03

WORKING PAPER—SOUTH AUSTRALIAN
MUSIC INDUSTRY HEALTH CHECK:
**LIVE MUSIC VENUES AND THE
IMPACT OF COVID-19 IN 2021**

ROSIE ROBERTS
UNIVERSITY OF
SOUTH AUSTRALIA

SAM WHITING
UNIVERSITY OF
SOUTH AUSTRALIA

CP3
Creative People,
Products & Places

South Australian Music Industry Health Check: **Live Music Venues and the Impact of COVID-19 in 2021**

Acknowledgement of Country

We acknowledge the many Traditional Custodians of Country throughout Australia and honour their Elders past, present and emerging. We respect their deep, enduring connection to their lands and the richness of First Nations Peoples' artistic and cultural expressions. We also acknowledge that many of the research interviews for this project took part on Kaurna, Nukunu, Ngadjuri, Narangga, Peramangk, Buandig, Ngarrindjeri, Banggarla and Nawu lands.

Authors

Dr Rosie Roberts is a Senior Lecturer in Cultural Studies at UniSA Creative. Her research examines issues of equity and diversity across the fields of migration and mobility studies and the cultural and creative industries. She is the author and co-author of two recent books (Springer 2019 and Routledge 2022) and her current projects include: regional music festivals and their role in targeted community-designed/delivered suicide prevention strategies; and a pilot project examining the experiences and trajectories of older women in the Australian music sector.

Dr Sam Whiting is a popular music scholar, musician and Lecturer in Creative Industries at UniSA Creative. His work is primarily focused on the music industries, specifically live music cultures and cultural policy. Sam's previous peer-reviewed publications have explored the music industries, live music ecosystems, music scenes, small venues, and issues of access, heritage, gender and cultural identity in relation to live music. Sam's previous research experience has included work with the SA Music Development Office, the National Live Music Office, the City of Melbourne, Monash University, RMIT University and the University of Tasmania. Sam is currently working on a book about small venues for Bloomsbury Academic.

Executive summary and recommendations

The COVID-19 pandemic devastated the Australian live music sector and highlighted the disparate, unsupported circumstances of many artists, sole traders and music businesses. This report takes an ecological approach to the study of place-based music industries, founded on an understanding that restrictions or negative impacts affecting one part of the sector may affect multiple other components of the ecosystem[1] in diverse ways (Behr et al. 2016; Hassan 2021; DeNora 2015, p. 29). This can be seen in the way in which capacity and venue restrictions that were imposed to mitigate the effects of the COVID-19 pandemic not only impacted the ability of venues to host audiences, but also compounded other issues. Such issues included the ability of venues to maintain appropriate stock, their inability to re-negotiate rent and leasing arrangements when under significant capacity restrictions, the difficulty of retaining staff, the loss of expertise across the sector, and the general uncertainty when capacities were constantly in flux, negatively impacting both supply and demand for multiple goods and services.

This report draws on fieldwork that took place during 2021, which was the second year of the COVID-19 pandemic in Australia. There were two primary objectives of the research:

1. To gain on-the-ground insights into the impact of the pandemic on South Australian (SA) live music venues that host original music, how they have responded and what support they require; and

2. To develop an understanding of how to better support regional touring networks and music scenes in the future.

The research was conducted by staff from the University of South Australia, using qualitative in-depth interviews with 33 stakeholders from across the SA music industry (predominantly music venue operators). The Music Development Office (MDO), which is part of the South Australian government's Department for Industry, Innovation and Science, were particularly interested in the research findings and provided both financial and project support. Given the time-sensitive nature of the research, occurring during the peak of the pandemic, our findings directly informed urgent policy designed to support the industry (i.e. advocating for the extension of the JobKeeper wage subsidy scheme; direct financial support to venues tiered according to venue capacity; artist subsidies; and assistance for venues with promotion, business and professional development). In particular, the $3 million dollar support package delivered in 2021/22 by the Marshall Liberal state government (Package 3) was directly informed by findings from our research,

the latter shaping the purpose of the funding and the eligibility criteria.

The Music Development Office is a state-based government office dedicated to the development of the South Australian contemporary music sector, the first and only of its kind in Australia. The MDO is made up of industry experts inside government who are able to communicate directly to the Minister (for Small and Family Business, Consumer and Business Affairs, and Arts), allowing for targeted and responsive policy development. As an example, the pandemic began in March 2020 and the MDO responded swiftly with their first support package in April of the same year.

The purpose of this report is to provide a snapshot of the local South Australian live music industry during the 2021 calendar year, with a specific focus on the experiences of venue operators. Given the urgency of responding to the pandemic, there have been multiple support packages and policy changes since our fieldwork was undertaken[2], along with a change of government at both a state and federal level. We acknowledge that this report provides a snapshot in time of the SA live music context and that the landscape of the local music industries continues to change. Our report provides an overview of the pertinent findings and resulting recommendations that were raised as a consequence of our 2021 stakeholder interviews, as well as issues that still need to be addressed.

As this report went to print the Federal Albanese Labor Government released a new National Cultural Policy called Revive, setting the course for Australia's arts, entertainment and cultural sector for the next five years. *The policy* included the establishment of a new national body, **Music Australia**, tasked with supporting the contemporary music industry through new opportunities, funding, skills development, education and export promotion. Although there has already been extensive sector consultation as part of the submission process informing the National Cultural Policy and other research, including the recent Raising Their Voices review of sexual harm, sexual harassment and systemic discrimination in the contemporary Australian music industry, additional consultation with the sector will now commence to inform the precise structure and function that Music Australia will take.

Key findings: looking back, looking forward

The arts were disproportionally affected by COVID-19 restrictions. Many venue operators expressed frustration that they could have safely traded during much of 2020/21, with very few COVID-19 cases present in the South Australian community, but were unable due to ongoing capacity restrictions, restrictions on dancing, and seated alcohol consumption requirements. Many venues were disappointed that they were not able to fully open and host gigs

during this period, which would have assisted them in bolstering their savings ahead of future lockdowns or at other times when they were not able to host performances. Many of the concerns of venue operators outlined in this report align with those highlighted by the Live Music Business Council during the height of the pandemic. These included:

- the need for a clear roadmap for easing venue restrictions and re-opening borders;

- an extension of the JobKeeper program at the previous rates; and

- a survival package that provided additional cash flow support to help carry these businesses through.

Further significant findings, affecting both metropolitan and regional live original music venues during our data collection period, included the following:

- **Capacity restrictions:** Many venue operators expressed that operating under anything less than 75% of their licensed capacity was a slow death, but was sustainable in the short term. However, most operators expressed reluctance to open at a restricted capacity of less than 50%, stating that it was often not worth operating under such restrictions.

- **COVID marshalling and monitoring:** Operators of smaller venues expressed frustration at the level of monitoring necessary to remain compliant with COVID restrictions. This often involved putting extra staff into capacity management roles usually reserved for security staff. The cost of extra staff for COVID marshalling in a reduced capacity environment contributed to the stretching of profit margins, which were already under considerable stress.

- **Potential changes to total capacity:** As previous capacities for liquor licensing often covered entire premises, many venue operators expressed concern that their total capacity had been reduced because of the segmentation of each venue space into distinct rooms with specific density requirements under COVID restrictions. Venue operators also stressed that capacity limits with mandatory seated food and drink consumption amounted to considerably less than what the same limits would be without seated consumption, implying that the quoted limits were misleading.

- **Restriction changes and announcements:** The ad-hoc approach to capacity restriction announcements by the state government was also a cause of great anxiety and concern for venue operators, as venues were often left scrambling to meet these requirements and operate in a manner that met consumer demands. They also cited that this uncertainty resulted in a lack of consumer confidence.

- **Travel restrictions:** Live music venues with an average capacity of 200–400 patrons rely on touring interstate and international headline acts to fill their venues during peak trading periods (such as Friday and Saturday nights). Although these peak slots can be filled with local acts, this was not a sustainable long-term option.

- **'Too hard basket':** One small venue operator noted that they had given up on hosting live music entirely and had pivoted to solely providing food and drinks.

- **The great pivot – A stopgap, not a solution:** Several smaller venues pivoted to food and drink, as well as takeaway services, during lockdowns. These were usually venues that already had kitchens, or a reputation for providing food. Several venues felt that these temporary changes to their business model were seen by funding bodies as a solution, rather than a stopgap.

- **Dedicated venues struggled to adapt:** Dedicated live music spaces in particular – those without diverse programming or revenue streams such as food and beverage – struggled in the new reduced capacity environment.

The recommendations outlined in the following sections have been split to target metropolitan and regional venues separately. Many of our recommendations, particularly those directly related to COVID-19, have now been implemented by the state and federal governments. These include the lifting of venue capacity restrictions to 100 per cent; government direct income support to venues; targeted support based on venue capacity; and ongoing artists subsidies. However, we note that many venue operators emphasised the extended nature of the recovery/rebuilding phase and that ongoing funding will be needed for at least the next 12–18 months.

An ongoing issue contributing to this extended recovery period has been audience attendance and sustainability. A recent study commissioned by the Australia Council for the Arts has demonstrated that the return of audiences following the pandemic has been slow. This is partly due to health concerns and partly due to financial pressures in an uncertain economic environment

which has curbed people's entertainment habits and associated spending. The most recent Live Attendance Update commissioned by the Australia Council for the Arts (October 2022) shows that 71 per cent of respondents say that they are now ready to attend live performances, up from 65 per cent in August 2022, which is the highest since the pandemic began. However, 44 per cent of participants in the study are still attending performing arts events less often than they did prior to the pandemic, demonstrating that full recovery remains distant. Financial pressures have surpassed the risk of COVID-19 transmission as the number one barrier to attendance, adding to the slow recovery for the entertainment, arts and cultural sectors (Australia Council for the Arts 2022, p. 2).

Key areas of recommendation requiring further attention include the regional music context, which has been somewhat absent from live music policy. Areas of focus to support regional music scenes in the future include the following: greater acknowledgement of the multiple ways that regional venues invest in their communities through shared resources, knowledge, training opportunities, cultural heritage and infrastructure; the need for ongoing feedback forums with regional live music stakeholders held both online and face-to-face so that they can continue to participate in shaping SA music policy; and the establishment of a regional touring reference group, regional touring assistance program, and regional touring network online hub/gig guide.

Recommendations for metropolitan contemporary live music venues[3]

Responses to COVID-19

Recommendation 1: The MDO should continue to advocate for 100% capacity. There was concern that 75% of licensed capacity 'will become the new 100%', which will make many businesses untenable in the long-term.

Recommendation 2: State and federal government should provide direct income support to venues. Operators of large venues were adamant that direct income support needs to be provided, some of which has now been allocated following the recent rounds of Project Support Grants and other direct funding. However, it is the view of the researchers that this income support should be predicated on the ability of venues to pay musicians appropriately.

Recommendation 3: Develop a government-funded draw-down scheme. Some venue operators made specific policy recommendations such as a pool of funding that venues could rely on if necessary and pay back later.[4]

Recommendation 4: There should be sector-wide concessions during lockdowns and periods of financial disruption, such as a temporary freeze on liquor licensing fees, payroll tax and other day-to-day cash offsets.

Recommendation 5: Targeted support should be based on venue capacity, along with other factors such as whether the venue is a 'dedicated live music space', the size of the broader enterprise, and the shape of the space, both literally and figuratively.[5]

Ownership

Recommendation 6: Develop schemes to support smaller venues to purchase the freehold title to their venue space, with government assistance. Small venue operators proposed a state-backed loan scheme to allow venue owners to access additional funding beyond what commercial banks and financial institutions would be able to provide to assist them to purchase the freehold title to their venue space.[6]

Funding opportunities

Recommendation 7: Funding bodies should develop simplified funding applications. While venue operators were extremely grateful for any funding support received, particularly during the pandemic, they lamented the extensive time commitment required to prepare grant applications. Funding schemes were also often viewed as too prescriptive.

