

For what it's worth

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Abstract

The COVID-19 pandemic has had great economic impact on and yielded much information about the value of the performing arts. Most performing arts enterprises are not-for-profit, highly geared in the market, and require upfront investment ahead of uncertain returns. COVID-19 borders created special challenges for interstate and international co-productions and elite performers. Performing artists were hit especially hard during the pandemic necessitating rapid shifts in operational and funding strategies. A deep sense of isolation and loss of arts events drove a highly engaged uptake by audiences of digital performances, livestreamed and recorded, and public recognition of the central place that culture and creativity play in the daily lives of most Australians. The pandemic has driven adaptation and innovation in arts digital production and engagement with the expectation that this platform will persist post-COVID, potentially deepening and expanding access. Collectively strategising to strengthen the interconnections between arts and industries such as tourism and hospitality and retail, health, education and general wellbeing and cohesiveness of our community may well uncover opportunities for us to build back better.

Introduction

I pay my respects to the traditional owners of the land on which we gather today, the Gadigal people, the Eora nation. And to thank Larissa and her colleagues in the arts. I came through an education system that gave me a minimal grounding in First Nation's culture and history. I acknowledge the incredible generosity extended to me by many First Nations people across the 20-plus years of working in arts and screen. Conversations that have been both enriching and humbling. It has also reinforced the vital and strengthening impact that comes from engaging and respecting the human expression fostered within the arts and culture.

Working in the arts and screen sector and in their advocacy for many years I have experienced some fantastic highs. When we see ambitious creative confidence, politi-

cal recognition and public discourse seeding real engagement, it's thrilling, there's energy, and then things dissipate. While the arts are moving hearts and minds on the stage, when the curtain falls, we are often lamenting together of our maligned state, and the need to constantly reiterate our value. Continually we call for a place at the policy table only to be repeatedly thwarted with naysayers marginalising the arts as something you do once more pressing matters have been addressed. Frankly, it's exhausting. It's blocking our progress, and it's limiting our growth as a modern, dynamic society. We have much Australian artistic talent and creativity under realised, there is much more we could do.

Australia has benefited from the ubiquitous nature of the arts and the positive impacts it makes. There's a whole shopping list of positive value, from wellbeing

and health to education, social cohesion, as Larissa's been talking about, placemaking, stimulating tourism and retail, and stories, and international our brand and cultural diplomacy. I sometimes I think if our list were shorter, we'd be taken more seriously, that people believe that we keep trying to find a winning argument for the value of the arts rather than the collective list being true and impactful. Everything we do, in every faculty, in every part of our how we live, is infused and shaped by our humanness. What humanity is, its form, its influences, its power and fragility are explored, expressed and challenged within the Arts.

Federally, there are individual ministers and members of the backbench who acknowledge the value of the arts. However, there's very little cross-portfolio collaboration. Without a strategic roadmap, confident leadership and proactive investment to explore creativity and innovative ways to advance our 21st century social and economic challenges in partnership with the arts, our shared wellbeing and prosperity is under-realised.

And then came COVID.

COVID-19 impact

The performing arts were, as Larissa said, the first sector to experience the full force of social distancing and shutdown measures, and it will be the last to recover. All earned income dried up overnight, and much of the cash on hand represents sales for future shows, which were soon cancelled, and the refunding of tickets became a financial and logistical issue. In many cases those pre-sales had cash flowed rehearsals, sets and costume construction and the associated pre-production behind the scenes work. Performing arts organisations use subscriptions

and reserves to invest upfront. They carry significant financial risk. Some of our largest organisations have less than 10 per cent subsidy and returns are calculated over the annual season. One show cross-subsidises another. COVID cannibalised any notion of a balanced season and for many, any season at all. And all the upfront investments were lost because income and expenditure are very lumpy.

The 2018 Live Performance Australia's ticketing survey indicates the scale of mainstage and refunds alone. It reported the performing arts and live entertainment generated 26 million performance tickets were, more than the AFL, rugby league cricket, soccer, basketball and baseball tickets per year.

The box office of the eight major performing arts theatre companies in Australia alone generates more in earnings each year than the Australian feature film industry.¹ These performing arts companies also cancelled non-ticketed events in education, community development, development of artworks and experimentation.

The ABS verified the size and speed of COVID impact. In the week of the 30th of March, it estimated that 90 per cent of businesses across the Australian economy were still operating. In the arts, but particularly the performing arts, it was down to 47 per cent, making it one of the industry's worst affected. The Grattan Institute estimated nationally 14 to 26 per cent of jobs were lost in the workforce, whereas in the arts sector it was 50 per cent.

¹ The combined box-office of the eight major theatre companies in 2019 was \$54.9m directly sourced from the Australia Council for the Arts. The Australian feature film box office was \$22.6m.

Performing arts sector response

So what did the performing arts companies do? Where did they start?

Key priorities included retaining their artistic virtuosity and knowledge embodied within their ensemble of performers and creative teams and keeping connections with the audience. Ensembles are critical to capacity building in the future, and they hold the art within their bodies. A dancer at The Australian Ballet or Sydney Dance Company hold works within themselves developed over 5, 10, or 15 years. The work that they do together is like a well-oiled team in a football league. You pick and choose your ensemble to complement and explore a certain style of expression, holding onto the ensemble is very important.

Reserves, flexibility from state and federal governments on current grant deliverables and Jobkeeper have supported some arts organisations. But as Larissa alluded to, for the companies that don't have ensembles, mostly in theatre and dance, none of their performers, all of whom work on short term contracts were eligible for Jobkeeper. Here we had a theatre company without permission to open their venues and no support to retain artists who might then prepare for future openings or help engage with their audiences online. It's a bit like coffee not being available at a café, or hospitals without doctors. Where can you go with the arts, without artists?

Arts audience response

The deeper interconnection between the arts and the community, and we've talked about this today, has been significant. The response of the Australian community in COVID has really shaped the nation. In the arts it reinforced that our tickets are

not merely ticket sales. Many patrons willingly converted their tickets to either next year's season, showing faith that we would return. Many also turned their tickets into a donation, gratefully received both from a financial point of view and for the heart that it gave artists, performers, and organisations.

Signed up sponsors also stayed on board, they worked with companies to repurpose their sponsorship where they could. This supported some arts organisations going directly online while others suspended their initiatives. Philanthropists provided emergency financial relief to artists slipping through the cracks; a recent Queensland Ballet video captures the sentiment.

People across the sector worked hard. While on paper they are on reduced hours and reduced pay, they are often working long hours to respond to COVID and maintain contact with the public. They also facilitated shows to raise money for the benevolent funds across the sector, including Equity and special independent artists funds. But, of course, these are all stop-gap measures.

Government response

A lot of my work in COVID was lobbying and advocacy to the federal government. The government announced a \$250 million support arts package to COVID in June, which was gratefully received. It wasn't considered enough, but it was fantastic to see a sense of partnership returning. However, that was four months into COVID. We are now seven, moving to eight months in, and we have not seen one dollar come from that process. Many in the sector argue on all sides, from all traditions that this is simply not good enough and that we are losing precious cultural commodities.

Arts employment drift

According to the ABS, accommodation and food services and arts and recreation centres are experiencing higher COVID unemployment than any other sector, which I think you might have seen in the news. But what is of keen interest, so much so that the ABS has commented on the finding, is that in the arts and cultural sector, the slight improvement in employment is actually people from the arts moving out of the sector to find work. So we are now rapidly losing our talent, driven by a combination of being the last to return and ineligibility for Jobkeeper has meant we couldn't keep people attached to our organisations.

Audience digital uptake

While many wonder why the government has been moving so slowly, Australians themselves have actually been increasingly engaging and somewhat embracing the arts. The Australia Council for the Arts' *Creating Our Future* report, released in August revealed Australia's recognition of the power and the value of arts has grown since 2016. A new statistic also notes that the arts help build necessary skills for our workforce future. Another report also released during COVID by the independent think-tank, a *New Approach* focused on middle Australians. They expressed similarly high levels of value recognition, agreeing that the arts and culture are a means of connecting communities and embracing our national identity, our Australian way of life, ironically, they also suggest that Australia would be an authoritarian or war-torn nation without it. The report also reinforced Australians place significant importance on the value of the arts in developing creativity in children and helping address mental health and improve

wellbeing. So while our financial stocks are down, in this time of crisis, our social stocks have been growing.

In lockdown, just over a third of Australians engaged in the arts online and another third surveyed early in the piece said they weren't engaged with the arts online, but they'd like to know how. And of those who did, 19 per cent said they were doing more, engaging with the outside world than they had previously. For children, it was 48 per cent more. Interestingly 25 per cent said they felt that they were more creative than before COVID. So we've given the nation a productivity boost.

ABC Classic Radio has also reported a significant increase in its listeners to classical music and other programs. And in the major performing arts companies, the arts education teams who pivoted online have reached schools and children that they've never had the resources to travel to before.

Performing arts digital output

Throughout COVID, the sector developed new digital skills and rich and varied content, but it was all on the fly. As I come from a screen background, the first thing I thought when I moved across into the performing arts is great; we can build greater collaboration between screen and the performing arts. But there have been barriers. In fact the time and the investment have not been there to make it possible on any scale. So in effect, the crisis found us the time, whether we wanted it or not. Goodwill, ingenuity and sector resilience has led to some amazing digital pivots. For example, Malthouse created digital packages and sent it out to the various casts they had planned to work with through the year with instructions of how to make their own videos and

podcasts at home. We had digital choirs, play readings, interviews, and for the artists that weren't on Jobkeeper, the companies that had some reserves also tried to create little projects where they could call artists into work at a distance. From three musicians standing apart in a studio to record some performances to performances in empty concert halls. The ABC stepped up, and I don't think enough acknowledgement has been given to the ABC in relation to their support for the Arts during COVID. They announced very early that they would make a deliberate decision to program more Australian music on the radio and to provide any facilities they could to co-host artists, virtual festivals, and events.

The Griffin Lock-In, a partnership with Google, was another exciting offering. Five writers had a week to write a play, that was then performed live online. Audiences could interact with chat prompts that would change the shape of the play. While we have seen many organisations apply a broadcasting model to generate content online, they were trying to experiment, exploring other ways in which you could capture the live performance experience. While we celebrate any extra reach that online might offer, we know live experience of performance is not captured in its entirety through a video viewing. Bringing people together has a very different dynamic.

Hopefully, this investment in digital will continue because there is limited co-creation crossover between the screen sector, digital innovation, and the performing arts, even though we often rely on the same actors, and writers and so forth. It's also been shown that feature films based on plays generally do better at the box office. So we've got a lot of relationships, but little partnering and experimentation — the weave is not quite

there yet. That's why the work that is happening in this digital space is quite exciting.

Streaming performances online has been enabled through a special COVID agreement between Live Performance Australia, which is the main peak body for producers, production companies and the union Equity. Rights and clearance fees have been reduced during COVID, facilitating greater public access. Of course, we know that actors and the creation of content and livelihoods of many arts workers do not survive on goodwill alone and we do need to develop better ways to monetise some of this activity in the longer term.

The Melbourne Digital Concert Hall is an innovation to watch. Two young artists, again on the fly, created a new digital concert proposition. The model was simple. Twenty dollars for a ticket that twenty dollars all up went to the artists — the four dollars booking fee paid for everything else, the technicians and the software to program. In the first two months, they raised \$100,000, and they thought that was terrific. Last week they'd raised \$750,000. They've provided income to 350 artists. They've had 175 concerts and 40 per cent of their viewers don't usually attend in person. This is due to various situations, including having young children, health issues; living too far out and work demands. We're hoping the initiative will retain engagement with these other types of audiences.

Sydney Dance Company were one of the first to go online with this offering of dance classes at home. They have an ensemble of artists that they also needed to maintain. Artists often gain energy and purpose and an understanding of themselves, through performing. Supporting elite artists' physical fitness is not the only challenge, often harder to address is maintaining creativity in such an austere situation. Sydney Dance

Company was about to open a new work just three days after the COVID lockdown. They ended up turning the ensemble into dance teachers. It has been a learning curve, but they have generated revenue, sustaining the company in a way they didn't expect. They also had some international artists who aren't eligible for any government welfare schemes, and this income has helped to support those colleagues.

Incredible problem-solving stories are not just in the arts. Creativity is not the sole domain of artists or the cultural industries, but creativity is critical to the arts, and the arts nurtures our creativity.

Performing arts and creative industries

Ogilvy Australia CEO David Fox wrote in his recent federal COVID arts submission, 'Finding new solutions to a long-standing challenge is only possible because our people have been influenced to think outside the box. They have been inspired to push the envelope, and it comes back to having proximity and exposure to the transformational thinking that the arts invite.

The data released last month on the creative industries measure the share of GDP as 6.3 per cent and the value of \$115.1 billion. That's a 10-year growth of 34 per cent and \$88.1 billion in gross value add. These are not bad figures, and the arts and recreation services themselves reported 6.8 per cent growth, a little bit higher in turnover and eight per cent growth in employment. That's 216,000 jobs directly. And we know there are other creative jobs in other industries. Arts and recreation were delivery some of the highest job growth results before COVID after health care and social services. It shows that the arts are a very fertile place and where we can gain social and economic benefits.

The creative arts generated more jobs than mining, finance, utilities and information media and technology sectors. In 2018 the UK creative industries grew five times faster than the rest of their economy. The Australian performing arts is relatively small within our creative sector. They've generated \$4.3 billion, representing a 37 per cent growth over ten years, slightly ahead of creative industries. But they carry within them that pure experimentation and the sort of boundless possibilities of creativity that act a little like a furnace.

Arts tourism and night-time economy

The economic value of the arts is more than its direct inputs outputs. The arts generate secondary retail and hospitality activity, and almost all their expenditures occur within the country. They are also empowering a lot of interconnections that we can foster in our recovery.

In the five years to 2017, the international arts tourism made up 43 per cent of all international tourism. It was growing faster than the rest of tourism and arts tourists spend more. Now we know they're not coming for a little while yet, but domestic growth in arts tourism, both day trips and overnight has also been encouraging. So since 2013, day trips have grown by 14 per cent overnight by 20 per cent; again, the arts tourist spends more money.

COVID has shattered the night-time economy. Our silent, empty cities are raising concerns, and the arts have a role to play here. Historically, the night-time economy has grown faster than the rest of the economy, and the arts are crucial to bringing people into the city. Importantly, arts engagement is not merely about the economic hook; it's really about attracting

people in an impactful way and invites connection beyond the market transaction.

Adaptation of live performance

This weekend just gone, there was an amazing festival in Western Australia called Good Day Sunshine Busselton Music Festival. They basically got a car rotator in a showroom and put their band on there and then they segmented the big oval into four parts, and you couldn't cross over into different quadrants. They have managed to create a way to host a crowd of up to 5000. I know at least two quadrants were sold out. And they've had the first mass gathering in Australia, and it's the first one we know of internationally. And it went well.

Melbourne Fringe is delivering performance art by letterboxes, by the telephone. You can ring up an artist and give them any problem you have in your private or professional life, and the artists will provide you with an artistic solution. Circus and dance with their reliance on body and touch, of course, have had to adapt. So they're creating with distance, they're developing work that is not relying on touch.

On the other end of the spectrum questions about whether opera will be able to come back at the size and scale that we've had in the past suggest it will take a very long time. Symphonies can't program Mahler or Rachmaninoff because it's just too big. We can't fit those artists on stage in a COVID-safe way. So we're going to see a change in what we program. We can't fly in international artists, something symphonies in particular, and sometimes the ballets and operas, rely on. So again, it will be Australian artists, but it will also be arts in smaller spaces. Sydney Symphony is bringing some of the Australian artists who are not able to

work in Europe home to Sydney and programming, so there's a sliver of a silver lining.

After all this, the sector continues to pivot, but it is fragile. People are depleted, and it is not only the financial gaps in the ecology that need attention.

Arts reform remit and outlook

We need to support building the central role of First Nations arts and culture, and the sustainability of their practice. We also need to provide professional opportunities for minority cultures in Australia to build career paths in the arts, and there were already art form gaps before COVID that require attention. The Jobkeeper extension to March helps some, but it will end in March, and we won't be back to full capacity at the box office, and philanthropy is expected to drop by 30 per cent in 2021.

A survey on people's confidence in coming to the theatre has said nationally 29 per cent of people are ready to go to the theatre when they're told it is safe to do so. Twenty-nine is not a very big number, and so far, no one has caught COVID in a theatre. In comparison, audiences are quite happy to eat at their local restaurant — 85 per cent, go to the gym, 53 per cent — or go on a plane interstate at 48 per cent. We see many different scenarios play out in the various states — that also impacts the sector because border closures have stopped interstate co-productions and the economies of scale that these partnerships enable. We know that we're only one incident away from closure. So even as we open, we know our sector remains at the highest risk of being closed, and we rely on everyone to get it right.

Finally, in 2019, the UN General Assembly declared 2021 as the International Year of the Creative Economy for Sustainable Develop-

ment. Our closest neighbour, Indonesia, took this idea to the UN meeting, and Australia² was a one of its numerous supporters.

As a country, there is much to do. We have seen communities unify and we've talked about this today. We have seen systematic failures, inadequate protections and some 'othering' of our vulnerable people and disconnection of minority cultures to our broader cultural conversations. Addressing our mental health, education disengagement, people's confidence, reinvigorating our cities, increasing sustainable industries as we pursue economic growth and job creation are key challenges heightened by COVID. And we need to ask, is the old playbook where the arts are something you do at the end of the day fit for purpose? Or can we do better?

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² Other countries in the global grouping: China, India, Indonesia, Mongolia, Philippines, and Thailand.

