest, and personalisation attenuates the marketing power of traditional music publishers and distributors.

However, digital technology has also given the music industry the opportunity to diversify and innovate. For the ABC this has meant it can deliver more specialised music services across multiple platforms. In 2002, the ABC started its first digital radio stations, DIG, a contemporary adult alternative station that has since transformed into Double J, the ‘older sibling’ of triple j.

DIG has since been followed by three other digital stations, ABC Jazz, ABC Country and triple j Unearthed. Digital and streaming technology has allowed the ABC the flexibility to experiment, offer a greater range of music and focus on more Australian music. Apart from their core specialties, across the six ABC networks individual programs also explore a range of other genres, including world, hip hop, roots and blues, opera, chamber music, dance, electronic, punk and metal.

A focus on diversity is another priority across ABC music networks, with increased levels of Indigenous content and representation of Australian women. This is best exemplified by the triple j Unearthed platform and is discussed further in section 5. The ABC has also invested in its mobile apps - ABC Listen, Kids Listen and the triple j app, delivering improved functionality and design that makes it easier for listeners to discover new music and the breadth of music content offered by the ABC.

While the ABC has expanded its range of offerings, commercial radio has had to rationalise in an attempt to mitigate the effect of international services like YouTube, Spotify and Apple Music. With the commercial imperative to capture and hold onto mass audiences, domestic stations have to fall back on more established and recognisable international and Australian music content.

Radio airplay continues to have a significant influence on music consumption and sales, and while commercial quota requirements provide some bulwark against the flood of international services and content, they are imperfect. Both Commercial Radio Australia and industry groups such as APRA AMCOS support the continuation of commercial quotas in some form. While the ABC has no mandated Australian quota obligations, as per Table 1 below, its radio networks, including its digital radio stations, far exceed the local music content requirements.

The ABC contends that providing sufficient funding to public broadcasters is the most effective way to ensure the continued high levels of Australian music and the sustainability of the industry.

Table 1 – ABC Radio Network Australian music percentage

ABC RADIO NETWORK	ABC Network 2017–18 Target	ABC Network 2017–18 result	Comparable commercial quota requirement
ABC RN	25%	43.8%	N/A
ABC Local Radio	25%	45.33%	N/A
ABC Classic FM	30%	51%	Not less than 5%
triple j	40%	58.04%	Not less than 25%
Double J	35%	35.6%	Not less than 25%
ABC Jazz	25%	29.1%	Not less than 5%
ABC Country	25%	65.77%	Not less than 20%
triple j Unearthed	100%	100%	Not less than 25%

4. Beyond Broadcasting

As a national organisation with multiple outlets, the ABC is able to use its resources effectively to promote Australian music through various means.

ABC Music

ABC Music is a leading independent record label in the Australian market. It releases music across a range of genres from children's, classics, jazz, and country, through to triple j. Many of the genres supported by ABC Music are otherwise overlooked by other labels. ABC Music also represents leading classical music artists and Australian classical music organisations, including symphony orchestras and ensembles.

During 2017-18, ABC Music released 212 titles – 98 titles for ABC Classics and 114 titles for Contemporary (including 47 ABC KIDS titles). 201 albums were released digitally across a number of platforms. Of particular note, triple j's Like a Version 13 and Hottest 100 Volume 25 both reached the number one position on the ARIA chart, with The Wiggles Nursery Rhymes 2 album coming in at number 3. In the 2017 Annual ARIA Charts, ABC Classics had six top 10 releases feature on the Core Classical chart and two top 10 releases on the Classical/Crossover chart.

At the most recent respective awards presentations, ABC Music and ABC Classics collectively won six ARIA awards, three AIR Independent Music awards and three Country Music Australia awards, including single of the year and song of the year.

Partnerships

The ABC has a long history of partnering and recording with leading cultural institutions, including Australian classical music organisations and orchestras. These relationships support the institutions to reach a broad national listenership beyond the audience that is able to attend the concert hall. Symphonies Australia estimate that for every person attending concerts, a further 20 are reached through ABC Classic FM.

These partnerships include:

- Regular recordings of all major Australian symphonies orchestras.
- Recordings of Australian Chamber Orchestra, Opera Australia, Pinchgut Opera and Musica Viva concerts.
- Live broadcast of major Australian music competitions, including the Melbourne international Chamber Music Competition, the Sydney International Piano Competition and the Young Performers Awards.
- Support and broadcast of both the Freedman Jazz and Freedman Classical Awards.

Events

The ability to bring emerging and established acts to regional cities and towns, and to broadcast such events nationally is one of the most socially rewarding elements of the ABC's contribution to the Australian music industry.