Recommendation 8: Funding bodies should provide venues with additional grant writing support, including the provision of feedback.[7] Some venue operators felt that it was often those with skills in writing applications, rather than those with quality ideas, who received the funding.

Recommendation 9: Funding bodies should develop funding models with fewer restrictions, rather than a 'one-size-fits-all' approach (i.e. not necessarily project-based grants) so that venue operators can determine where they need financial support the most.

Recommendations for regional contemporary live music venues Responses to COVID-19

Recommendation 1: Venues should be permitted to operate at 100% capacity. There was concern that 75% of licensed capacity 'will become the new 100%', which will make many businesses untenable in the long-term.[8]

Recommendation 2: All levels of government should continue to provide financial support to venues over the next 12–18 months, particularly in the form of artist subsidies. While project and infrastructure grants are helpful, the most critical financial support that venues require is funding to subsidise artists' fees. This allows regional venues to attract touring artists and ensure venues can pay artists fairly, regardless of capacity restrictions and ticket sales (though participants noted this issue also existed pre-pandemic). Fuel and accommodation expenses make regional touring costs prohibitive for many bands. Some venue operators also described running their business at a loss to pay artists.

Recommendation 3: Government funding criteria should be revised to incentivise venue operators to continue to utilise South Australian artists alongside interstate/overseas programming. The pandemic resulted in increased performance opportunities for South Australian artists. There is concern that the opportunities developed in this area will diminish when restrictions ease and national/international travel returns to pre-COVID levels.

The social and cultural value of live music venues

Recommendation 4: Venues need dedicated social media and marketing support. Smaller venues who rely on volunteers in particular need social media and marketing support to assist in attracting sufficient audiences to their venues.

- Funding bodies should consider a one-off grant that venues can use to engage a social media/marketing staff member to assist in establishing processes and templates the venue operators can use into the future.

- The state government should consider establishing a 'regional touring online hub' (described below) as an avenue for venue operators to further promote their venue/shows.

Recommendation 5: State-based government and advocacy bodies should continue to hold regular regional music feedback forums online to capture a breadth of perspectives across the SA music industry (though this should not replace face-to-face opportunities to meet). Our participants emphasised the need for greater recognition of the diversity of regional contexts, venues and needs, as well as the need for regular consultation with regional venues and more opportunities for them to influence music policy. Our previous research (Roberts & Whiting 2021) has demonstrated how the impact of COVID-19 increased regional venues' ability to contribute to policy, as industry meetings shifted to digital forums that were more accessible.

Recommendation 6: All levels of government and funding bodies should consider how to increase acknowledgement of the ways regional venues invest in communities through shared resources, knowledge, training, opportunities and infrastructure (e.g. through state and local government, advocacy bodies, Regional Development Australia, Country Arts SA initiatives). Supporting the arts in regional areas should not be confined to a creative industries agenda of infrastructure, revenue and career opportunities but should also acknowledge a thriving regional artistic scene. Without sustained investment, the calibre of any industry is reduced, and expertise and knowledge may be lost. Such knowledge takes a long time to re-establish.

- Funding bodies should develop dedicated funding schemes for regional venues. Volunteer burnout is high amongst regional venues (also highlighted in the Regional Accelerator Music Program (RAMP) report (2019)).

- Professional development opportunities should be made more readily available in regional areas rather than musicians, events coordinators or sound engineers being required to travel to Adelaide to access skills development and training. This would encourage creative workers to stay in regional areas and utilise local venues. Similarly, the founder of Revive the Regions (a regional festival organiser) noted that funding to kickstart a trainee scheme to support their regional festivals model would help develop expertise and keep it in the regions (e.g. sound technicians/event management/ social media developers).

Recommendation 7: Where possible, funding bodies should further simplify funding applications and provide more flexibility for venue operators to decide where funding is best directed.

- Provide venues with additional support for writing funding applications and provide feedback on unsuccessful applications.

- Develop funding models with fewer restrictions so that venues have ownership over and the power to determine where financial resources are needed most. Avoid a 'one-size-fits-all' approach, as venue operators often said they did not require project-based grants – and that applying for these often took them away from their core business – but instead they require funding to support the general everyday cost of running their venue.

Regional touring networks

Recommendation 8: Facilitate the establishment of a Regional Touring Reference Group comprised of some of the state's most experienced regional touring acts, bookers, managers, venue operators and industry organisations (similar models include West Australian Music's Regional Touring Circuit Development Reference Group; Music Victoria Regional Touring Reference Group). This would support the growth of touring routes whilst also ensuring that venues are not competing for smaller audiences. There needs to be enough distance between venues for gigs to be viable and having a reference group would help ensure regular communication between venues. A Regional Touring Network Online Hub would also contribute to this aim (see Recommendation 12).

Recommendation 9: Establish a Regional Live Music Touring Assistance Program.[9] This should be a dedicated funding scheme to support regional touring, which could include:

- Accommodation and travel subsidies for artists to put together regional tours.

- Artist subsidy grants for venue operators who collaborate with 2 to 3 additional regional venues.

- A focus on regular programming to avoid live music being relegated to one-off events.

- Like the concept of 'sister cities', metropolitan venue operators could be financially incentivised to develop links with regional venues, fostering further connections and blurring the boundaries between urban and regional areas and their creative practice. This would also encourage venues to share knowledge and resources.

Recommendation 10: Establish a Creative Artists Residency in Regions Program to support local activities over a sustained period. This could include professional development opportunities for local musicians.

Recommendation 11: Continue to support the significant work of regional festival operators who are already creating important pathways for artists to tour at other times of the year by raising the profile of regional venues through their programming.

Recommendation 12: Establish a Regional Touring Network Online Hub/Gig Guide. The previous RAMP report (2019) highlighted that regional touring requires better information sharing and coordination between regional centres and booking agencies. This was reinforced in our research. On the online hub venues could advertise and outline key information about playing at their

venue (payment structures; equipment; contract obligations) that artists/booking agents can access. Other venues could plan regional touring opportunities around this, and it would complement other regional tourism initiatives.

Recommendation 13: Investigate the appointment of Regional Live Music Officer/s: Venue operators acknowledged a need for a dedicated person (or people) to support live music in regional areas by administering and implementing a 'regional live music policy'.

Recommendations for future research

As the impact of the pandemic is ongoing and Australia moves from a suppression strategy to a strategy of endemicity, this story is still to be continued. Although the impact of the pandemic has been vast and wide-reaching, many of the problems and issues identified within our research were evident prior to the pandemic. Therefore, ongoing research into the South Australian live music sector would provide further insights into the progress of these issues, as well as possible solutions.

Future research aimed at monitoring the SA music industry during the recovery and restoration phase could include:

- Replicating the audit every two years to get a consistent and regular insight into where the sector is at and where it is heading.

- Ongoing research around rural live music initiatives and issues relevant to regional venue contexts (e.g. venue competition, geography between venues and access to comparatively smaller audiences).

- Expanded consultation should look beyond venues (the focus of this report), encompassing the concerns of industry and advocacy groups, promoters, festival and event organisers, musicians and venue operators to get a holistic and improved insight into the sector. This may also include ancillary workers within the industry such as sound and lighting technicians, riggers and casualised event labour.

- Future research should have an expanded remit beyond the problems imposed by COVID-19 to a whole-of-ecosystem perspective that will be able to inform policy reforms to achieve structural change.

1   The concepts of ecology and ecosystems are used frequently in literature and policy related to the live music industry to highlight how the production of live music within specific locations relies on a myriad of connections and interdependencies (van der Hoeven et al. 2020, p. 27).

2   Further detail provided in the introduction of this report.

3   As noted in the previous section, many of our recommendations, particularly those directly related to COVID-19, have now been implemented by the state and federal governments (i.e. lifting of venue capacity restrictions to 100 per cent; government direct income support to venues; targeted support based on venue capacity; and ongoing artists subsidies). These recommendations should still be taken into account if we are to experience a similar crisis or another period of severe disruption to the music industry in the future.

4   Interestingly, venue operators suggested more barriers to access to their proposed funding schemes than were necessary to access the JobKeeper wage subsidy scheme. This indicates that venues are wary of fiscal responsibility and are keen to make sure that their requests are seen as reasonable by government.

5   Larger, dedicated live music spaces with no dining or front bar areas were particularly affected by capacity restrictions, whereas smaller pubs with plenty of outdoor space could pivot more effectively. These nuances must be considered when administering support.

6   Owning the freehold title would take a lot of pressure and risk out of the equation for live music venues. Venue operators noted that many of the venues that have been able to withstand the current crisis are those where the venue's management owns the premises.

7   They acknowledged that this would require additional resources from funding bodies beyond what they may have.

8   At the time of publication, venue capacities had been lifted to 100%. However, venue operators noted that this coincided with soaring COVID cases in South Australia (early 2022), prompting audience hesitancy to attend gigs even when capacity limits were lifted. Even at the end of 2022, audiences were still hesitant to attend live music at pre-pandemic levels.

9   Similar to the Australia Council for the Arts Contemporary Music Touring Program and previous South Australian government initiatives providing grants for regional SA tours.

1. Introduction: Live contemporary music in South Australia

The COVID-19 pandemic has affected the Australian live music sector in multiple ways and continues to impact the industry's ability to function and prosper. The recent MDO Strategic Plan (2021–22) states that 87 per cent of respondents (artists and music businesses) experienced losses to all or parts of their income and 65 per cent of those lost 90 per cent or more (DIS 2022). The national 'I Lost My Gig' initiatives reported the total lost income from Australian cancellations in March 2020 is estimated to be $340 million. Lockdowns and the closure of domestic and international travel during the height of the pandemic (namely March 2020 – March 2022) significantly affected live music activities, with gigs delayed or cancelled indefinitely, severing the value chains that are attached to and flow from live music events (Strong & Cannizzo 2020). Despite South Australia remaining relatively COVID-free for the vast majority of 2021, capacity restrictions stifled much of the events sector and most live music venues were poorly equipped to adapt (see Appendix 1 for a timeline of restrictions).

Although federal support for businesses in the form of the national JobKeeper wage subsidy scheme cushioned much of the blow of the pandemic in its initial year, the abrupt withdrawal of this support in March 2021 left the live music sector particularly exposed. The insecure nature of work in the cultural sector also became a barrier to many cultural workers accessing the JobKeeper subsidy. While JobKeeper positively supported many businesses and arts workers who were in secure employment, it was inaccessible to short-term casual and freelance workers who were not able to meet eligibility criteria.[1] Following the pandemic-imposed downturn in cultural and live music activities, there has been significant damage to the long-term employability of creative professionals. As they were no longer regularly engaged, many reskilled and left the sector. The ensuing trend of arts workers finding alternate employment and not returning to the creative sector caused a significant loss of skills, experience and human capital (Pennington & Eltham 2021).

This report is focused on live contemporary music venues operating in South Australia that focus on hosting original music. The SA music ecosystem in 2022 had 571 music venues compared to 499 in 2017 (up 14%). Of these, 23 metropolitan and 35 regional venues hosted original live music (DIS 2022, p. 16).

The South Australian live music sector is represented through peak body MusicSA, a not-for-profit organisation committed to

representing the voices of the contemporary music sector in South Australia. MusicSA sits at the nexus of the state and national music industries, operating for the benefit of the state-based industries and without the vested or commercial interests of other national or state-based music industry businesses and agencies. Among many of its projects are initiatives such as contemporary music workshops and training programs in schools; professional development and advice for SA artists; music business events and seminars; live performance opportunities; the SA Music Awards; and the Live Music Census.

