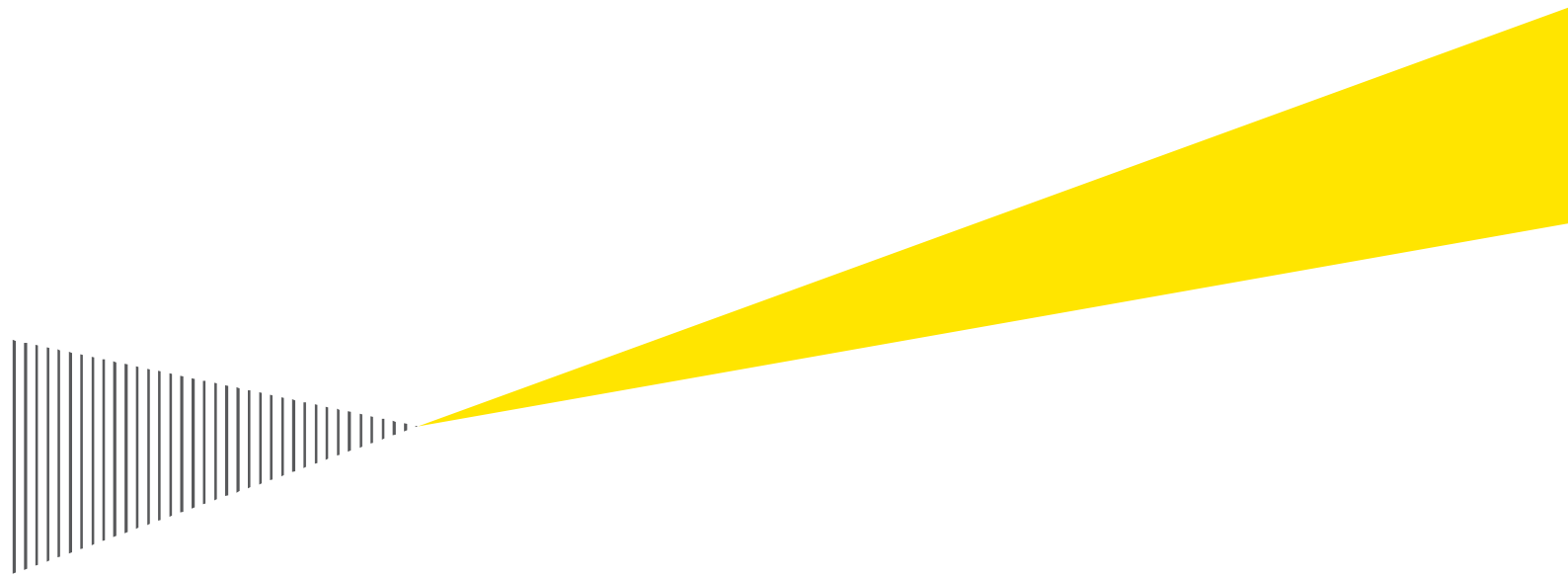


Size and scope of the Live Performance Industry  
Live Performance Australia

24 February 2014



**EY**

Building a better  
working world

# Contents

Executive summary .....	1
1. Introduction .....	6
1.1 Overview .....	6
1.2 Definition of the industry .....	6
1.3 Limitations.....	7
1.4 Disclaimer .....	8
2. Key concepts.....	9
2.1 Economic indicators .....	9
2.2 Estimation approach.....	10
2.3 Data sources .....	12
3. National economic contribution .....	13
3.1 Industry revenues and expenses .....	13
3.2 Industry output .....	14
3.3 Industry value add.....	14
3.4 Direct industry employment.....	15
3.5 Comparison with other industries.....	16
4. Large scale venues and events .....	17
5. AMPAG companies.....	19
6. Regional and metropolitan venues .....	20
7. Key Organisations.....	22
8. Economic contribution by State and Territory .....	23
8.1 Overall results.....	23
8.2 Per capita results .....	24
9. Economic contribution by event category .....	26
10. Comparison to 2008 data .....	27
10.1 National economic contribution .....	27
10.2 Economic contribution by State and Territory .....	28
10.3 Economic contribution by event category.....	29
11. Disclaimer .....	31
Appendix A : Survey participants .....	33
Appendix B : Category size definitions.....	35
Appendix C : Number of performances by industry component and event category .....	36
Appendix D : Revenue and cost descriptions.....	37
Appendix E : Event profiles.....	38
Glossary.....	41

© 2014 Ernst & Young Australia.

Liability limited by a scheme approved under Professional Standards Legislation.

# Executive summary

The Live Performance Industry is a unique industry comprising many diverse performances ranging from contemporary music staged at large arenas and musical theatre staged at commercial theatres to smaller theatre, opera and dance productions staged in regional and metropolitan venues. Many economic activities are involved in “putting on the show”, including staging, ticketing and venue hire, advertising / marketing and the actual performance by artists. This study, titled the “*Size and Scope of the Live Performance Industry 2012*”, is an update of the first industry wide study commissioned by LPA and undertaken by Ernst & Young (EY) in 2010 (using 2008 data).

In terms of its economic importance, the Live Performance Industry generated revenues of \$2.55 billion during 2012.

The majority of industry income is generated through ticket sales (49.6%), with government funding representing around 18% of the industry revenue. The ratio of government funding to ticket sales varies across the industry, with the small to medium not-for-profit sector most reliant on funding from government, followed closely by regional and metropolitan venues.

The bulk of the revenues generated by the industry are spent on people (54%), including performers and non-performing support staff such as technical crew and venue staff. Overall, the industry directly supports employment of over 18,900 full time equivalent positions (FTEs). While the measure of FTE employment is commonly used in industry wide studies, in reality due to the seasonal nature of much work in the Live Performance Industry, the industry sustains a greater number of employees on a part-time or casual basis. Based on average weekly earnings of all employees in the industry<sup>1</sup>, the estimated number of people employed by the industry is approximately 34,100 in 2012.

Total profits and wages generated by the industry (i.e., the “Industry Value Added”), amounted to \$1.53 billion.

The Live Performance Industry also generates a number of intangible benefits that are not captured in the economic metrics below. These included improved social cohesion, lifestyle improvement, diversity and increased creativity. This adds to the importance of the Live Performance Industry to Australia.

Table ES1: Economic contribution of the Live Performance Industry

	2012
Gross output	\$2,545.7 million
Industry value add	\$1,529.1million
Industry employment full time equivalents (FTE)	18,964
Industry employment (total persons)	34,131

The economic contribution of the Live Performance Industry has been calculated from the following four components:

- ▶ The Australian Major Performing Arts Group (AMPAG) of companies
- ▶ Australia Council Key Organisations
- ▶ Regional and metropolitan venues
- ▶ All other live performance events (referred to as ‘large scale venues and events’).

<sup>1</sup> Weekly earnings for all employees are \$741.90, based on the ‘Arts and Recreation Services’ industry in ABS 2012, cat no 6306.0 Employee Earnings and Hours, Australia. The broad industry definition of ‘Arts and Recreation’ was used as data comparable to the FTE data was not available.

Table ES2 provides a breakdown of the economic contribution of the four components of the industry. Large scale venues and events are the largest contributor to the industry, generating 66% of the industry's revenue.

Table ES2: Live Performance Industry revenues, expenses and surpluses by industry component

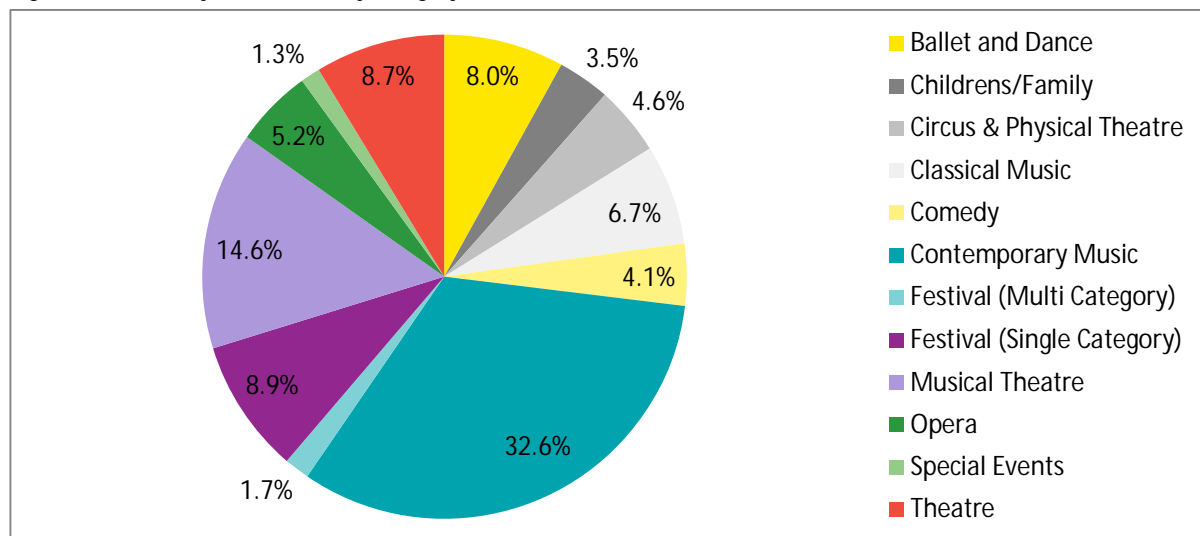
	Large scale venues and events (\$ millions)	AMPAG (\$ millions)	Regional and metropolitan (\$ millions)	Key Organisations (\$ millions)	Total (\$ millions)	As % of total revenue
<b>Revenue</b>						
Box office income	\$1,027.0	\$177.9	\$51.0	\$6.2	\$1,262.1	49.6%
Government funding	\$105.2	\$164.4	\$166.7	\$11.0	\$447.3	17.6%
Corporate sponsorship and support	\$26.2	\$64.8	\$5.9	\$3.0	\$99.9	3.9%
Other*	\$521.1	\$63.2	\$148.3	\$4.0	\$736.6	28.9%
<b>Total revenue</b>	<b>\$1,679.5</b>	<b>\$470.2</b>	<b>\$371.8</b>	<b>\$24.2</b>	<b>\$2,545.7</b>	<b>100.0%</b>
<b>Expenses</b>						
Wages (including direct wages to performers)	\$424.2	\$255.6	\$135.9	\$11.5	\$827.2	32.5%
Contract payments to performers	\$457.4	\$35.3	-	\$1.5	\$494.2	19.4%
Rent, leasing and hiring	\$167.9	-	-	\$0.7	\$168.5	6.6%
Venue hire	\$130.6	\$25.4	-	\$1.2	\$157.2	6.2%
Travel, accommodation and vehicles	\$77.1	\$23.3	-	\$2.8	\$103.3	4.1%
Advertising, marketing and promotions	\$97.4	\$46.5	\$16.6	\$1.4	\$162.0	6.4%
Purchases	\$30.8	\$10.8	-	\$0.2	\$41.8	1.6%
Royalty payments	\$39.1	\$10.2	-	\$0.3	\$49.7	2.0%
Staging, equipment & repairs	\$48.4	\$8.5	\$13.4	\$1.8	\$72.0	2.8%
Other*	\$73.4	\$41.4	\$140.3	\$2.5	\$257.6	10.1%
<b>Total expenses</b>	<b>\$1,546.2</b>	<b>\$457.0</b>	<b>\$306.2</b>	<b>\$23.9</b>	<b>\$2,333.3</b>	<b>91.7%</b>
<b>Operating surplus</b>	<b>\$133.3</b>	<b>\$13.2</b>	<b>65.6</b>	<b>\$0.3</b>	<b>212.4</b>	<b>8.3%</b>

\*Description of revenue and expense items can be found in Appendix D

\*\* Total may not add due to rounding

This study also analysed the industry by event category (refer section 2.2 for a description of the event categories). The Contemporary Music and Musical Theatre categories made the largest economic contributions to the industry (32.6% and 14.6% respectively in terms of industry revenue). This is consistent with Live Performance Australia's (LPA) Ticket Attendance and Revenue Survey 2012 where Contemporary Music and Musical Theatre are ranked one and two respectively in terms of both attendances and ticket revenue.

Figure ES1: Industry contribution by category



### Change in the size of the industry

Since 2008, the Live Performance Industry has experienced modest real growth in total output (3% when excluding new data sources<sup>2</sup>). One of the key factors for achieving only modest growth was the significant reduction in the contribution of Musical Theatre and Classical Music (both in terms of percentage change and dollar value). The changes to the contribution of the industry by event category are highlighted in Figures ES2 and ES3.

