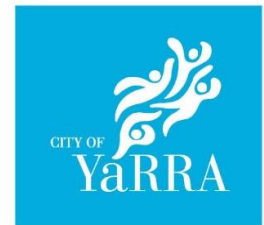


In reply please quote: D24/150120
Contact: Vicky Guglielmo, (03) 9205 5015



Standing Committee on Communications and the Arts
Parliament of Australia
CANBERRA
Canberra ACT 2600

To Whom It May Concern,

Yarra City Council welcomes the Standing Committee on Communications and the Arts inquiry into the challenges and opportunities within the Australian live music industry.

The City of Yarra is a vibrant, inner-city municipality and our live music scene is a large part of our incredible cultural fabric – lighting up our city, providing opportunities for up-and-coming artists and boosting our night-time economy.

Small and medium size venues play a significant role in the live music ecosystem, locally and nationally, existing as creative spaces that support new and emerging musicians and industry workers. It is these businesses that support the development and sharing of Australian songs and stories. These spaces also act as the starting point for live music audiences on their journey of support for this artform, with strong connections to local community across all age groups.

Live music venues are facing increasing rents, cost of living pressures, and are finding it difficult to obtain public liability insurance, and those able to secure insurance are facing significant rises to their existing premiums – even as much as 800%.

The issue of increasing premiums and inability to secure insurance is not only a local issue but one being experienced nationally and internationally.

According to the Australian Live Music Business Council (ALMBC), key drivers of the increasing premiums in Australia are:

- a) insurance increases in every industry;
- b) a belief by the insurance market that public liability insurance in live music venues has been undervalued for many years, causing a correction in rates; and
- c) a perceived higher risk by Australian insurers causing many insurance providers to exit the market.

Small to medium live music venues, which make up all of Yarra's live music scene, are being impacted to the point that running their businesses may no longer be viable. One of our venues just closed its doors after 14 years. The venue was unable to continue trading due to unsustainable public liability insurance costs and rising cost of living pressures.

Yarra City Council enables and delivers a range of programs which are driven by a single objective: to make creativity, arts and culture an everyday experience in our city. We design our programs in response to the needs of our community, including our residents, artists, venues, and creative organisations and

businesses. We support our local industry with targeted investment through grants and initiatives like our annual Leaps and Bounds Festival, with \$59,200 direct financial support for 2023/2024 and \$14,300 to be paid in 2024/2025. This financial support is specifically designed to support live music venues in Yarra when patronage is lower during the winter months.

More needs to be done to assist our creative sector and industries at a state and federal level to restore the live music sector to its pre-pandemic health.

It is Council's expectation that this inquiry provides a platform for the live music and related industries to be heard and enabled to work with the Government to ensure the survival of the industry. Yarra stands with the peak industry bodies, the ALMBC and Music Victoria, in their advocacy to preserve Australia's vibrant live music scene.

Yarra City Council's submission responds specifically to two of the terms of reference in this inquiry:

- local economic benefits; and
- sustainability and growth of the industry.

Local economic benefits

Yarra's local economy, in particular the night-time economy, significantly benefits from the live music industry and our local live music venues.

With a concentration of 77 small to medium sized music venues in our 19.5 square kilometres municipality, the City of Yarra is recognised as a destination for live music.

Yarra is known for its live music. Every year Yarra hosts about 20,000 gigs, with 2.5 million attendees, who spend \$163 million - second only to the City of Melbourne.

There are significant implications for Yarra's economy and local employment should local music venues close. This would leave performers, bookers, stage technicians, managers, and others specialist staff out of work. These venues are critical to the success of our local economy, local tourism, and shape our socially diverse culture.

It should be noted that when considering the economic benefits of a live music industry, the impacts of the COVID-19 pandemic were catastrophic across the sector. Now after surviving the pandemic, live music venues are facing the rising cost of living, increasing rents and public liability insurance schemes which have increased premiums by up to 800%.

Yarra is very concerned about the survival of small and medium size live music venues. With increases in the costs of living and dramatically rising public liability insurance premiums, the viability of these venues and this sector is under threat. These venues make up the majority of Yarra's live music scene and are critical to the success of our night-time economy, local tourism, and broader Melbourne music industry.

In light of the current situation, Council recently facilitated the Navigating Insurance forum co-hosted by ALMBC and Music Victoria at Collingwood Yards. Deep concern was expressed by many in attendance by the current lack of Federal and State Government support for the systemic issues facing the live music industry.

Sustainability and growth of the industry

Yarra's small and medium size venues provide a critical platform for emerging artists and performers to begin their career. They also create jobs, develop critical skills and foster talent for a wide range of positions in the industry. In Yarra alone, 634,000 employment hours for casual live music performers and staff are created a year.

After grappling with the pandemic, the live music industry is now facing a skills shortage, stifling growth, and threats to the sustainability of this creative industry. Small and medium sized venues are critical in developing artists, emerging musicians and industry workers across Yarra's employment precincts and driving economic development opportunities.

A reduction in the number of venues will interrupt the creative cycle, negatively impacting the creative community and audiences across Yarra and urban precincts across the country.

A reduction in venues will mean less opportunities for artists to develop their skills and share their craft, reducing opportunities to share culture and create connections.

The ALMBC emphasises the importance that governments invest in small and micro-businesses rather than larger corporations. This will build capacity within the grass-roots marketplace of smaller local festivals, venues and touring circuit. It is these businesses that support the development and sharing of Australian content, songs and stories. In conclusion, Yarra City Council calls on the Federal and State Governments to resolve these urgent and systemic issues for the live music industry. As a community, we cannot afford to lose this important part of our cultural fabric.

I look forward to your positive response and active involvement in addressing these issues. Please contact Vicky Guglielmo, Manager Libraries, Arts, Events, at vicky.guglielmo@yarracity.vic.gov.au with any further enquiries.

Yours sincerely,



Edward Crossland
Mayor, Yarra City Council

29 April 2024

Office of the Mayor and Councillors

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Yarra City Council acknowledges the Wurundjeri Woi-wurrung as the Traditional Owners of this country, pays tribute to all Aboriginal and Torres Strait Islander people in Yarra, and gives respect to the Elders past and present..

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