The South Australian contemporary music sector is also supported by the Music Development Office. The South Australian Music Development Office (MDO) was established by the state government in 2014 as a dedicated government office bringing together the arts and industry agencies of government with a mission to 'support, strengthen and grow the local contemporary original music sector' (DIS 2022). It was established following recommendations from Martin Elbourne (2013), who was part of the Thinkers in Residence program, to have a focus on supporting both music creators and music businesses. The MDO was the first of its kind in the country and, through its programs, plays a vital role in supporting and developing the local music industry ecosystem. Acting as a conduit between the music industry and government, the MDO provides support, advice and funding and holds strategic partnerships with a range of national organisations such as APRA AMCOS, Carclew Youth Arts, Live Music Office and Sounds Australia. The MDO model supports government coordination and targeted support, and provides a central portal for industry to better navigate government.

During the peak pandemic years of 2020 and 2021 – at which time the Marshall Liberal state government was in power – our estimation is that the SA government, via the MDO, invested over $7 million to support the live music industry to help alleviate COVID-19-related challenges. This $7 million included three support packages (comprised of venue and project support grants) on top of funding that was already part of the MDO's usual core programming/budget. In particular, the $3 million dollar support package delivered in 2021/22 (Package 3) was directly informed by findings from our research, the latter shaping the purpose of the funding and the eligibility criteria.

The purpose of Package 3 was to support the industry to prepare to host live music once borders opened again (this was before the state government was aware of the Omicron variant). Key recommendations from our interview findings were that, rather than isolated project funds, venue operators needed more funding and in larger portions to cover the core operational costs of running their businesses, which had suffered largely due to restrictions on capacity and dancing. This feedback resulted in support of up to $300,000 for venues, tiered according to venue capacity (over

500-person capacity venues were eligible for competitive grants of up to $300,000; over 200-person capacity venues could apply for up to $100,000; and over 100-person capacity venues could apply for up to $50,000). To be eligible, live music venues needed to be able to demonstrate that they derive more than 65 per cent of their income from live music activity. This round of funding was aimed at getting venues out of the 'red'. To date, no South Australian venues have closed since the beginning of the pandemic, a testament to the funding policy's broader success.

The Liberal government support packages were followed in 2022 by a $10 million 'See It Live' stimulus package by the incoming Labor government, which focused on getting local musicians and performers back on stage through a range of support programs for live music and hospitality venues and promoters. Initiatives that are part of Labor's See it LIVE program included: e-vouchers for venues to host live music; event grants for SA-based promoters, organisations, and businesses to help meet the cost of engaging musicians, technicians and other marketing and promotions costs; venue improvement grants; initiatives around mental health support for the industry through Support Act Funding; a cancellation fund for major ticketed events; and the development of a Live Music Advisory Council.

1   **To qualify for JobKeeper, employees had to have been working for their employer for a minimum of 12 months.**

2. Research Design

The purpose of this research was to perform a 'health check' on the status of the SA live music industry to inform appropriate policy responses during the pandemic in addition to exploring opportunities for strengthening regional touring networks. Ethics approval was granted by the University of South Australia Human Research Ethics Committee.

The Music Development Office facilitated a list of contacts that covered the breadth of metropolitan and regional live music venues. The researchers added further participants to this dataset via their pre-existing networks as well as recommendations from interviewees and cross checking with the Music SA Live Music Census. The interviews were undertaken with venue operators across regional and metropolitan South Australia (regional venues included those located in the Flinders Ranges, Mid North, South-East and Eyre Peninsula to ensure an even spread of geographic areas). The interviews were conducted in person (where possible) and over Zoom video-conferencing software. The interviews were audio-recorded with the permission of the participants, transcribed and thematically coded. Identifying information has been removed from the interview data in this report to preserve participant anonymity.

Music SA's Live Music Census shows that there are 23 metropolitan and 35 regional venues hosting original live music in South Australia. Each interview focused on the following areas: general venue operating information related to capacity, live music income, demographics and booking arrangements; the impact of COVID and how venues have responded as well as what support they require. Regional venue operators were also asked about the challenges and opportunities for developing live music in regional areas and were asked to contribute feedback on how to support and strengthen regional touring networks. We undertook the following interviews:

- 15 in-depth interviews for the metropolitan venues audit (all with venue owners/operators). All venues that present regular live performances of contemporary, original music in greater Adelaide were contacted for interview. However, some venue operators did not respond to our request for interview nor our follow-up requests. Our sample therefore represents approximately two-thirds of metropolitan original live music venues in greater Adelaide.

- 19 in-depth interviews for the regional live music venues audit (3 musicians who have toured in regional areas; 2 festival operators operating a significant regional program; 14 regional venue operators).

3. Findings: Metropolitan Venues

This section of the report summarises the findings associated with those venues situated in and around greater metropolitan Adelaide.

3.1 Ownership, management, and staffing arrangements

Small venues

Many of Adelaide's smaller venues (with a capacity of 100–300) are owner operated and feature a small team of casual staff working alongside the owners behind the bar, as well as often assisting with booking the performance space. Due to their small size and owner-operated nature, many were able to scale down and function with a skeleton crew throughout lockdowns and periods when capacity restrictions affected their ability to trade. These small venues were able to retain casual staff when JobKeeper was in place but had to make more difficult choices around staffing when the program ceased.

Despite this agility and flexibility in terms of their workforce, being owner-operated was also often a double-edged sword, particularly whilst leasing a space (i.e. without owning the freehold title). Although many owner-operators can scale their own wage down depending on cash flow, without the freehold title (which none of the smaller commercial venue operators we spoke to hold), these spaces still need to service a large amount of overhead costs (e.g. rent, public liability insurance etc.). Therefore, although many smaller owner-operated spaces were potentially more agile given their limited workforce, these spaces had less of a revenue base to rely on during periods of shutdown or severe restrictions (i.e. 25% capacity).

Finally, another group of slightly larger venues (300–400 capacity) resembled more traditional pubs with band rooms attached. These were often owned as part of larger hotel chains. As a result, these more traditional pub-style venues were often insulated from the shocks of COVID-19 restrictions and could pivot to food and beverage more easily than dedicated live music spaces.

Medium-to-large venues

In contrast, larger venues (500+) are often part of broader organisations and rely on multiple and diverse revenue streams. These larger venue spaces are also often co-owned by a combination of groups and individuals. Such spaces are usually managed as subsidiaries of larger corporations and feature a

variety of full-time and part-time employees handling back-end office roles such as media, marketing, bookings, event management, graphic design, and operations management alongside in-house venue staff, which usually include full-time bar managers and chefs (if food is a feature of the business) and casual staff. These full-time office staff often work across several venues, events, and projects, and are employed by the wider conglomerate rather than the venue itself.

The staffing profile of these venues implies an ecosystem of skills and talent working across a range of sites and events that requires all outlets to be working at a reasonable capacity to maintain the sustainability of the total business. For example, at the time of interview, venues such as Fat Controller employed 8 FTEs for operations and office roles on top of their venue staff, and Lion Arts Factory employed 3 full-time office staff along with a full-time bar manager and casual bar staff. However, the Lion Arts team was often supplemented and worked in collaboration with other office staff at Five Four Entertainment, which co-owns and manages the Lion Arts Factory. The Governor Hindmarsh also employed 6 FTEs at the time of our conversation, including chefs, managers, publicists, promoters and administration alongside their 30-plus casual bar and restaurant staff. Venues with food also featured a full-time chef or two, and venues over 300-capacity also hired full-time bar managers. However, this was not the case for all venues, and some larger venues only kept two FTEs on staff whilst primarily relying on casuals.

Community, not-for-profit and volunteer-run spaces

Besides these two dominant categories of commercial venues: a) smaller spaces (100–300 approximate capacity) and b) larger, headline venues (500+), other venues included a host of local government and community-run spaces, often staffed by full-time employees assisted by volunteers, or completely by volunteers (e.g. Northern Sound System, Semaphore Workers Club, Trinity Sessions). Such venues serve parts of the community and audiences that are not supported by for-profit or commercial live music venues and are important parts of the live music ecosystem, relying on continued community and public support to do this.

3.2 COVID-19 impacts and responses

Impacts

Capacity restrictions

Capacity restrictions were viewed by venue operators as the most significant imposition on venues during the period of research (2021), followed by restrictions on movement and access, such as dancing and seated alcohol consumption requirements. Many venue operators expressed that operating under anything less

than 75% of their licensed capacity was a slow death, but that this was sustainable in the short term. However, most venue operators expressed reluctance to open at a restricted capacity of less than 50%, stating that it often was not worth operating under such restrictions. This was because the additional cost of opening (wages, security, stock, etc.) beyond that of the fixed costs of remaining closed (rent, insurance, etc.) were not able to be met with appropriate proportional income if capacity was limited. Further, the fixed costs of remaining closed were more easily renegotiated during periods of lockdown:

at least that hard lockdown is almost like you put a freeze on everything, like you freeze your creditors, you freeze your rent, you freeze everything ... So, the shutdown and the freeze of 14 days is probably a far greater aspect than coming back at 25% capacity. That's death by a thousand cuts, 25% ... With 25% you're going backwards just at a faster rate than what you would being shut down. So, it's not like some money is better than no money. (Venue M1)

Venue operators also noted that harsh capacity restrictions negatively affect consumer confidence:

in lockdown on financial support is better for us than being out of lockdown with crippling restrictions ... that was very, really difficult and what it does, it shakes everyone's confidence about booking events, and nobody wants to book events ... and then you have months ahead where you don't have events and it's only like now that people have got the confidence back to book events in. (Venue M2)

COVID marshalling and monitoring

Operators of other, predominantly smaller, venues expressed frustration at the level of monitoring necessary to remain compliant with COVID restrictions. This often involved putting extra staff into capacity management roles usually reserved for security staff. COVID marshalling also required extra staff overall, and these were drawn from the pool of bar staff or included as part of the bar staff's duties, increasing pressures on an already stretched workforce. The cost of extra staff for COVID marshalling in a reduced capacity environment contributed to the stretching of profit margins, which were also already under considerable duress:

Yeah, it was a ludicrous situation where potentially you had to actually do this for a time, regulate each zone.

So, 90 people in here, and then dining room and back, 120 and 100, and then beer garden, then you have to monitor the movement of people between all those sites. (Venue M14)

And obviously we've got to have COVID marshals and extra staff. We've had a lot more work having to allocate seating and usher people to seats and making sure people are checked in and having a couple of people on the door. That's all really hard when you're struggling to pay everyone and then you still have to have all this additional staff on now to manage the COVID environment. (Venue M15)

Changes to total capacity

Further, as previous capacities for liquor licensing often covered entire premises, many venue operators expressed concern that their total capacity had been reduced because of the segmentation of each venue space into distinct rooms with specific density requirements under COVID restrictions. These venue operators stated that it was no longer clear what their full capacity would be once restrictions eased entirely:

Usually, pre-COVID, it's 220, like there's no set areas, so people can be wherever they want … So, I'm a victim of how the pub is set up. So, half capacity for me is 20 in the front bar, 40 in the band room, 40 in the beer garden unsheltered in winter and 12 out the front. So, my inside capacity is 60 … That's at half capacity. So, quarter capacity I was 10 in the front bar, 20 in the band room. So, it's not a quarter, it's one eighth. (Venue M16)

Venue operators also stressed that capacity limits with mandatory seated alcohol consumption amounted to considerably less than what the same limits would be without seated consumption, implying that the quoted limits were misleading.