The size of the industry in terms of value-add and employment has grown more strongly since 2008. Excluding new data sources, value add has experienced real growth of 17%. This growth has been driven by increased overall industry wages, and an estimated 21% increase in the number of full time equivalent employees.

The increase in the number of FTE employees is a result of higher industry wages as a percentage of revenue and modest growth in the average FTE wage.<sup>3</sup> The expense item ‘wages (including direct wages to performers)’ increased from 28% in 2008 to 32% in 2012. This increased wage pressure was reflected in stakeholder consultations. In addition, the wage component of contract payments to performers increased (in the previous study a larger amount was treated as an expense).

Table ES3: Industry output, value add and employment, 2008 and 2012

	2012 (full dataset)	2012 (excluding new data sources*)	2008**
Industry output	\$2,545.7 million	\$2,149.7 million	\$2,084.3 million
Industry value add	\$1,529.1 million	\$1,309.1 million	\$1,115.5 million
Industry employment (FTE)	18,964	16,745	13,819

\*Excludes Key Organisations and regional and metropolitan venues

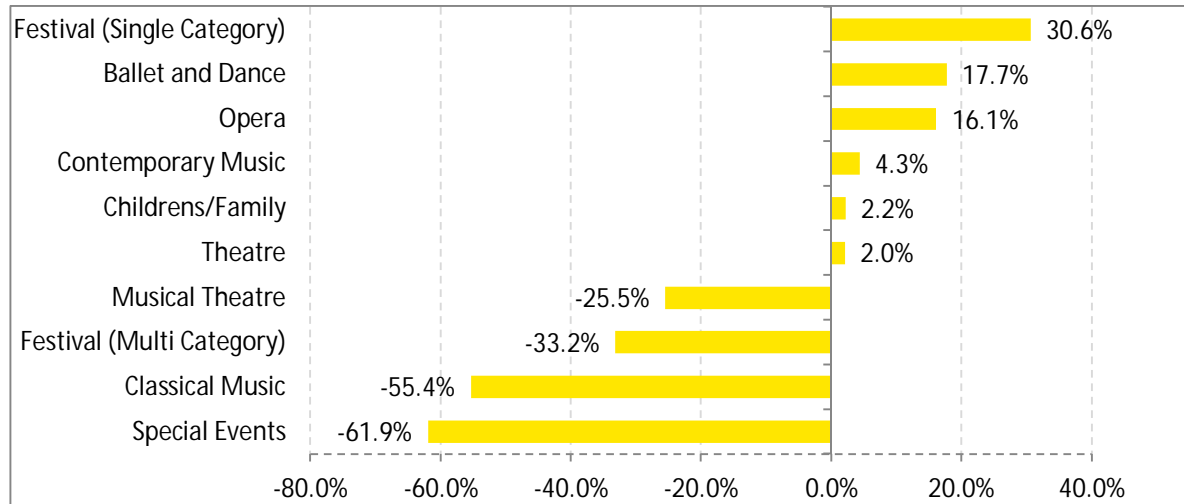
\*\*2008 numbers are inflated to 2012 dollars

Figures ES2 and ES3 below illustrate the changes in industry contribution by event category (ES2 shows the percentage change and ES3 shows the dollar value change in contribution). Single Category Festivals, Ballet and Dance and Opera experienced the largest percentage growth in output since 2008. In terms of the dollar value change, Contemporary Music also experienced a large increase.

<sup>2</sup> The 2012 study now includes data from the Australian Performing Arts Centres Association's (APACA) Economic Activity Report and the Australia Council Key Organisations.

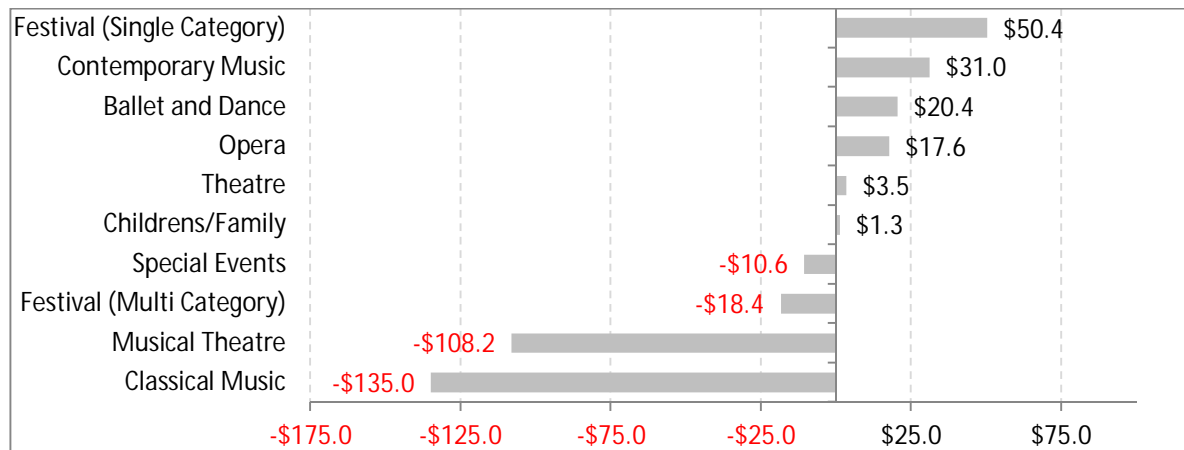
<sup>3</sup> The number of FTE employees is calculated by applying an average labour cost per FTE staff to the industry wage amounts estimated.

Figure ES2: 2008\* to 2012 percentage change in industry contribution by category



\*2008 numbers are inflated to 2012 dollars

Figure ES3: 2008\* to 2012 dollar value change in industry contribution by category (\$ millions)



\*2008 numbers are inflated to 2012 dollars

### Comparison to other industries

This study estimates the total size of the Live Performance Industry at \$2.55 billion in output, supporting a total of around 18,964 full-time equivalent positions. The industry generated value add of \$1.53 billion, which is greater than the film, television and digital games, heritage activities and library services sectors in Australia.

Table ES4: Comparison with other industries

Industry	Industry output (\$ millions)	Industry value add (\$ millions)	Source
Mining	\$237,416	\$132,955	ABS (2013) 8415.0
Manufacturing	\$397,705	\$102,146	ABS (2013) 8155.0
Publishing (except Internet and music publishing)	\$13,181	\$7,091	ABS (2011) 4172.0
Sports and recreation activities	\$12,773	\$4,653	ABS (2013) 8155.0
Creative and performing arts activities*	\$3,818	\$1,602	ABS (2013) 8155.0
<i>Live Performance Industry</i>	\$2,546	\$1,529	<i>Ernst &amp; Young</i>
Film, television and digital games	\$2,194	\$930	ABS (2013) 8679.0
Venue-based live music industry	\$1,211	\$652	<i>Ernst &amp; Young</i>
Heritage activities	\$758	\$353	ABS (2013) 8155.0
Library and other information services	\$208	\$199	ABS (2013) 8155.0

\*The businesses that contribute to Creative and performing arts activities are classified in accordance with the ANZSIC industry definition and include performing arts operation (e.g. circus operation, dance and ballet company operation, musical productions and opera company operation), creative artists, musicians, writers and performers (e.g. artists, choreography services, costume designing, playwriting or screenwriting, set designing service and theatre lighting design service) and performing arts venues operation. The Live Performance Industry measure includes some elements of this measure but not all.

# 1. Introduction

## 1.1 Overview

The social and economic benefits generated by the creative and cultural industries have been well documented. Academics such as Richard Florida and David Throsby have highlighted the importance of these industries to economic development<sup>4</sup>. Further, the social and economic benefits have been recognised in *Creative Australia*, the Australian Government's National Cultural Policy. *Creative Australia* "describes the essential role arts and culture play in the life of every Australian and how creativity is central to Australia's economic and social success: a creative nation is a productive nation."

An important element of creative industries is the Live Performance Industry, which encompasses the music and performing arts sectors.

Live Performance Australia has engaged Ernst & Young (EY) to examine the size and scope of this industry in Australia. This study provides a snapshot of the Live Performance Industry's economic contribution in terms of gross output, value add and employment during 2012.

This study updates the 2010 Size and Scope study published by LPA in partnership with EY, which measured the economic contribution of the Live Performance Industry during 2008 (referred to as the previous study or 2008 data).

## 1.2 Definition of the industry

For the purposes of this study, the Live Performance Industry is defined as businesses and workers that organise and perform work for or in connection with performances, productions, workshops, rehearsals or concerts (including the operation of venues or other facilities, whether permanent or temporary) that are performed in front of a live audience.

This study is based on the same range of live performance events captured in the 2012 Ticket Attendance and Revenue Survey and the 2012 Supplementary Ticket Attendance and Revenue Survey published by Live Performance Australia.<sup>5</sup> The events included represent professional performances, and in general exclude amateur and community events<sup>6</sup>. Table 1 presents a description of the live performance events that were surveyed and incorporated in this study.

---

<sup>4</sup> Richard L. Florida (2002) 'The Rise of the Creative Class'

<sup>5</sup> Live Performance Australia (2013) Live Performance Industry in Australia: Ticket Attendance and Revenue Survey 2012 Report and Live Performance Australia (2013) Regional and Metropolitan Venues and Australia Council Key Organisations: Supplementary Ticket Attendance and Revenue Survey 2012.

<sup>6</sup> All efforts were made to remove amateur and community events from the dataset, however, in some cases this was done by data providers and EY did not have control over this data.



Table 1: Category descriptor guide (2012)

Category	Description
Ballet and Dance	Traditional forms, Ethnic dance, Folk dance, Ballet, Ballroom, Latin dance, Liturgical dance, Modern dance, Ballet, Tap, and Breakdancing
Children's/Family	Live entertainment for children, Interactive performances for children and Workshops for children
Circus and Physical Theatre*	Physical Theatre Circus
Classical Music	Any of the following in classical/contemporary art (i.e. current, but not 'pop') style: Orchestral music, Chamber music, Choirs and choral music, Recitals, and Singing/playing. All styles of the following: Sacred music and Traditional music/ethnic music/world music
Comedy*	Stand up Comedy performances (but not Comedy plays)
Contemporary Music^	All forms of the following, performed by any type of ensemble or soloist (including any ensemble/chorus/solo musicians advertising a program which is exclusively one of the following categories, e.g. 'pop' or 'jazz,' as in The Australian Jazz Orchestra): Pop, Jazz, Blues, Country, Rock, Folk, Soul, R&B, Techno, Hip hop, Rap, Heavy Metal, and Dance parties
Festivals (Multi-Category)	Festivals/events which contain a number of different types of events which fall into two or more categories
Festivals (Single-Category)	Festivals/events which contain a number of events but which fall into one category only
Musical Theatre	Staged productions which include music/drama/movement in popular form, primarily (but not limited to): Musicals Cabarets in cabaret mode/style
Opera	Theatrical presentations in which a dramatic performance is set to music in classical or contemporary art style: Opera and Operetta (includes Gilbert and Sullivan)
Special Events	Unique presentations which do not fall into any other category
Theatre	Script based theatre, Drama, Comedy theatre, Mime and Plays

\*These categories were introduced in 2009

^This category was renamed in 2011, having been named "Non-Classical Music" in prior years

### 1.3 Limitations

This study is largely based on ticket revenue and events data sourced from Live Performance Australia's 2012 Ticket Attendance and Revenue Survey and Supplementary Survey which were prepared by EY. As noted in those Surveys, its coverage was limited to the companies and organisations that participated in the survey (a table of survey participants is outlined in Appendix A).

Moreover, it was noted that revenues at festivals were under-reported. For instance, some festivals maintain their own ticketing systems and are not part of the survey. In addition, the contemporary music category is subject to similar limitations; as pub and club venues that self-ticket, or use

ticketing companies who are not part of that survey, are not included in the results. As such, this economic size and scope study provides a conservative estimate of the economic contribution of the Live Performance Industry in Australia.<sup>7</sup>

This study also considers feedback from a range of industry stakeholders on the revenue and cost profiles of Live Performance events. EY have not independently verified, and do not accept any responsibility or liability for independently verifying the accuracy of information received from the feedback process. Nor do we make any representation as to the accuracy or completeness of the information.

As part of the analysis, the 2012 data was compared to the results from Live Performance Australia's 2008 Size and Scope Study. When comparing 2012 data with that from 2008, the following should be noted:

- ▶ The Non-Classical Music category was renamed to 'Contemporary Music' in 2011. However, the scope of performances in this category remains the same as prior years
- ▶ The regional and metropolitan venues and Key Organisations were new data providers in 2012.
- ▶ In 2009, the 'Comedy' and 'Circus and Physical Theatre' categories were introduced. As defined in Section 1.2, the Comedy category includes all comedy events such as stand up but does not include comedy plays, while the Circus and Physical Theatre includes Circus and Physical Theatre events. The introduction of these categories do not represent an extension of the scope of the Ticketing Survey, rather events which fall within these new categories would have been included in other categories in prior years

There are also likely to be other components to the Live Performance Industry that lie outside of event performances. Government funding to performing arts academies and grants to individual performers for instance. These other elements are not captured in the analysis.

