



A VOICE FOR ALL MUSIC

**SUBMISSION FOR THE PARLIAMENTARY INQUIRY
INTO THE AUSTRALIAN MUSIC INDUSTRY**

About Music Australia

Music Australia is a 50-member, independent, not-for-profit national peak music organisation. As a national umbrella body we work with the professional industry to deliver information, resources, advocacy, and sector engagement. Our members include key national music industry organisations, artform specialists and expert industry advisory groups. We are active in music education and run Australia's largest school music program Music: Count Us In. Our combined programs annually reach 700,000 Australians.

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INTRODUCTION

HOW A MUSICIAN DIES

He lay quite still and all breathless
His end would no longer wait
And slowly his soul, now quite restless
Arose and considered his fate

And as being slipped fast and far from him
Just like a wee babe in the womb
The sight of his grew even more dim
But his hearing it started to bloom!

Though t'was not the music of heaven
That called and rolled loudly around
But the tunes of his life he had striven
To make dulcet and beautiful sounds

And roaring with last thoughts of being
Was folk song, HipHop and Handel
These notes lullabied his last seeing
As existence burned down like a candle

Music has been part of human history and has encouraged human expression and endeavours in daily life and cultural ceremonies. History has taught us that music was synonymous with survival. Some would in fact argue that music is what indeed makes us human. Socially, emotionally, physically, intellectually and psychologically, music is the conduit for brain development and development of human kind. In short, music has been the foundation of our existence. A greater understanding is urgently required to recommend how Government can encourage cohesion in all areas of music including education, contemporary music, community music in all its different guises from early childhood to adult expression. Lifelong learning in music is essential for the development of active, practical policies to build great nations.

Government strategy needs to include investing in the music industry, music education and a strong civil society that nurtures connections and insights between and across individuals and different communities both in metropolitan, regional and remote settings.

Investment in music needs to be an essential element in Australia in assisting us to understand what it means for us to be human. Music is a powerful tool for communicating important issues that can connect diverse groups of people. It provides a medium to build communities and capacity to build a nation by sharing commonalities and cultural values in Australia. It also provides the conduit to connect individuals and communities in the vast musical landscape that includes all aspects of a healthy, culturally diverse society. Music facilitates the sharing of expressions, ideas, traditions and stories and it helps us explore and acknowledge our past and create possibilities for the future.

Music and the performing arts rely on relationships and interconnections across a number of organisations, as well as investment from local governments, state and federal governments. Other funding sources can be developed through philanthropic, fundraising, sponsorship and partnership opportunities. These relationships are at best tenuous and not reliable to assist in quality tenure in the music organisations and small business. Despite this, as a nation we boast some of the best music companies and music administrators in the world. Music and the arts affect the lives of 98 per cent of Australians. Music celebrates and connects a greater understanding of who we are and what we value as a nation and what connects and makes us tick as a tribe.

Unfortunately, government funding in real terms is regressing. Lack of investment hinders growth, development and innovation as well as undermines organisations' sustainability. Increased government investment will encourage creativity as a nation and unite the potential to innovate and develop a creative blueprint for Australia.

Increased funding will enable participation and connection to grow public awareness and to nurture music delivery to communities across metropolitan and regional Australia. Despite income generated from the music industry, many aspects are still under significant pressure. A multipronged strategic approach is needed to build greater base stability and stimulate ambition, innovation and access.

A THRIVING MUSIC INDUSTRY IS A MIRROR FOR A THRIVING ECONOMY

Why should we invest in the Australian Music Industry? Australian contemporary music is a multi-billion-dollar industry, employing tens of thousands of people, reaching millions of audiences, and is one of the major contributors to our copyright industries. But it is almost exclusively made up of micro, small and medium businesses – some 99 percent turnover less than \$2m per annum. This provides the context to grow and develop businesses which provide jobs, contribute to GDP growth, and build Australia's business and global reputation. Participation and connection will grow the public good so that the arts can deliver to the individual and collective communities across metropolitan and regional Australia.

Music in all its forms generates billions for the Australian economy. Music Australia has estimated the music sector contributes \$4 to \$6 billion to the Australian economy. Our copyright industries generate more value to the Australian economy than manufacturing and health care; with recorded music being one of the most significant contributors. (See Appendix – contemporary music plan)

More Australians attend live music than sporting activities. It has been well documented how sports activities connect communities yet music connects more people through live performances, community music and audience participation, in addition to education services and festivals. Over 40 million people attend contemporary music performances annually. Australia's live contemporary music industry generates revenues of \$1.5 - \$2 billion annually and every dollar Australians spend on live music circulates three dollars back into the broader community.

Government policy highlighted in tax incentives would increase cash flow and generate economic activity returning \$40 M to the wider Australian economy. Contemporary music is a strong creative industries performer, and this sector is a key contributor to national employment growth, growing 40 per cent faster than the economy as a whole. Australian music and performing arts businesses comprise almost one per cent of all Australian small businesses.

OUTCOMES AND BENEFITS OF THE AUSTRALIAN MUSIC INDUSTRY

As a key creative industry, Australian music is a significant contributor to the economic sector with many aspects of the Australian community significantly contributing to GDP. There are approximately 70,000 jobs in the live music sector with extremely high levels of youth employment. The Australian music industry also contributes to Australia's trade balance through exports, tourism, royalties, performances and festivals. Such productivity is outperforming other industries. This also encourages the delivery of employment and jobs to regional and remote areas.

The social and cultural benefits of music to Australian society include self-expression in regard to quality of life contribution, and providing community engagement, recreational activities and entertainment value. Australian music strengthens social capital, bridges cultures and language and helps improve health and well-being. Vibrant music communities nurture creative and artistic development for audiences, musicians and creators.

Music is central to our culture and identity and Australia can rightly boast as having a great national ambition in the music industry. There is increasing evidence that Australian artists and music businesses have the potential, and are seizing the opportunity, to rebuild our global markets; as positive trends in overseas royalties, showcasing, and global market recognition attest. Australia's industry is built on strong foundations, and by leveraging strengths and realizing potential, can reassert its position as a leading creative music nation.

FACTORS CONTRIBUTING TO THE GROWTH AND SUSTAINABILITY OF THE AUSTRALIAN MUSIC INDUSTRY

Music is the most appreciated artform in this country and the market for digital music is, via the Internet, a growing, open, and global one. The majority of music featured in commercial broadcasts in Australia comes from overseas artists. However, the question remains can music production and performance compete with the economies of scale achievable by overseas producers.

Industry trends suggest that music in Australia is in high demand, both for participation and for consumption and that emerging technologies have reduced the cost of exporting

Australian music and musicians; and these same emerging technologies have increased the cost of competing with imported music and musicians.

A healthier supply of competitive domestic music and musicians will reduce the dominance of imported music through market mechanisms. The health of the industry depends upon nurturing the quality and diversity of musical acts that are competitive. It also depends on opportunities for young musicians to create, perform and hone their craft.

Other factors in domestic supply include improved education of both musical and business plans and improved opportunities for artistic and professional development. Improved access to digital literacy across musical, technological and business domains is also essential.

Trends in urban development have caused the closure or marginalization of many live music performance opportunities over the past 20 years. These opportunities have been denied to musicians in urban, suburban and public spaces, reducing their ability to develop their skills and create viable careers. Although some large centres have passed laws seeking to contain, if not reverse, these trends, a national approach is needed to support the proliferation of performance opportunities across the nation.

A set of nation-wide planning regulations that ensure the place of music performance opportunities is recommended nationally. A career in music, or even a viable hobby in music creation, now requires music producers to acquire digital literacy skills that were not dreamt of 15 years ago. If domestic musicians and music enterprises are to capture the full value of their creativity, then the digital environment must be better understood and musicians trained in the necessary methods.

This ambition can be achieved through strategic and sustained industry and government co-investment and partnerships, to deliver solid national benefits to our economy, exports, employment and to our cultural dynamism and quality of life.

VENUES

Providing appropriate venues is essential to nurture the diversity of the music industry in Australia. A reliable supply of safe performance venues, that are not over regulated, is essential to support performances from classical to contemporary genres in the music industry. At present there is a high demand for a greater variety of venues compared to the traditional pub and club scene, which have long been the venues of live music performance.

There are a number of points for consideration when analyzing live music venues. Venues need to have the capacity to provide a safe and appropriate environment so that a variety of music styles, equipment, and staging can be catered for. Venues also should consider connection with performance spaces that cater for families and children. This includes easy access to food and non-alcoholic beverages, and amenities that are suitable for children. Accessible performance space and facilities including amenities also need to be provided for ageing audiences and community members with a disability.

Consideration and appropriate legislation need to allow venues to project appropriate noise and sound levels into surrounding areas so that at various times of day, without fear of prosecution, musicians and venues can exist compatibly. With the influx of residential

housing and other styles of accommodation, noise projection has become an issue in many inner-city areas.

MUSIC EDUCATION

Quality arts education is essential in Australia to provide the link from the womb to the tomb to give all Australians the opportunity to access quality music education. At present only thirty percent of schools in Australia have access to a music teacher. Most of those music teachers are at private schools. At present there is a demand for greater concentration upon the traditional basics, English, Math, Science etc. and a new focus on computer competency and foreign languages. With a crowded curriculum, governments are finding it difficult to ascertain where music education fits in.

Music education has to be a fundamental part of policy, so strategically there is a plan to develop music skills from a young age through to adulthood. A musically educated and literate child will develop into a concert and festival goer or perhaps a performer or composer. The same musically educated person could possibly then have the opportunity to become our next James Morrison, Olivia Newton-John or Wolfmother, in the music industry. Without music education, we don't educate our population, which then gives a deficit with audiences and fragments all aspects of the music industry. Despite this, ninety percent of Australian parents think that music is an essential part of a young child's learning. Parents are also aware of how music is a powerful tool in enhancing health and well-being.

Creating and performing music promotes positive self confidence in children. Every week new research is documented about neural plasticity and improved learning through music education. Brain imaging techniques show that musical tasks can activate all four lobes of the brain as well as parts of the cerebellum. Music is the only activity that combines the right and the left brain. By developing neural pathways, we can enhance brain function from a young age which also increases learning.

Australia lags behind other countries in the provision of school music education. The world's leading nations all include music as a core subject. Countries with strong commitments to music in their schools from a young age, demonstrate higher academic results. Yet, despite the research, seventy percent of Australian children are missing out. Should not music education be a right for children as opposed to a privilege for those who can afford it?

Long term engagement will always occur when quality music education is provided in any educational setting. If we want success in society, school, developing intelligence and, in fact life, music engagement will certainly develop these qualities. Children's involvement in music activity has a profound effect on the development on a child's general learning. It is now proven beyond a doubt that children who are engaged in music have advantages in all areas of learning.

For over thirty years, Queensland has had the world's best practice in primary music education. The federal government could look at using Queensland as a model for music education delivery in other States. It has had national and international educators astounded by what the music education system in Queensland offers. Queensland children have had music delivered by well trained teachers in a continuous, sequential way that creates creative, literate young musicians. Queensland music teachers have

specialist knowledge in primary music education delivery and musical development during childhood with a complete language of sound and symbols developed. This also gives Queensland students excellent preparation for music extension studies in instrumental music and choral programs.

Music education in Queensland has had a huge positive impact on children within the education system and Queensland's economy. Queensland is a world leader in this area and music education is provided for not just the privileged but for all.

The model in Queensland has mostly allowed for one half hour music lesson a week with each class. The class teacher has their non-contact time during these lessons. With a thirty year pedigree, it is logical that the federal government looks to Queensland as a model of excellence for music education delivery from prep to year 12. It is therefore completely understandable that Queenslanders fill many positions in orchestras, bands, choirs and music organisations throughout the country.

Unfortunately, in other areas of Australia, too many children miss out on quality music education at school. However, performances, ceremonies, celebrations, and assemblies can excite and activate a spark to stimulate a lasting interest in music. Observing musicians, performers and other children performing, is also essential in an active listening program. Being part of a large group and making music is an experience that children never forget. This opportunity arises when Music Australia celebrates its program, Music: Count Us In, through a song written by children on Celebration Day throughout the country. Seven hundred thousand children join together in one large exciting performance to help ignite this spark. These types of events change students' lives.

MUSIC: COUNT US IN IS THE SOLUTION TO AIDING MUSIC EDUCATION DEPLOYMENT IN AUSTRALIA

Music: Count Us In is Australia's largest free school music program – and is also internationally recognised as the world's largest school music initiative. Federally funded for the last twelve years, this program has helped to give to 8,600 teachers deliver to 700,000 students at 3,000 schools a quality music education program supported by professional development. Continued funding of this program will enable quality access to music education to students throughout Australia. Music: Count Us In provides one term of music curriculum to teachers across Australia to provide music education where it might not otherwise be available. The program has a significant focus on servicing indigenous students, students in remote and regional areas, and students with special needs. It plays a vital role in fostering music education with a whole of school engagement activity and a presence in every state and territory in the country.

MUSIC: COUNT US IN KEY FACTS

- The program culminates in a National Celebration Day when more than 700,000 students sing the same song, on the same day, at the same time – the annual *Program Song*.
- The 2018 Program Song is called '*One Song*'.
- In 2017 Music: Count Us In was delivered for **less than \$0.68 per participating student**.
- It is free for participating schools and students and open to all, with a specific emphasis on accessibility.

- In 2017, it reached more than **700,000 students, 8,600 teachers and 3,000 schools.**
- In 2017, **49% of all participants came from regional or remote areas.**
- Music: Count Us In enhances learning experiences, increases appreciation of music, improves confidence and social interaction for students.
- Teachers require no music experience to participate in the program. All schools across the country are welcome to participate and shape the program to suit themselves.
- Music: Count Us In is also proven to build confidence and ability for teachers, some of whom have little or no experience teaching music. It facilitates free professional development opportunities integrated with superior resources.
- Music: Count Us In is that it is the only national program providing a detailed music education curriculum for ten weeks with additional opportunities for professional development.

EARLY CHILDHOOD MUSIC EDUCATION

The most critical stage for starting music education is in the early childhood years. Provision of early childhood music education is very haphazard in Australia with day care centres, parents and schools adapting as best they can with little or no funds. It is recommended that, as the early years are critical for brain development and learning, funding needs to be allocated to provide specialist teachers, programs and resources to assist delivery of music education.

Throughout time, music has been used in every culture as a soother in the form of lullabies for babies, finger rhymes for toddlers, as a source for games for older children and later as a foundation for movement and dance. Music is the heartbeat of cultures. Babies are being enrolled into day care at younger ages. Many of the functions of family, and especially mothers, are being replicated by caregivers. There is nothing more natural than humming or gently singing a nursery rhyme or lullaby to a baby while rocking them to sleep. Despite this, parents are not singing to their children.

Early childhood music activities are especially critical to give children the opportunity to develop their neural pathways, enhance brain function and develop self-confidence.

- **Physically** – children respond to music through movement using large and small muscles. Body awareness is encouraged through the use of songs and rhymes. Co-ordination and control is practised through the playing of instruments, singing and finger plays.
- **Emotionally** – children can experience self-expression. Joy, sorrow, anger and other emotions can be evoked through the use of songs and reactions to listening experiences. Self-concept and self-esteem can be built on positively through the creative achievements of music.
- **Socially** – children participate as a group, communicating and sharing their ideas and having fun. Turn taking is also part of children's social interactions when enjoying music as a group. Planned group lessons and spontaneous music experiences which are initiated by children, create an opportunity for social development and interactions.
- **Cognitively** – children are able to explore their creativity through the expressive means of music. Musical experiences involve memory recall, developing listening skills, aesthetic awareness and problem-solving strategies.

- **Language** – the children are acquiring new language and consolidating verbal memory through the use of songs and rhymes. A music experience should also enable children to use their verbal skills to discuss their ideas and express their feelings.
- **Creativity** – by creating musical environments for children, their composing, experimenting and general music making skills can be developed. Movement to music also fosters creative expression.
- Concept learning can also be reinforced by listening to music, songs and rhymes and through dramatization as a response to music.
- Exposing children to music at a young age is equal to that of the linguistic environment. Exposing children to music will enhance musicianship and cognitive development including memory and language development. We must have a non-didactic, spontaneous, open ended structure to enhance musical development through seeing, hearing, doing and playing and creating.
- Children also gain knowledge of other cultures through listening experience and the playing of instruments, that vary from the percussion collection, that are common to western culture.

Despite the obvious benefits of music education, young children are missing out on crucial music education. It is recommended that programs like Music: Count Us In are continued into the early childhood area to develop children's learning and creativity.

COMMUNITY MUSIC

At first it may not be evident, but community music plays a big role in the music industry. It can be recreational, cultural or religious and can embrace any genre from classical to popular to traditional music from diverse cultures. Community music is generally practiced on an amateur and non-profit basis, although there are professional musicians who work in communities.

A strong community music program will encompass philosophically that everyone has the right and ability to make, create and enjoy their own music, regardless of their capability. Community music has great benefits for its participants to achieve individual and group goals. These communities offer a strong sense of belonging and connectedness, bringing a diverse group of people together across age, culture and ability.

Community music has many benefits, including the fostering of confidence in participants, while improving skills and increasing activity based life-long opportunities for music learning outside formal education. Community groups also offer participants opportunities for growth ranging from specific music skills through to social and cultural extension and challenge. It also gives the opportunity for cultural acceptance and understanding and that everyone has the right to make and enjoy their own music. The health and well being of community group participants is starting to be documented and many community music group members within Australia are more socially, emotionally and physically connected within their communities.

Community music covers a wide range of endeavours including multicultural initiatives, extra-curricular projects for children, youth at risk, ensemble programs, non-professional bands and choirs, and music therapy programs. Music making encompasses a wide range of styles and genres which reflects the cultural life of its participants in and out of a variety of communities. A sense of social cohesion and connectiveness occurs, with some

support of musical professionals, to assist the development of a group of interested participants. Many community music groups are not documented due to the nature of their autonomy within communities throughout Australia.

There is great variety in the cultural traditional genres but many of the community music layers are reflected with grass roots music making, music education, youth music, amateur ensembles and opportunities for young musicians to develop. Community music is alive and well in Australia and runs on little or no funding. The diverse nature of community music throughout Australia includes some music industry acknowledgement with festivals, drumming circles, indigenous bands and orchestras.

The huge social benefits including health and well-being are not documented well, however the embracing of community groups assist with isolation within communities particularly in remote and rural areas. We cannot underestimate the power of community music within all the facets of the music industry in general. An example of this is Make Music Day embraced by the Australian population early this year with its first community celebration of this event.

Over one hundred music making activities in eighty locations around Australia took part in the first Make Music Day Australia in 2018 on Thursday 21 June. Australians joined the global celebration of music making, where in eight hundred places in over one and twenty-five countries, people were making music around the world.

While high profile, big budget concerts attract big audiences and wide publicity, they only account for a small percentage of musicians working in the live music industry. The experience gained by a large number of amateur musicians, including community music groups, give opportunities for these groups to perform and expand their horizons. It also encourages community group members to possibly pursue a career in the wider music industry at a later time in their lives. These people are the raw material that are drawn upon for our future professional music teachers and music therapists. Governments must acknowledge the large number of community musicians working in the wider community to nurture, develop and create community choirs, orchestras and bands.

CLASSICAL MUSIC

Orchestras provide a unique product that involves a large number of people performing together on a large venue on a stage. This combination brings a spectacular listening experience to the audience. Funding needs to continue to bring this large concert experience to future audiences. Orchestras traditionally are attracting older audiences, however they are attracting younger audiences to experience orchestral music in all its forms by innovative programming. Orchestras are continuing to develop different approaches to assist in delivering fifty to ninety musicians and making music accessible to all.

The OECD has recognized the importance of well-being when people come together as one to deliver a performance and express this to an audience of listeners. Collaboration with a variety of genres of music is occurring to enrich diversity of programming. Orchestras have to continue to not regress from artistic vibrancy despite the large costs that are often prohibitive in producing concerts. Australian orchestras are very much like cultural institutions where they create economic foundations, however that is not there only

reason for being in existence. Australian orchestras represent cultural and artistic value to a developed country which is not always aligned with hard core economics.

Classical music concerts are attended by about 10% of the population, and classical music also plays a significant role in the live music industry. It performs works from history as well as gives composers a new platform for their compositions, enabling a living, breathing, 4 dimensional opportunity to immerse the listener in history and new Australian works. We must be aware that live music encompasses a large number of classical, chamber music and orchestral works. These concerts provide a social and emotional environment that meets the needs of Australia's population.

Classical music is always changing and re-inventing itself and most orchestras and ensembles are committed to the performance of contemporary Australian and international composers. The vibrant platform that Australian classical performers create is an inspirational and inviting safe platform for performers to create new music to become the master compositional works of the future. The challenge of the future is for orchestras to continue to re-invent and re-define how they engage and re-engage with Australian audiences of all ages.

AUSTRALIAN INDIGENOUS MUSIC

First Nations performing arts are under represented in Australia's mainstream performing arts venues and festivals. Yet Australian Indigenous Music includes some of the highest profile contemporary music artists currently performing in the country. First Nations performing arts comprised just 120 works (around 2%) of almost 6,000 works programmed and presented in 2015. Despite this statistic, the genre includes a wide variety of types of performances from cultural and religious ceremonies, through contemporary classical music with didjeridu played by professional performers within the ensemble, to the best-known Australian rock music soloists and bands including Yothu Yindi, Warumpi Band and (from the Torres Strait) Christine Anu.

Performances by ensembles like these frequently serve the dual purpose of offering high quality contemporary music with the ability to bring awareness of the particular issues concerning Aboriginal and Torres Strait Islander peoples. This is a great demonstration of the value of live music as an educational/political tool. In 2017 music and dance was discussed at the National Indigenous Dance Forum and was attended by 180 First Nations dance practitioners. Music underpins most indigenous dance practice and, in fact, music underpins many areas of First Nation performances.

A First Nations performing arts, programmed and presented in Australia in 2015, included theatre (36%) contemporary music (31%). Following the most frequently presented art forms, were ballet and dance (15%). It is recommended that government needs to build sector capacity for cross-cultural engagement between main stream presenters and First Nations artists and community. Sector wide leadership and commitment is essential with federal government taking the leadership to continue discussions in vital two-way cultural conversations.

WOMEN IN MUSIC

Women are still under represented in all areas of the music industry across all genres of music. Helping to address this in 2018 is the inaugural Australian Women in Music

Awards and Forum to be held in Brisbane Powerhouse over 9-10 October. They will be recognising performers, educators, composers, behind the scenes supporters and further wide-ranging contributions women have made to the Australian music industry. It is evident that discussion is occurring within a number of music-based sectors about the deficit occurring in female artists and female representation. The Australian Women in Music Awards gives the opportunity to acknowledge female contributors to the music industry.

Despite this, the Australian music industry continues to be dominated by men across almost every level, and an earning gap between male and female is wide. Some improvements toward gender equality have been made in 2017, with a greater representation of women on some festival line-ups like Laneway and there were some increases in the number of women receiving award nominations, music grants, and appearing in triple j's Hottest 100.

Despite these outcomes, there is still a chronic gender inequality in the Australian music scene. However, it is refreshing to note that the gender divide is now being discussed in forums and arts organisations. Points of discussion include that over the last ten years there has been consistent data that states that male artists make up most of the top one hundred most-played songs. Solo female artists are definitely under represented and on average they make up twenty-eight percent of the most played songs. It is also interesting to note that there are more female students studying a music related subject in their final year of school than male students and in Universities in 2017 and the gender split was also almost equal which was forty percent of women being undergraduate music students.

From this statistic you would think that forty-seven percent of the works would be created and performed by women but this is not the case. There is an enormous industry professional gender gap emerging. In the past, three Australian censuses state that women only make up twenty-nine percent of those listing music as their profession and job. There is still, for the third year running, more men than women on public boards for music organisations, composers, managing artists and managing independent record labels. It is positive to see organisations such as triple j, double j and triple j Unearthed remaining relatively balanced in 2017, with women making up forty-seven percent of these roles and the majority of the composers, musicians and bands receiving nominations for their work in the Australian music industry.

The national musical festival circuit is still dominated by male artists. None of Australia's major touring festivals have reached gender parity on their lineups in three years, however we have a long way to go because every dollar a male Australian Performing Rights Association member earned in 2017, a female Australian Performing Rights Association member earned, on average, only \$0.77 (or, 23 per cent less). It is great to see the beginning of change with these issues in regards to women in music. Laneway Festival remains Australia's most gender-diverse festival, with female acts (or acts featuring both men and women) making up forty-four percent of its most recent line-up. Despite these minor steps forward, gender issues need to be at the forefront of all areas of the music industry from classical through to contemporary.

NATIONAL CONTEMPORARY MUSIC PLAN

Music Australia & Australia's contemporary music industry 2016

This National Contemporary Music Plan has been prepared by Music Australia in partnership with key organisations across Australia's contemporary music industry. This Plan is commended to the music industry and to all Australian Governments.



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Partners

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

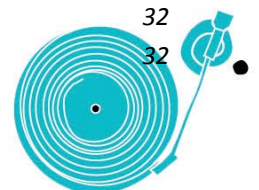
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| 32. | <i>Amend quota requirements for Australian content on radio</i> | 32 |
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Executive Summary

Music Australia, with key industry bodies, has prepared this National Contemporary Music Plan. It provides a comprehensive blueprint for the development and growth of all facets of the Australian Contemporary Music industry.

This Plan makes the case for increased community and government recognition for contemporary music. It is an industry which employs tens of thousands of people, generates significant revenues – in the billions, is a consistent exporter, and a major part of the tourism economy. Yet it lags behind other countries and industries in government backing and investment.

Challenges and Choices

Australia's music sector faces challenges and choices. The effects of globalisation and the introduction of technology platforms have dramatically altered the nature of music consumption, the music business model and Australia's music industry.

Like the Australian economy as a whole, the music sector increasingly operates in a highly interconnected global environment that poses significant challenges, whilst offering new opportunities. Australia competes in a global marketplace where consumers have access to the world's digital music library right at their fingertips.

For Australian music, this opens the gate to greater international exposure and access to a growing global consumer base. Conversely, it also increases international competition in the domestic market. So while Australian music has a growing opportunity to rise to global prominence, it also faces more competition domestically.

The Australian sector's performance over this period of change has been mixed. The high quality of our music product is evidenced by the plethora of individual success stories. The industry has also adapted flexibly to technological development with copyright owners licensing a broad range of digital subscription and ad-supported free services. At the same time, Australia's share of the international music market has dropped. Over the last 10 years Australia has slipped from fourth to sixth place in recorded product revenues.

The live music scene, while relatively strong, faces pressures from regulatory barriers, urban development, changing consumer trends, and increasing touring and other costs. A recent study showed a two percent drop in live music attendances.

The consequences of doing nothing and a further slide in Australia's position would represent a significant missed opportunity.

Opportunities

There is increasing evidence that Australian artists and music businesses have the potential, and are seizing the opportunity, to rebuild our global markets; as positive trends in overseas royalties, showcasing, and global market recognition attest.

Australia's industry is built on strong foundations, and by leveraging strengths and realising potential, can reassert its position as a leading creative music nation.

In recent years, the music sector has partnered with the Australian Government through the Sounds Australia initiative and establishment of the National Live Music Office. In addition, industry driven initiatives such as Music Rights Australia are advocating for effective copyright regimes. These and many other partnerships are all strengthening strategic frameworks to develop the sector.

Our ambition now, is to take our rightful place as a top global music market.



This ambition can be achieved through strategic and sustained industry and government co-investment and partnerships to deliver solid national benefits, to our economy, exports, employment, and to our cultural dynamism and quality of life.

The Context

Australian contemporary music is a multi-billion dollar industry employing tens of thousands of people, reaching millions of audiences, and is one of the major contributors to our copyright industries. But it is almost exclusively made up of micro, small and medium businesses – some 99 percent turnover less than \$2m per annum.

This provides the context to grow and develops businesses which provide jobs, contribute to GDP growth, and build Australia's business and global reputation. This is not a case of arts subsidy, but about serious investment in, and development of, innovative small to medium export enterprises that build Australia's global identity.

This Plan proposes to place Australian music on a more sustainable footing that attracts and retains talented participants and investors through political and community support.

Strategies

This Plan has six strategies that present directions to deliver a robust industry able to deliver a higher economic and social dividend for Australia. While each can stand alone, together they provide an integrated, industry-wide approach to development.

The strategies embrace Australia's music exports and international market share of music; a robust and effective copyright framework as the foundation of industry growth and prosperity; fostering consumer demand for music through audience development and public engagement; strengthening industry skills, businesses development and artist development to build capability and competitiveness; effecting regulatory reform, and implementing targeted investment incentives.

A National Plan to Deliver Outcomes

As a step to instituting structural and coordinated direction for industry, Music Australia, in partnership with the nation's key industry bodies, has prepared this National Contemporary Music Plan. It has been developed through a broad process of consultation across the sector, and informed by international benchmarking.

This represents, to our knowledge, the first every industry wide plan for contemporary music in Australia. It covers all facets of music including jobs, skills, investment, economic contribution cultural impact, and public engagement.

It provides the foundation upon which more detailed documents, policies and strategies can be built, and specific investment amounts, timeframes and targets determined. Indicative targets have been set that reflect key measures for success.

Implementation

This National Plan, if fully adopted, can have a transformative impact on Australia's music industry, and its contribution to our economy and culture.

This can be achieved by increasing exports and domestic audiences for Australian live and recorded music, and strengthening creative and business skills and capabilities.

Implementation will deliver the benefits of income generation, job creation and sustainability, contribute to liveability, promote social inclusion, and foster skills, knowledge and innovation transfers. It will build the viability, diversity and sustainability of the entire contemporary music sector.

To implement this Plan the Australian music industry seeks to partner with governments at all levels, and multiple portfolios. In particular, this Plan calls for an overarching, whole-of-government commitment and strategy to invest in



contemporary music, driven by the Federal Minister for the Arts, across multiple portfolios.

Australian contemporary music is big business

Contemporary music generates billions. Music Australia has estimated the music sector contributes \$4 to \$6 billion to the Australian economy.¹ Our copyright industries generate more value add to the Australian economy than manufacturing and health care; with recorded music being one of the most significant contributors.²

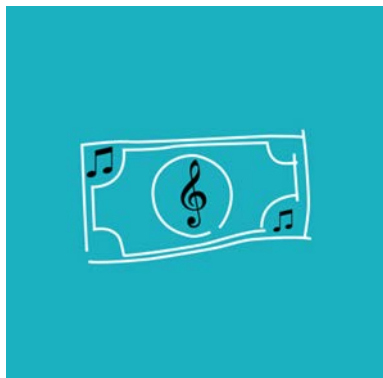
More Australians attend live music than sport;³ over 40 million people attend contemporary music performances annually,⁴ and Australia's live contemporary music industry generates revenues of \$1.5 - \$2 billion annually.⁵ Every dollar Australians spend on live music circulates three dollars back into the broader community.⁶

Contemporary music generates jobs; expenditure associated with live music alone in Australia is estimated to generate some 65,000 jobs, half of which are full-time.⁷

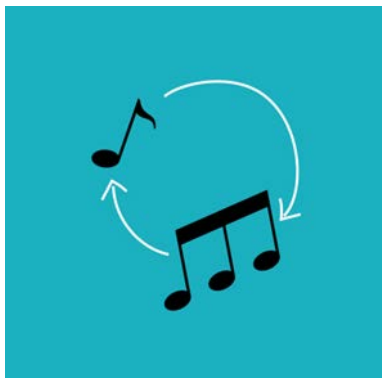
Investing in music strengthens our economy, research by Ernst & Young for APRA AMCOS has shown that tax incentives for Australian music could generate 250,000 additional public performances each year, over 30 million additional live music attendances, and increased investment in sound recordings by new and current musicians. In fact, this modelling shows tax incentives can be cash flow positive, and generate economic activity that returns \$40 M to the wider Australian community.⁸

Contemporary music is a strong creative industries performer, and this sector is a key contributor to national employment growth, growing 40 per cent faster than the economy as a whole.⁹ Australian music and performing arts businesses comprise almost one per cent of all Australian small businesses.¹⁰

Australia has a sophisticated music export presence, strategic partnerships between the Australian Government, APRA/AMCOS, industry, and the *Sounds Australia* music export office are delivering substantially improved market access.¹¹



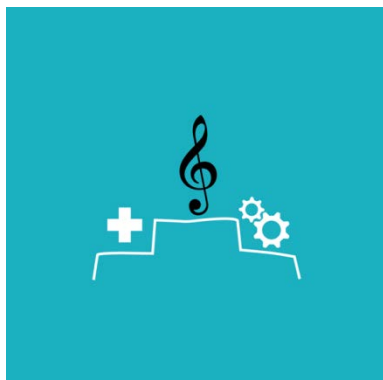
The music sector contributes \$4 to \$6 billion to the Australian economy annually



Every dollar Australians spend on live music circulates 3 dollars back into the community



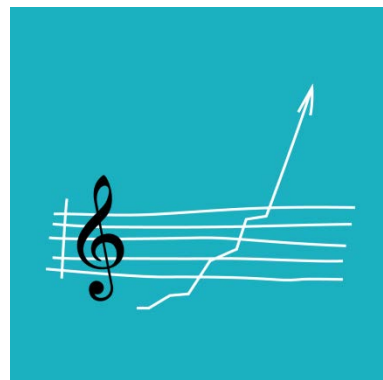
Expenditure associated with live music in Australia generates some 65,000 jobs



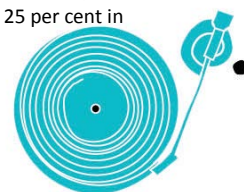
Copyright industries add more value to Australia's economy than manufacturing and health care



Creative Industries are strong contributors to jobs, growing 40 per cent faster than the whole economy



Australian songwriters increased global performance income by 25 per cent in 2015 – a record



Music is central to our culture and identity

Australia can rightly have great national ambition in contemporary music - we're very good at it. Our songwriters, composers and musicians are increasingly recognised and lauded, domestically and internationally, and we have a rich tradition and reputation.

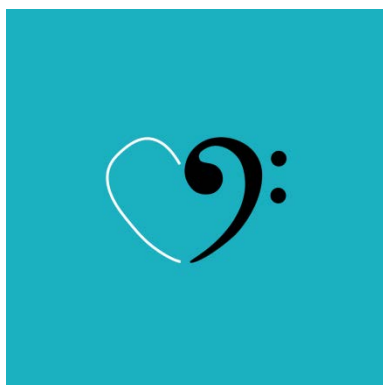
People love our musicians and music – here and abroad – as a source of cultural identity, and pride. We have enormous music talent, a deep and rich history, and increasingly sophisticated capabilities.

More Australians attend live music than sport.¹² Over 40 million people attend contemporary music performances per year, compared with around 11 million attendances at art galleries and museums.¹³

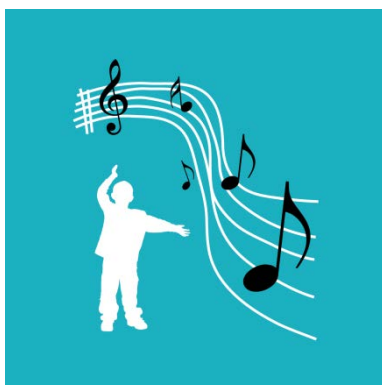
Music improves our health, well-being and social capital,¹⁴ and contributes to quality of life for all Australians: 99 per cent of Australians listen to music and attend a music event in any one year¹⁵, 32 per cent of young people make music¹⁶, and 14% of Australians play a musical instrument.¹⁷

Australia's new generation of global stars - "Australia's music exports are as diverse as the landscape of the country they call home. Grammy nominations for Courtney Barnett, Hiatus Kaiyote and Tame Impala, the latter claiming a rare Brit Award; U.S. chart records for 5 Seconds of Summer. A monster hit for Goyte, consecutive U.S. top 5s for Troye Sivan. The rise of Chet Faker, Sia, Vance Joy, Flume, Iggy Azalea and Alison Wonderland. Make no mistake, Australian acts are making noise overseas."

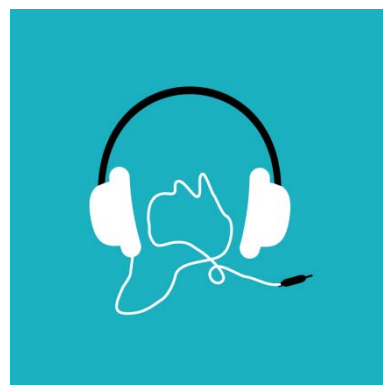
Billboard's Lars Brandle, for Music Australia, March 2016



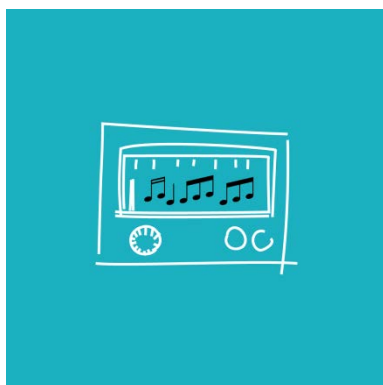
Music contributes to quality of life for all Australians



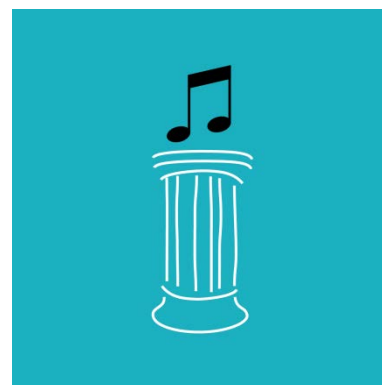
99 per cent listen to music and attend a music event every year



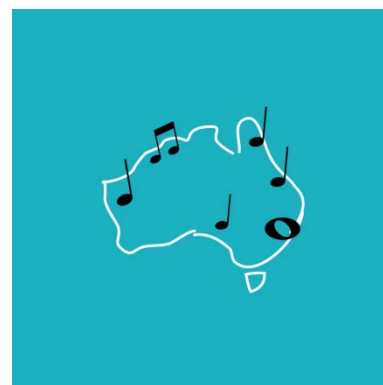
32 per cent of young people make music



Music on ABC Radio reaches 5 million Australians per week across multiple music genres



Over 40 million people attend live music compared with around 11 million at art galleries and museums



Music, after food and wine, is the most popular attractor for tourists to region.



A national plan for national outcomes

Music Australia, in partnership with the nation's key industry bodies, has prepared this National Contemporary Music Plan, developed through a broad process of consultation across the sector, and informed by international benchmarking.

This represents, to our knowledge, the first every industry wide plan for contemporary music in Australia, covering all facets including jobs, skills, investment, economic contribution and cultural impact.

This National Plan, if fully adopted, could have a transformative impact on Australia's music industry, and its contribution to our economy and culture.

This can be achieved by increasing exports of Australian music and products, expanding the domestic audience for Australian live and recorded music, and establishing Australia as a centre of music creating excellence.

These outcomes will be delivered with strengthened and globally competitive skills and business infrastructure and resources; to drive growth in jobs, innovation and markets.

This Plan provides the foundation upon which more detailed documents, policies and strategies can be built, and specific investment amounts, timeframes and targets determined. Indicative targets have been set that reflect key measures for success. These are detailed on page six.

Priorities Matrix

This matrix identifies specific investment priorities that can be drawn from the Initiatives across four key areas.

| Economics | <i>Music industry is a powerful economic development contributor</i> |
|----------------------------------|--|
| Export | Increase global market share of Australian music - targeted export assistance |
| Domestic Markets | Back live and recorded music to build local consumption of Australian music |
| Investment | Suite of tailored investments including tax incentives, grants, and loans |
| Reform | Drive regulatory reform to improve ease of doing business |
| Small business & jobs | <i>Music businesses comprise almost 1% of all Australian small businesses</i> |
| Small businesses | Targeted capital to grow micro & small music businesses & entrepreneurs |
| Skills | Strengthen industry skills including self-employability and workforce training |
| Innovation | Provide copyright certainty and creative development incentives |
| Regions | <i>Music is a powerful regional tourism attractor</i> |
| Tourism | Grow music tourism as a key element in building visitations across regions |
| Participation | Increased regional access to quality live music and foster youth participation |



| | |
|---------------------------|--|
| Development | Develop hard and soft infrastructure to increase public engagement |
| Australian Culture | <i>Establish Australia as a centre of music creating excellence</i> |
| Musicians | Embrace our musicians as vital creative contributors |
| Education | Foster music education in Australian schools |

Investment and Implementation

This document outlines an integrated, whole of industry plan for Australia's music sector. The directions proposed in this Plan are designed to holistically address key industry challenges, and maximise returns and benefits to industry and Australia.

The Australian music industry proposes that the combined resources of both industry and government is needed to realise the full potential of the sector.

While some parts are doing well, other areas of the sector require stronger intervention and support. Some initiatives can be delivered entirely within the resources of industry, while others can only be delivered with public investment.

This investment can be delivered through existing administrative arrangements or programs, advocacy, regulatory reform, and with targeted financial investment.

To implement these strategies the Australian music industry seeks to partner with governments at all levels, and multiple portfolios. In particular, this Plan calls for an overarching, whole-of-government commitment and strategy to invest in contemporary music, driven by the Federal Minister for the Arts, across multiple portfolios.

Thirty-three initiatives have been identified across the six strategies contained in this plan. Some initiatives, new and existing, will be driven by individual stakeholders, others will result from new partnerships across industry, and others represent new and continuing partnerships with Government.

This Plan provides the foundation upon which detailed policies and strategies can be built. Specific investment priorities will be drawn from the Initiatives and indicative Priorities Matrix on page seven. Indicative targets have been set that reflect key measures for success, below. An implementation plan will outline partnership and delivery arrangements.

Music Australia's role has been to act as a catalyst for this work, to develop a unified industry wide plan, to represent all interests, and to commend its implementation to industry and Government, together with partners. In this report, musicians refers to songwriters, composers, recording artists and live performers.

Indicative Performance Measures

The following indicative targets, which will be further detailed and refined, can achieve the highest economic and social dividend for Australia, by the Australian music industry within the next ten years:

- Australia's contemporary music sector to **contribute** half of one percent of Australia's **gross domestic product**
- Reduce **terms of trade** in Australia's music consumption from 4:1 down to 2:1
- Increase Australian music's **global market share** and cement a ranking in the top 4 for recorded product
- Increase **audience reach** of broadcast Australian music content by five percent
- Double the **revenue** of Australian manufactured instruments and **products**
- Increase full time equivalent **jobs** in the sector by one third



- Increase by at least 25 percent the **income of musicians**, increasing the number of full time musicians and providing long term career viability
- Cement viable **regional live music** tour circuits covering all jurisdictions
- Engage in partnership arrangements where the Australian Government invests in the contemporary music sector, which in return delivers **higher tax revenue**.

Challenges

Three key challenges underpin future directions needed for Australia's music sector:

Challenge 1:

Digitisation of music and new global media technology platforms have diminished the returns derived from music intellectual property and contracted recorded music market revenues both globally and in Australia.

Challenge 2:

Globalisation and direct access between music service providers and consumers has resulted in a slide in Australia's share of the international market.

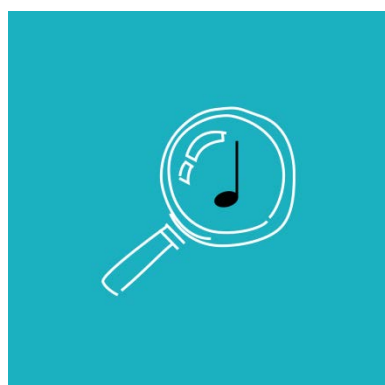
Challenge 3:

With diminished recorded product returns, artist income from live music has increased in importance at a time when the live music market faces multiple pressures, compounding revenue contraction.

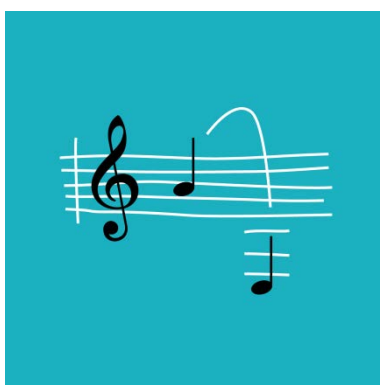
Digitisation of music hugely impacted global recorded music market revenues, dropping from \$26b to \$15b in 15 years to 2014.¹⁸ While since stabilised, the way music is consumed has profoundly changed.

During this period Australian music lost global market share, dropping from the 3rd to 6th largest world music market for recorded music revenues.¹⁹ This has compounded Australia's position as a net cultural importer with a smaller creative sector than global peers.²⁰

These challenges have increased Australia's reliance on live music as the main source of artist income. While this is a vibrant sector, generating 65,000 jobs,²¹ it too faces numerous regulatory, environmental and consumer trend pressures.



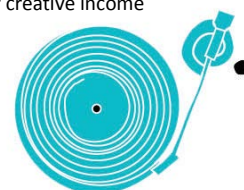
Globally Australia has a small creative sector <9 percent GDP compared to 20 percent for most advanced economies



Australian recorded music revenues have dropped from 3rd to 6th in the world



56 percent of all Australian musicians earn under \$10,000 from their creative income



Service Need

The service needs to develop the Australian music sector in accordance with the six strategies set out in the Plan are:

- Increase the global market share of Australian music through a range of export initiatives and targeted financial assistance to Australian businesses
- Ensure our copyright environment is efficient, effective and proportionate to provide the necessary incentives for creators
- Increase the contemporary music market and the domestic share of Australian music through audience development including live music and broadcasting
- Whole-of-industry skills and professional development to strengthen robustness and global position of Australian music industry and embrace opportunities.
- Stimulate business investment, including in musicians; mitigate business costs and risk – both commercial and regulatory.
- Marketing Australian music and public education on value of music
- Targeted assistance from government through grants, tax incentives, and regulatory reform to stimulate industry activity and global competitiveness.

Benefits

As a key creative industry, Australian contemporary music is a significant contributor:

The economic benefits of the sector include:

- Contribution to GDP, up to one third of one per cent ²²
- Employment, with 65,000 jobs in live music; high levels of youth employment ²³
- Harnesses creative and intellectual capital with low input and distribution costs
- Contribution to Australia's trade balance through exports, tourism and royalties
- Positive productivity growth - outperforming other industries such as retail ²⁴
- Delivers regional competitive advantage with music a key tourism attractor ²⁵
- Delivering a multiplier effect to associated industries
- Avoided civil systems costs - music enables positive change in public welfare. ²⁶

The social and cultural benefits of music to Australian society include:

- Quality of life contribution and providing recreation and entertainment value ²⁷
- Strengthens social capital, bridges cultures and language, improves well-being ²⁸
- Contributes to city brand building, vibrancy, and attractiveness ²⁹
- Nurtures creativity and artistic growth for audiences, communities and musicians.

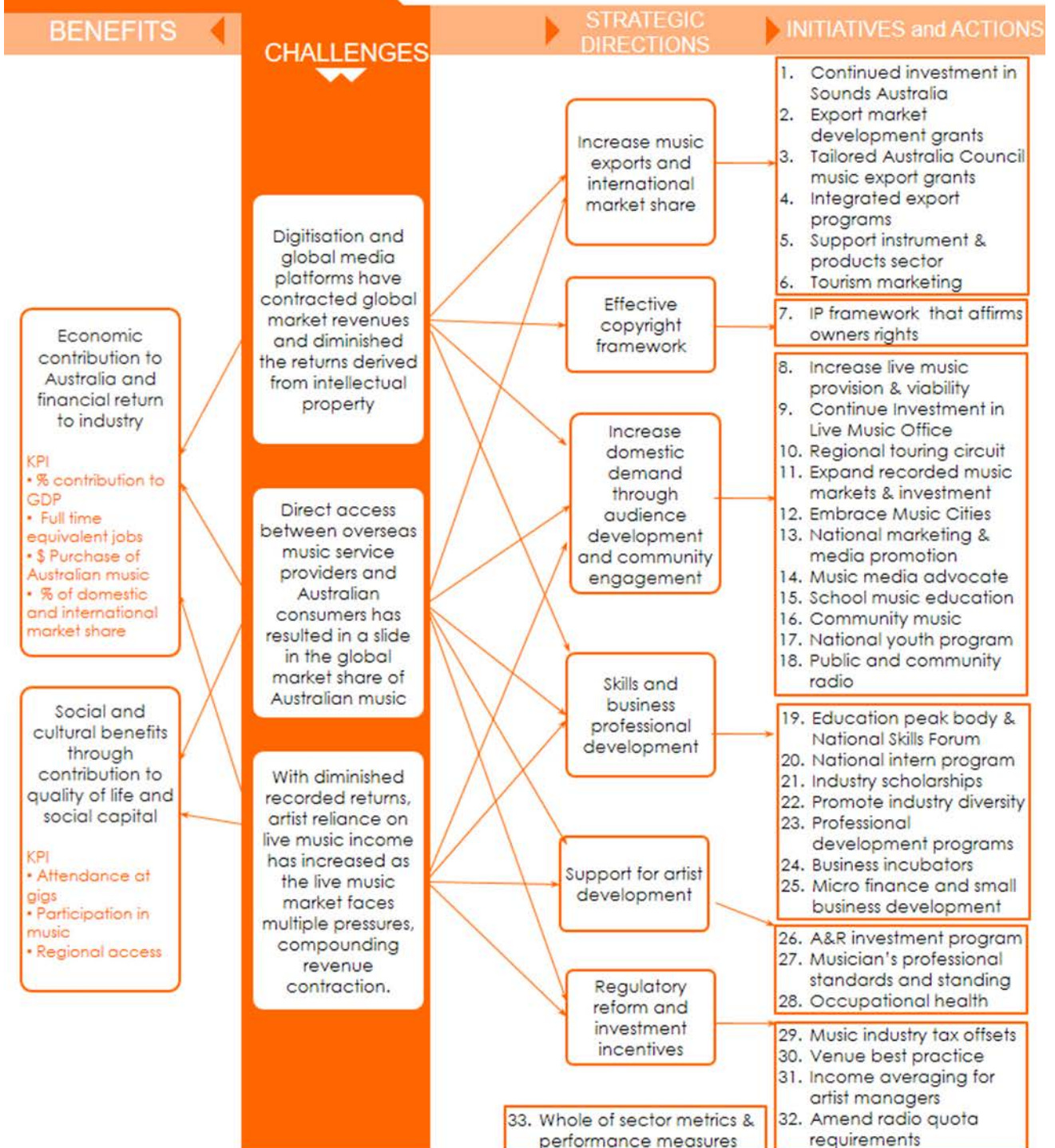
The holistic approach outlined in this Plan, can secure and enhance these benefits by delivering a better coordinated and more robust industry, supported by government, and delivering a higher economic and social dividend for Australia.



National Contemporary Music Plan

Music Australia

INVESTMENT LOGIC MAP



Template adapted from the Victorian Department of Treasury and Finance



Strategies

This National Contemporary Music Plan proposes six strategies to address challenges and needs, and secure and enhance the social and economic benefits delivered by the music sector.

Each strategy is accompanied by specific initiatives. A total of 33 Initiatives are recommended.

While each can act as a stand-alone proposition, they have been carefully prepared to provide an integrated, industry-wide approach to development.

The strategies are:

1. Increase Australia's **music exports** and international market share of music
2. Ensure there is a robust and effective **copyright framework** as the foundation of industry growth and prosperity.
3. Increase consumer demand for both recorded and live music through **audience development, public engagement and promotion**
4. Foster industry **skills and business development** to build capability and competitiveness
5. Strengthen **artist development** to deliver a more secure vocational livelihood for musicians and a more globally competitive industry
6. Deliver best practice regulatory environments, **effect regulatory reform**, and implement **targeted investment incentives**.



1. Music Exports

Strategy **Increase Australia's exports of live and recorded music and international market share of music**

Fact Australian songwriters broke royalty records in the 2014/15 financial year. Our songwriters and composers earned \$34m in foreign income for the international public performance and communication of their works, a 25 per cent increase from the previous year.³⁰

Challenges Our music royalties have a trade deficit of over 4 to 1 and Australian recorded music revenues has dropped from 3rd to 6th in the world.³¹

The Opportunity

Music exports are critical to industry sustainability and growth. Strategic partnerships between industry and the Australian Government are delivered tangible results.

Australia's increasingly sophisticated presence at international music markets, spearheaded by music export office Sounds Australia, has substantially increased market access.³²

With the door to our music opened globally, now is the time for a concerted industry push, with coordinated Government backing, to capitalise on these strategic moves, and expand our export of Australian live and recorded music.

This Plan affirms continuation and expansion of Sounds Australia and other targeted initiatives for Australia to reclaim a higher share of the international music market.

Initiatives

The following proposals can strengthen Australia's terms of trade in Australian music.

1. Continued investment in Sounds Australia and expansion of its export program

Sounds Australia has an international reputation for delivering professional, high-quality services to advance Australia's music exports. This partnership between the Australian Government, the Australia Council, and APRA/AMCOS should provide continued support and expanded resources for Sounds Australia to:

- Consolidate presence in vital key markets of North America, Europe and the UK, expand presence in emerging markets of South America and Asia
- Expand its genre representation
- Develop new partnership opportunities aligned across government portfolios
- Lead industry research into economic value and opportunities of music exports
- Strengthen marketing and event management.

2. Export Market Development Grants

The Australian Trade Commission's Export Market Development Grant scheme is an important source of assistance for the music industry's export generation activity.

This program can be strengthened by tailoring it to meet music industry requirements. As currently structured it requires a strong cash-flow, a disincentive to many applicants, including potentially suitable candidates. A pre-funding contribution could assist with up-front financing of export activity, mitigate risks, and stimulate export activity.



This is consistent with the Mortimer Review into the scheme which recommended more tailored programs to better address “points of market failure and exporter needs”.³³

3. Tailored Australia Council music export initiatives

The suite of previous Australia Council investments in music export were well received by industry. These including International Pathways, International Markets — Music Managers, and the Live on Stage programs. These tailored, well targeted programs were closely aligned with industry priorities, delivered solid results in increased market access, and were consistent with good practice in government export programs. This Plan advocates that these be reinstated in full.

4. Foster an integrated approach to music export by all jurisdictions and agencies

Develop industry based best practice guidelines on music export investment, and advocate adoption by all States and agencies providing music export programs.

5. Support for the Australian music instrument and products sector

Australia has a small but capable local industry with an exporting capacity, including in the growing cottage industry of fine instruments.

Support for the Australian music instrument and products sector should commence with preparation of a sector specific strategy which outlines and allocates targeted market investment and support opportunities, including for exports.

6. Boost Australia’s live music offering in Australia’s tourism marketing

Australia’s considerable strengths in live music can play a more prominent role in the national tourism agenda. This could include the promotion of major and local music events and festivals, especially in regional Australia.

A study for AusTrade identified investment in music (along with food and wine, spectator sport and cultural events) as having the greatest impact in increasing regional visitation, and to be the highest value events.³⁴

Targeted investment and strengthened coordination between the music sector and Commonwealth and state tourism agencies could significantly enhance Australian tourism exports, and strengthen Australia’s distinctive export brand.

International snapshots: UK & NZ Music export schemes

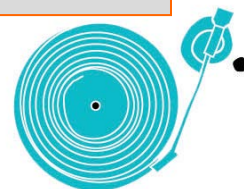
UK Music Export Growth Scheme

The [Music Export Growth Scheme](#), established by UK Trade and Investment (UKTI) and the [BPI](#) (British Recorded Music Industry), helps small and medium-sized independent music companies grow their international sales. It provides GBP £1.0 million p.a. in competitive grants of up to £50,000 to British based music companies.

NZ Outward Sound Music Export Scheme

The New Zealand Music Commission’s [Outward Sound](#) assists market entry of New Zealand music and musicians into global markets.

The program provides financial assistance to New Zealand music industry musicians, managers, labels and music businesses for activities including market visits, in-market representation, marketing, showcases at trade fairs and other events.



2. Copyright

Strategy **A robust and effective copyright framework as the foundation for the music industry's growth and prosperity.**

Fact Copyright industries generate more value add to the Australian economy than manufacturing and health care, with recorded music being one of the most significant contributors, yet are growing at a slower rate than the overall economy.³⁵

Challenge The use of illegally obtained music is pervasive and widespread. As a result, the returns derived from music intellectual property are diminished

The Opportunity

This National Contemporary Music Plan affirms the proposition that an effective rights framework acts as the foundation stone supporting the entire music sector.

Creators and Creative Industries rely on the certainty of a robust copyright framework in order to ensure creators are recognised and remunerated, and incentivised to create new content.

We must continue to ensure our legal framework is effective, efficient and provides proportionate rights protection so that all creators are afforded opportunities to have their creative content protected and remunerated in the online environment.

Initiative

The following initiative is proposed to strengthen and protect the music sector's intellectual property.

7. Australia's intellectual property framework should affirm owners' rights

Creators must be able to ply their trade under the legitimate expectation that their rights will be respected and protected and that they will be rewarded for their creative output.

As a basis of this principle, Australia's copyright arrangements should allow copyright owners the choice of where, when and how their creative output will be made available to the public.

Copyright owners must have the legitimate expectation that there are effective, efficient processes to prevent unauthorised exploitation of copyright owners' work.



3. Audience and Engagement

Strategy **Increase demand for and consumption of Australian live and recorded music through audience development, promotion, strengthened music education and community participation.**

Fact More Australians attend live music than sport.³⁶ Over 40 million people attend contemporary music performances per year, compared with around 11 million attendances at art galleries and museums.³⁷

Challenge Many venues and night time economies are under threat, live music audiences are dropping, and market failure has spread into many facets of the recorded and live music sectors.

The Opportunity

Australian music competes with international music and a plethora of other entertainment options. There exists significant opportunity to broaden demand for music consumption, convert more listeners, and secure more paying consumers.

Audience development and public engagement is a key platform in music sector growth, where tomorrow's fans are developed today from a young age, and through community participation and involvement in music. Development of domestic audiences is also a vital first step prior to achieving export market success.

On the touring front, Australia's large distances and a small, dispersed population offers particular challenges and commercial viability risks. Yet substantial opportunities exist to tap into passionate regional fans and local infrastructure.

Live music is a key driver of industry growth and employment, is an important cultural contributor, and the major source of music industry income for Australian musicians.

Initiatives

A suite of initiatives are proposed to foster and support audience development and stimulate domestic demand for our music. These range across arenas of: live and recorded music, touring, regional access, music cities, music education, youth development, community engagement, broadcasting, marketing and promotion.

8. Drive increased national provision and viability of live music and venues

A suite of measures are required to ensure viability of live music venues, many of which are under strain due to regulatory barriers, development pressures, historical environmental trends, and changing consumer behaviours. The sustainability of venues that prioritise live music, particularly Australian music can be delivered through:

- Tax offsets for live music venues. detailed in Regulatory Reform and Investment Incentives section
- Strategies by Governments and Industry partnerships to boost the sector including the National Live Music Office
- Eligibility and priority in grant programs offered by all governments to foster Australian music and music audiences



9. Continued support for the National Live Music Office and expansion of its program

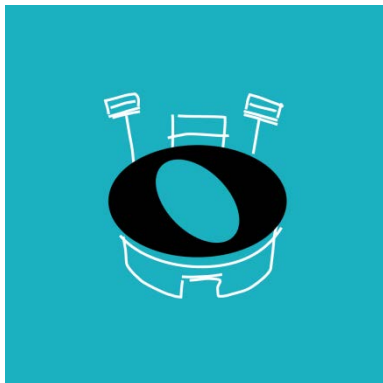
This agency, as another strategic alliance between APRA AMCOS, the Australian Government and the Australia Council, is spearheading national reform to remove barriers to live music. In parallel, their audience and sector development work is fostering audience growth and increased consumer demand for live music nationally. It is recommended the partners continue and expand this support to:

- Drive regulatory reform and policy development with national partners
- Foster audience and sector development including Live and Local program
- Deliver industry services including advice and resources to foster best practice
- Lead industry research into value and opportunities for live music
- Deliver initiatives in regional touring, live music map and program coordination

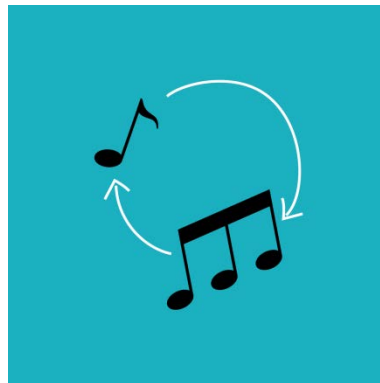
Live Music – bigger than sport: A Grand Final every Saturday Night

Every Friday and Saturday night, 97,000+ people attend popular music live performances in Melbourne, 38,805 in CBD venues, 38,585 in Precinct venues and 20,000 in outer suburban venues.

Victorian Live Music Census: 2012



More Australians attend live music than sport



Every dollar Australians spend on live music circulates three dollars back into the community



Australia's contemporary music industry generates revenues of \$1.5 - \$2 billion annually

10. Establish dedicated regional touring grant program – *Playing Australian Music*

Contemporary music is typically under-represented in performing arts touring and investments. However similar cost dynamics and barriers apply to the contemporary sector, with the exception of headline acts, who don't tour widely into regional areas.

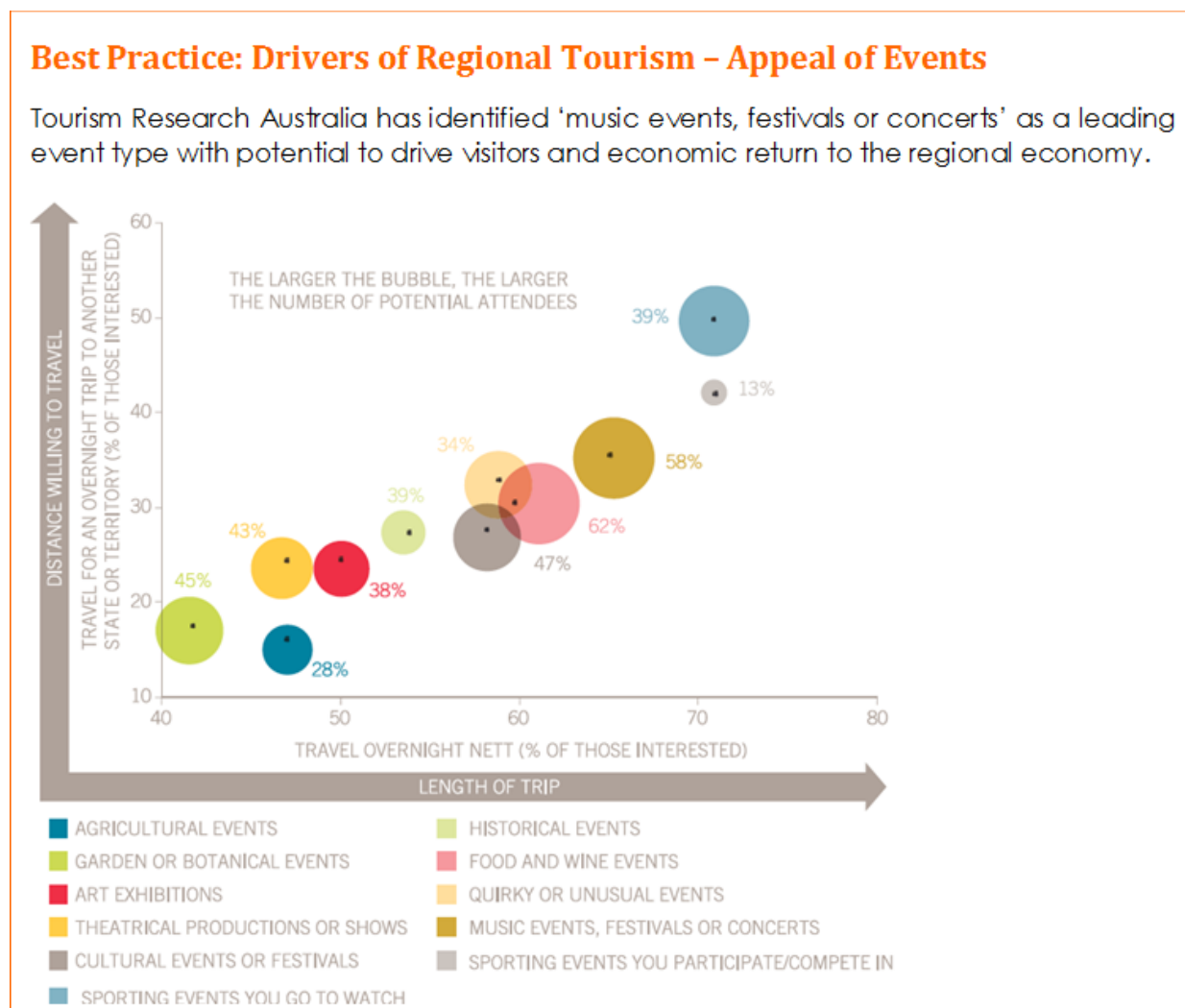
Yet, regional Australians are passionate fans and music-makers. A dedicated music touring fund can provide broader public access to popular music.

A new 'Playing Australian Music' regional touring program is proposed for investment. This program, to be scoped with industry and government, will provide a world-class contemporary music regional touring circuit for Australia. It would be demand driven, underwriting or sharing net touring and some promotional costs, and targeting regional performing arts centres and licensed venues. It could serve as a companion to the current Australian Government's *Playing Australia Regional Performing Arts* program.

Arts centres offer significant infrastructure in many regional centres, and provide opportunities for seated concert performances. This program would mitigate commercial risks faced by the music sector and regional venues who want to provide live music for local communities. All ages, campus and community based gigs would also be supported.



Regional live music delivers economic benefits which flow through local communities, and provides a forum for social inclusion especially for young people. This Plan contends that such a program would deliver a vital stimulus to regions by generating audiences and local employment, providing local up skilling, and would offer a boost to the contemporary industry by expanding the live performance market. It would also provide regional Australians with access to more diverse musical styles likely to appeal to audience tastes. The need for this initiative exist in all jurisdictions, an example being Victoria, where a report for Arts Victoria noted “an underdeveloped regional touring circuit” and identified “Planning for an enhanced regional touring circuit, as part of a broader strategic growth plan for the sector” as a solution.³⁸



11. Expand domestic and global markets for Australian recorded music with increased investment and promotion

Music recording is a significant part of Australian copyright industries. Musicians, music publishers and labels derive royalties from sales, and performances in varied media and contexts.

Technological shifts in music consumption have significantly lowered recorded music revenues, reducing investment in musicians and increasing commercial risk.

Today’s connected world also offers Australia opportunities. Independent recording now comprises a third of our total local recorded music revenues.³⁹ The opportunity, to build Australia as a creator of high quality global content, can be exploited by reducing commercial risks, and increasing access to capital and markets.



The initiatives below can stimulate and grow the Australian recorded music sector domestically and globally, through increased production and distribution of Australian owned sound recordings featuring Australian music:

- Recording and songwriters' grant scheme: to assist creation and recordings of Australian content
- Media marketing scheme: grant assistance in marketing online recordings
- Australian sound recording tax offset: for Australian produced recordings
- Increased export assistance: to underwrite marketing recordings globally
- Work with streaming services to ensure Australian content is well represented, including on key playlists
- Recording mentor scheme: artist grants to work with high calibre professionals
- Private *investment incentives*: Government funding incentives to stimulate private investments lowers overall cost of capital and stimulates investment.

12. Embrace the opportunity of the global rise of *Music Cities* by positioning our cities as international leaders in urban planning and music infrastructure.

An effective global music city can contribute powerfully to the domestic economy and to music tourism. Globally the 'music city' represents those cities which have exploited unique identities through music. Toronto, Nashville, London, Austin and Berlin have all successfully placed popular music as central to cultural and economic policy.

In Austin Texas, the music industry generates \$1.6 billion a year, and A 2013 Austin White Paper identified live music as a key city attractor.⁴⁰ A recent IFPI Music Canada report on Toronto, *Mastering of a Music City*, articulates key principles for achieving success.⁴¹

In Australia, music has played significant roles in all capitals with most prioritising cultural infrastructure as a key city asset. The music city concept can provide a valuable tool for governments wanting to leverage music as a strength. For example fostering music scenes and subcultures, where musicians hone their craft and build export readiness.⁴²

However our tripartite system of government presents challenges, with differing local conditions, policies and impacts. Currently, lockout laws in inner Sydney have adversely affected the viability of music venues and its night-time economy.⁴³ These jurisdictional issues are varied and complex, with differing approaches required to strengthen the place of music in our cities.

The ability of musicians to rehearse and perform in capitals is also compromised by city gentrification and displacement of facilities by planning and land use policies.

Innovative licensing, planning and land use solutions, such as the *Agent of Change* principle introduced in Melbourne to address noise complaints for commercial and residential development, can be introduced. More creative spaces programs can allow greater use of city spaces for music creation and production, and ensure musicians are not driven out of city centres.

By pursuing the initiatives below we can enhance our Cities as global centres for music:

- Establish a national creative spaces program for musicians in cities, including provision of affordable / free rehearsal spaces.
- With state governments, support music micro-businesses and 'start-ups'
- Build a national database of Live venues and music heritage with case studies comparisons and, to build knowledge of legal precedents and processes
- Commission research into the interrelated cultural and economic benefits of tourism and music heritage, leveraging national live music strengths



- Foster national best practice principles for regulatory policies, and encourage collaborative approaches that recognise the diversity of adoption issues involved.

13. Provide dedicated promotional platforms for Australian music on national media and a national marketing strategy to strengthen market position.

This Plan contends that well-conceived new and existing media initiatives that tap into current and future consumer behaviour and celebrate the best in Australian music can be advantageous to industry growth and popular with the public, including:

- ABC Radio's popular Australian Music Month (November), soon to extend to the whole ABC, including TV. There is scope for industry involvement to extend this promotion, and establish it across other media and platforms
- Other Australian music days, weeks, and similar, can be established and expanded
- A national music television program or broadcast channel to showcase Australian contemporary music can be scoped and if viable implemented

Market research should examine opportunities, need and benefits, including across digital platforms, prospective partners identified, and optimal delivery.

A dedicated marketing and promotional strategy should be prepared through a consultative process across industry and government. An implementation plan can deliver targeted activities to showcase Australian music and foster a stronger affinity and value for our music and musicians. Potential initiatives include:

- Support for development of a national music Hall of Fame (noting the Victorian Government has already made such a commitment)
- Feature Australian musicians at major sporting, cultural and celebratory events
- Use Australian music in all tourism and marketing by all governments
- Encourage Australian Governments and tourism agencies to use Australian music in campaigns and events.

14. Appoint an Australian music media advocate to achieve increased Australian content on broadcast radio and television

The inclusion and support of strong Australian content on broadcast radio and television is an essential ingredient to fostering a distinctive Australian identity in the media, and building a viable domestic audience for local music.

The Australian music media advocate would be a cross-industry plugger (or team), charged with engaging with radio and television decision-makers and programmers to advance Australian content. The advocate would work within and represent the industry generally (across labels, music publishers, genres and regions), educating on trends and opportunities, and proposing suitable content for airplay. The remit would be to work within existing commercial formats to enhance the audience reach of Australian content, particularly during the peak times of 6am to 6pm. It would also provide market based advocacy to advise the music industry on trends and opportunities.

This initiative draws on the *NZ on Air* program delivered by the New Zealand government.

15. Foster stronger music education in schools

Music education is a powerful contributor to a vibrant, skilled and internationally engaged Australia. This Plan advocates that every Australian child ought to have this opportunity. Music Australia research



shows that two-thirds of Australian primary school students miss out on an adequate music education at school, and one third of secondary schools do not have specialist classroom music programs.⁴⁴

In contrast, in the music powerhouse of Sweden, music education is attributed as a powerful factor in their music exports success.⁴⁵ Music is taught to all students in all Swedish schools, complemented by a national network of municipal music schools.

The benefits of music have been abundantly documented, and include behavioural, cultural, economic, and academic benefits. Nations with the highest international rankings in student numeracy, literacy and science skills invest seriously in quality music education, and music participation improves social and emotional wellbeing.⁴⁶

This National Contemporary Music Plan recommends increased public funding for school music education to implement the Australian Curriculum in music:

- Australian Governments support strategies to increase the number of specialist school music teachers
- Australian Government support strategies to increase the number of graduate primary classroom teachers able to teach music
- All Governments increase professional development in music education for the primary school workforce to deliver the Australian Curriculum in music
- All Governments expand school music education programs, delivered by professional organisations for teacher development and student involvement
- All Governments to support expansion of contemporary popular music in schools and increased emphasis on informal, accessible and engaging programs
- All Governments to support programs that foster increased student value and respect for music, understanding of the business of music including copyright, strengthened vocational links, and offer pathways into the professional industry.

16. A national program for local community music and development of local government music strategies

This Plan advocates that vibrant and sustainable music making at a community level can be key contributors to the growth of a dynamic and successful professional sector, as well as offering positive social outcomes.

Most local governments engage with and support local music communities. To support existing activity and foster increased local music engagement, a national program to foster community music making in partnership with local government is proposed. This would seek to build participation and strengthen community development through music. The program could be supported through shared investment arrangements with local government.

17. Instigate a national youth music development program

A third of young Australians are involved in making music⁴⁷, and music can strengthen the social fabric, create meaning, and encourage a sense of community, especially for young people.⁴⁸

Youth music agencies have identified a cultural shift by the live music sector away from supporting under 18 and all-ages markets. There is a lack of events for younger people within touring cycles. This could lead to a loss of young audience for live music.

Greater education for artists, agents and venues is needed around the benefits, rationale and best practice models for hosting youth music events.



Accordingly, a National Youth Live Music initiative is proposed, together with support for the live music sector, to provide participation and engagement opportunities for young people across the country. This will also contribute to audience renewal, which is vital to a sustainable Australian music industry, by fostering young audiences and encouraging their participation in industry activities, including providing pathways to employment.

Three initiatives are proposed. These draw on *MusicNSW's Indent* and *Victoria's FReeZA* and *Push Club* programs; both successful models to engage young people in live music and events across regional and metropolitan areas.

- *National Youth Live Music initiative*: funding programs in partnership with local government to enable teams of young people to produce their own music events for audiences of other young people in their communities
- *Support for the live music sector to engage young audiences*: A program to stimulate declining under 18 and all-ages events markets
- *A best practice All-Ages Audiences Guide*: for the music industry, will be developed by The Push, MusicNSW and partner agencies outlining key methods and models to engage all-ages audiences.

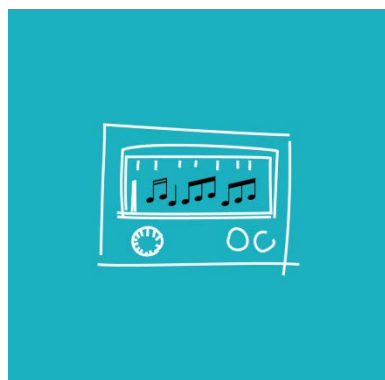
The age range for participation in these programs is 12 – 25, with specific programs geared to the under 18 demographic.

Complementary audience development research is also required, to identify strategies to encourage young people to experience live music. This research could be expanded in scope to embrace the whole contemporary live music sector.

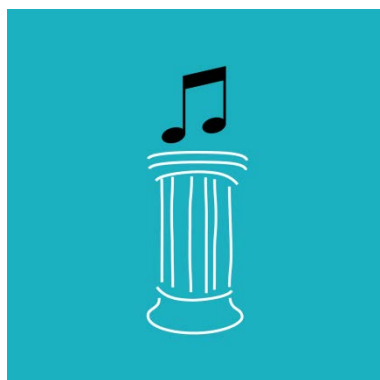
18. Support for public and community radio

Public radio through national broadcaster the ABC make a vital contribution to music in Australia, and represents a key Australian Government investment in Australian music. ABC Radio networks provide coverage and airplay for multiple music genres, and reach audiences of close to 5 million Australians every week in the five capital cities alone.⁴⁹ Specific networks, principally triple j, play a vital role in discovery and development of Australian contemporary music. This Plan affirms this investment and support, and recommends its continuation and expansion.

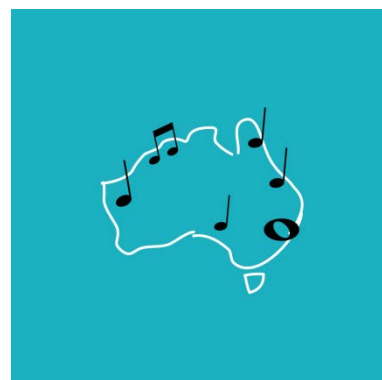
Community radio also plays a critical role in providing a platform for connecting audiences to local talent and art forms that may not otherwise be given exposure. The Australian Music Radio Airplay Project works with musicians and community broadcasters to get great Australian music national airplay. This Plan also affirms this project and recommends its continued support.



Music on ABC Radio reaches 5 million Australians per week across multiple genres



Over 40 million people attend live music compared with around 11 million at art galleries and museums



Music, after food and wine, is the most popular attractor for tourists to regions



4. Skills and Business Development

Strategy Invest in tailored skills, workforce programs and small business development, to build capabilities and competitiveness of our music professionals.

Fact There is demonstrable evidence of the benefits of music education and a strong correlation between music, academic and business achievement.⁵⁰

Challenges Equipping our musicians practitioners and business leaders with training, skills and resources to meet future industry needs, and better industry alignment with training provision and business development resources.

The Opportunity

Effective music industry skills and education is critical for the growth and development of a healthy and viable music industry of the future.

Australia's creative industries are a larger contributor to GDP than agriculture, forestry and fishing. They are also strong drivers of employment growth, growing at a rate 40 per cent faster than the Australian economy as a whole.⁵¹ Most Australian music business are micro and small businesses, higher than the national average, with a strong export propensity.

To build a thriving and globally competitive industry environment for Australian music businesses, industry and educator linkages must improve. There is a need for an increased focus on self-employability as well as graduate employability, a big issue for the music industry given the prevalence of micro businesses.

More tailored skills and workforce programs can equip our industry professionals with the right training and skills to drive solutions to the major challenges that industry faces.

By investing in world class music business and leadership capabilities, new and existing micro and small enterprises can flourish, strengthening music as a powerful creative industries contributor.

Skills Development

There is an identified need for tailored skills development for industry professionals. A recent industry survey found 91 per cent of Australian music managers state that they primarily learn new skills 'on the job', and 50 percent of Australian managers rate their confidence as a manager as average or below average.⁵²

The initiatives below are proposed to equip our musicians and professionals with skills to meet future industry needs, and strengthen music and training sector engagement.

19. Establish a national music industry education peak body and skills forum

This proposed body would lead a national approach to setting education standards and driving meaningful industry and educator engagement. It would foster strategic and structured approaches to equip Australian music professionals with appropriate skills, and foster genuine and ongoing engagement between industry and educators. A first step will be a detailed future skills framework and implementation plan. A national music industry skills forum is needed to develop these initiatives into fully agreed propositions.



20. National internship program

There is a need for an ongoing program that productively integrates the training sector with the music industry through the platform of structured internships.

This national model for a new-generation internship program would be industry based and lead to accredited skills outcomes. It would fill an existing gap by providing combined on-the-job training and vocational learning. It would need to be appropriately resourced, including government funding to provide stimulus and incentives for industry support.

21. Establish industry scholarships and traineeships

For industry to engage the best and brightest talent and not lose them to competing industries, it should develop industry-funded scholarships and traineeships.

22. Establish a national diversity advisory body, policies and best practice

Australia's music industry is created by talented people of all ages, geographic and cultural backgrounds, but there is not equal representation in many spheres of activity. Through adopting best practice approaches, this Plan commits to ensuring greater diversity and gender equality, especially in decision-making roles.

To ensure our industry is appropriately reflective of the broader character of the Australian community, a national advisory body should be established, potentially under the auspices of the peak body outlined above, with a two year mandate from the key industry bodies and organisations.

23. Professional management and label development programs

The music industry has a number of effective workforce development programs. The Australian Music Industry Network (AMIN) managed [Control](#) and [Release](#) programs, have strong industry engagement and outcomes. However there are gaps including at an entry level, and opportunities to extend the reach of these programs.

The Association of Artist Managers (AAM), the Australian Independent Record Labels Association (AIR), and the Australasian Music Publishers Association (AMPAL), have identified a need for business skills development training to support career development of artist managers, and homegrown record labels.

Best Practice: UK Government music business loans

UK Music Start-up Loans Scheme

The [Association of Independent Music](#) (AIM) operates a personal loan scheme to support British indie labels and start-ups to establish their businesses. The [AIM Start Up Loans](#) partner with the government's [Start Up Loans](#) scheme, a low interest loan that comes with a mentor and support package. These are personal loans from £500 to £25,000 for business purposes, at 6 percent interest, repayable in 1-5 years, with average loan of £6,000.

Initiatives

This Plan recommends:

- the Release and Control programs be supported by government and increased, and entry level companions be scoped and supported
- A suite of tailored skills development initiatives be provided for Australian music managers, also available to other industry professionals.
- It is also proposed that industry research and seek implementation of other complementary workforce development initiatives.



Small Business Development

The following initiatives are recommended to strengthen micro and small music businesses, and drive growth in jobs, innovation and market expansion.

24. Development of music industry business hubs and incubators

Worldwide, governments are embracing creativity to bolster economies. Creative business incubators, hubs and accelerators can nurture startups, offer formal and informal learning, access to structured programs, with coaching and mentoring.

This Plan recommends that government and industry investigate the potential for music industry hubs and accelerators, with a view to establishing one in each Australian State together with appropriate investment and development regimes.

A leading example is the South Australian Government's St Paul's Creative Centre model, a hub for music industry development. It provides co-working, tenancies, business incubation, mentoring services, and creative spaces within a supportive precinct environment that fosters collaboration. Placing the Music Development Office within St Paul's enables the South Australian Government to be relevant and responsive to industry needs. Music cluster organisation Musitec operates within the St Paul's ecosystem.

Case Study: Musitec - Industry cluster organisation

Musitec is a private not for profit organisation seeded by the South Australian Government. It works across the intersection of music with technology, health, education and the film industries. The focus is on innovation, job creation and economic development. Programs are designed to build collaborative communities, and incubate and commercialise ideas into sustainable business models through coaching and mentorship.

With music at the centre, the primary focus of [Musitec](#) is to develop IP, regional business models, and job opportunities to assist the music industry achieve sustainable careers.

To date Musitec has seeded 11 new start-up companies, conducted 2 innovation challenges with music as the key focus, and established a global network of industry professionals.

25. Micro Finance and small business development

This Plan recommends a suite of initiatives be developed offering tailored financing to Australian micro and small music businesses across all facets of industry, including recording labels, music publishers, artist business and the live music sector. Financing can be sourced from the private sector, and philanthropy as well as from Governments.

Initiatives

This Plan recommends a suite of initiatives be developed offering tailored financing to Australian micro and small music businesses across all facets of industry, including:

- Grants - development grants, matched funding and investment incentives
- Loans - Low interest loans for start-ups to foster new music businesses
- Tax offsets – as contained in the Regulatory Reform and Investment Incentives section
- Mentoring - training, leadership and strategic planning embedded in above



5. Artist Development

Strategy **Embrace our musicians as central creative contributors, and improve the financial sustainability and well-being of musicians.**

Fact We love our musicians and music. 36 of the top 100 albums in the 2014 ARIA were by Australian musicians, nine more than the previous two years.⁵³

Challenges 56 percent of all Australian musicians earn less than \$10,000 from their creative income, and only 16 percent earn more than \$50,000 from this source.⁵⁴

The Opportunity

With live music audiences of over 40 million, plus listening to Australian musicians through radio and other media, and direct consumption through retail or streaming, the evidence is clear – Australians love our music and musicians.

This National Contemporary Music Plan affirms the value of musicians and their development as central to the livelihood and success of the Australian music industry.

Nurturing creative expression of Australian musicians through the combined efforts of industry and government can deliver solid financial industry returns and public value.

Changing industry dynamics have seen most major labels focus less on developing Australian musicians, and more on promoting international catalogues domestically.⁵⁵

Investing in the lifecycle of music creators and their work can provide significant cultural and economic returns. Sweden's position as one of only three net exporting nations provides the template that supports and invests in musicians and music creation.

Initiatives

The following initiatives are proposed to support artist development and a more secure vocational livelihood for musicians.

26. Establish targeted investment programs for Australian musicians and repertoire

Investing in artist development – in song writing, composing, musicianship, performance and stagecraft skills, recording, and marketing and promotion – delivers better songs and music, and a more compelling product for both domestic and overseas markets.

Industry investment in Australian artist and repertoire (A&R) has significantly declined over the last decade, driven by global industry dynamics. Artist development is necessarily a high risk activity with uncertain, though potentially high returns. With contraction in the market, capacity for investment in A&R, once a cornerstone of record label operations, has reduced.

In parallel, a more diversified sector now has an increased stake in A&R along with labels, including managers, publishers, and self-managed musicians.

There are a significant number of artist development opportunities supported by industry and governments, catering to emerging, mid-career and established artists. These range from workshops and master classes to fellowships, awards and grants.

Nevertheless, gaps exist, and a suite of tailored programs is recommended, comprising tax offsets and grants to address identified market and genre gaps such as the development of stagecraft, or content for mainstream pop and R&B markets, to stimulate investment in quality artist development and repertoire. This can develop intellectual property to be commercially released for domestic and export returns.



Case Study: Robert Stigwood Fellowship

This Fellowship provides intensive professional development to South Australian musicians and entrepreneurs, and helps them forge global careers. There are two elements:

- Industry Fellows: Stuart MacQueen of Australian music company Wonderlick Entertainment mentors emerging industry entrepreneurs;
- Artist Fellows, tailored programs for participating artists, ranging from song writing, production, business skills, to conference attendance.

Run by the SA Government's Music Development Office, the program honours Robert Stigwood, the late Adelaide expat entrepreneur who managed the Bee Gees and Cream.

The program commenced in 2014 and has had significant benefits to participants, including sold out tours and festival appearances, sync placements, recording and publishing deals.

[Robert Stigwood Fellowship](#)

27. Strengthen musicians professional standards and standing through development of best practice guideline for musicians and other initiatives

Musicians are not typically employees, but operate on a contract-by-contract basis and it is essential they receive appropriate fees for service. Industry standards ought to be promulgated that outline appropriate contractual arrangement for musicians.

Development of national best practice guidelines for musicians would act as a whole-of-industry voluntary code. It would serve to protect musicians' rights, and provide an appropriate toolkit which musicians can apply in their business transactions. This would build on current industry based initiatives including by the Live Music Office, and cover areas including superannuation, and professional insurance.

Increased recognition for professional musicians will raise their standing in the community as key cultural and economic contributors. Initiatives can include clarifying Workcover coverage and employee/ contractor definitions, and removing barriers to career progression. One such barrier is recognition for professional musicians through Centrelink and other agencies, as identified by Music Victoria research.⁵⁶

28. Improve the health of musicians and music professionals through targeted industry fundraising to support industry support service providers.

Australian music musicians and industry professionals face higher than normal occupational and health risks.

Existing organisations such as Support Act, Entertainment Assist, or the Australian Society of Performing Arts Health, are dedicated to the support of the health and wellbeing of music professionals. They exist largely on very modest resourcing.

The music industry could provide additional resources for these dedicated services.



6. Regulatory Reform and Investment Incentives

Strategy Deliver best practice environments based on good evidence, so Australian live and recorded music and music businesses can flourish, through cooperative approaches and regulatory reform and investment incentives by all governments.

Fact The Australian Government provides \$100 million a year to Screen Australia and the Australian Film Television and Radio School. An additional \$123 million a year is provided in tax offsets to the domestic film industry which leverages about \$1 billion of production.⁵⁷

Challenge Establish enduring regulatory and investment environments to maximise Australian contemporary music's potential for national and global growth.

The Opportunity

The music sector, like other sectors of the economy, must respond and adapt to changes in the economic, commercial and technological environment.

Where regulation serves to constrain competitiveness or innovation, reform can provide an important form of government assistance to support musicians and business.

While the particular area of copyright reform is addressed in the strategy above, this National Contemporary Music Plan advocates targeted reform in the areas of:

- Commonwealth taxation support
- Minor reforms to administrative and financial obligations of small business
- Review of requirements for Australian content on radio
- State and local based support for venues in the areas of urban planning, noise and liquor regulation.

A supportive regulatory environment will help the music sector is able to operate with greater certainty, create an environment for risk taking and investment, and provide opportunities for musicians to play and audiences to participate.

Initiatives

The following initiatives are proposed to deliver a higher level of competitiveness and productivity for the sector, reduce red tape and stimulate economic activity.

29. Music Industry Tax offsets

A recent Ernst & Young report has demonstrated significant benefits to the Australian economy of implementing targeted tax offsets for the music sector. It investigated tax offsets for live music venues, sound recording owners and musicians.

The report, Investment Initiative to Cultivate the Australian Contemporary Music Industry, was commissioned by APRA AMCOS, with the Australia Council, PPCA (Phonographic Performance Company of Australia Limited), the Australian Hotels Association, the Restaurant & Catering Industry Association and Arts SA.

Tax offsets can generate additional spending in the economy and result in additional tax revenue for government. The report demonstrates a combined offset of \$10,000



for new venues plus a five percent expense offset for existing venues will provide the highest net return on investment for government.

The report also demonstrates that a 20 per cent offset to musicians will deliver significant benefits to the sector, with over 3000 new jobs to the economy at a modest opportunity cost to government.

If the Australian Government were to implement a package of offsets comprising a \$10,000 cash offset for new venues; a five per cent expense offset for existing venues; and a 20 per cent offset for musicians, it would deliver a net return to government of \$36.5 million.

Pursuing these targeted offsets will deliver the greatest economic benefit as demonstrated by the Ernst & Young report.

Implementation could leverage the framework and legislation already in place for the Australian Government's Research and Development tax concession for film.

30. Governments to adopt and promote Australian best practice in live music regulation

Venues form an indispensable part of the music sector supply chain. Urban development and other factors has seen a continued erosion of live music venues in many cities, in part due to complex compliance, and multiple regulatory barriers.

Effective public policy able to deliver viable night time economies is vital. This can optimise varied entertainment options including live music, whilst maximising public safety. The introduction of regulatory interventions for late trading premises and managing the night economy where a reactive approach has been taken without ensuring vibrancy is also delivered has had devastating impacts on live music and broader night time economies. This is causing damage that is time consuming and costly to ameliorate.

While largely a State and Local Government issue, a national and co-ordinated approach by policy makers, regulators and the music industry to urban planning, liquor regulation and environment protection can address adverse impacts and build viability of live music venues and events.

Regulatory reforms that can and have been implemented in jurisdictions to support the live music scene include:

- 'Agent of Change' provisions across an entire state requiring new residential development to attenuate if near a live music venue, supported by noise attenuation assistance packages for venues
- Liquor regulation to provide a streamlined process for permits for all ages gigs
- Lowering the building code compliance measures for small music venues
- Review of noise regulations under the environment protection system

This Plan commends the work of the National Live Music Office in fostering a strategic approach across Federal, State and Local Governments, and providing specific jurisdictional advice and input. This nationally and internationally recognised work is vital to effective regulatory reform, and its continued support is recommended.



Best Practice Case Study: The National Live Music Office

Since 2013, The Live Music Office has played a strategic role in establishing regulation roundtables, Live Music Taskforces and strategic planning in most Australian states and Territories. These internationally recognised, proactive services include:

- Work with states and territories to co-ordinate government agencies, police, health, hospitality industry associations and the music industry through regulation roundtables
- Support local music industry councils and peak bodies through better regulation policy guidance, live music taskforces and strategic planning
- Continue to work towards a national approach to building policy for entertainment venues through the National Construction Code and associated state planning provisions that cuts cost and red tape for live performance.
- Examine the potential to adopt the 'Agent of Change' principle as a nation-wide policy alongside localised solutions to land use conflict
- Provide continuing advocacy and policy guidance to government and industry for the regulation of late trading licensed venues through risk based licensing frameworks, lockouts, and cease service conditions.

Initiatives

- State, territory and local governments to apply best practice in regulation for venues, in consultation with peak bodies and Live Music Office
- Where appropriate, states should provide investment to support provision of fit-for-purpose live music venues, eg: sound attenuation grants
- Working with the Live Music Office, examine the potential to adopt the 'Agent of Change' principle across all Australian jurisdictions
- State and territory governments should provide for all ages gigs, and ensure regulatory arrangements do not act as a disincentive all ages events

31. Income averaging for artist managers

Income averaging for special professionals, including for performing artists, recognises irregular income streams which can create a tax burden in any one year. Income to be averaged over on a rolling yearly average provides a more realistic reflection of actual ongoing income.

However this is not available to artist managers, yet managers face a similar earning pattern to the musicians they represent, with many managers having only one or perhaps two profitable earning musicians, and most only derive reasonable income if their artist achieves at a high level.

Increasingly artist managers are involved in the creative direction of their artist, a role like that of a theatre producer, who is able to utilise this tax benefit.

Initiative

- Accordingly, artist managers should be included as a 'special professional' for the purpose of income averaging, providing parity with theatre professionals.



32. Amend quota requirements for Australian content on radio

Radio is still important and is vital to the success of musicians and Australian industry: two out of every three Australians listen to music on the radio or television every day.⁵⁸

Inclusion of Australian content on radio is essential to ensure ready public access to diverse Australian music that is reflective of Australian identity and character.

Commercial radio stations that broadcast music are obliged to broadcast minimum quotas of music performed by Australian musicians, ranging from 5 to 25 per cent.⁵⁹

A 2011-12 Australian Music Performance Committee study demonstrated broad compliance with the quota across Australia with only minor breaches.⁶⁰

This Plan recommends an objective to achieve higher Australian content between the peak audience reach periods of 6am to 6pm.

There is also a case to investigate application of Australian content standards to music streaming as for radio.

Research and metrics

This Plan, has drawn on all available authoritative information, to present an evidence based analysis of challenges and proposed solutions. However whole-of-sector metrics against which to measure performance and benefits are lacking.

33. Establish authoritative whole-of-industry economic benefits metrics

Initiatives

- Industry to identify top 3 required data sets and cooperate to commission them
- Undertake longitudinal research to authoritatively measure entire sector, set targets, and benchmark performance, including internationally.
- Seek ongoing Government investment and participation in this data collection and analysis
- Consider instituting an industry wide survey like UK Music's *Measuring Music*.

International Trend: Rapid growth of global cultural sector

"A United Nations Conference of Trade and Development report in 2010 report showed that even when global trade was declining by 12 percent a year, the cultural sector had a global growth rate of 14 percent a year between 2002 - 2008 and at that time accounted for \$592 billion.

It is a sector that now accounts for about a fifth of GDP in most developed countries and is rapidly growing in others.

It is also one in which Australia has distinctive advantages, but a sector in which we are in danger of falling short. The cultural sector is one of the great new engines of influence and economic growth, one which plays to many of Australia's strengths."

Julianne Schultz: (2015) Comparative advantage. Culture, citizenship and soft power



Partners

Industry Partners

- 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 Australia
- Music Rights Australia
- Sounds Australia

Working Groups

- Yvette Myhill - AAM
- Helen O'Moore – ACFIPS
- Dan Nevin- AIR
- Stu Watters – AIR
- Matthew O'Sullivan - AMPAL
- Patrick Donovan – AMIN
- Mark Callaghan – APRA AMCOS
- Catherine Gerrard - APRA AMCOS
- Chris O'Neil - APRA AMCOS
- Dean Ormston – APRA AMCOS
- Rob Walker – Australian Music Association
- Scott Adam – Central Institute of Technology
- Andrew Stone – Chugg Music
- Hugh Nichols – City of Sydney
- Ben O'Hara – Collarts
- Dobe Newton – CMAA
- Ashley Admiraal - Consultant
- Joe Hay - Consultant
- Kirsty Rivers – Creative Victoria
- Dawn Bennett - Curtin University
- Una McAlinden - Folk Alliance Australia
- Paul Luczak – The Gild Group
- Damian Cunningham – Live Music Office
- John Wardle – Live Music Office
- Kim Tran – Live Performance Australia
- Shane Homan – Monash University
- Alex Masso – Musician
- Chris Bowen – Music Australia
- Michael Smellie Music Australia
- Vanessa Hutley – Music Rights Australia
- Patrick Donovan - Music Victoria
- David Grice - Musitec
- Lisa Bishop – Music SA
- Jay Mogis – Nightlife Music
- Peter Chellew – The Push
- Joel Edmondson - QMusic
- Becc Bates – SA Music Development Office
- Karen Marsh – SA Music Development Office
- Stephen Wade – Select Music
- Stephen Green – SGC Media
- Millie Millgate – Sounds Australia
- Robb Scott – Source Music
- Lindy Morrison – Support Act
- Scott O'Hara – Sutherland Entertainment Centre
- Chris Scaddan – triple j
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Definition – What is Contemporary Music?

Contemporary music can be described as blues, country, electronic/dance, experimental, folk, funk, hip hop, jazz, gospel, metal, pop, R&B, rock, roots, world music, and any other popular music currently being written, recorded and performed.