Restriction changes and announcements

The ad-hoc approach to capacity restriction announcements by the state government and the general inconsistency of policy was also a cause of great anxiety and concern for venue owners. Many venue owners expressed frustration at the way in which they were given little warning or notice as to when restrictions would be increased or eased, affecting their ability to meet

these requirements and operate in a manner that met consumer demands. They also argued that this uncertainty resulted in a lack of consumer confidence:

On that, each time we've come back to say 25%, it's been different every time. One time we got masks, one time you were allowed to sit at the bar, next time you're not allowed to sit at the bar, you can come and sit in the tables and chairs ... it's been a different set of rules every time we go back to restrictions. (Venue M9)

Travel restrictions

Another major hindrance on the ability of metropolitan venues to sustainably trade were the restrictions on interstate travel. Venues with an average capacity of over 400 patrons rely on touring and interstate headline acts to fill their venues during peak trading periods (such as Friday and Saturday nights). Although these peak slots could be filled with local acts, this was not a sustainable long-term option.

Because we can't get as many bands here from Melbourne and Sydney that attract those younger kids. We have had a lot of nights where we've put on a group of four bands. But I don't know, I think maybe because a lot of the younger bands who haven't been together very long, they don't have as much of a following. They don't necessarily have the database and the skills to pull a show together quite quickly to get the numbers. (Venue M5)

Further, interstate and international acts have been somewhat dissuaded from touring to Adelaide long-term due to lack of consistency in the SA government's approach:

There was a lot of hesitancy; we had no interstate bands really for the first 3 or 4 months of the year. As the bands started to – and their agents and representatives sort of realised let's – okay, things are coming back slowly. Let's try [to] tour later in the year. And they've scheduled them for around now. Shit's hit the fan again. And now they're being burnt for the second or third time, so ... (Venue M10)

'Too hard basket'

One small venue operator noted that they had given up on hosting live music entirely and had pivoted to solely providing food and drinks:

we haven't had bands for a year and then we, I think each time we tried to start it up, we did one beer garden show and then the restrictions went up ... and then we tried to start them up again and then we were shut down into a lockdown ... you've got to cancel the show and then it's another 3 weeks before you can book something in again. It's not worth it ... (Venue M19)

Clearly there have been multiple impacts associated with COVID-19 that have affected each venue's ability to sustainably trade.

Responses

The great pivot

Several smaller venues pivoted to food and drink, as well as takeaway services, during lockdowns. These were usually venues that already had kitchens, or a reputation for providing food. Larger venues with more resources and staff, and the ability to expand into other areas, changed their business model, focusing on different kinds of entertainment and events:

the business plan has kind of pivoted a little bit because we are getting involved in the event space. We are approved by so many partners to partner with them to be their ground team or, you know, do all the leg work because they are all interstate ... Events and grants, looking at project managing other venues now. Restaurants that want to have a bit of a live music element to them. Offering our marketing and entertainment services as an agency. So really pivoting. (Venue M18)

Yeah, a big caveat of that, though, has been we're quite different to other venues in that we actually do things proactively to save ourself. Like we do quiz nights, we do club nights, we do DJs. We come up with the ideas, and we make them happen, and we promote them, and they're successful ... But yeah, it's just – it's really hard if you're not that type of venue where you have those multiple revenue streams, and ability to move to

different concepts. So, I mean yeah, we're saying that. But on the whole, I don't think that's true for most people. (Venue M10)

A stopgap, not a solution

Several venue operators felt as though these temporary changes to their business model were seen by government and funding bodies as a solution, rather than a stopgap measure:

I've found it quite frustrating over the last, like, maybe six months in particular, of the rhetoric around, like, everyone's pivoting, everyone's dealing with it, coming up with new things. But it's been going on for a really long time, and the sort of attitude of like, oh, but you can do takeaways, but you can do live streaming, it's like if we wanted to be a takeaway business, we would have started that from the beginning … it's nice that people are doing things to get through. And a lot of it is kind of community connection, which is more important than anything. But ultimately, there's nothing wrong with the business model before. (Venue M4)

However, some venues effectively used shutdown periods to work on maintenance and capital works projects, as well as to retrain staff with new skills:

We spent probably the best part of two weeks doing some sort of small capital works to the venue, like just sanding tables, floors, barstools, you know, that sort of stuff. Just before JobKeeper was even announced, I had to sort of keep staff with some form of income. And then when JobKeeper came out, which was two weeks into the shutdown, then we sort of said, well, we'll all have a little bit of a time off, and then we'll regroup with two weeks to go, and yeah, come back stronger, so – and that's what we did. (Venue M1)

So almost 40 staff were on JobKeeper. And that was just fantastic. We could use staff in other roles as well. So, staff were cleaning the hotel and doing maintenance. Staff that were working the bar that had sound tech skills were mixing bands. (Venue M5)

Dedicated venues struggled to adapt

Dedicated live music spaces in particular – those without diverse programming or revenue streams such as food and beverage – struggled in the new reduced-capacity environment. Whilst pubs (with kitchens) and small bars could focus on offering a boutique hospitality experience, those venues that are dedicated live music spaces with no food, in-house gambling (i.e. poker machines) or live sports broadcasting struggled to find their way. This affected not only the larger dedicated band rooms, but those smaller venues known as 'destination venues' as well.

We are a destination, even though we have got a big room and we can get around the whole restrictions in the way of floor space. If you can't let us dance and we can't put on a good show, there is no way people are going to come here. (Venue M8)

These venues continued to struggle in 2022 and were only able to sustainably trade once capacity restrictions were significantly eased, and dancing and standing alcohol consumption returned.

3.3 Revenue streams

Bar sales as an ancillary benefit of live performance

Most venues rely on bar sales as their primary revenue stream. Some charge a venue hire fee, or a percentage of each ticket sold. However, most venues earn their primary income over the bar. These bar sales are usually premised on their ability to attract patrons via entertainment, such as live music.

Look, live music isn't something that we tend to make money out of; it's certainly something that we put back to the artists. I mean, it's all about giving the artist a platform really, to make some money. The ancillary benefit for us is that when we've got 160 people here for a show and we've got four shows a night, we get the bar revenue, which is quite a lucrative and healthy proposition. So like, giving the artists as much money as they can put in their pockets, it benefits us over the bar as well. (Venue M1)

This quotation demonstrates an exchange between the venue and artists, wherein the artists attract drinkers and venues take the bar sales. However, during periods of reduced capacity, restrictions on the type of entertainment (e.g. seated audiences only) or low consumer confidence, those venues without food or attractions other than live entertainment found it particularly difficult to pivot and cover their expenses.

Location, location, location

Venues with 'primacy of place' (i.e. situated in ideal locations, on a major thoroughfare or in a hub) do not rely as heavily on entertainment and live music for income, as many patrons view these spaces as drinking spaces rather than live music venues. These venues scaled their live music back significantly over the past couple of years under COVID. However, those 'destination venues' mentioned above suffered an inverse effect under COVID restrictions:

I mean we're a live music venue, like it's a pub but we don't do food, you know, we just do music. I don't mind Tuesdays being quiet because, you know, that's ... email day, but the rest of the time you want to be having live music and being busy. (Venue M16)

Without the ability to operate as dedicated live music venues these 'destination' spaces have struggled to maintain an audience. This demonstrates a separation between the revenue generated from bar sales during live performances and that generated indirectly from the venue's association with a music community, as well as where it is placed spatially within the city. Throughout 2021 and into 2022 'destination venues' continued to struggle whilst attempting to host regular live music under restrictions, whereas better placed venues have scaled back live music (often completely) and focused on consumption.

Intangible value

Several venue operators reported that they generate most of their income (directly and indirectly) from live music, giving it a figure between 50% and 100%, whilst others described its value as more intangible:

It certainly is the vibrancy, as I discussed, and when before you were talking about the revenue directly derived from live music, I think the revenue that we indirectly get from live music is hard to quantify but it certainly is significant ... But you can't be flippant with going, 'Oh, last Friday we only had 20 people, it cost us X and a guarantee plus our sound tech and staff or what not', and then look at it 2 weeks' time and then it's 'Well, we had to turn people away.' The highs and the lows of it seem to even out and I think it, as I said, the most important thing is the vibrancy and what it brings in getting new people to the venue ... We'll give any original music a go and give them an opportunity to present

that. So that intangible vibrancy and revenue that we get from indirectness I think is a real key to our venue's reputation and what we've delivered. (Venue M11)

The quotation above demonstrates the way in which some venues resonate with a music community or other type of community and become social hubs for those spaces, even in periods when they are no longer regularly hosting live music.

The capacity to support niche artists as a privilege

Those venues that do not need to rely on entertainment or live music to regularly attract patrons see themselves as having the luxury to be able to support niche and emerging artists better:

for a straight venue hire we're definitely on the cheaper end of things when it comes to what we put into the shows in terms of the AV and the sound tech and everything. But again, like, because we have got the luxury of being open during the week, we can sort of subsidise a bit of revenue through that, and we wanted to keep it really accessible and approachable for new artists ... So, we want to keep it cheap and accessible for them. I spend a lot of time talking through the mechanics of the deal and there is a lot of bands that haven't even played a show for a fee before, so talking through how to get an ABN and all that kind of stuff. We definitely play in that lower end educational space as well. (Venue M7)

There is a strong argument here that the diversity of business models, venue sizes, and approaches to bookings constitutes a 'live music ecosystem', wherein each part of the ecosystem is interdependent. Whilst serving disparate and often opposing needs, each component of this ecosystem adds to the richness of the live music culture present in metropolitan Adelaide, and each venue has a distinct role to play in the development of professional talent and skills.

3.4 Talent and skills development

Small venues

Small venues see their role in talent and skills development primarily as a platform for up-and-coming musical artists and musicians. Operators of these venues emphasised their roles as 'original live music' spaces:

we really just want to support the artists who, I guess, want to do something different. So, if it's people who are learning or starting out or they have a platform – then they have the platform to be able to come out and express themselves and learn and experiment. (Venue M12)

However, beyond their role as a platform for emerging artists, these smaller venues (less than 500 capacity) are often owner-operated or part of a broader chain of hotels without centralised management. As a result, few opportunities are provided to staff to develop skills beyond bar and shift management, as marketing, booking and operations roles are often performed by co-owners in the business, with the rest of the staff employed in casual or part-time roles, primarily as bar or kitchen staff.

Medium-to-large venues

Most larger venues (more than 500 capacity) saw their role in the live music ecosystem as developing 'behind-the-scenes' skills, which accompanied their role in developing musical and creative talent:

what we will do is put a focus on how we can also build those events to a live training environment for all stages of the gig, from stuff to whether it be door, bar, artist liaison, merch, you know, promotions, marketing and promotions, whatever, all of those roles. So really look at music as a method and live gigs as a method of training for us as well, as well as an entertainment space. (Venue M13)

We do train a lot of young band promoters on what they need to do to make a show work and we work very closely and hold their hand through the whole process and say, okay … every band that books in, we get in touch with them and say, 'Okay how are we going to do this? What resources do you have? Who do you know? How are you going to – this is what we need to do. Have you done this? Have you done that? Can we help this, this, this and this?' So, we train them on how to promote the show and get maximum sales, which we really enjoy doing. (Venue M15)

The core staffing of bookings and promotion, and all that stuff, I mean, I feel like we've done our bit

to develop those resources ourselves through the internships and stuff that we talked about. And now we're probably reaping the rewards of everything that we've done to get to that point, because we feel like we have great staff. And fingers crossed they're not going anywhere. (Venue M10)

Skills gaps

Despite their efforts to foster diverse skills within their organisations and the wider South Australian live music ecosystem, several venue operators identified a skills gap in terms of their ability to successfully apply for grants. These venue operators discussed their need for staff trained in writing grant applications specifically:

It's really difficult. I know, we missed out on a couple I think because they hadn't been submitted properly or maybe in that area … Yeah, like when the grants come up, how do we apply for it, because they're almost a full-time job. I just haven't got time to sit down and do all of that, when you're meant to be running the bar and working through it all. If you could somehow get a way to pay someone to do it for you … (Venue M9)

Well, the main one [barrier] is that we are not professional grant funding application writers. (Venue M13)

Along with this request for skills and training in grant writing, operators of smaller venues run as not-for-profit spaces or as volunteer-run spaces, alongside other owner-operated commercial spaces, expressed their desire for staff with specific marketing experience:

It would be good to have somebody who could give us some skills in marketing … I have wondered whether we could get somebody who could look at Facebook marketing and social media marketing and how you market in the current climate. (Venue M13)

This research has therefore identified a skills and training gap. Smaller venues are looking for staff experienced in grant writing, publicity and promotion, particularly social media marketing. However, there is also an opportunity for targeted support and funding for those venues already providing this training ad-hoc and for free alongside their normal operations. Such venues should be encouraged and rewarded for contributing such training within the SA live music ecosystem.