## 1.4 Disclaimer

This report, dated 24 February 2014, has been prepared by EY for Live Performance Australia in accordance with our engagement agreement dated 21 June 2013. Any use of this report by third parties is subject to our disclaimer contained in Section 11 of this report.

---

<sup>7</sup> For the value of the Live Music Industry see EY 2011, 'Economic contribution of the venue-based live music industry in Australia', Report for Australasian Performing Right Association (APRA).

## 2. Key concepts

### 2.1 Economic indicators

Three common indicators of an industry's economic size are:

- ▶ *Industry output* – the market value of goods and services produced by an industry, often measured by industry turnover.
- ▶ *Industry value add* – the market value of goods and services produced by an industry, after deducting the cost of goods and services used.
- ▶ *Industry employment* – the number of workers directly employed by the industry, expressed in terms of full time equivalent employees.

All three measures are valuable in their own right. Industry output is a measure of *production*, value add is a measure of *wealth generation*, and arguably, employment is a measure of the *distribution of income*.

In comparing an industry's size against others, it is generally accepted to discuss this in terms of its industry value add. Industry value add measures net off the costs of production (that is, inputs sourced from other sectors) from the industry's outputs. This avoids the inclusion of revenues to other industries and any associated double counting. In practice, industry value add largely comprises wages, salaries and the operating surplus of an industry – that is, the industry's income. This study looks at all three measures, but attention will be placed on industry value add measures when making industry comparisons. The value add measure is commonly put forward as the most appropriate measure of an industry's contribution to the national economy.

In examining the size of an industry, it is necessary to place boundaries around what the industry is, and what it isn't. For the purposes of this study, the Live Performance Industry is defined as comprising:<sup>8</sup>

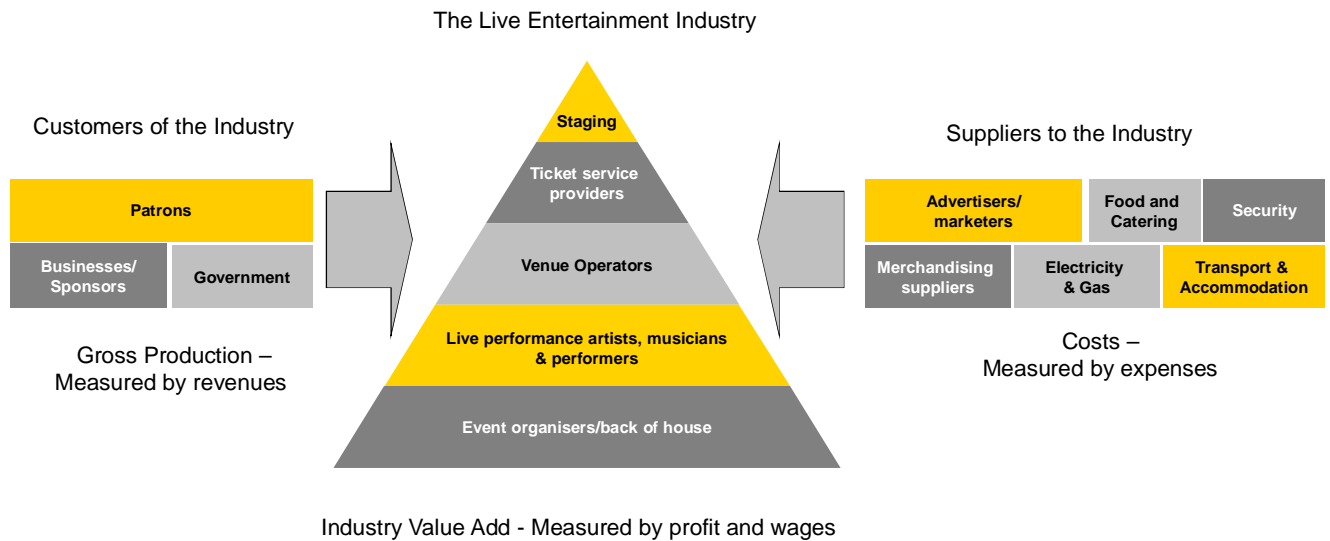
- ▶ Performers
- ▶ Event organisers
- ▶ Venue operators
- ▶ Staging, equipment and repairs
- ▶ Ticket service providers
- ▶ Local artists that receive licence/royalty fees from productions.

Patrons, businesses, sponsors and government are effectively customers to this industry as they provide it with a source of funding. The other industries that provide goods and services to the Live Performance Industry, such as advertising, merchandising and food etc. are treated as being outside of this industry. Revenues to these suppliers are not counted again as this would constitute double counting. As such this study only measures the direct contribution of the Live Performance Industry and does not estimate the flow on or multiplier effects of the direct contribution. Figure 1 summarises these linkages between the customers and suppliers to the Live Performance Industry.

---

<sup>8</sup> To the extent that these individuals or businesses contribute to the Live Performance Industry.

Figure 1: Live Performance Industry lifecycle



## 2.2 Estimation approach

The economic contribution is estimated for the following four components:

- ▶ The Australian Major Performing Arts Group (AMPAG) of companies
- ▶ Australia Council Key Organisations
- ▶ Regional and metropolitan venues
- ▶ All other live performance events (referred to as 'large scale venues and events').

The economic contribution of the Live Performance Industry is the sum of all four components.

This approach is adopted due to data constraints and enables different event profiles to be applied to different components. The event profiles are in part based on assumptions regarding the cost profile of performances, ABS data and consultation with a sample of industry stakeholders, and ticket revenue data from the ticketing surveys.

Industry size and scope analysis typically involves an understanding of the population of businesses in the industry, and their revenues and surpluses. However, for the Live Performance Industry, the application of this approach is problematic:

- ▶ The industry is rather fragmented, comprising many sole operators and small businesses. As such, it is difficult to obtain, with a relative degree of certainty, the true population of these businesses (and their associated revenues and expenditures).
- ▶ There are many overlaps with other industries. For instance, some venue operators obtain income from hosting Live Performance events, but also from other events such as sports. Likewise, some individuals (such as performers) do not work full-time in this industry and derive their livelihood from other income sources that are outside of the Live Performance Industry.<sup>9</sup> As such, it is difficult to separate the Live Performance components from other components for these businesses and individuals.

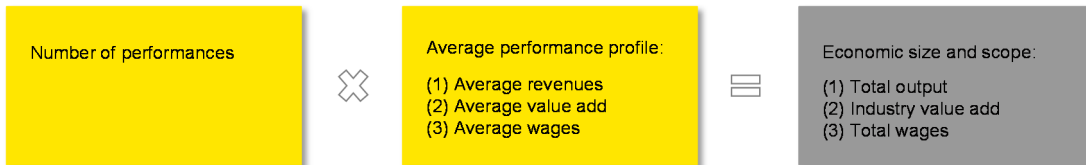
Given these limitations, and the data available for this study, an estimation process for the size and scope of each component of the industry has been developed and is presented over the page.

<sup>9</sup> Throsby and Zednik 2010, 'Do You Really Expect to Get Paid - An economic study of professional artists in Australia' Report for the Australia Council for the Arts.

### AMPAG companies events

The size and scope of AMPAG companies is based on understanding the revenues and costs generated by the *individual performances*. Figure 2 illustrates the estimation approach for AMPAG events.

Figure 2: Summary of estimation approach: AMPAG Events



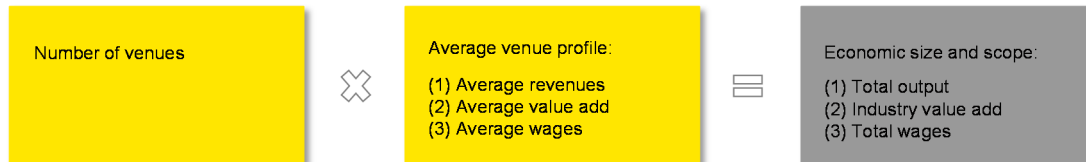
### Key Organisation events

As for AMPAG events, the economic contribution of Key Organisations is estimated based on the revenues and costs generated by the *individual performances*. The estimation methodology is based on the development of a performance profile; to which the population of total Key Organisation event performances was applied.

### Regional and metropolitan venues

Individual performance data was not available for regional and metropolitan venues. Therefore, the economic contribution is based on the economic contribution of *each regional/metropolitan venue* to the live performance industry. Figure 3 summarises the estimation methodology for regional and metropolitan venues.

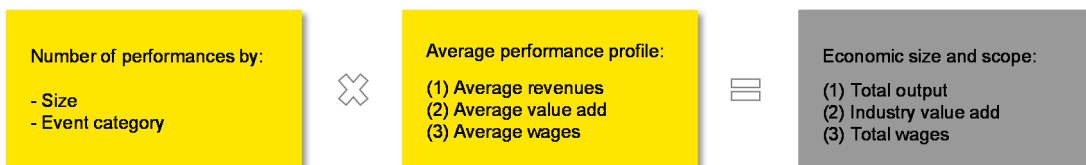
Figure 3: Summary of estimation approach: Regional and metropolitan venues



### Large scale venues and events

The size and scope of remaining events in the Live Performance Industry is based on the revenues and costs generated by the *individual performances*. For this component of the industry, event profiles were estimated by event category and size given this is the largest component of the industry with a diverse range of events including commercial theatre and contemporary music. Figure 4 summarises schematically the estimation approach for large scale venues and events.

Figure 4: Summary of estimation approach: Large scale venues and events



Details of the category size definitions and the number of performances for large scale venues and events (by size and event category), are contained in Appendix B and Appendix C.

## 2.3 Data sources

The primary sources of data used in this study for each component of the industry were as follows:

- ▶ AMPAG – The Australia Council provided ticket and revenue data and audited financial results.
- ▶ Key Organisations –The Australia Council provided ticket and revenue data. The performance profile was based on stakeholder consultations and publicly available accounts data for Key Organisations.
- ▶ Regional and metropolitan venues – The Australian Performing Arts Centres Association (APACA) provided ticket and revenue data from their 2013 Economic Activity Report.
- ▶ Large scale venues and events – Venues and ticketing agencies provided ticket and revenue data.

Appendix A lists the survey participants that provided ticketing and revenue data.

Other relevant data was sourced from the ABS, industry reports and stakeholder consultations. These are listed throughout the report where relevant.

## 3. National economic contribution

### 3.1 Industry revenues and expenses

Table 2 below summarise the combined total revenues and expenses of the Live Performance Industry. This data can be used to derive the key industry output, value add and employment indicators of economic contribution. Further analysis of each component of the industry is provided in Chapters 4 to 7.

In aggregate, the Live Performance Industry generated a total turnover of \$2.55 billion in 2012. The main revenue drivers for the industry were box office income (49.6%) and other income (28.9%); with government funding contributing 17.6% to total industry turnover.

The primary drivers of costs include wages (32.5%), contract payments to performers (19.4%) and other expenses (10.1%). Overall, the industry generated an estimated net operating surplus of \$212.4 million or 8.3% of total revenues for 2012.

Large scale venues and events generated the largest total revenues (\$1.68 billion or 66% of the Live Performance Industry's total turnover). This component also had the lowest percentage of its income from government (6.3%). This is in contrast with the AMPAG, Key Organisation and regional and metropolitan components of the industry which drew between 35.0% and 45.5% of their total revenues from government funding.