The ABC supports music festivals and tours across broad genres, including:

- Splendour in the Grass, live across triple j and ABC TV.
- Tamworth Country Music Festival, live on ABC iview and ABC Country.
- Port Fairy Folk Festival, live on ABC Local Radio.
- Wangaratta Jazz Festival, live on ABC Jazz.
- Australian Festival of Chamber Music in Townsville, on Classic FM.
- ABC Classic Kids: *Sounds Like Australia* at the Sydney Opera House.
- triple j One Night Stand – taking live music to regional Australia.
- Ausmusic month concert – live broadcast of iconic Australian artists.

First and foremost, these occasions bring communities together in celebration of music. However, they also make a significant economic contribution to the music industry and the broader economy. As an example, the 2018 One Night Stand was held in July in St Helens, Tasmania. It is estimated that more than 20,000 concert goers attended and created economic activity of more than \$1.2 million for the local area.⁷

These events also benefit musicians, not just through exposure, but also sales. For example, following the broadcast of 2017 Ausmusic month Paul Kelly concert live from the Sydney Opera House, his new release *Life Is Fine* jumped 16 spots to #8 on the ARIA chart and his 1997 compilation, *Songs from The South Volumes 1 and 2* re-entered the charts at #22.

Ausmusic month

Ausmusic month is an ABC led focus on Australian music every November, running for more than 20 years. Australian artists both new and old are highlighted across the ABC's radio networks, on TV and through digital content. This includes TV series, the triple j Awards and a day where audience are encouraged to wear t-shirts from Australian artists. The aim of Ausmusic month is to encourage audiences to have pride in Australian music and directly support their local artists.

Music education and participation

According to the Australia Council for the Arts, nine in 10 Australians listen to music each week.⁸ However, when it comes to learning an instrument, 14.6% of Year 12 students participate in music.⁹ The 2005 National Review of School Music Education found that 63% of primary schools in Australia offer no classroom music and that the quality of music education has become highly inequitable.¹⁰

⁷ <https://www.abc.net.au/news/2018-09-03/one-night-stand-impact-on-local-economy/10193928>

⁸ <http://artfacts.australiacouncil.gov.au/music/participation-7/>

⁹ *ibid*

¹⁰ http://researchrepository.murdoch.edu.au/id/eprint/9459/1/music_review_reportFINAL.pdf

The ABC is involved in a number of initiatives to promote the benefits of music education for children, their families and the broader community. These include:

- *Don't Stop the Music*, which follows one underprivileged school in its journey to musical literacy.
- The series will work in conjunction with a national impact campaign to encourage Australians everywhere to donate their old musical instruments, so that every public primary school in Australia can build a music program into their curriculum.
- *What is Music?*, which explores the fusion of science and emotion when we engage with and respond to music.
- *How Music Works* provides a layperson's understanding of the technical aspects of creating music.
- *Sounds Like Australia* is a podcast series and live show designed to introduce classical music to pre-schoolers.

The intention of these initiatives is to bring music to the centre of the community and is part of the ABC's role as a public service broadcaster to positively influence Australian society.

5. Case study - triple j Unearthed

The evolution of the triple j network, from Sydney-only AM station in the mid-1970s, the switch to FM in 1980, expansion to other capital cities in 1989, regional expansion throughout the 1990s, and then the adoption of digital through its website, streaming and apps is reflective of the broader changes in the music industry.

The 'youth' demographic is generally viewed as the most likely to move away from traditional broadcasters to personalised services and third-party platforms, and stations like triple j the most vulnerable to digital disruption. However, triple j has been able to nimbly adapt to listener expectations and technological change and still maintain relevance, popularity and diversity through an understanding and respect for its audience. In doing so, the network has still managed to remain true to its core responsibility to bring new music and Australian talent to the fore.

triple j's expansion to regional Australia in the 1990s was ground-breaking in many ways. This was well before listeners could easily select music of their own choosing and in many small cities and towns across Australia, the only option was, at best, a top 40 or classic rock commercial station. The arrival of triple j opened up possibilities for young fans and talent and led to the emergence of many great artists from rural and regional areas including Grinspoon, Missy Higgins and Killing Heidi.

Grinspoon came to national attention in 1995 when it was decided that through its regional expansion, triple j would 'unearth' a band or artists in each region it was coming to. The Lismore NSW band were the first Unearthed competition winners and went on to sign with international label Universal in the United States in 1998, and over the course of their career win two ARIA awards and certified sales of over half a million.

Unearthed is a uniquely ABC innovation and has become a platform that has revolutionised the Australian industry. In 2006, before Spotify, SoundCloud and Bandcamp existed, Unearthed relaunched as triplejuneearthed.com, the place where independent Australian artists could upload and share their independent recordings online - a direct line to the audience for artists who may not have had a platform to otherwise do so.

Through Unearthed, artists control their own rights, have free access to upload their music and manage their profiles. The site now contains over 120,000 tracks and acts as a pathway to airplay on triple j and other ABC music networks and a community of music lovers and music makers who can discover and share music through their own efforts. The initiative is also integral to the way the entire Australian contemporary music industry discovers new music, with Australian music labels using the Unearthed website for A&R research and to discover new talent.

In 2011, Uearthed was also launched as a 24-hour digital radio station, playing 100% Australian music from independent and unsigned bands. The whole Uearthed project, through competitions, the website and the radio station provides a valuable first step for Australian musicians trying to find an audience. Uearthed is also a highly efficient operation, with six staff employed to run and curate the website, competitions and digital radio station.

Notable successes include:

- 50% of feature artists and competition winners are female, and artist airplay is equally dedicated to female artists.
- The current crop of leading female Australian artists who first came to prominence through Uearthed include Amy Shark (nine ARIA nominations 2018), Montaigne (Uearthed finalist 2012), Tash Sultana (six 2018 ARIA nominations, including best female artist), Courtney Barnett (Uearthed winner 2012 and 2015 Grammy Best New Artist nomination), Gretta Ray (Uearthed winner 2016) and Alex Lahey (Uearthed winner 2016).
- The triple j Uearthed team is also highly proactive in featuring artists from Indigenous backgrounds. This new wave of Indigenous talent includes Baker Boy, Emily Wurramurra and Thelma Plum, who all experienced their first airplay via triple j Uearthed.
- In 2018, 65% of artists at the Splendour In The Grass festival first came to public attention via triple j Uearthed.
- Uearthed's commitment to diversity sets the agenda for the entire Australian music community, with the artists profiled on Uearthed then appearing on other media, festivals and awards presentations.

The Uearthed alumni from 1995 onwards also includes high-profile Australian artists like The Rubens, Gangs of Youth, Megan Washington, Client Liaison and Seth Sentry, and internationally acclaimed acts like Flume (2017 Grammy award winner) and Vance Joy (2014 International Songwriting Competition winner for US double platinum certified song *Riptide*).

There is a direct link from the support and exposure given by Uearthed to the recent renaissance in local music and the growth and health of the industry. The ABC is the only media outlet able to take these risks with new and emerging Australian talent, and with greater investment could expand the Uearthed concept to other Australian artists and genres.

6. Economic contribution

Music production, recording, distribution, copyright, sales and live events create significant financial outcomes for the Australian economy. According to Music Australia this amounts to between \$4 billion and \$6 billion, with live music generating revenues of \$1.5-\$2 billion annually and Australia's recorded music industry growing by 5.5% in 2016 with \$352.2 million in revenues.¹¹

The ABC both directly and indirectly plays a role in helping to generate these economic outcomes. The scope of the ABC's involvement includes its ability to reach mass audiences across the country through a diversity of platforms and networks, the range of musical genres it offers, its willingness to nurture and promote emerging talent, and the high proportion of Australian artists and new content it champions.

¹¹ https://musicaustralia.org.au/wp-content/uploads/2017/08/Australian-Contemporary-Music-a-billion-dollar-industry_2017.pdf

Through this wide-ranging activity, the ABC supports a broad range of music artists, music genres, and companies and individuals in the wider industry, such as producers, technicians, event organisers and agents. As set out earlier in the paper, the ABC has supported many young musicians during the most vulnerable and challenging stage of their careers, when they would have received no commercial airplay or interest from record labels and distributors. A large percentage of these acts have gone on to be staples of commercial playlists, signed to major labels and achieved international success.

This is not to say that these artists wouldn't have achieved this success at any rate. However, the privileged position the ABC has as an independent and trusted cultural institution enables the Corporation to have a positive impact on the local industry.

7. Closing comments

The creation and distribution of Australian music content and a strong and vibrant industry sector is fundamental to Australia's national identity and shared cultural heritage. In creating and distributing Australian content, these industries also provide numerous employment opportunities across metropolitan and regional Australia and foster and develop talent. The ABC plays a pivotal role within this system and our investment in Australian music over many decades has played a significant part in the success of the local industry.

The ABC works within a finite and diminishing budget envelope, but additional funding in the public broadcaster will provide opportunities for greater investment and have a multiplier effect across the music industry.

Additional funding to the ABC could:

- Provide for an expansion of the Unearthed initiative to other artists, genres and audiences.
- Build on existing partnerships with established classical and other musical organisations.
- Support more community outreach and stakeholder engagement like the *Don't Stop the Music* program.
- Contribute to events like One Night Stand, which promotes young Australian artists, and bring a sense of community as well as economic benefit to regional centres.

The ABC's passion for and expertise in music, its infrastructure, strong relationship with audiences and commitment to Australian music establishes the Corporation as an integral part of the domestic industry. The Corporation enters its next triennial funding phase in 2019-20, and the outcomes from this process will be crucial in ensuring investment in Australian music content can be sustained and enhanced, providing for a distinctive, vibrant and viable music environment.