3.5 The 'live music ecosystem'

Small venues

Small venues see themselves mainly as supporting local and emerging artists, with the odd showcase performance for these artists bringing in a sizable amount of each venue's revenue, as well as occasional larger shows featuring touring interstate and international artists as welcome novelties. The role of small venues as part of the everyday fabric of the live music ecosystem is fundamental to the sustainability and viability of local artists. However, a network of diverse spaces is needed to allow artists stepping-stone opportunities towards long-term, established careers. This is where a healthy live music ecosystem, with multiple venues of difference sizes, is key. When venue operators spoke about their place within this ecosystem, although most saw themselves as operating in competition with many other venue spaces, they also acknowledged the importance of a diversity of venue spaces for the broader ecosystem.

Medium-to-large venues

Larger venues host showcase performances of established local acts, as well as touring interstate and international acts. Some venues are tailored towards a specific type of touring artist (e.g. those with heavy Triple J rotation) associated with guaranteed ticket sales, and these venues often try to pair such artists with emerging local acts to ensure further exposure. However, due to travel and border restrictions throughout 2021, many emerging and smaller bands were given the opportunity to perform in large venues that they would otherwise not have access to because of the lack of touring headliners.

Ticket prices

Restrictions also allowed an opportunity for local acts and artists to raise the average ticket price for a gig, as capacity restrictions meant that revenue associated with tickets per head were reduced and had to be recovered by other means. This reflected similar conversations being held interstate amongst industry stakeholders regarding raising the price of tickets generally, encouraging emerging and local artists to aim higher with their asking price. Such conversations have been given further food for thought following the campaign for a $250 minimum rate of pay per musician per performance, led by Musicians Australia (Whiting 2022). Such potential changes to ticket prices and rates of pay will have flow-on effects for the rest of the sector that might address many of the systemic issues in the wider arts and creative sectors regarding underpayment and the undervaluing of cultural labour.

Density and proximity

Spatial proximity and density of cultural spaces is fundamental to the live music ecosystem. Several venue operators mentioned that their location was either a boon or a burden, and one that could not easily be changed or adjusted for:

I'm not in a hub, I'm [on] the worst street in Adelaide. So, I have to do cool shit for people to come here and I have my regulars but they can't be expected to come every night and support the pub, it's unrealistic. (Venue M6)

I think it's what makes this place interesting, because you're not walking into a bar or a club that just attracts one type of person. And then on top of all the music that's happening, in better days we get a lot of business from the [redacted]. Whenever there's a show touring there, everyone comes here beforehand. Or when the soccer's on, some nights we'll have a full-on soccer crowd in here and a music crowd out there. (Venue M5)

This factor also may have changed over time, in that some venues that were previously in somewhat of a hub have been priced out due to gentrification or other types of development increasing rates and rent.

3.6 Industry support mechanisms: Grants, funding, government support, and peak/advocacy bodies

Small venues

Small venues expressed appreciation for event-based grants, which allowed them to underwrite parts of their programming and gave them confidence to continue hosting performances during periods of restricted trade:

So, we did actually get an extremely helpful grant from the MDO, which was amazing, and that meant that we were able to have so many different artists come and play, and we were able to pay all the artists, and that was fantastic. We also got a grant from the City of Adelaide, which was for a festival that we held. (Venue M12)

The SA-based one was the Music Development Office one for venues though, that was to support or to pay, to assist in paying for creatives, for, for musicians

and sound engineers and any other videographers and whatever, so. So, we got $15,000 for them, for 6 months of the year ... which was great because, even though we tend to run at a profit because we are not paid, it's helpful for us to, I guess to have confidence to keep putting the shows on and stuff. (Venue M14)

These grants were particularly well received by small venues (less than 500 capacity).

Medium-to-large venues

Despite the availability of project-based grants discussed above, larger venues made strong calls for direct financial support (much of which has now been administered through the Live Music Support scheme). These venues were critical of the project-based grants, as they found them to be arbitrary and restrictive in their aims:

Yeah, I think the thing about probably 80% to 90% of that $100,000 was that it was all connected to on flowing it onto artists. You weren't allowed to just use that money to do your own thing with. You had to go out of your way to try and do something with it ... So that – that was hard, because every time you go to get money, we have to sit around, and brainstorm kooky ideas about how do we get [it]. When realistically it's like, hey we're running the businesses, employing all these people, and providing this stuff into their community, and this space for arts, and whatever. And you're then making us – you're restricting us, and you're not allowing us to get access to money that's for any reason, other than on flowing it onto an artist, to play in our venue, which would happen anyway if you would let us do that. So that's been really hard just to kind of come up with that. (Venue M10)

Operators of larger venues also expressed the need for funding to be scalable according to the size and capacity of the organisation:

[Funding should be] distributed based on some meaningful kind of scale. So, the grants they give out at the moment are like – venues can apply for up to $20,000. So, we'll get $20,000. But then a 150-cap bar will get $20,000. That makes no sense. Or a 2,000-cap venue gets $20,000. What does that do for them? Nothing. It needs to be scalable based on where your business size is at. (Venue M10)

Feedback on the grants process

Operators of medium-to-large venues expressed strong concerns about the way grants and funding are publicised and promoted. Many operators of larger venues emphasised the need for support to be means or needs-based rather than project-based:

I think the biggest thing would be not having the skill set for it and not really being aware of what grants are there that we can apply for ... I think just people are probably a little bit naïve or not really aware of what you can ask [for] help for. (Venue M9)

I don't think they were well publicised ... No, I don't think they were publicised quick enough. They have caught up ... now where they have to, but I remember just before COVID hit there was a few grants that not many people knew about it, and it was like, why are they not publicising this? So, awareness ... (Venue M8)

However, operators of smaller venues stated that they thought the process was well administered overall:

Well, I think, certainly from MDO's perspective, I think they made it pretty transparent, and it was open, I think it was open, widely open, actually to everyone. I think, federally, I think there's a lot of hidden grants that we've gone and sought. The barriers there have, unfortunately they're a national pool, and I've applied twice and most of those – well, in fact, every single time they've used the excuse that the funds have been diverted to New South Wales and Victoria because they're hurting more. (Venue M1)

Federal government support

Federal government support was well received, particularly JobKeeper. Live Music Australia grants were also praised:

We also received about $40,000 from Live Music Australia, which is a federal-level grant program. So, in one-off grants that we've had to do the work to apply for, we've probably received somewhere in the region of $100,000. (Venue M10)

So Live Music Australia, we were successful with Live Music Australia funding, so through the Department of Infrastructure, Communications, so that's federal government, it's around one I think of the live music funding. (Venue M3)

However, the fact that most schemes did not adequately scale commensurate with their proposed funding goals was an ongoing problem:

JobKeeper only scaled down. So, it was based on – a full-time employee could get $600 for 3 months. Then $400 for 3 months. And then $200 for 3 months. And that was pretty much it. So, it didn't really scale based on the level of problem that your business faced. (Venue M10)

Like even a RISE fund for example, which is $200 million dollars or whatever. That's so minimal in the events space. And the RISE grants are based on delivering an event. So even if you get a $500,000 RISE grant, your festival that you're trying to run might cost $4 million dollars. You've been given $500,000 of that $4 million. To get the $500 you have to run the $4 million dollar festival in a time period where that could be cancelled at any moment. (Venue M10)

State government support

Many operators of venues, particularly larger venues, argued that the state government needed to provide more support in general:

And no matter how much noise you make, nothing's getting done. I think the state government here has put $2 million dollars extra into live music. And I think the vast majority of that was distributed in $15,000 to $20,000 in handouts to venues, and businesses, and management people, and artists. So the problem that we've got in SA is that most of it is at that entry hobbyist kind of very small micro business level. So that every single person in that level is 100% fine. And have gotten $10,000 or whatever. And they're like, oh this – it doesn't matter. (Venue M10)

It's bizarre to me that they tied state government cash grants to federal eligibility criteria, like that's, that's just shaping policy, it's lazy policy. It's like, oh, we couldn't be bothered coming up with our own criteria for why you should be eligible for this. So, we're just gonna defer to the federal government on this. And then and what we know is it was a very hastily put together. (Venue M4)

However, since our initial fieldwork many of these issues has been addressed by the recent Live Music Support grants, particularly Support Packages 2 and 3, as well as the 'See It Live' program. Regardless and as outlined in the sections above, operators of larger venues were critical of the state government's response, as they felt that they had suffered the most under capacity and movement restrictions and had the most difficulties in terms of their ability to pivot their business models.

The Music Development Office, peak and industry advocacy bodies, and local government

Operators of most venues reported a low level of engagement with advocacy and industry peak bodies. Operators of several small-to-medium venues mentioned having ongoing productive and supportive relationships with both Music SA and the Music Development Office (MDO) in particular. However, operators of larger venues felt as though they had fallen through the cracks between the individual remits of these organisations. These participants felt like their venues were particularly isolated, independent, and self-reliant throughout the pandemic crisis. Despite these criticisms from the commercial venues, volunteer-run not-for-profit organisations engaged with and benefited from local government much more directly and spoke highly of both local and state government bodies.

Representatives of several small to medium venues noted that the MDO had been proactive in getting funding support out the door quickly during the early phase of the pandemic. Despite this, larger venues expressed their dissatisfaction with most advocacy, governance and funding bodies, noting that they had felt left behind by the policy response throughout the initial two years (2020–2021) of the pandemic. This is understandable given their sizable workforces and overheads, which have been extremely difficult to cover during periods of shutdown and reduced capacity.

Those venues featuring food and a pub/hotel environment noted that the Australian Hotels Association (AHA) had been using its platform to inadvertently advocate for the live music sector by promoting and supporting those hotels/pubs with dedicated live music. These venues spoke very positively of the AHA. However, other venues, particularly those that identified as 'dedicated live music venues' or otherwise 'pokie-free' expressed distrust of the AHA generally.

4. Findings: Regional Venues

4.1 COVID-19 impacts

Capacity restrictions

COVID-19 capacity restrictions significantly impacted regional venues in similar ways to those highlighted in the metropolitan venues audit. Around half of the regional venues substantially reduced the number of shows they ran and ran at a loss (unless they had funding for artist subsidies). Just over 50% (n = 6) of the venues ceased programming for 2021 – partly this was in response to lockdowns but also because operating at a reduced capacity, with seated consumption of alcohol and no dancing, was not financially viable:

It's just terrible because you can't plan ahead, you are limited in your numbers ... I think generally people are a bit worried to come. And the worst thing now is that we had a year and a half of no COVID in South Australia, but we had all these restrictions ... We've only just started and it's been a year and a half of restrictions with no COVID and now COVID's coming. So the future is real bleak. (Venue R1)

The worst thing about the COVID too was that there's a lot of wastage. All the beer and all the food that you've bought you have to throw away. But when the lockdown's on at least you get some help, because when they open you up at 25% capacity that's the killer because you've got no help, they want you to trade but you're not allowed to make money. (Venue R1)

Artist subsidies

While infrastructure funding is important (e.g. some venues talked about applying for funding to put in access toilets and to upgrade sound and lighting equipment), all participants agreed that continued financial support, in the form of artists' subsidies, was critical to being able to continue to offer live music in regional areas. While venues aimed to be independently sustainable, the impact of COVID is still being felt with greatly reduced ticket sales and a loss of momentum over the past two years. Artist subsidies would assist in raising the accepted minimum payment for artists, with many venue operators suggesting that they ran events at a loss to pay artists appropriately:

My venue is multifaceted and I've never relied on the income from our music events. We've got to support the artists; there's not a week you don't read about someone taking their life and that's pretty grim. I think that's where the funding needs to be directed, is to support and maintain [artists]. (Venue R7)

[In order to be sustainable] I need a consistent program with a full capacity. I can also see a future where capacity is less and tickets are more, but I have this moral dilemma with that because I, myself, can't afford to go to a $30 concert, so why am I doing that for those people? Yeah, it's a moral thing ... There needs to be some kind of income for artists when this kind of stuff happens. (Venue R2)

4.2 Economic, social and community imperatives: the contemporary live music sector and the many kinds of 'value' at stake

Martin Elbourne's (2013, pp. 88–89) Thinker in Residence report on the future of live music in South Australia, highlighted a decade ago, many of the issues associated with supporting live contemporary music in regional areas, which still persist today. For example, that the metropolitan area does not offer sufficient opportunities for artists to develop their performance skills, given the supply of musicians. The relative isolation of Adelaide from other major cities also means that musicians need to find other ways to 'build quality performances' The combination of suburban and regional shows offers musicians opportunities to play to and expand their audiences. Furthermore, it was highlighted that 'bookers need to seek opportunities outside of the city, negotiate with regional and suburban venues, and promote the acts. These people are the "glue" that holds these touring circuits together' (Elbourne 2013, pp. 88–89).

Throughout our research, all venue operators shared a deep desire to offer high-quality live original music to regional audiences, to provide performance spaces that support local artists as well as attract touring artists (interstate and international), and a commitment to have no pokies. They wanted to offer their communities, both audiences and artists, quality 'listening venues' to experience new music and a space for emerging artists to hone their craft, gain experience and access networks. This commitment, however, meant that they often sacrificed financial viability to make a community contribution.

An important finding from our research is that, if the objective of policy is to support the development of regional venues and

touring circuits, this should not only be tied to the financial imperative of creating a viable music 'industry' in rural areas. There are growing employment and financial benefits developed through these venues but additional benefits such as community wellbeing and artistic engagement are also critical. Many participants even pointed to the fact that they push the food and alcohol aspects of their business to ensure that they can continue to offer live original music, even when the music component frequently runs at a loss. Not all regional venues make a profit, but they are all critical to the wider ecology of live original music in South Australia.

Volunteer and not-for-profit venue model

The community-driven venue model is particularly prevalent in regional areas, with six of the venues we spoke to (just over 50%) having a strong volunteer component. Smaller venues that relied on volunteer time generally fared better during COVID as they had fewer overheads and felt they had access to more grant funding then they would under pre-COVID circumstances. Those able to secure state and federal funding used it to refurbish their venues (e.g. new sound equipment and updating their facilities) as well as to pay artists' fees so that they could sustain some programming when ticket sales were reduced due to capacity restrictions.

Volunteer time and burnout for small, regional venues was a dominant theme that emerged from the interviews. This was exacerbated by COVID but, as the RAMP (2019) findings also showed, this issue existed prior to the pandemic. With many larger venues ceasing live music as a result of restrictions, focusing instead on food and alcohol sales, smaller venues were able to capitalise on this gap in the market for audiences who were 'starved' of live music. Volunteerism, however, was a double-edged sword as the level of burnout and exhaustion for limited financial incentive meant these kinds of venues eventually opted to stop shows in 2021 rather than take on the risk and additional time commitment (e.g. to repeatedly reschedule shows):

Keeping it afloat has been one of the biggest issues. We're all volunteers again now because we just can't afford to pay anyone ... The other area is that, after we'd been closed for a long time last year and then we opened up again in February, we basically had to start from scratch to rev everything up again. Because nothing had been happening, nothing had been going on. (Venue R5)

We could have come back, a lot of venues did, and I felt this kind of gut-wrenching kind of position of do we reinstate it, do we go down the road of adjusting to all the COVID measures, all the social distancing,

and the capacity that we could have turned out to not be enough to cover our costs of running it … I hadn't realised how burnt out I was until we stopped doing it. There were so many hoops to jump through and you only had to have one person turn up and tell on someone where there wasn't enough social distancing, or people were standing together at the bar, or wasn't enough hand sanitiser, or there wasn't enough signage or, and we just thought, was it worth it? … it felt like a giant weight had been lifted off me not running this at all. The pressure, the emotion, the pressure of making sure the artists are okay, making sure they're paid enough, making sure we've got bums on seats each time, the pressure of getting people to this venue every single month, it was just like, no, I'm done. (Venue R10)

While venue operators were extremely grateful for any funding received, particularly during the pandemic, they described the extensive time commitment required to develop applications for funding. This issue was particularly prevalent for venues operating largely through volunteers. Funding schemes were also often viewed as too prescriptive:

A lot of grants are for project work and we just don't feel that we want to do that. We've got enough to do without just devising a project to apply for a grant for it if you know what I mean? I think it's different if you're actually doing projects, but running a live music venue is not quite the same as running projects. (Venue R5)

All the grants are extremely competitive and that's okay. You've got to expect that. You've got to weigh it up and say to yourself, well, it's going to take me X amount of hours to actually pull this grant together, maybe I'll get it, maybe I won't. Would my time be best spent elsewhere generating income? (Venue R5)

Regional venues must work extremely hard to sell tickets due to smaller regional populations. Their operations rarely provide a reliable income for those who run them. Yet each of these venues makes a critical contribution to social outcomes, community resources and the emerging fabric of a South Australian regional touring network. While some business models may not be profitable or deliberately run as not for profit, they are critical to growing regional touring networks. Losing just one venue can mean a lack of touring options across a large geographic area.

[Musicians] do a concert in Adelaide and they might get say 60 people or 80 people at that concert, from a million people. And then we'll do one up here and we'll get 50 or 60 people. So we're punching way above the weight than their one in Adelaide is. But it's not seen as being like that – because we've got much less people to draw from, and then there's distance of travel. (Venue R5)

Music policy and regional voices

The desire for greater recognition of the diversity of regional contexts, venues and needs was also a recurring theme in our interviews.[1] Ongoing engagement with rural venues and communities is needed to understand their changing needs and diverse operating contexts. Interview data reinforced that each venue was distinct in terms of a range of factors including: venue capacity (anywhere from 50 to 300 patrons pre-COVID); ticketing arrangements (some passed on 100% of the ticket sales to artists while others passed on 50% or a sliding scale depending on how many tickets were sold and whether their venue had alternate revenue streams); levels of volunteer versus paid employment (some had 10–30 volunteers and others had 3–5 full-time or casual staff); levels of covers versus original music (anywhere from 50–100% originals); number of gigs (anywhere from 3/week to 1/month); whether their venue offered food and alternate revenue streams; whether they were close to other regional music venues or geographically distanced; and whether their venue had a liquor licence (some deliberately opted to be alcohol free to focus on music and wellbeing). In addition, the dynamic of each community shapes the uptake of regional music. For example, advertising is different in many regional areas: while social media may work in some spaces, the local paper is much more effective in others. Population demographics and incomes vary significantly – for some regions venue operators felt 'there is no sense setting up shows if people don't have extra income to pay for them'. Sport and farming timelines also have a huge impact on when a show can be viable in the country; and regional venues are often highly connected to their communities and rely on olunteers so they have additional responsibilities to locals outside of live music programming (e.g. to be a space for workshops and school students).

That's a really important thing actually getting out into the regions. Not all country towns are the same, each town has a very unique makeup. (Venue R8)

You've always got a barrier because a) we've got a smaller population, we don't have a million people to draw on like we have down in Adelaide. We've always got a smaller audience to draw on and then bear in mind that small audiences are all very busy and particularly at weekends. Sport is a real barrier for live music in regional areas. When I program, I actually have to look to see when the Crows or Port are playing to make sure there's not a clash on that night. Because it affects your audience ... There's lots of things that come into running a regional venue that don't so much come into, as opposed to, running a city-based venue. Usually it's an older population because young ones may go to school up here but then many of them go off to boarding school. And then often they don't really return because they go down to uni and often they'll stay down there. (Venue R5)

No use setting expensive shows up because regional people don't have that extra income or cash. Like I said, sport features highly in regional areas and if there's any spare money in the household, that's where it goes first. (Venue R5)

Ongoing engagement with rural venues and communities is needed to understand their diverse operating contexts so that policy agendas are not borrowed from urban settings to fit varied rural contexts.

Even when you have some empathy and understanding of the arts and what it might be like to live, to be an artist in the regions or to be an arts worker as I am in the regions, you don't know until you actually live here, until your life is impacted both positively and negatively by the distance and options and opportunities and health services. Until you actually live here and experience that you don't know. So, I think assumptions are often made by people, decision-makers in metro areas about what could be good for rural and regional people with all the best intentions, but I think there needs to be some more deeper diving if you want to really understand, yeah. (Venue R8)

Regional venues invest in communities through shared resources, knowledge, training, opportunities and infrastructure. Our interviewees reported that their venues invest in artists often at the expense of profit; they invest in training local sound technicians and equipping volunteers with event management experience. These venues often share their resources with others (e.g. with high schools, allowing young people a space to perform utilising high-quality sound equipment). They contribute to social equity goals, providing high-quality music experiences for regional audiences who traditionally have to drive long distances to metro centres, and for a diversity of musicians (ensuring women, older musicians and First Nations musicians feature prominently). They invest in restoring and protecting cultural heritage through large-scale renovations of historic buildings; they act as social hubs, providing cultural experiences and a diversified lifestyle for residents outside of traditional regional options such as sport and farming; and they provide dedicated 'listening rooms' and 'storytelling spaces' that nurture creativity and original music.

One of the things that we hope to achieve with grant funding was to set up a mentorship program for artists and for young people that were interested in production. We're having discussions with one of the local high schools. That was definitely something that was on the cards for us. But COVID really has just knocked a lot of this for six. (Venue R8)

We want to set up a training facility, we are talking to the Regional Development Board, we are talking to council. We're looking to do a grant funding to train local kids in video and audio, and maybe then we will just take it on doing plays with the local council, so we are looking to take on theatre. (Venue R4)

It is different in the regions; it's different when you're living rurally. For instance, a venue such as this which is a commercial venue and there's no doubt about that, but [the owner] is very community minded. Delivering those programs about mentoring and supporting artists was a really big passion for us. In the regions I guess venues like this are real social hubs … And there aren't a lot of opportunities for artists, musicians, whatever to be able to access programs and like that without having to leave their homes and go away. (Venue R8)

4.3 Regional touring networks

There is no singular regional music 'industry' but rather hubs of activity in multiple locations. This highlights that there is an opportunity to better support what already exists and to build networks between these 'pockets of activity'. These existing networks, though still emerging, include the following geographic zones:

- **Mid North:** this usually involves any musicians starting in Adelaide (e.g. the Wheatsheaf Hotel, Trinity Sessions) or south of Adelaide (e.g. Stony Pony in Willunga or Murray Delta Juke Joint in Goolwa) and traveling through the Mid North (e.g. HATs in the Clare Valley or the Barn at Wombat Flat) and ending in the Flinders Ranges (e.g. Ticklebelly Hill in Quorn) and including, potentially, Port Augusta and Whyalla (Federal Hotel, Port Pirie; Left Hand Club, Whyalla).

- **South of Adelaide to Kangaroo Island:** Some participants suggested strengthening a touring network from Adelaide to the Fleurieu Peninsula to Kangaroo Island, building on the work of the Guitar Festival.

- **West Coast:** including Adelaide–Port Lincoln–Whyalla–Port Augusta–Port Pirie for a three-day mini tour (with Left Hand Club and the Federal Hotel as key).

- **Southeast:** Melbourne (plus coastal regions)–Mount Gambier + Coonawarra Region–Coorong–Adelaide.

- **Riverland** (as yet undeveloped).

Tyranny of distance and smaller regional populations
Regional and rural music scenes are not able to 'rely on the same demand and turnover of revenue as exists in urban settings' (Bennett et al. 2020, p. 369; see also Bennett, Cashman & Lewondowski 2019). Venue operators described the difficulties in attracting artists to travel longer distances to play shows. For this to be viable venues require access to artist subsidies. Venue owners also suggest that 'nodes' along touring routes need to be spaced sufficiently apart that they are not competing for audiences. Many venue operators said that they often spoke to other venues, sometimes 200 km away, to ensure they were not booking the same artists.

Talking to other venues of people I know in similar regions or venues to us, we'll sometimes talk to each other about creating a bit of a tour for certain artists, you know if they're going to come to South Australia, that we can provide alternate gigs where we're not competing. (Venue R7)

Okay so we get an artist who's going to come over from interstate somewhere, where are they going to play? They going to play in Adelaide because they don't know where else. And so, unless they know the geography or have contacts or a really good agent, they'll go into Adelaide … But when they ring me, I go, well, have you got another day because I may be able to put you in another venue in rural South Australia because I'm trying to have networks out there. And I'm very careful to ring people who will not interfere geographically with us because we draw from a huge area. So, I send them up to Quorn, I've got a contact down at Penola, I've got a contact at Port Lincoln … The Murray Delta Juke Joint [in Goolwa]. Look, the most critical thing if you're going to establish rural touring networks is to be very aware of geography. (Venue R6)

Drive in/drive out touring 'strands'

Interviewees also indicated that there is a lot of work being done informally around touring networks. Venues (metropolitan and regional) collaborate to schedule 3–4 dates that would make it sustainable for artists coming from interstate and overseas. Venue owners and artists both suggested that a two-week tour is not viable, factoring in costs of fuel and accommodation and the fact that many musicians have other employment they need to work around. They suggested that it is more productive to support multiple 'drive in/drive out' strands:

There's a lot of musicians that I work with, and from my perspective too, like, rather than doing a two-week extensive tour, I'm happy doing a few days at a time and then that's sort of like, and a lot of the musicians I work with too have day jobs, so doing anything that's like an extensive tour, so doing these travel routes where it is a Friday to Sunday. Yeah, just makes it more viable for musicians to be able to make it happen. (Artist)

Makes it way more viable, and even the concept of doing national touring for me now is more the fly in–fly out idea, but locally if you can do stuff in little bites it makes it way more viable for the musician I think, and also if you are incorporating other band members too, because a lot of my band members have day jobs and it's near impossible to organise an extensive tour with everyone. (Artist)

The regional touring that I'm planning later this year has all been based around Friday, Saturday, Sunday. I mean the two weeks is really attractive and good fun, but you might be able to do that once a year. (Artist)

Festivals and touring networks

A key finding from the interviews was the critical role regional festivals play in growing and reinforcing touring routes by bringing awareness to towns, and venues within them, as music destinations. Festivals usually have a much larger promotions budget and so audiences and artists become more familiar with regional opportunities through the media presence of festivals (e.g. the Guitar Festival, Umbrella Festival, regional Fringe Festival events, events under the banner of Revive the Regions).

Regional festivals play a key role in raising the profile of live original music in the regions and highlighting these pathways for artists to tap into at other times of the year:

That's what we try to do in the regions. It's capacity building, helping build confidence in the community to host music events. And you know there's that idea that's always bubbling around behind, is that we are working with the community to build confidence, and that may well contribute to a regional tour in South Australia. (Regional Festival 1)

The Guitar Festival have certainly done a lot of groundwork though in terms of seeking out places to play, which has opened my eyes to new opportunities. (Artist)

Example of an emerging regional festival model

Revive the Regions is a regional festival that provides a unique model for growing music scenes in regional areas. John Simpson,[2] who has been a sound technician in the film industry for many years and ran a PA hire company for regional areas, wanted to run regional festivals in smaller and remote locations. This goal expanded from 5 shows in 2021 to a projected 11 shows in 2022. Festivals have included Rock the Ranges (in Quorn); 500 Miles of Music (multiple towns from the Mid North to William Creek); Cleve Harvest Music Festival on Eyre Peninsula; Copper and Stone Festival in Burra; and Andamooka Under the Stars. John utilises volunteers as well as paid employees for each event (ticket sales, on-the-ground staff, artists' liaison, social media, security and riggers) all from regional areas and is hoping to expand to

include two full-time staff. These events are now operating under the umbrella of Revive the Regions. Having all the events under a collective brand helps attract sponsors. It also means that financial risk can be spread across the events – some events break even, some have lost funds (as a result of COVID-19 and extreme weather events) and others have turned a profit.

I really like the idea of having really good acts in tiny locations. I thought I just want to do this bigger and remoter and in lots of places. So that's kind of where the 500 Miles of Music thing started, to take a show on the road, and see if we can actually take business to the town and get people traveling around things like that. We've had a lot of people putting in a lot of volunteer time and, you know, without grants and sponsors and things like that, you just wouldn't be able to do it, it's not possible. But essentially the whole thing was to just, because I live in a rural area myself, and we never get to see really good acts come into the region. (Regional Festival Organiser)

I'd like to try and have one good festival every month, that's my goal in different parts of the region, and it might be northern, it might be way down south. So, summer we might go down where it's a bit cooler and do something down south by the water, by the sea. And then winter obviously we have it up in the warmer inner parts. (Regional Festival Organiser)

Dedicated funding scheme to support the development of regional touring networks

Interviewees also highlighted the need for a dedicated funding scheme to support the development of regional touring networks. This could assist in supporting artists to pay for fuel and accommodation and to support venues to pay artists' fees and ensure they have high-quality sound equipment so that artists do not need to provide their own.

Taking a band anywhere obviously starts to become very expensive and so I think if you're having ticketed venues, you'd want to make sure you were going to be able to fill those venues to be able to get the money to be able to pay everyone. If you're playing you cover your travel costs and your accommodation and all of that. So when you're touring it's probably more doable as a solo

or duo but bands I think, yeah, you'd kind of want to be sure that you were going to be able to cover your costs. (Artist)

As long as the fees incorporate travel costs/daily allowance and have a fair performance fee I'm sure most musos would take it on. Maybe local community councils might even get on board to help fund touring routes in their area? The last time I toured extensively in regional areas around Australia the fees I got paid weren't great and I was lucky to break even at the end of a national tour. That's even when CD sales were a big part of my income stream. It's a big reason why I haven't bothered to do more national/regional touring – all that in-kind time to organise and you get home with a worn-out car and out of pocket due to the costs of travel/accom/food on the road. (Artist)

An online hub bringing agents, audiences, venues and artists together

The final finding from our interviews related to strengthening regional touring networks was the need for an online hub that brings together a range of stakeholders (booking agents, musicians, audiences, venue operators, etc.) to plan regional tours and share information. Suggestions included: that the 'homework' be done for them in relation to venue locations and information related to payment, equipment, accommodation options; that a 'roadmap' be developed that outline potential touring 'strands'; and that dedicated funding schemes incentivise both artists and venues to engage with this platform and further develop touring pathways.

If some sort of touring routes are established I think it would be important to develop a regional gig guide – whether that be through local councils and/or socials or people on the ground who print out and distribute a few posters around town. But that local promo support is essential to get bums on seats and make it more viable/ appealing to venues to be involved. (Artist)

It would be really great I reckon to; you know how, like, Cosi got his Aussie touring trails for travellers? It would be really great to have that sort of, like, homework done for local musicians for just to go to this venue – if [a music support organisation] had the time to kind of help musicians. (Artist)

I've often thought it would be really wonderful if that homework was kind of done and there were – to make it viable financially for musicians to be able to go and do those trips. Like I do a lot of solo stuff because it's easier and more financially viable but if there was some distinctive ring routes established. If musicians knew what the limitations were of different venues – that they knew that this venue could only take a solo act and it's this much is their budget, people can go okay. Before even approaching venues they can work out what their budgets might be, and if it would [be] a viable thing. (Artist)

If there's a practical tool such as, hey, we've got this regional tour, we've got it open for 40 weeks of the year, start booking now, you'd get flooded. So there needs to be a degree of work that the artist needs to do to engage in that, but some practical tools that assist the artist to navigate that space is what's required. And whether that's to a middle ground like a register – because people might not choose to go A–B–C–D, they might choose to go B–F–A and D in terms of – in terms of chronological order ... that you tour in. So yeah, I think the policy of regional touring has to be based in creating additional income opportunities and exposure opportunities for the artist, additional economic benefit for those regional communities and the stops in between, and needs to be about enrichening the ecosystem as a whole, not just one particular region. (Artist)

Maybe it's something like the RDA, Regional Development Australia ... five regions in SA and they highlight one or two places and have an investment. (Regional Festival 1)

1   Part of the complexity around the 'rural' has always been a problem of definition. On a surface level, a rural music scene can be defined as 'non-urban, typically due to its geographical distance from a large urban conurbation' (Bennett et al. 2020, p. 368). Yet vast differences exist in rural contexts across Australia in relation to remoteness, accessibility, distance between high-density towns or cities, class composition and population density. Remoteness may make it difficult to find, attract or build an audience; it may provide an element of 'cool' (e.g. the 500 Miles of Music tour through regional South Australia); or it may make it hard in some locations to access facilities or equipment. Interviewees suggested that acknowledging that the rural is not a homogenous space is critical to supporting regional music venues and strengthening regional touring circuits.

2   This participant provided written consent to use their name.

Conclusion

Adelaide was recognised internationally as a UNESCO City of Music in 2015. This designation was made in recognition of a range of factors such as the diversity of music making in Adelaide; collaboration between the government, education and private sectors; the historical commitment to music and the arts in Adelaide; and Adelaide's international reputation in hosting music and arts festivals. The South Australian music sector's economic contribution is reported to have increased by $8 million between 2014 and 2018 and it was the highest employing sector within the creative industries, providing 4,559 jobs (DIS 2022, p. 3). Despite such increases, there remain significant issues in terms of musicians' ability to earn a living wage, venues' ability to profit from hosting live original music and audience sustainability. A recent study by the Victorian Music Development Office and the Victorian Office for Women indicated that a large proportion of respondents (58%) were considering leaving the industry due to a range of issues including precarious employment conditions (Strong & Cannizzo 2020). Among the recommendations from that report were a call for improved working conditions (better pay, hours and job security); maintaining external industry support (government grants and programs); and continued recognition for a sector that provides both economic and social benefits. Additionally, whilst the problems imposed by the COVID-19 pandemic (lockdowns, capacity restrictions, etc.) have largely subsided, a looming cost-of-living crisis has impacted demand for live music events and hospitality in general. Audiences are staying in more, and contraction in demand is squeezing the already razor-thin profit margins of live music venues and other music businesses such as promoters and booking agents.