Table 2: Live Performance Industry revenues, expenses and surpluses

	Large scale venues and events (\$ millions)	AMPAG (\$ millions)	Regional and metropolitan (\$ millions)	Key Organisations (\$ millions)	Total (\$ millions)	As % of total revenue
<b>Revenue</b>						
Box office income	\$1,027.0	\$177.9	\$51.0	\$6.2	\$1,262.1	49.6%
Government funding	\$105.2	\$164.4	\$166.7	\$11.0	\$447.3	17.6%
Corporate sponsorship and support	\$26.2	\$64.8	\$5.9	\$3.0	\$99.9	3.9%
Other*	\$521.1	\$63.2	\$148.3	\$4.0	\$736.6	28.9%
<b>Total revenue</b>	<b>\$1,679.5</b>	<b>\$470.2</b>	<b>\$371.8</b>	<b>\$24.2</b>	<b>\$2,545.7</b>	<b>100.0%</b>
<b>Expenses</b>						
Wages (including direct wages to performers)	\$424.2	\$255.6	\$135.9	\$11.5	\$827.2	32.5%
Contract payments to performers	\$457.4	\$35.3	-	\$1.5	\$494.2	19.4%
Rent, leasing and hiring	\$167.9	-	-	\$0.7	\$168.5	6.6%
Venue hire	\$130.6	\$25.4	-	\$1.2	\$157.2	6.2%
Travel, accommodation and vehicles	\$77.1	\$23.3	-	\$2.8	\$103.3	4.1%
Advertising, marketing and promotions	\$97.4	\$46.5	\$16.6	\$1.4	\$162.0	6.4%
Purchases	\$30.8	\$10.8	-	\$0.2	\$41.8	1.6%
Royalty payments	\$39.1	\$10.2	-	\$0.3	\$49.7	2.0%
Staging, equipment & repairs	\$48.4	\$8.5	\$13.4	\$1.8	\$72.0	2.8%
Other*	\$73.4	\$41.4	\$140.3	\$2.5	\$257.6	10.1%
<b>Total expenses</b>	<b>\$1,546.2</b>	<b>\$457.0</b>	<b>\$306.2</b>	<b>\$23.9</b>	<b>\$2,333.3</b>	<b>91.7%</b>
<b>Operating surplus</b>	<b>\$133.3</b>	<b>\$13.2</b>	<b>65.6</b>	<b>\$0.3</b>	<b>212.4</b>	<b>8.3%</b>

\*Description of revenue and expense items can be found in Appendix D. Further detail is provided on other income and expenses for various components of the industry in the following chapters where possible.

\*\* Total may not add due to rounding

## 3.2 Industry output

The total combined size of the Live Performance Industry in 2012 was \$2.55 billion, based on total revenues generated. The majority of the industry output was generated by large scale venues and events (66.0%), followed by AMPAG operations (18.5%) and regional and metropolitan venues (14.6%). While Key Organisations contributed only 1% they are an important part of the industry ecology. In particular, the government funding provided to these organisations helps to develop a diverse, flexible and vibrant arts environment.

Table 3: Industry output

	Total revenues (\$ millions)
Large scale venues and events	\$1,679.5
AMPAG companies	\$470.2
Regional and metropolitan venues	\$371.8
Key Organisations	\$24.2
Live Performance Industry	\$2,545.7

## 3.3 Industry value add

Industry value add is defined as the sum of all wages, income and profits generated by the industry. For the purposes of the analysis, and consistent with the previous study, the following expense items have been included as part of wages and salaries:

- ▶ Wages
- ▶ Contract payments to performers (this was based on 79.6% of total contract payments to performers, with the remaining 20.4% treated as an expense associated with performers' work that is not considered part of the industry.)<sup>10</sup>
- ▶ Royalty payments to artists (this was based on 41.5% of total royalty payments, the remaining 58.5% is treated as an import expense<sup>11</sup>)<sup>12</sup>.

As people employed in the venue hire, staging, equipment and repairs sectors specifically relating to Live Performance Events form part of the industry, we have attributed a proportion of these expenses as a wage expense. These expenses have been included as part of the industry's wages and salaries as follows:

- ▶ Venue hire expenses – 33%<sup>13</sup> of these expenses attributed as Live Performance Industry wages
- ▶ Staging, equipment and repairs expenses – 33%<sup>14</sup> of these expenses attributed as Live Performance Industry wages.

On the basis of these assumptions, total industry value add to the Live Performance Industry is estimated at \$1.53 billion.

<sup>10</sup> Total contract payments to performers would include an element that relates to costs associated with performers' work. Including this element in the value add leads to a high end estimate given that some component of the payments to performers would be costs that are not considered part of the industry (eg. Travel, insurance and administration costs). The percentage of contract payments that are included in the industry value add is based on 'Throsby and Zednik 2010, 'Do You Really Expect to Get Paid - An economic study of professional artists in Australia' Report for the Australia Council for the Arts.

<sup>11</sup> The import expense accounts for royalty payments to international artists that are not retained in Australia

<sup>12</sup> 'Arts and Culture in Australia: A statistical Overview (4172.0)' – ABS Report 2007

<sup>13</sup> Based on the labour cost share of the venues industry, 'Performing Arts Venues in Australia (R9003)' – IBISWorld Industry Report 2013

<sup>14</sup> Based on the labour cost share of the venues industry, 'Performing Arts Venues in Australia (R9003)' – IBISWorld Industry Report 2013



Table 4: Industry value add

	Total (\$ millions)
Wages, contract payments and royalty payments	\$1,241.1
Wages to venue hire, staging and equipment operations	\$75.6
Live Performance Industry operating surplus	\$212.4
Industry value add	\$1,529.1

### 3.4 Direct industry employment

Employment in this industry is difficult to measure given the high degree of casualisation and part-time nature of the workforce, and the large number of businesses that make up the industry.

Industry employment is approximated by converting the industry wage amounts estimated in the previous section into full-time equivalent (FTE) workers by applying an average labour cost per FTE staff. The average salary needs to take into account the broad range on employees in the Live Performance Industry and their varying wages, from the CEO of a major performing arts organisation to part time performers. The average weekly earnings of staff in the 'Creative and Performing Arts Activities' industry (as used in the previous study to estimate FTE workers) was not included in the ABS's most recent data release. Other industry classifications were considered too broad, therefore the average wage used in the previous study was inflated to 2012 dollars (based on the wage growth for the Arts and Recreation industry). This resulted in a full time equivalent salary of \$69,432.<sup>15</sup>

Applying this estimate, total employment in this industry amounts to around 18,964 full-time equivalent workers.

It is important to note that while the measure of FTE employment is commonly used in industry wide studies, in reality due to the part-time nature of Live Performance Industry, it sustains a greater number of employees on a part-time or casual basis. To estimate the total number of people directly employed by the industry (i.e. full-time and part-time employees) we have applied the average weekly earnings of all employees in the industry<sup>16</sup>. This resulted in an annual wage for all employees of \$38,579. Applying this estimate, total employment in the industry is estimated at 34,131 workers.

It should also be noted that the analysis presented in this section is limited by the available data. The ABS does not currently collect a detailed employment survey for the Live Performance Industry. In order to provide a more robust estimate of the true average FTE wage in the industry, additional research is required, such as a detailed and comprehensive employment survey.

Table 5 provides a summary of the direct industry employment.

Table 5: Industry employment

	Total
Industry wages	\$1,316.7 million
Average wages per FTE	\$69,432
Industry employment (FTE)	18,964
Average wages (all employees)	\$38,579
Industry employment (persons)	34,131

<sup>15</sup> ABS 2008, cat no 6306.0 Employee Earnings and Hours, Australia, 'Creative and Performing Arts Activities' (R 900) and ABS 2012, cat no 6306.0 Employee Earnings and Hours, Australia 'Arts and Recreation services'

<sup>16</sup> Weekly earnings for all employees are \$741.90, based on the 'Arts and Recreation Services' industry in ABS 2012, cat no 6306.0 Employee Earnings and Hours, Australia. The broad industry definition of 'Arts and Recreation' was used as data comparable to the FTE data was not available.

### 3.5 Comparison with other industries

This study estimates the total size of the Live Performance Industry at \$2.55 billion in output. The industry generated value add of \$1.53 billion, which is greater than the film, television and digital games, heritage activities and library services sectors in Australia (Table 6).

Table 6 Comparison with other industries

Industry	Industry output (\$ millions)	Industry value add (\$ millions)	Source
Mining	\$237,416	\$132,955	ABS (2013) 8415.0
Manufacturing	\$397,705	\$102,146	ABS (2013) 8155.0
Publishing (except Internet and music publishing)	\$13,181	\$7,091	ABS (2011) 4172.0
Sports and recreation activities	\$12,773	\$4,653	ABS (2013) 8155.0
Creative and performing arts activities*	\$3,818	\$1,602	ABS (2013) 8155.0
<i>Live Performance Industry</i>	\$2,546	\$1,529	<i>Ernst &amp; Young</i>
Film, television and digital games	\$2,194	\$930	ABS (2013) 8679.0
Venue-based live music industry	\$1,211	\$652	<i>Ernst &amp; Young</i>
Heritage activities	\$758	\$353	ABS (2013) 8155.0
Library and other information services	\$208	\$199	ABS (2013) 8155.0

\*The businesses that contribute to Creative and performing arts activities are classified in accordance with the ANZSIC industry definition and include performing arts operation (e.g. circus operation, dance and ballet company operation, musical productions and opera company operation), creative artists, musicians, writers and performers (e.g. artists, choreography services, costume designing, playwriting or screenwriting, set designing service and theatre lighting design service) and performing arts venues operation. The Live Performance Industry measure includes some elements of this measure but not all.

The Live Performance Industry supports a total of around 18,964 full-time equivalent positions, or 34,131 workers including full-time and part-time employees. This is greater than the 20,439 people employed in film and video as their main job<sup>17</sup>.

<sup>17</sup> Includes persons employed in motion picture and video distribution, motion picture and video production, motion picture exhibition and post-production services and other picture and video activities (ABS 2012, cat no 6273.0 *Employment in Culture, 2011*)

## 4. Large scale venues and events

Assumptions were developed to estimate the profit and loss position for this component of the industry. As described in Section 2.2, the estimation methodology is based on the development of a series of performance profiles; to which the population of total event performances were applied. Assumptions underlying the estimation approach are detailed in Appendix E.

Table 7 below shows the estimated profit and loss breakdown of the large scale venues and events component of the Live Performance Industry. The analysis indicates that these companies generated \$1.03 billion of ticketing income and contributed total revenues of \$1.68 billion. Of this \$1.68 billion, the Contemporary Music category of events generated the largest share (44%), followed by Musical Theatre (16%) and Single Category Festivals (13%).

The key revenue sources are 'box office income' (which includes ticketing and membership revenues), and 'other' income (which includes personal donations, orchestra hires and royalty payments). Together these represent 61.1% and 31.0% of total revenues respectively. Government funding to large scale venues and events amounted to 6.3% of total revenues.

Detailed data is not available to break down other incomes beyond what is shown in Table 7. In addition, other income sources may vary significantly by performance category and size. However, feedback from consultations indicated that personal donations, philanthropy, interest income earned, equipment hire income, workshop fees, orchestra hires, royalty payments and reimbursements and recoveries were included in other revenues. Food & beverage and merchandising were also included but contributed only a small portion of other expenses.

With respect to expenses, contract payments to performers (27.2%), direct wages (25.3%), and rent, leasing and hiring (10.0%), were the main costs. Overall, the large scale venues and events component of the industry was more profitable compared to the AMPAG and Key Organisation components, generating an operating surplus of 7.9%. This is due to the fact that this component of the industry comprises mainly for profit operators and capital city performing arts centres.

Table 7: Estimated profit and loss breakdown of all large scale venues and events in 2012 (excluding AMPAG, Key Organisations and regional and metropolitan venues)

	Value(\$ millions)	As % of total revenue
<b>Revenue</b>		
Box office income	\$1,027.0	61.1%
Government funding	\$105.2	6.3%
Corporate sponsorship and support	\$26.2	1.6%
<b>Other income*</b>		
Food & beverage	\$4.1	0.2%
Merchandising	\$1.0	0.1%
Other	\$516.0	30.7%
Sub-total other income	\$521.1	31.0%
<b>Total revenue</b>	<b>\$1,679.5</b>	<b>100.0%</b>
<b>Expenses</b>		
Wages (including direct wages to performers)	\$424.2	25.3%
Contract payments (including to performers, artist agents, designers, etc.)	\$457.4	27.2%
Rent, leasing and hiring	\$167.9	10.0%
Venue hire	\$130.6	7.8%
Travel, accommodation and vehicles	\$77.1	4.6%
Advertising, marketing and promotions	\$97.4	5.8%
Purchases	\$30.8	1.8%
Royalty payments	\$39.1	2.3%
Staging, equipment & repairs	\$48.4	2.9%
Other	\$73.4	4.4%
<b>Total expenses</b>	<b>\$1,546.2</b>	<b>92.1%</b>
<b>Operating surplus</b>	<b>\$133.3</b>	<b>7.9%</b>

\* Included within 'other' revenues is income relating to orchestra hires, royalty receipts, personal donations and merchandising and food & beverage income.

\*\* Description of revenue and expense items are contained in Appendix D

\*\*\* Total may not add due to rounding

## 5. AMPAG companies

Assumptions were developed to estimate the profit and loss position for the AMPAG component of the industry. As described in Section 2.2, the estimation methodology is based on the development of a performance profile<sup>18</sup>; to which the population of total event performances was applied.

The AMPAG companies generated \$177.9 million of ticketing and membership income and contributed total revenues of \$470.2 million. Opera, Classical Music and Theatre events were the largest categories for the AMPAG companies, and combined accounted for 70% of the total output.

The main sources of income for AMPAG companies were ticketing and membership revenues (or box office income), and government funding, which represent 37.8% and 35.0% of total revenue respectively.

On the expenses side, direct wages (54.4%) were the main cost, followed by advertising and marketing (9.9%). Overall, the AMPAG companies generated a net operating surplus of 2.8% or \$13.2 million.

Table 8: Estimated profit and loss breakdown for Australia Council AMPAG companies

	Value (\$ millions)	As % of total revenue
<b>Revenue</b>		
Box office income	\$177.9	37.8%
Government funding	\$164.4	35.0%
Corporate sponsorship and support	\$64.8	13.8%
Other*	\$63.2	13.4%
<b>Total revenue</b>	<b>\$470.2</b>	<b>100.0%</b>
<b>Expenses</b>		
Wages (including direct wages to performers and venue staff)	\$255.6	54.4%
Contract payments (including to performers, artist agents, designers, etc.)	\$35.3	7.5%
Venue hire	\$25.4	5.4%
Travel, accommodation and vehicles	\$23.3	5.0%
Advertising, marketing and promotions	\$46.5	9.9%
Purchases	\$10.8	2.3%
Royalty payments	\$10.2	2.2%
Staging, equipment & repairs	\$8.5	1.8%
Other	\$41.4	8.8%
<b>Total expenses</b>	<b>\$457.0</b>	<b>97.2%</b>
<b>Net profit/loss before tax</b>	<b>\$13.2</b>	<b>2.8%</b>

\* Included within 'Other' revenues is income relating to orchestra hires, royalty receipts and merchandising income.

\*\* Total may not add due to rounding

\*\*\* Description of revenue and expense items are contained in Appendix D

<sup>18</sup> The performance profile for the AMPAG component was based on the audited financial accounts provided by the Australia Council

## 6. Regional and metropolitan venues

Data on regional and metropolitan venues was obtained from the Australian Performing Arts Centres Association's (APACA) Economic Activity Survey. Assumptions were developed to estimate the profit and loss position for regional and metropolitan venues component of the industry. As described in Section 2.2, the estimation methodology is based on the development of a single venue profile<sup>19</sup>; to which the population of total venues was applied.

Table 9 shows the estimated profit and loss breakdown for regional and metropolitan venues. The analysis indicates that regional and metropolitan venues contributed total revenues of \$371.8 million.

The key revenue sources for regional and metropolitan venues were government funding (44.8%) and 'other' income (which includes personal donations, venue hire, food & beverage and ticketing services) (39.9%). Box office income was a smaller component of income for regional and metropolitan venues, accounting for 13.7% of total revenues.

With respect to expenses, direct wages (36.6%) and 'other' expenses (37.7%) were the main costs.

Overall, the regional and metropolitan venues generated an operating surplus of 17.7%. However, as noted by APACA, there are difficulties collating financial data for regional and metropolitan venues, as local government venues and venues managed by separate legal entities will often treat operating deficits and surpluses in varying ways<sup>20</sup>. In addition, the net operating surplus for regional and metropolitan venues has fluctuated considerably over the last few years. Although the revenue data in the 2013 Economic Activity Report is consistent with the 2011 Economic Activity Survey, the net operating surplus is considerably higher than previous surveys (17.7% surplus in the 2013 report compared to 1.4% surplus in the 2011 report) due to lower expenses.

---

<sup>19</sup> The venue profile was based the financial overview for performing arts centres in *APACA 2013, Economic Activity Report*

<sup>20</sup> *APACA 2013, Economic Activity Report*

Table 9: Estimated profit and loss breakdown for regional and metropolitan venues in 2012

	Value (\$ millions)	As % of total revenue
Revenue		
Box office income	\$51.0	13.7%
Government funding	\$166.7	44.8%
Corporate sponsorship and support	\$5.9	1.6%
Other income		
Food & beverage	\$22.7	6.1%
Ticketing services	\$22.8	6.1%
Venue hire	\$36.4	9.8%
Philanthropic trusts, donations and fundraising	\$4.6	1.2%
Other*	\$61.7	16.6%
Sub-total other income**	\$148.3	39.9%
Total revenue**	\$371.8	100.0%
Expenses		
Wages (including direct wages to performers)	\$135.9	36.6%
Advertising, marketing and promotions	\$16.6	4.5%
Staging, equipment & repairs	\$13.4	3.6%
Other expenses		
Administration	\$32.2	8.7%
Food & beverage	\$13.1	3.5%
Program expenditure	\$22.1	5.9%
Show purchases	\$30.4	8.2%
Other	\$42.5	11.4%
Sub-total other expenses	\$140.3	37.7%
Total expenses**	\$306.2	82.4%
Operating surplus	65.6	17.65%

\* Included within 'other' revenues is income relating to contract performance fees, recoverables, merchandise and interest income.

\*\*Total may not add due to rounding

\*\*\*Description of revenue and expense items are contained in Appendix D

## 7. Key Organisations

Assumptions were developed to estimate the profit and loss position for the Key Organisations component of the industry. As described in Section 2.2, the estimation methodology is based on the development of a single performance profile<sup>21</sup>; to which the population of total event performances was applied.

Table 10 below shows the estimated profit and loss breakdown of the Key Organisations component of the Live Performance Industry. The analysis indicates that the Key Organisations contributed total revenues of \$24.2 million. The Theatre category was the largest component for Key Organisations, accounting for 45% of total output.

The key revenue source for Key Organisations is government funding (45.5%), followed by box office income (25.7%). Corporate sponsorship and support was the smallest component of income for Key Organisations, amounting to 12.2% of total revenues. With respect to expenses, direct wages (47.3%) were the main cost. This was followed by travel, accommodation and vehicles (11.6%) and 'other' costs (10.4%).

Overall, the Key Organisations component of the industry was the least profitable, generating an estimated operating surplus of 1.3%. This is consistent with the not-for-profit status of Key Organisations and their focus on the economically intensive development of new work. The Key Organisations are integral to the overall ecology of the industry, as they provide opportunities for emerging artists, create work for national and international touring and sometimes act as a stepping stone to larger scale work with the AMPAG companies.

Table 10: Estimated profit and loss breakdown for Australia Council Key Organisations in 2012

	Value (\$ millions)	As % of total revenue
<b>Revenue</b>		
Box office income	\$6.2	25.7%
Government funding	\$11.0	45.5%
Corporate sponsorship and support	\$3.0	12.2%
Other*	\$4.0	16.5%
Total revenue	\$24.2	100.0%
<b>Expenses</b>		
Wages (including direct wages to performers)	\$11.5	47.3%
Contract payments to performers (including to performers, artist agents, designers, etc.)	\$1.5	6.3%
Rent, leasing and hiring	\$0.7	2.8%
Venue hire	\$1.2	5.0%
Travel, accommodation and vehicles	\$2.8	11.6%
Advertising, marketing and promotions	\$1.4	5.9%
Purchases	\$0.2	0.8%
Royalty payments	\$0.3	1.4%
Staging, equipment & repairs	\$1.8	7.2%
Other	\$2.5	10.4%
Total expenses	\$23.9	98.7%
Operating surplus	\$0.3	1.3%

\* Included within 'other' revenues is income relating to orchestra hires, royalty receipts and merchandising and food & beverage income.

\*\* Total may not add due to rounding

\*\*\* Description of revenue and expense items are contained in Appendix D

<sup>21</sup> The performance profile for Key Organisations was based on stakeholder consultations and publicly available accounts data for Key Organisations.



## 8. Economic contribution by State and Territory

### 8.1 Overall results

The analysis below examines the economic contribution of the Live Performance Industry to the states and territories around Australia.

Table 11 shows the industry output and industry value add of the Live Performance Industry on a state and territory basis.

The states which generated the largest share of industry output were New South Wales and Victoria, which represent 38.0% and 27.3% respectively of the national total. These states generated a similar share of value add. In NSW, it is estimated that the Live Performance Industry contributed \$586.5 million to the state economy or 38.4% of the national total. In Victoria, the industry contributed \$422.4 million to the state or 27.6% of the national total.

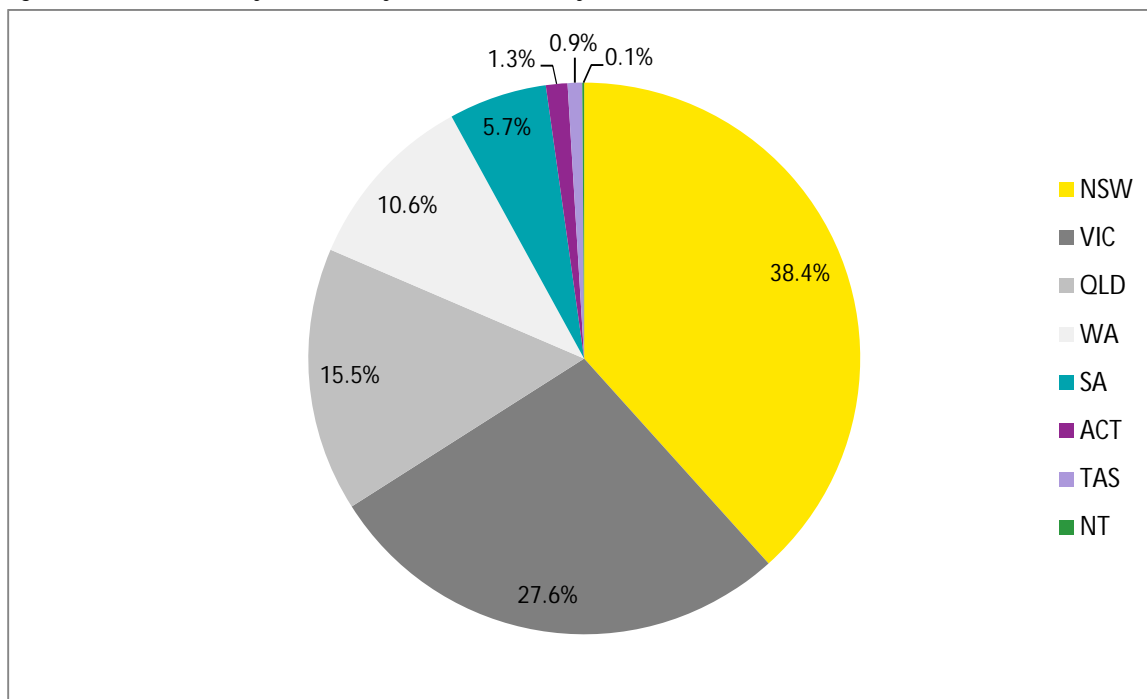
Of the other states, the industry contributed \$236.5 million, \$161.7 million and \$87.9 million to the economies of Queensland, Western Australia and South Australia respectively.

Table 11: Live Performance Industry economic contribution by State/Territory

	Industry output (\$ millions)	% Share of industry output	Industry value add (\$ millions)	% Share of value add
NSW	967.4	38.0%	586.5	38.4%
VIC	693.8	27.3%	422.4	27.6%
QLD	400.1	15.7%	236.5	15.5%
WA	275.6	10.8%	161.7	10.6%
SA	151.3	5.9%	87.9	5.7%
ACT	32.1	1.3%	19.4	1.3%
TAS	22.7	0.9%	13.2	0.9%
NT	2.7	0.1%	1.5	0.1%
Total	2,545.7	100.0%	1,529.1	100.0%

*\*Total may not add due to rounding*

Figure 5: Share of industry value add by State and Territory



\* Value Add for the purposes of this report has been attributed to the state in which the event is held. Typically, however Value Add is calculated based on the location of the business. For example, the methodology used in this report has assumed that a Victorian artist performing in Western Australia will be treated as Western Australian value add, as no data was available relating to where businesses and artists are based.

## 8.2 Per capita results

A comparison of each State and Territory's share of the Live Performance Industry against their populations provides insight into the concentration of the Industry relative to where people live. Table 12 shows that New South Wales and Victoria generate a larger share of industry value add compared to their share of Australia's population. Western Australia's share of industry value add was similar to its share of the population. All other states and territories comprise a smaller share of national value add compared to their population.

Table 12: Population and per capita results

State/ Territory	Population (2012) (millions)	Share of population	Share of industry value add	Industry value add per capita
NSW	7.35	32.1%	38.4%	\$79.79
VIC	5.68	24.8%	27.6%	\$74.36
QLD	4.61	20.1%	15.5%	\$51.31
WA	2.47	10.8%	10.6%	\$65.45
SA	1.66	7.3%	5.7%	\$52.95
ACT	0.38	1.7%	1.3%	\$51.00
TAS	0.51	2.2%	0.9%	\$25.97
NT	0.23	1.0%	0.1%	\$6.62
Total	22.89	100.0%	100.0%	\$66.80

\*Total may not add due to rounding

There are several possible explanations for these disproportional results, including:

- ▶ Many performances take place exclusively in major cities along the more densely populated eastern seaboard. For example, Coldplay only brought its large stadium tour to Sydney, Melbourne and Brisbane. At a high level, this reflects the economic and logistical advantages that big cities hold in their capability to stage major events
- ▶ Some of Australia's largest performing arts companies are based in New South Wales and Victoria, including Opera Australia (Sydney), Melbourne Symphony Orchestra, Sydney Symphony and The Australian Ballet (Melbourne), and as such the bulk of their performances are in Sydney and Melbourne.
- ▶ Destination NSW and The Victorian Major Events Company are particularly active in the major events market and as such have been successful in attracting major events to these states
- ▶ Cities such as Brisbane and Perth are constrained in their ability to host performances due to a smaller number of venues and hence capacity, compared to Melbourne for example.

It should be noted that these state and territory breakdowns do not take into account people who travel from interstate or overseas to watch a live performance. Industry share only accounts for the state or territory in which the performance took place and hence where the revenue and attendance are recognised.

## 9. Economic contribution by event category

This chapter looks at the economic contribution of the Live Performance Industry by event categories.

Table 13 below shows that the two largest event categories of the industry were Contemporary Music and Musical Theatre. The Contemporary Music category, by far the largest performance category, generated output of \$830.9 million. In terms of value add, the category contributed \$564.0 million to the Australian economy, representing 36.9% of the total value add by the industry. This was followed by the Musical Theatre which created output of \$371.8 million and value add of \$186.3, representing 12.2% of the total value add of the Live Performance Industry.

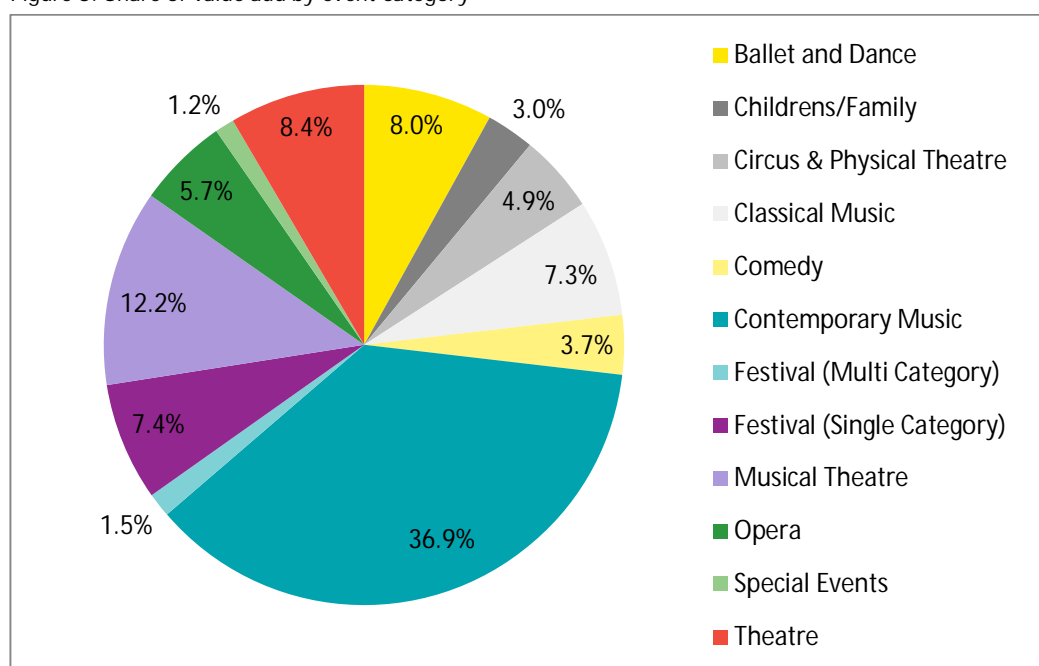
Table 13: Live Performance Economic Contribution by Category

Category	Industry output (\$ millions)	% Share of industry output	Value add (\$ millions)	% Share of value add	Direct industry employment (no FTEs)
Contemporary Music	\$830.9	32.6%	\$564.0	36.9%	6,962
Musical Theatre	\$371.8	14.6%	\$186.4	12.2%	2,282
Theatre	\$221.3	8.7%	\$128.3	8.4%	1,673
Ballet and Dance	\$204.4	8.0%	\$123.0	8.0%	1,537
Festival (Single Category)	\$227.6	8.9%	\$112.6	7.4%	1,344
Classical Music	\$170.0	6.7%	\$110.9	7.3%	1,501
Opera	\$132.0	5.2%	\$86.6	5.7%	1,185
Circus & Physical Theatre	\$117.7	4.6%	\$74.7	4.9%	1,025
Comedy	\$105.2	4.1%	\$56.1	3.7%	503
Children's/Family	\$88.5	3.5%	\$45.3	3.0%	479
Festival (Multi Category)	\$43.0	1.7%	\$22.9	1.5%	294
Special Events	\$33.5	1.3%	\$18.4	1.2%	178
<b>Total</b>	<b>\$2,545.7</b>	<b>100.0%</b>	<b>\$1,529.1</b>	<b>100.0%</b>	<b>18,964</b>

\* Employment estimates by event category are high level only and do not take into account differences in average wages by category.

\*\* Total may not add due to rounding

Figure 6: Share of value add by event category



## 10. Comparison to 2008 data

This section compares the size and scope of the industry with the results in the previous study. As mentioned in Section 1.3, when comparing 2012 data with that from 2008, the following should be noted:

- ▶ The regional and metropolitan venues and Key Organisations were new data providers in 2012. In order to compare the 2012 and 2008 results, these have been removed from the 2012 data set.
- ▶ In 2009, the 'Comedy' and 'Circus and Physical Theatre' categories were introduced. The introduction of these categories does not represent an extension of the scope of the current study, rather events which fall within these new categories would have been included in other categories in the previous Size and Scope Study.
- ▶ The Non-Classical Music category was renamed to 'Contemporary Music' in 2011. However, the scope of performances in this category remains the same as prior years

### 10.1 National economic contribution

Regional and metropolitan venues and Key Organisations made significant contributions to the Live Performance Industry in the current analysis (\$371.8 million and \$24.2 million in total revenue respectively). However, their contribution should not be considered as growth in the industry, given they were new data providers in 2012. Removing the impact of this new data, the output of the Live Performance Industry has experienced real growth of 3% since 2008, or \$65.5 million (Table 14).

The size of the industry in terms of value add and employment has grown more strongly since 2008. Excluding Key Organisations and regional and metropolitan venues, value add has experienced real growth of 17%. This growth has been driven by increased overall industry wages, and an estimated 21% increase in the number of full time equivalent employees (or 2,926 FTE positions).

The following factors have contributed to the increase in the estimated number of full time equivalent employees in the Live Performance Industry since 2008:

- ▶ Industry wages as a percentage of revenue have increased since 2008. The expense item 'wages (including direct wages to performers)' increased from 28% in 2008 to 32% in 2012. This increased wage pressure was reflected in stakeholder consultations. In addition, the wage component of contract payments to performers increased (in the previous study a larger amount was treated as an expense).
- ▶ The average FTE wage has grown more modestly over the period.

The positive growth in the industry is consistent with changes in box office income and attendance at events since 2008. Although box office income and attendance declined in 2012 compared to 2011, both were still above the lows of 2008<sup>22</sup>. In the context of these fluctuations in the industry over the past five years, primarily driven by weaker economic conditions in Australia and overseas, achieving real growth above consumer price inflation is a good result<sup>23</sup>. As noted in the Ticket Attendance and Revenue Survey, participation in the Arts, including the Live Performance Industry, is particularly sensitive to changes in the growth of real household disposable income<sup>24</sup>.

---

<sup>22</sup> Live Performance Australia (2013) Ticketing Attendance and Revenue Survey 2012

<sup>23</sup> The consumer price index rose by 10.4% between December 2008 and December 2012

<sup>24</sup> 'Music and Theatre Productions in Australia' IBISWorld Industry Report (August 2010), p4.

Table 14: Industry output, value add and employment, 2008 and 2012

	2012*	2008**	% change
Industry output	\$2,149.7 million	\$2,084.3 million	3%
Industry value add	\$1,309.1 million	1115.5 million	17%
Industry employment (FTE)	16,745	13,819	21%

\*Excludes Key Organisations and regional and metropolitan venues

\*\*2008 numbers are inflated to 2012 dollars

## 10.2 Economic contribution by State and Territory

Table 15 compares the output by State and Territory between 2008 and 2012. Although the Northern Territory had the largest gain in output in percentage terms, this was from a low starting point in 2008. Tasmania and Queensland also had strong results, with real growth of 20.3% and 20.9% respectively. This was primarily driven by an increase in the number of performances in those states. At the other end, output declined in South Australia by 11.5% and in Victoria by 0.5%.

Table 15: Live Performance Industry output by State/Territory, 2008 and 2012

	2012* (\$ millions)	2008** (\$ millions)	% change
NSW	\$829.1	\$810.3	2.3%
VIC	\$596.0	\$599.0	-0.5%
QLD	\$318.5	\$263.4	20.9%
WA	\$232.2	\$224.2	3.6%
SA	\$133.7	\$151.2	-11.5%
ACT	\$30.0	\$28.7	4.6%
TAS	\$8.0	\$6.7	20.3%
NT	\$2.2	\$0.8	174.7%
Total	\$2,149.7	\$2,084.3	3.1%

\*Excludes Key Organisations and regional and metropolitan venues

\*\*2008 numbers are inflated to 2012 dollars

The changes in value add (Table 16) are similar to the trends above. Northern Territory, Queensland and Tasmania all experienced strong growth in value add. In particular, Queensland's share of value add increased almost 2 percentage points from 12.7% to 14.6%. The share of value add declined for South Australia, Victoria and Western Australia, although value add declined only in South Australia (3.6%).

Table 16: Live Performance Industry value add by State/Territory, 2008 and 2012

	Value add			Share of value add	
	2012* (\$ millions)	2008** (\$ millions)	% change	2008	2012*
NSW	\$509.7	\$431.3	18.2%	38.7%	38.9%
VIC	\$368.1	\$321.1	14.6%	28.8%	28.1%
QLD	\$191.2	\$141.9	34.8%	12.7%	14.6%
WA	\$137.5	\$121.0	13.7%	10.8%	10.5%
SA	\$78.1	\$81.0	-3.6%	7.3%	6.0%
ACT	\$18.2	\$15.2	19.2%	1.4%	1.4%
TAS	\$5.1	\$3.5	47.0%	0.3%	0.4%
NT	\$1.2	\$0.4	190.0%	0.0%	0.1%
Total	\$1,309.1	\$1,115.5	17.4%	100.0%	100.0%

\*Excludes Key Organisations and regional and metropolitan venues

\*\*2008 numbers are inflated to 2012 dollars

\*\*\* Total may not add due to rounding

## 10.3 Economic contribution by event category

Table 17 compares the output by event category between 2008 and 2012. The changes to the contribution are also highlighted in Figure 7 and Figure 8.

Single Category Festivals, Ballet and Dance and Opera experienced the largest percentage growth in output since 2008. In terms of the dollar value change, Contemporary Music also experienced a large increase.

Special Events, Classical Music, Multi Category Festival and Musical Theatre events experienced real declines in output between 2008 and 2012. The Special Events category experienced the largest decline in percentage terms. However this category is particularly variable from year to year, and is highly dependent on whether performances take place that cannot be classified elsewhere. Classical Music also experienced a particularly large decline (55.4%), which can be attributed to the bumper year for Classical Music in 2008. This category experienced a spike in revenues and attendances in 2008 largely due to two international artists (Andre Rieu and Andrea Bocelli) performing a large number of events in Australia.

Table 17: Live Performance Industry output by event category, 2008 and 2012

	2012* (\$ millions)	2008** (\$ millions)	% change
Contemporary Music	\$753.0	\$722.0	4.3%
Musical Theatre	\$315.9	\$424.1	-25.5%
Festival (Single Category)	\$215.0	\$164.6	30.6%
Theatre	\$173.3	\$169.9	2.0%
Circus & Physical Theatre^	\$147.4		
Ballet and Dance	\$135.9	\$115.4	17.7%
Opera	\$127.4	\$109.7	16.1%
Classical Music	\$108.7	\$243.7	-55.4%
Comedy^	\$66.1		
Children's/Family	\$63.5	\$62.2	2.2%
Festival (Multi Category)	\$37.0	\$55.4	-33.2%
Special Events	\$6.5	\$17.2	-61.9%
Total	\$2,149.7	\$2,084.3	3.1%

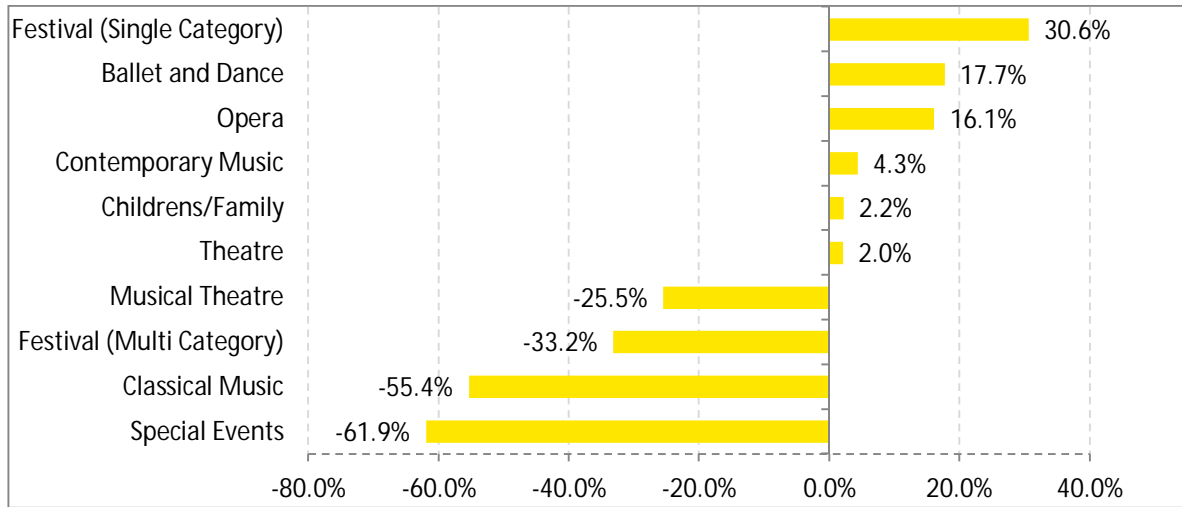
\*Excludes Key Organisations and regional and metropolitan venues

\*\*2008 numbers are inflated to 2012 dollars

\*\*\*Total may not add due to rounding

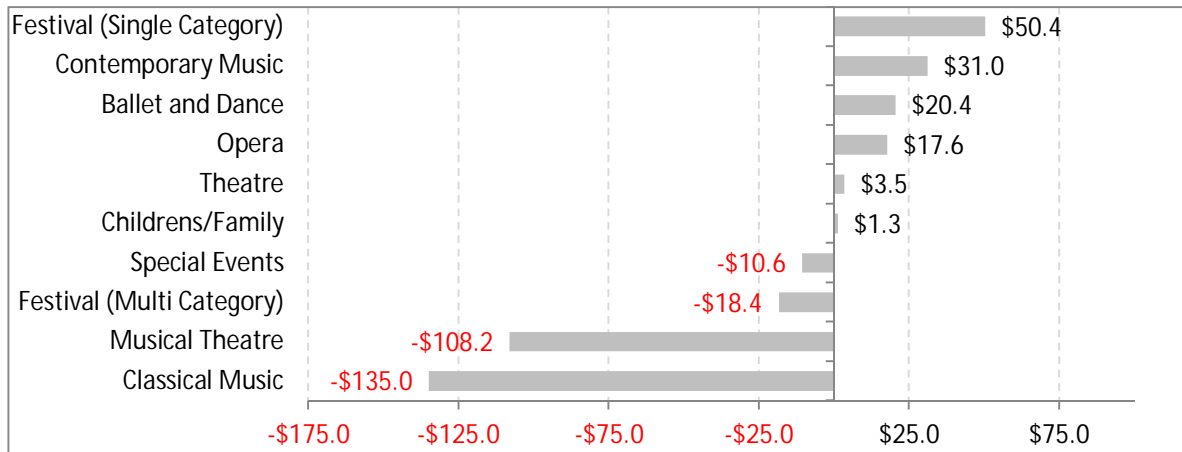
^ These event categories were added in 2009

Figure 7: 2008\* to 2012 percentage change in industry contribution by category



\*2008 numbers are inflated to 2012 dollars

Figure 8: 2008\* to 2012 dollar value change in industry contribution by category (\$ millions)



\*2008 numbers are inflated to 2012 dollars



# 11. Disclaimer

Ernst & Young ("Consultant" or EY) was engaged on the instructions of Live Performance Australia ("Client") to undertake an economic size and scope study of the live performance industry in Australia ("Project"), in accordance with the engagement agreement dated 21 June 2013 including the General Terms and Conditions ("the Engagement Agreement").

The results of the Consultant's work, including the assumptions and qualifications made in preparing the report, are set out in the Consultant's report dated 24 February 2014 ("Report"). You should read the Report in its entirety including any disclaimers and attachments. A reference to the Report includes any part of the Report. No further work has been undertaken by the Consultant since the date of the Report to update it.

Unless otherwise agreed in writing with the Consultant, access to the Report is made only on the following basis and in either accessing the Report or obtaining a copy of the Report the recipient agrees to the following terms.

1. Subject to the provisions of this notice, the Report has been prepared for the Client and may not be disclosed to any other party or used by any other party or relied upon by any other party without the prior written consent of the Consultant.
2. The Consultant disclaims all liability in relation to any other party who seeks to rely upon the Report or any of its contents.
3. The Consultant has acted in accordance with the instructions of the Client in conducting its work and preparing the Report, and, in doing so, has prepared the Report for the benefit of the Client, and has considered only the interests of the Client. The Consultant has not been engaged to act, and has not acted, as advisor to any other party. Accordingly, the Consultant makes no representations as to the appropriateness, accuracy or completeness of the Report for any other party's purposes.
4. No reliance may be placed upon the Report or any of its contents by any recipient of the Report for any purpose and any party receiving a copy of the Report must make and rely on their own enquiries in relation to the issues to which the Report relates, the contents of the Report and all matters arising from or relating to or in any way connected with the Report or its contents.
5. The Report is confidential and must be maintained in the strictest confidence and must not be disclosed to any party for any purpose without the prior written consent of the Consultant.
6. No duty of care is owed by the Consultant to any recipient of the Report in respect of any use that the recipient may make of the Report.
7. The Consultant disclaims all liability, and takes no responsibility, for any document issued by any other party in connection with the Project.
8. No claim or demand or any actions or proceedings may be brought against the Consultant arising from or connected with the contents of the Report or the provision of the Report to any recipient. The Consultant will be released and forever discharged from any such claims, demands, actions or proceedings.
9. To the fullest extent permitted by law, the recipient of the Report shall be liable for all claims, demands, actions, proceedings, costs, expenses, loss, damage and liability made against or brought against or incurred by the Consultant arising from or connected with the Report, the contents of the Report or the provision of the Report to the recipient.

10. In the event that a recipient wishes to rely upon the Report that party must inform the Consultant and, if the Consultant so agrees, sign and return to the Consultant a standard form of the Consultant's reliance letter. A copy of the reliance letter can be obtained from the Consultant. The recipient's reliance upon the Report will be governed by the terms of that reliance letter.

# Appendix A : Survey participants

## Large scale venues and events

Araluen Centre for Arts & Entertainment NT  
Arts Centre Melbourne  
Arts Projects Australia (WOMADelaide)  
BASS SA  
BOCS Ticketing WA  
Canberra Ticketing  
Cirque du Soleil  
Darwin Entertainment Centre  
Melbourne Recital Centre  
News Ticketing (Moshtix and Foxtix)  
Queensland Performing Arts Centre (Qtix)  
SeatAdvisor Box Office (SABO)  
Sydney Opera House  
Ticketek  
Ticketmaster

## AMPAG companies

The Australian Ballet  
Australian Brandenburg Orchestra  
Adelaide Symphony Orchestra  
Australian Chamber Orchestra  
Bangarra Dance Theatre  
Bell Shakespeare  
Belvoir  
Black Swan Theatre Company  
Circus Oz  
Malthouse Theatre  
Melbourne Symphony Orchestra  
Melbourne Theatre Company  
Musica Viva  
Opera Australia  
Opera Queensland  
Orchestra Victoria  
Queensland Ballet  
The Queensland Orchestra  
Queensland Theatre Company  
State Opera of South Australia  
State Theatre Company of South Australia  
Sydney Dance Company  
Sydney Symphony Orchestra  
Sydney Theatre Company  
Tasmanian Symphony Orchestra  
The West Australian Opera  
West Australian Ballet  
West Australian Symphony Orchestra

## Australia Council Key Organisations

Australian Art Orchestra Ltd  
Australian Dance Theatre  
Australian Festival of Chamber Music North Queensland Ltd  
Australian String Quartet Inc  
Australian Theatre for Young People  
Back to Back Theatre Inc  
BalletLab Association Inc  
Barking Gecko Theatre Company Ltd  
BlakDance Australia Ltd  
Brink Productions Limited  
Canberra Symphony Orchestra Incorporated  
Chunky Move Ltd  
Circa  
Dancehouse Incorporated  
Darwin Symphony Orchestra Incorporated  
Deckchair theatre Inc.  
Ensemble Offspring Incorporated  
Expressions The Queensland Dance Theatre Ltd  
Force Majeure  
Gondwana Choirs  
Griffin Theatre Company Limited  
HotHouse Theatre Limited  
Ilbijerri Aboriginal and Torres Strait Islander Theatre Co-op  
Just Us Theatre Ensemble  
Kage Physical Theatre Association Inc  
La Boite Theatre Inc  
La Mama Inc (VIC)  
Lucy Guerin Association Inc  
Monkey Baa Theatre for Young People Ltd  
Music Council of Australia Pty Ltd  
Next Wave Festival Inc  
North Queensland Ballet and Dance Company Limited  
Not Yet It's Difficult Incorporated  
PACT Centre for Emerging Artists Inc  
Patch Theatre Company Inc  
Performing Arts Centre Society Inc  
PlayWriting Australia  
Polyglot Puppet Theatre Ltd  
Red Stitch Actors Theatre Ltd  
Restless Dance Theatre Inc  
Shaun Parker & Company Ltd  
Slingsby Theatre Company Ltd  
Snuff Puppets Inc  
Stalker Theatre Incorporated  
Synergy & TaikOz Ltd  
Tasdance Ltd  
Terrapin Puppet Theatre Ltd  
The Border Project Pty Ltd  
The Song Company Pty Ltd  
Topology Inc  
Tracks Inc  
Tura New Music Ltd  
Urban Theatre Projects Ltd  
Version 1.0 Inc  
Wangaratta Festival of Jazz Inc  
West Australian Youth Jazz Orchestra Association  
Windmill

APACA regional and metropolitan venues

New South Wales

Bathurst Memorial Entertainment Centre  
Capitol Theatre Tamworth  
Casula Powerhouse  
City Recital Hall Angel Place  
Civic Precinct Theatre  
Dubbo Regional Theatre and Convention Centre  
Glen Street Theatre  
Griffith Regional Theatre  
Illawarra Performing Arts Centre  
Joan Sutherland Performing Arts Centre  
NORPA, Northern Rivers Performing Arts  
Orange Civic Theatre  
Riverside Theatres Parramatta  
Shoalhaven Entertainment Centre  
Sutherland Entertainment Centre  
The Glasshouse Arts Conference and Entertainment Centre  
Zenith Theatre & Convention Centre

Victoria

Colac Otway Performing Arts and Cultural Centre  
Darebin Arts and Entertainment Centre  
Drum Theatre  
Eastbank Centre - Riverlinks Venues  
ESSO BHP Billiton Wellington Entertainment Centre  
Frankston Arts Centre  
Geelong Performing Arts Centre  
Hamilton Performing Arts Centre  
Karralyka Centre  
Kingston Arts Centre  
Kyneton Arts Centre  
Lighthouse Theatre  
Mildura Arts Centre  
Swan Hill Town Hall Performing Arts and Convention Centre  
The Capital - Bendigo's Performing Arts Centre  
The Cube Wodonga  
Whitehorse Performing Arts Centre  
Wyndham Cultural Centre

Queensland

Brolga Theatre  
Cairns Civic Theatre  
Centre of Contemporary Arts Cairns  
Empire Theatre  
Gladstone Entertainment Centre  
Judith Wright Centre of Contemporary Arts  
Mackay Entertainment & Convention Centre  
Mount Isa Civic Theatre  
Pilbeam Theatre  
QUT Gardens Theatre

Redland Performing Arts Centre

Roundhouse Theatre  
The Arts Centre Gold Coast  
The Events Centre  
Townsville Civic Theatre

Western Australia

Arts Margaret River Margaret River Cultural Centre  
Broome Civic Centre  
Bunbury Regional Entertainment Centre  
Carnarvon Civic Centre  
Don Russell Performing Arts Centre  
Esperance Civic Centre  
Kalamunda Performing Arts Centre  
Koorliny Arts Centre  
Mandurah Performing Arts Centre  
Matt Dann Cultural Centre  
Queens Park Theatre  
University Theatres - University of Western Australia

South Australia

Barossa Arts & Convention Centre  
Country Arts South Australia  
Marion Cultural Centre  
Middleback Theatre  
Murray Bridge Town Hall  
Northern Festival Theatre  
Sir Robert Helpmann Theatre  
The Hopgood Theatre

Australian Capital Territory

Street Theatre  
Tuggeranong Arts Centre

Tasmania

Devonport Entertainment and Convention Centre  
Theatre Royal

## Appendix B: Category size definitions

For the purposes of this study, large scale venues and event performances were categorised by size (revenue) to understand whether different cost structure exist for events of difference sizes. There is no formal industry definition of event size categories. As such EY grouped events according to Large, Medium and Small categories based on box office revenues per performance.

The thresholds for each of these were based on our assessment of the entire population of performances in each category and ranking them by their revenues, and making judgements on noticeable size categories in the data. The size thresholds presented below have been determined based on a combination of feedback from stakeholder consultations and Ernst & Young's own analysis of the data.

Table 18: Category size thresholds – box office income per performance

	Small	Medium	Large
Ballet and Dance	\$0-13,000	\$13,000-43,000	\$43,000 and above
Children/Family	\$0-7,000	\$7,000-31,000	\$31,000 and above
Classical Music	\$0-3,000	\$3,000-11,000	\$11,000 and above
Festivals Multi Category	\$0-4,000	\$4,000-\$14,000	\$14,000 and above
Festivals Single Category	\$0-150,000	\$150,000-\$349,000	\$349,000 and above
Musical Theatre	\$0-70,000	\$70,000-165,000	\$165,000 and above
Non Classical Music	\$0-5,000	\$5,000-94,000	\$94,000 and above
Opera	\$0-9,000	\$9,000-29,000	\$29,000 and above
Theatre	\$0-15,000	\$15,000-43,000	\$43,000 and above
Special Events/Other	\$0-5,000	\$5,000-68,000	\$68,000 and above
Circus & Physical Theatre	\$0-30,000	\$30,000-217,000	\$217,000 and above
Comedy	\$0-5,000	\$5,000-54,000	\$54,000 and above

## Appendix C: Number of performances by industry component and event category

The table below presents the number of events by industry component and event category. For large scale venues and events, the number of performances is also shown by size. This is based on the event sizes defined in Appendix B and the data provided by ticketing companies.

Table 19: No. of Performances in Event Profiles

	AMPAG	Key Organisations	Large scale venues and events		
			Small	Medium	Large
Ballet and Dance	462	231	609	311	253
Children's/Family	62	299	1,731	489	353
Classical Music	882	100	741	282	264
Festivals (Multi Category)		193	1,038	315	346
Festivals (Single Category)	2	194	855	47	41
Musical Theatre	156	28	1,888	770	283
Contemporary Music	42	52	2,944*	3,123	790
Opera	327	4	137	57	44
Theatre	2,918	2,250	1,668	352	366
Special Events/Other		156	436	49	23
Circus & Physical Theatre	67	36	927	80	159
Comedy		10	4,283	868	186
Total	4,918	3,553	17,257	6,743	3,108

*\*Due to data limitations, the exact number of small contemporary music events is unknown. The number shown represents a low end estimate of the number of performances in this category. The actual number of performances is likely to be higher.*

## Appendix D: Revenue and cost descriptions

Table 20: Description of revenue and cost items

<i>Revenue</i>	
<i>Box office income</i>	<i>Ticketing sales</i> <i>Membership income</i>
<i>Government funding</i>	<i>State government contributions</i> <i>Commonwealth Government contributions</i> <i>Other government funding</i>
<i>Corporate sponsorship and support</i>	<i>Business sponsorships and support</i>
<i>Other</i>	<i>Personal donations</i> <i>Orchestra hires</i> <i>Royalty income</i> <i>Merchandising</i> <i>Food and catering income</i>
<i>Expenses</i>	
<i>Wages</i>	<i>Direct wages to employees, including performers</i>
<i>Contract payments to performers</i>	<i>Payments to performers</i>
<i>Rent, leasing and hiring</i>	<i>Leasing of premises not directly related to performances</i> <i>(ie offices of event organizers)</i>
<i>Venue hire</i>	<i>Venue costs to venue operators (does not include income foregone</i> <i>where event organisers own venues)</i> <i>Ticketing fees/booking fees</i>
<i>Travel, accommodation and vehicles</i>	<i>Accommodation</i> <i>Travel</i> <i>Vehicle hire</i>
<i>Advertising, marketing and promotions</i>	<i>Advertising and marketing expenses to external organisations</i>
<i>Purchases</i>	<i>Production related purchases</i>
<i>Royalty payments</i>	<i>Royalty payments to artists</i>
<i>Staging, equipment &amp; repairs</i>	<i>Staging construction</i> <i>Set costs (eg. Props)</i> <i>Depreciation and maintenance of stage related assets*</i> <i>Manuscripts</i> <i>Costume purchases</i>
<i>Other</i>	<i>Insurance</i> <i>Security</i> <i>Financing costs</i> <i>Consulting services</i>

\* Lump sum capital costs are incorporated in the annual depreciation allowances, which amortises the capital amount over the life of the asset.

## Appendix E : Event profiles

This Appendix details revenue and expense profiles that were considered in developing event profiles for this study. In developing the profiles, industry data from the Australian Bureau of Statistics (ABS)<sup>25</sup> and IBISWorld<sup>26</sup> were considered. The ABS and IBISWorld data alone was however subject to a number of limitations for this purpose. Primarily, the ABS data was only available at an event category level and did not contain adequate detail to account for event size impacts. In addition, the ABS and IBISWorld data was not available for all event categories.

Table 21 below presents the high level cost/revenue items for the ABS's 'Performing Arts' industry.

Table 21: ABS data on profit and loss of the 'Performing Arts' industry

Income	As % of total revenue
Box office income	48.5%
Government funding	23.7%
Other	27.7%
<i>Total</i>	100.0%
<hr/>	
Expenses	
Labour costs	34.8%
Contract payments to performers and non-performers/artists and artistic support	7.8%
Rent, leasing and hiring	9.9%
Other	40.5%
<i>Total</i>	93.1%
<hr/>	
Operating profit/surplus before tax	6.9%

Source: Australian Bureau of Statistics (2008) 8697.0 - Performing Arts, Australia, 2006-07 (most recent data available)

\*Total may not add due to rounding

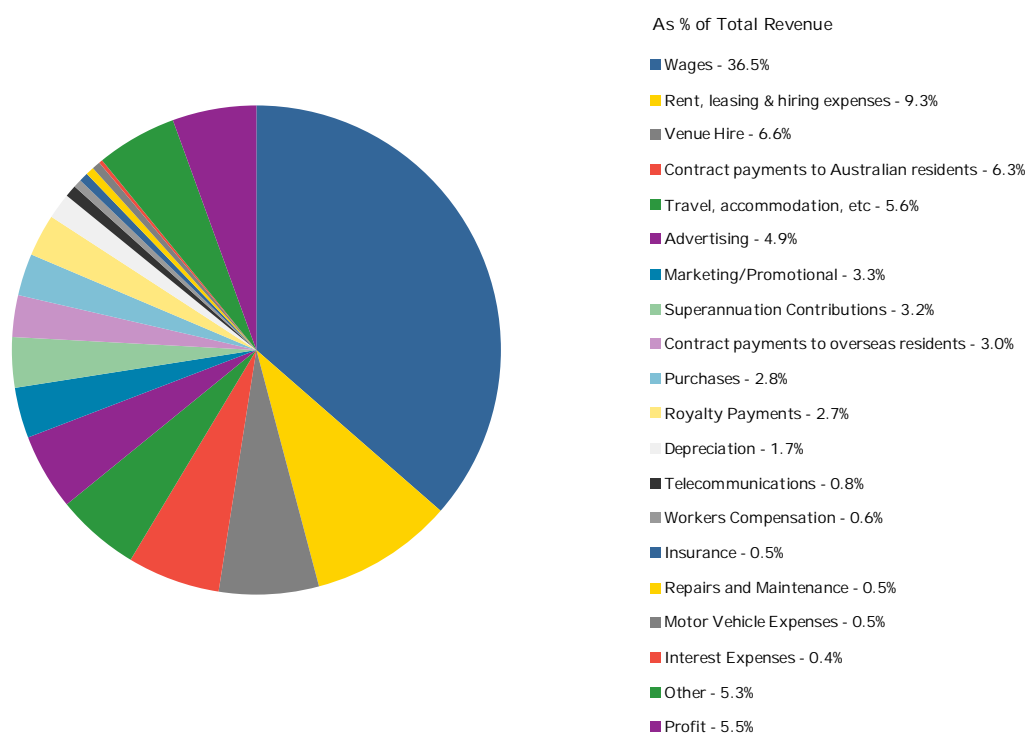
This data was further disaggregated based on IBISWorld data. For instance, the ABS 'Other' expenses were separated into venue hire, travel accommodation and vehicles, advertising, marketing and promotions, purchases, royalty payments, and staging equipment and repairs (see Figure 9).

<sup>25</sup> Australian Bureau of Statistics (2008) 8697.0 - Performing Arts, Australia, 2006-07

<sup>26</sup> 'Music and Theatre Productions in Australia' (P9241) - IBISWorld Industry Report, p27



Figure 9: IBISWorld data on cost structure of Music and Theatre productions



Source: 'Music and Theatre Productions in Australia' (P9241) - IBISWorld Industry Report, p27

Given that the ABS data includes AMPAG events, a process of 'backing out' the AMPAG data from the ABS results was also conducted. The aggregate profile for Non-AMPAG event organisers can be seen in Table 22.

Table 22: Aggregate profile for non-AMPAG event organisers (before stakeholder adjustments)

Income	As % of total revenue
Box office income	49.1%
Government funding	6.3%
Other	44.6%
Total Revenue	100.0%
Expenses	
Wages	29.1%
Contract payments to performers	7.7%
Rent, leasing and hiring	13.4%
Venue hire	6.5%
Travel, accommodation and vehicles	6.0%
Advertising, marketing and promotions	8.0%
Purchases	2.7%
Royalty payments	2.6%
Staging, equipment & repairs	2.2%
Other	9.1%
Total expenses	87.2%
Net profit/loss before tax	12.8%

\*Total may not add due to rounding

To refine this data further by event type, a stakeholder consultation process was undertaken with a cross-section of small, medium and large event organisers for each of the categories. The output from this process was then used to make adjustments which formed the revenue and cost structures for individual performance profiles. We note that the revenue and cost structures represent an average of the performances within an event profile and do not represent specific performances.

# Glossary

AMPAG	The Australian Major Performing Arts Group of companies funded through the Australia Council
APACA	The Australian Performing Arts Centres Association is the national peak body representing and supporting performing arts centres.
Import expense	A payment to international artists that is not retained in Australia.
Industry employment	The number of workers directly employed by the industry, expressed in terms of full time equivalent employees.
Industry output	The market value of goods and services produced by an industry, often measured by industry turnover
Industry value add	The market value of goods and services produced by an industry, after deducting the cost of goods and services used
Key Organisations	Small to medium arts organisations funded through the Australia Council
Large scale venues and events	All other live performance events not captured in the AMPAG companies, Key Organisations and regional and metropolitan venues
Live Performance Industry	Businesses and workers that organise and perform work for or in connection with performances, productions, workshops, rehearsals or concerts (including the operation of venues or other facilities, whether permanent or temporary) that are performed in front of a live audience.
Regional and metropolitan venues	Regional and metropolitan performing arts centres that are members of the Australian Performing Arts Centres Association

EY | Assurance | Tax | Transactions | Advisory

### About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organisation and may refer to one or more of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organisation, please visit [ey.com](http://ey.com).

© 2014 Ernst & Young, Australia.  
All Rights Reserved.

[ey.com](http://ey.com)