ACKNOWLEDGEMENT OF COUNTRY

This paper has been developed on the land of the Wurundjeri People of the Kulin nation.

We pay our respects to their Elders past and present, as well as to all Aboriginal and Torres Strait Islander people in the wider Victorian community and beyond.

We acknowledge them as the first artists, the first musicians, the first storytellers, the first communities and the first creators of culture.

Photograph by Jacinta Keefej
OUR REACH AND VALUE

• Every Saturday night, **110,000+ fans** attend live music performances in Melbourne’s small and large venues, that's the size of an AFL Grand Final.

• The Victorian **live music** sector contributes over **$1.7 billion per year** in GDP, creates **116,000 jobs**, and returns **$3 for every $1 invested**.

• Our **recorded music** industry hit a 15-year high in 2021, with ARIA reporting wholesales sales of **$566 million nationally in 2021**.

• The **export value** of the Australia music industry was **$195 million in 2019**. This includes the combined export income of Australian artists, music publishers and record labels, many of whom call Victoria home.
OUR VISION

A future focused industry; recognised globally and valued locally for its talent, innovation, and as a key driver of Victoria’s economic, cultural, and social prosperity.
OUR CHALLENGE

Despite emerging from the worst of our COVID-19 public health crisis and government-mandated restrictions, the music industry continues to grapple with systemic business, cultural and capacity challenges, many of which have been made worse by the pandemic and are at risk of further decline without a long-term vision and strategic interventions across the sector and governments.

Photograph by Martin Philbey
KEY ISSUES

INDUSTRY CAPACITY AND CAPABILITIES
Disrupted supply chains, reduced business capacity, and a siloed sector has led to inefficiencies, lost revenue and missed opportunities.

BUSINESS AND CAREER GROWTH AND SUSTAINABILITY
High business costs, volatility and risks, made worse by COVID-19, are stifling industry recovery, growth and sustainability.

WORK CONDITIONS AND CULTURE
A lack of policies, accountability and support for safe and fair work has led to systemic inequality, harassment and bullying.
COST OF DOING BUSINESS

While the cost of doing business has increased over decades, costs have accelerated over recent years. Combined with the volatility brought about by COVID-19, risk appetites as well as cash reserves have been significantly eroded, compromising business’ capacities to sustain operations let alone invest and innovate.

This weakened state is further threatened by the pandemic’s ‘long-tail’ putting pressure on operating costs, artists fees, and the reduced supply and access to skilled labour and materials.

ONLY 47% OF THE VENUES LICENSED FOR LIVE MUSIC IN 2019, HAVE SO FAR RENEWED THEIR LICENSES FOR 2021/2022. - MUSIC VICTORIA
BUSINESS AND CAREER GROWTH AND SUSTAINABILITY

CAREER OPPORTUNITIES AND DEVELOPMENT

On an individual level, job insecurity remains high while incentives remain lacking to support artists and audiences. This compromises our ability to develop and retain fans and talent, and the innovation and creativity they bring.

The ‘gig-economy’ is deeply embedded into, and in many instances beneficial to, the industry's commercial model. This has led to the unintended consequence of artists receiving remuneration that often fails to meet a minimum ‘living wage’ and an erosion of their individual ‘negotiating power’. The large and complex tapestry of the music industry has resulted in a lack of transparency, benchmarking and adopted regulations.

Work-know-how in this industry predominantly comes from real-life-job experiences and lacks formal structures and career progression opportunities, only further embedded with university fee structure reforms resulting in a declining take up of creative arts and humanities courses.

1 IN 4 GIGS ARE UNPAID AND CONTRACTS ARE REGULARLY BROKEN WITHOUT CONSEQUENCES - MUSICIANS AUSTRALIA

Photograph by Josh Brnjac
DEMAND FOR LOCAL CONTENT

Despite boasting some of the nation’s, and indeed globe’s best talent, music lacks dedicated policies to promote and incentivise investment in local content, in the same way seen in other industries such as the screen and digital games sectors.

Additionally, the barrier to entry for international touring and export activity is significantly higher and more complex than it was 2 years ago, and Victoria’s music businesses and artists lack access to the scale of relevant support from the State or Commonwealth that is now necessary. Consequently, many have and continue to miss opportunities to build demand in lucrative and competitive international markets.

LEFT UNADDRESSED:
- business viability and economic sustainability will remain poor,
- our market competitiveness will decline, and the
- high attrition rates of talent and skilled labour to other industries and markets will continue.
BULLYING AND HARASSMENT

Bullying and harassment is endemic in the music industry – the result of a deep-seated culture of willingness to compromise one’s own working conditions for economic opportunities. It has been left unabated for too long, resulting not only in lost work opportunities but lasting and detrimental mental health conditions and trauma.

59% EXPERIENCE SUICIDAL THOUGHTS (4.5 X THE AUSTRALIAN POPULATION)

Photograph by Josh Brnjac
POLICIES AND ACCOUNTABILITY FOR FAIR BUSINESS AND WORK PRACTICES

Without better, widely adopted principles and accountability for work conditions and practices, many individuals will continue to be undervalued and vulnerable to the longstanding dynamics of a highly competitive and profit-driven industry. However, progress in the agreement and adoption of such principles and practices remain challenging in a highly complex and fragmented industry.

JUST 15% FELT SAFE AT WORK - SUPPORT ACT, MAY 2022
The Victorian music industry is currently led by "able-bodied, white men". In addition to gender inequity, Diversity Arts Australia recorded that 61% of music organisations had no CALD leaders, with Creatives of Colour identifying "the White lens and how it tokenises and exotifies people of colour" as the main issue. In addition, 97% of Deaf and Disabled people experience barriers to engaging with the music industry as professional (Arts Access Victoria) and support for First Nations music is still overwhelmingly tied to NAIDOC week and special celebrations, and is not yet embedded everywhere.

**76% of performance opportunities are filled by male musicians - access all areas**

**Left unaddressed:**
- high levels of inequality (gender, cultural, equity of decision-making), poor working conditions and mental health will remain unacceptably high,
- we will fail to benefit from the significant social and economic value to be gained by fostering the talents of individuals and empowering the diverse and underrepresented voices across our industry and society.

Photograph by Martin Philbey
INDUSTRY CAPACITY AND CAPABILITIES

SHARED RESEARCH AND KNOWLEDGE

The music industry is particularly vulnerable to the pace of technological disruption and changing consumer behaviours. Staying ‘ahead of the curve’ requires access to the latest research and experts and the opportunity to learn and adapt.

Victoria lacks a long-term commitment to industry relevent research that is accessible to all. Making matters worse, the pandemic has left many businesses in ‘survival-mode’ whilst governments have focused on helping the sector triage immediate operating challenges leaving little to no capacity to assign resources towards future focused research.

Despite this, the ongoing lack of certainty around the post-pandemic recovery continues to make it difficult for business to plan and makes the value of accessible research and insights ever more important.
INDUSTRY CAPACITY AND CAPABILITIES

RESOURCES AND CAPACITY

The availability of resources and capabilities in the music industry remains highly unequal geographically and demographically. This has been exacerbated in recent years due to the pandemic’s disruption to travel and the supply of materials, equipment and skilled labour.

Across regional Victoria, many live music venues lack the necessary investment to enhance their facilities and equipment to support a greater breadth of high-quality touring content. On the flip side, we have a large network of well resourced, local government run performing arts centres who lack knowledge and experience in programming contemporary live music.

Strong partnerships and networks between tiers of government, across portfolios, between music-adjacent industries venue operators (live music presenters, recording studios and rehearsal studios), presenters, promoters, bookers, artists and education institutions are critically needed during this time of recovery, to leverage resources, coordinate touring activities, share risk and develop stronger pipelines for content and talent.

LEFT UNADDRESSED:
• planning and delivery models will remain costly and inefficient, and
• the sector will stifle its ability to adapt, innovate and thrive post-COVID-19.
OUR CALL TO ACTION

Through a collective and coordinated approach to investment incentives, skills development, policy and research, we can:

- Strengthen the Victorian music industry’s standing as a global competitor, attracting greater investment from new markets;

- Support more viable, resilient and sustainable business practices;

- Foster better, more equitable working conditions, leading to greater attraction, retention and diversity of talent;

- Establish and leverage stronger networks and partnerships providing greater, more equitably distributed economic returns.

To do so, we must invest our efforts in the following strategic priorities...
STRATEGIC PRIORITIES

Encourage investment and innovation
by reducing commercial risks and incentivising businesses to operate and invest in our sector.

Foster fair and fulfilling careers and culture
by advocating, adopting and enforcing minimum expectations for renumeration, conduct and diversity.

Develop our skills and capacities
by increasing access to sought after education, training and shared resources that enable businesses to adapt, innovate and thrive.

Expand and strengthen our value proposition
by investing in research and advocacy to define and promote the value of our sector across markets and industries.
1. **Establish investment schemes**
   providing offsets and incentives to leverage new investment and stimulate demand for local music content and all ages environments.

2. **Establish insurance schemes**
   providing affordable business disruption and event cancellation cover nationally, as well as affordable public liability insurance.

3. **Review and further refine planning and liquor licensing regulations**
   to enable local governments the flexibility to define local sound limits, to support night time economies, and protect affordable creative spaces.

Encourage investment and innovation
## ACTIONS

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<td><strong>Embed, and budget for, minimum fees and diversity benchmarks across local, state, and federal government music grants and engagement opportunities including the licensing of Victorian music.</strong></td>
<td><strong>Adopt and implement the recommendations from the National Music Industry Review.</strong></td>
<td><strong>Build on the success of dedicated music industry mental health services including in house clinicians at peak bodies ensuring ongoing and expanded benefits to a broader sector cohort.</strong></td>
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Foster fair and fulfilling careers and culture
7. Resource future focused industry up-skilling including opportunities for capacity building, formal accreditation, and the delivery of high need training courses and professional development programs.

8. Establish stronger networks and partnerships across portfolios, and all elements of the music ecosystem to more effectively leverage resources and efficiently plan, develop and deliver projects and activities.

9. Invest in music infrastructure to support a strong, and sustainable touring network across metropolitan and regional Victoria and the country.
10. Increase our sector’s representation and profile in export markets re-establishing our presence in the major markets and supporting exploration into emerging markets.

11. Establish an annual Victorian music showcase and industry conference providing a platform for the urgent discussions that unpack one of the fastest growing industries and leverage new market and cross-sector opportunities.

12. Increase the sector’s research capacity to gather, analyse and share insights and findings that can guide the development of policy (especially in terms of intellectual property protection), and the marketing of new content.
ACTION 1.

Establish investment schemes providing offsets and incentives to leverage new investment and stimulate demand for local music content and all-ages environments.

Our music industry naturally competes against other entertainment industries, notably film and TV, however these have generous producer tax offsets. As competition increases for national and international investors, there is an urgent need for our sector to access similar, tried and tested, tax incentives to attract new investment.

Additionally, there are unexplored opportunities to accelerate the demand for local content through quotas for the inclusion of Victorian songs and artists across targeted and allied media and industries including: audio streaming to ensure the presence of Australian songs and artists on globally curated playlists; and screen and digital games to support the investment of Victorian music and creative intellectual property.

Similarly, targeted funding could help subsidise regional and outer metropolitan venues to program original local music, assisting ongoing artist development.

Finally, peak bodies, industry and local councils could be supported to nurture the all-ages live music sector through the commissioning of programs to develop and engage young audiences and artists.
ACTION 2.

Establish insurance schemes providing affordable business disruption and event cancellation cover nationally, as well as affordable public liability insurance.

The scheme could build on the successes of the 2021/22 scheme delivered by the Victorian Managed Insurance Authority (VMIA), which insured up to $230 million of events against cancellation due to public health measures, or where events have reduced capacity due to restrictions.

A similar scheme could be expanded to support other pandemic affected part of the music industry to secure business disruption, event cancellation and public liability insurance at affordable premiums.

The introduction of such insurance policies would be similar to those implemented in other jurisdictions such as the UK’s Live Events Reinsurance Scheme designed to support the UK’s economic recovery by giving events the confidence they need to plan for the future, whilst also ensuring that value for money is delivered for taxpayers.
ACTION 3.  

Review and further refine planning and liquor licensing regulations to enable local governments the flexibility to define local sound limits, to support night time economies, and protect affordable creative spaces.

Having access to affordable and fit-for-purpose creative spaces, rehearsal studios, recording studios, live music venues and equipment is critical to allow artists of all career stages to experiment, develop their work and careers, and build new audiences.

However, growing gentrification across both metro and regional Victoria, combined with inflexible planning regulations and the late night liquor license freezes in some inner city municipalities, has led to our artists increasingly being pushed further away to live and work, and as suburban centres and neighbourhoods are rezoned, or reactivated after covid, it is becoming increasingly challenging to present live music and activate dedicated precincts.

There is an opportunity for the State and local governments to consider new, more responsive policies that incentivise asset owners and local policymakers to protect and provide creative spaces and allow for more permissible conditions and efficient processes to enable the making and presentation of music e.g to enable local Councils the flexibility to define local sound limits commensurate with the unique amenity and character of their area.
ACTION 4.

Embed, and budget for, minimum fees and diversity benchmarks across local, state, and federal government music grants and engagement opportunities including the licensing of Victorian music.

Governments can play a crucial role in demonstrating leadership and setting change in motion to ensure fairer rates of pay and contractor opportunities.

Through conditions attached to grants, performances engagements, and content usage, governments can ensure musical artists involved in projects are paid a minimum fee commensurate with Musicians Australia’s recommended fee floor for any musician’s live performance of $250 per person.

Similarly, this mechanism could be extended to also require that funded businesses and projects meet benchmarks for diversity and observe best practice cultural protocols.
ACTION 5.

Adopt and implement the recommendations from the National Music Industry Review.

Maintaining the safety and wellbeing of music industry workers is a key challenge for our sector. As a first step, the Victorian Government’s Respectful and Mentally Healthy Working Group could establish much needed ‘best practices’ for governance; workplace health and safety; the inclusion of First Peoples, LGBTIQ+ Victorians, people with disability, and people from culturally and linguistically diverse (CALD) backgrounds.

To further the work of the Ministerial Taskforce on Workplace Sexual Harassment, a Music Industry Roundtable could assist in helping to establish frameworks and to provide guidance to businesses and individuals on processes and resources to help combat, report and address sexual harassment and discrimination, and act as a referral to existing programs to support safety and wellbeing.
Unpacking and understanding the unique challenges faced by musicians is the main driver behind the need for dedicated mental health services.

Though in-house supported sessions to date, themes around financial precarity, what success is, and the interconnected nature of musicians identities within their work, have emerged. With first two of these these already addressed by other articulated actions, it is the identity piece which presents both a challenge and opportunity.

In addition, the anti-social working hours, touring schedules, and an ‘always on’ mentality driven by an oversupply of music and a lack of boundaries, leads to musicians struggling to know when to stop working, which can cause isolation and prevent one from being able to build and maintain meaningful relationships.

As a priority, the opportunity to get to know the counsellor through health promotion workshops, has proven to be an effective entry point to supporting people who have never accessed mental health support before.
Resource future focused industry up-skilling including opportunities for capacity building, formal accreditation, and the delivery of high need training courses and professional development programs.

Business acumen and audience development have been longstanding areas of need, however our sector’s accelerated shift to digital platforms (even before the pandemic) has also exposed gaps in understanding how best to harness technology to increase discoverability, grow market share, and monetise creative content.

Furthermore, the pandemic has led to workforce attrition and reduced access to skilled and qualified technicians (e.g. sound and lighting), event staff, and music industry professionals.

As a priority, programs supporting skills development and education pathways should be fast-tracked. This could include creative apprenticeships, mentoring programs, accredited vocational training, industry-partnered employment programs as well as fellowships, workshops, micro-credentials, and access to experts.
Establish stronger networks and partnerships across portfolios, and all elements of the music ecosystem to more effectively leverage resources and efficiently plan, develop and deliver projects and activities.

Victoria boasts a diverse range of independent music labels, community radio stations, record stores, venues, promoters, studios, presenters, bookers, artists, DSPs, and music institutions. However, this diversity has also resulted in a patch-worked ecosystem, which presents challenges (and opportunities) to form partnerships and networks.

With modest investment, it would be possible to bring together many of the existing embedded skills, and resources within our industry to leverage opportunities, coordinate touring activities, share risk, nurture ideas, build capacity and develop stronger pipelines for content and talent.

This would be particularly beneficial in supporting our regional artists and businesses by providing localised training and skills development in partnership with local education institutions and councils.

A collaborative approach to skills development could be further enhanced through residencies for music industry professionals in complementary sectors (e.g. digital games, screen, health, education, multi-cultural services) to deliver greater social and economic outcomes.
ACTION 9.

Invest in music infrastructure to support a strong, and sustainable touring network across metropolitan and regional Victoria and the country.

Pre-pandemic, over 29,000 live music gigs were staged across regional Victoria to over 5 million attendees, delivering over $530 million in economic impact.

However, there remains significant gaps in the professional and technical capabilities of our small to medium live music venues, hampering opportunities to cater to a growing audience for regional performances, and touring markets.

There is opportunity for federal, state and local governments to work together with industry in establishing an interactive online map of live music venues that can assist in tour planning. In addition, specific funding programs that provide minor infrastructure upgrades to ageing equipment and facilities, such as all-weather outdoor performance areas, and accessibility upgrades to both physical and online presence of businesses, will make touring more viable, efficient and accessible.
Action 10.

Increase our sector’s representation and profile in export markets re-establishing our presence in the major markets and supporting exploration into emerging markets.

Despite having a strong supply of high-quality content and talent, we lack the strategic support and investment to help build the global profile of our artists and businesses. In addition, many of our best emerging acts lost significant album release momentum due to ongoing lockdowns, missing out on making connections with the international industry and fans.

Five out of the six Australian acts at Glastonbury 2022 hailed from Victoria, and 27% of the acts featuring at Bigsound 2022 are Victorian. However, the international opportunities for the next generation of artists are few and far between, long overdue, and significantly more expensive than three years ago.

There is opportunity for the State and Commonwealth to provide much needed funding support for international touring activities, promotion and marketing for Victorian artists at industry showcases, conferences and conventions.
Establish an annual Victorian music showcase and industry conference providing a platform for the urgent discussions that unpack one of the fastest growing industries and leverage new market and cross-sector opportunities.

In 2018, Melbourne was chosen to stage the very first global Music Cities Convention which hosted 350 experts from government, the music industry and academia, including dozens of speakers from around the world to share ideas about how cities could better support music. It was a testament to Melbourne’s reputation as a leading global music city.

Despite our reputation, and previous conference iterations in Victoria including Face the Music and CHANGES, Victoria has not sought to benefit from an ongoing commitment to its own annual music conference or showcase market. Meanwhile other jurisdictions have acknowledged the importance of such events in growing their industry’s market share and exposure, such as Queensland’s BIGSOUND which will mark its twenty-first year in 2022, Indie-Con in SA, and with NSW recently securing SXSW for the next 10 years.

A Victorian music conference and showcase would address the market challenges of Victoria’s small local market size and relative isolation from the global music market, and provide much needed opportunities to attract new investment from international companies by showcasing Victorian music.
ACTION 12.

Increase the sectors research capacity to gather, analyse and share insights and findings that can guide the development of policy (especially in terms of intellectual property protection), and the marketing of new content.

Understanding consumer behaviours and demand, and how to engage them in a crowded and competitive market is critical to the development of engaging content and viable business.

Industries such as tourism understand the benefits of establishing programs and organisations for the sole purpose of helping gather and share consumer insights, marketing best practices and therefore help reduce the barriers for businesses to access much needed data tips to adequately plan and market their products.

With modest investment, the network of music industry peak-bodies, locally and nationally are suitably positioned to help undertake this role and ensure our music industry has the very latest information at their fingertips.
WHAT WE STAND TO GAIN

- Victorian music is known as a global leader.
- Increased market competitiveness.
- A strong net exporter to national and international markets.
- Establish new, more diverse revenue streams for artists and businesses.

- Greater attraction and retention of skills and talent.
- Clearer, more rewarding careers, pathways, and opportunities for growth.
- More diverse workforce with fairer representation in leadership and decision-making positions, supporting more diverse content and audiences.
- Best practice accountability and transparency for industry standards.

- Stronger partnerships with co-investments across businesses, institutions and sectors.
- Greater business capacity and ability to adapt to changing consumer demands and opportunities.
- More equitable access to market opportunities and distribution of returns.

- More viable, innovative and sustainable business practice.
- Increased investment in new content and models resulting in more jobs driving industry growth.
- A globally attractive industry to invest.
NEXT STEPS

Music Victoria have prepared this paper as both a snapshot of where the industry currently finds itself as well as a series of actionable steps we can take to move forward to enable the full social, economic, and cultural potential of music to be realised, for the benefit of all Victorians.

In this process, we all have a role to play - artists, audiences, peak bodies, all sizes of music industry business, and all tiers of government. If you have the power to realise parts of this vision, we encourage you to do so.

For more information or to get involved please don't hesitate to contact: Simone Schinkel, CEO, Music Victoria via simone@musicvictoria.com.au.