Many of the issues identified by interviewees in this report are not new to the music industries or cultural sector more broadly but were pre-existing and exacerbated by the pandemic (van der Hoeven & Hitters 2020; Pennington & Eltham 2021; Pacella, Luckman & O'Connor 2021). The 'cultural workforce was already "low immunity" – a vulnerable body susceptible to almost any kind of economic shock' (Banks 2020, p. 650). Indeed, it is commonly reported that the arts and cultural sector has been 'the hardest hit' and 'will take the longest to recover' (Pacella et al. 2021, p. 4; see also Anatolitis 2020; Gilfillan 2020):

This is due to an interconnected set of circumstances brought about through COVID-19 restrictions. The first is that arts and culture is a sector that often relies upon audience participation and gathering in public locations and venues in large numbers. Second, in Australia at least, very few cultural and creative workers earn

enough income from their primary artistic occupation to live on, and as such often engage in paid work unrelated to their artistic practice … (Pacella et al. 2021, p. 4)

The need for ongoing funding to keep venues open and to pay artists fairly intersects with issues related to audience development. This is particularly challenging in regional South Australia where venues must contend with smaller populations. While regulatory issues such as licensing, planning and noise often dominate literature around metropolitan live music scenes (Music Victoria 2017; Live Music Office 2015), it is non-regulatory issues that often pose distinct challenges for regional areas. Such issues include accessibility and affordability of high-quality acts and artists that would attract audiences, as well as encouraging audiences to regularly attend and spend the money required to sustain such gigs (Bennett 2020, p. 600). The operators of many of the regional venues we spoke to were hosting shows intermittently or, at best, once a month, as a response to such population challenges. There are also a range of costs associated with attracting musicians to regional areas (meal costs, accommodation and travel, artist payments, marketing and promotion, etc.). Several regional venue operators pointed to the challenges related to ensuring interstate bands did not play too close together on a regional touring route, diluting patronage through competition with other venues and events. How to best support regional touring networks that avoid competition in this way needs to be explored further.

However, amongst these challenges, South Australia features as a unique policy and support setting that may provide an optimistic case study for the future. The Music Development Office was able to respond quickly to the pandemic, providing swift and targeted support packages to the South Australian music industry and has received national recognition for their model. There is now a call, through a recent industry-wide proposal put to the Australian government's National Cultural Policy consultation, for the creation of a Federal Music Development Agency to oversee strategic investment and policy development. While the Australian contemporary music industry is made up of thousands of individual music creators, businesses, professionals, industry associations and organisations, there is no single national entity that can develop a long-term vision for the music industry (APRA AMCOS 2022, p. 4). APRA AMCOS proposed that a Federal Music Development Agency would include priorities such as: a federal, state and local whole-of-government policy and investment commitment to Australia becoming a net exporter of music; a commitment to provide equity of access to quality music education in schools nationally, and songwriting as part of the national curriculum; a national and coordinated approach to reduce red tape, together with tax incentives to protect and promote the cultural infrastructure of live music venues; and a re-commitment to the visibility and prominence of local content to ensure the production,

performance and delivery of local music content across all media platforms. As this report went to print the Federal Albanese Labor Government released a new National Cultural Policy called Revive, setting the course for Australia's arts, entertainment and cultural sector for the next five years. The policy included the establishment of a new national body, Music Australia, tasked with supporting the contemporary music industry through new opportunities, funding, skills development, education and export promotion. Although there has already been extensive sector consultation as part of the submission process informing the National Cultural Policy and other research, including the recent Raising Their Voices review of sexual harm, sexual harassment and systemic discrimination in the contemporary Australian music industry, additional consultation with the sector will now commence to inform the precise structure and function that Music Australia will take.

This report has highlighted sustainability issues for both metropolitan and regional venues. Venue operators emphasised the need for ongoing funding as we emerge from the pandemic, particularly in the form of artist subsidies. As our interviewees stated, continued funding for live music should prioritise the sector not only as a form of economic gain but also for its significant social and cultural value. Recent research in creative and cultural arenas has reflected the need to go beyond the conceptual framings of industry and economy. Small live music venues are just one example of the complex interconnections between the profit-making creative industries, the publicly funded arts, and everyday creativity (Meyrick & Barnett 2021; de Bernard, Comunian & Gross 2022). If we are going to avoid a one-size-fits all approach to research and policy making, any kind of policy response to supporting live music needs to be informed by the specific, real-life circumstances of stakeholders; something we have tried to do through this small study. Just as there is no typical musician, there is no typical venue. Our interviewees reinforced the distinctiveness of venues and their contexts in terms of venue capacities, ticketing arrangements, volunteer versus paid staff, frequency of gigs, levels of original music, alternative revenue streams, population density and geography, amongst many other factors.

We look forward to contributing further to policy discussions about how state and federal music development agencies can better support their communities, music creators and music businesses in ways that acknowledge the complexity and diversity of their operational contexts. Within this landscape, future research aimed at monitoring the SA music industry could include:

- Replicating this audit every two years to provide a consistent and regular insight into where the sector is at and where it is heading, paying specific attention to the diversity and local contexts of music creators, music businesses and support and advocacy organisations.

- Ongoing research into rural live music initiatives and issues related to regional venue contexts (i.e. venue competition, geography between venues and access to comparatively smaller audiences).

- Expanded consultation beyond venues (the focus of this report), encompassing industry and advocacy groups, promoters, festival and event organisers, musicians and venue operators to get a holistic and improved insight into the sector. This could also include ancillary workers within the industry such as sound and lighting technicians, riggers and casualised event labour.

- Future research should have an expanded remit beyond the problems imposed by COVID-19 to a whole-of-ecosystem perspective that will be able to inform policy reforms to achieve structural change.

References

Anatolitis, E 2020, *Creative industry letter to the Prime Minister, ministers and lord mayors on COVID-19 action*, National Association for the Visual Arts, 27 March, viewed 1 September 2022, <https://visualarts.net.au/news-opinion/2020/letter-federal-and-state-ministers-re-covid-19/>.

APRA AMCOS 2022, *A new National Cultural Policy submission – APRA AMCOS*, submission to National Cultural Policy consultation, APRA AMCOS, Sydney, viewed 1 September 2022, <https://assets.apraamcos.com.au/images/PDFs/About/APRA-AMCOS-submission-to-National-Cultural-Policy-22082022.pdf>.

Australia Council for the Arts 2022, *Audience Outlook Monitor, Live attendance update*, Australia Council for the Arts, Sydney, viewed 12 December 2022, <https://australiacouncil.gov.au/advocacy-and-research/audience-outlook-monitor/>.

Banks, M 2020, 'The work of culture and C-19', *European Journal of Cultural Studies*, vol. 23, no. 4, pp. 648–654.

Behr, A, Brennan, M, Cloonan, M, Frith, S & Webster, E 2016, 'Live concert performance: an ecological approach', *Rock Music Studies*, vol. 3, no. 1, pp. 5–23.

Bennett, A, Cashman, D & Lewandowski, N 2019, '"Twice the size of Texas": assessing the importance of regional popular music scenes – a case study of regional Queensland', *Popular Music and Society*, vol. 42, no. 5, pp. 561–575.

Bennett, A, Green, B, Cashman, D & Lewandowski, N 2020, 'Researching regional and rural music scenes: toward a critical understanding of an under-theorized issue', *Popular Music and Society*, vol. 43, no. 4, pp. 367–377.

Bennett, C 2020, 'Challenges facing regional live music venues: a case study of venues in Armidale, NSW', *Popular Music*, vol. 39, no. 3–4, pp. 600–618.

De Bernard, M, Comunian, R & Gross, J 2022, 'Cultural and creative ecosystems: a review of theories and methods, towards a new research agenda', *Cultural Trends*, vol. 31, no. 4, pp. 332-353.

DeNora, T 2015, *Music asylums: wellbeing through music in everyday life*, Ashgate, Farnham.

Department for Innovation and Skills (DIS) 2022, *Music Development Office Strategic Plan: supporting recovery*, Department for Innovation and Skills, Adelaide.

Department of Infrastructure, Transport, Regional Development, Communications and the Arts 2023, National Cultural Policy - Revive: a place for every story, a story for every place, Department of Infrastructure, Transport, Regional Development, Communications and the Arts, viewed 14 February 2023, https://www.arts.gov.au/publications/national-cultural-policy-revive-place-every-story-story-every-place

Elbourne, M 2013, *The future of live music in South Australia: live music thinker: Martin Elbourne*, Don Dunstan Foundation, Adelaide, viewed 1 September 2022, <https://www.dunstan.org.au/wp-content/uploads/2018/03/TIR_2013_Elbourne_Report_Reverb.pdf>.

Gilfillan, G 2020, *COVID-19: impacts on casual workers in Australia – a statistical snapshot*, Parliamentary Library, 8 May, viewed 1 September 2022, <https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1920/StatisticalSnapshotCasualWorkersAustralia>.

Hassan, N 2021, *Metal on Merseyside: music scenes, community and locality*, Palgrave Macmillan, Cham.

Live Music Office 2015, *The economic and cultural value of live music in Australia 2014*, Live Music Office, Sydney, viewed 23 September 2022, <https://livemusicoffice. com.au/wp-content/uploads/2015/08/ LiveMusic-report-FINAL.pdf>.

Meyrick, J & Barnett, T 2021, 'From public good to public value: arts and culture in a time of crisis', *Cultural Trends*, vol. 30, no. 1, pp. 75–90.

Music Victoria 2017, *Best practice guidelines for live music venues*, Music Victoria, Melbourne.

Pacella, J, Luckman, S & O'Connor, J 2021, *Working paper – keeping creative: assessing the impact of the COVID-19 emergency on the art and cultural sector and responses to it by governments, cultural agencies and the sector* (Working Paper #1), CP3 Creative People, Products and Places, University of South Australia, Magill, SA, viewed 1 September 2022, <https://www.unisa.edu.au/ contentassets/33e97267a93046f1987ed-ca85823e7b1/cp3-working-paper-01.pdf>.

Pennington, A & Eltham, B 2021, *Creativity in crisis: rebooting Australia's arts and entertainment sector after COVID*, Centre for Future Work, Australia Institute, Canberra, viewed 1 September 2022, <https://apo. org.au/node/313299>.

RAMP 2019, *Summary of outcomes from the Regional Accelerator Music Program (RAMP) Discovery Roundtables*, Music Development Office, Adelaide.

Roberts, R & Whiting, S 2021, 'The impact of COVID-19 on music venues in regional South Australia: a case study', *Perfect Beat*, vol. 21, no. 1, pp. 25–32.

Strong, C & Cannizzo, F 2020, *Understanding challenges to the Victorian music industry during COVID-19*, Victorian Music Development Office, Melbourne.

van der Hoeven, A & Hitters, E 2020, 'Challenges for the future of live music', in E Mazierska, L Gillon & T Rigg (eds), *The future of live music*, Bloomsbury Academic, New York, pp. 35–50.

van der Hoeven, A, Hitters, E, Berkers, P, Mulder, M & Everts, R 2020, 'Theorizing the production and consumption of live music', in E Mazierska, L Gillon & T Rigg (eds), *The future of live music*, Bloomsbury Academic, New York, pp. 19–33.

Whiting, S 2022, 'Time we paid our tab to support the live music industry', *The Age*, 28 September, viewed 24 January 2023, <https://www.theage.com.au/national/ victoria/time-we-paid-our-tab-to-sup-port-the-live-music-industry-20220928-p5bljl.html>.

Appendix 1: Timeline of South Australian government restrictions

Below is a timeline of key government restrictions that directly impacted live music venues in South Australia:

4 December 2020

- 1 person per 2 square metres
- Seated alcohol consumption indoors
- