

The Economic and Cultural Value of Live Music in Australia 2014

Overview

About The Research

- Undertaken in partnership with the University of Tasmania, City of Sydney Council, City of Melbourne Council, The Government of South Australia, and The Live Music Office as an initiative of the City of Sydney Live Music and Performance Taskforce.
- Lead researcher is Dr David Carter from the University of Tasmania in partnership with Tasmanian Economist Paul Muller.

Involving

- Face-to-face interviews with 38 live music venue owners / operators in Sydney, Melbourne, Adelaide and Hobart and
- An online survey of 1488 live music consumers

Key Findings

- Live music spending in Australia delivers at least a 3:1 benefit-to-cost ratio. This means that for every dollar spent on live music in Australia, \$3.00 worth of benefits are returned to the wider Australian community. *We conservatively value this contribution at approximately \$15.7 billion for 2014.*
- The \$15.7 billion of benefit identified by this research comprises approximately \$2.1 billion of commercial benefits, \$3.2 billion of civic benefits and \$10.4 billion of individual benefits.
- Civic benefits include an estimated 65,000 full and part-time jobs enabled by spending on live music and taxation revenue to all tiers of government.
- Live music is also identified as a source of regional competitive advantage. Approximately half of the survey respondents reported travelling inter- and intra-state to attend live music, with one in five travelling overseas.
- Producer accounts of live music spending, such as ticket, food and alcohol sales, were found to represent less than half of actual spending on live music attendance. Consequently, this research provides a more complete picture of the economic inputs and outputs of the live music sector.
- There is clear evidence that cities such as Austin, Manchester and New Orleans, benefit from their reputation for live music through tourism and related flow through to their local economies

- Among the producers interviewed, vibe was often cited as more important than audience size or profit.

Methodology

- Cost-benefit analysis (CBA) is now the government-preferred approach to evaluating policy choices
- This study is concerned with estimating the value of live music making as benefits returned to the Australia community over a fixed period—in this case, one year.

What are commercial benefits?

- Commercial benefits comprise of the profits generated by live music producers and a net positive impact on productivity at work reported by live music attendees.

What are civic benefits?

- Civic benefits include an estimated 65,000 full and part-time jobs enabled by spending on live music and taxation revenue to all tiers of government.

What are individual benefits?

- Individual benefits include perceptions of greater social capital and improved health-and-wellbeing, and are priced using contingent valuation.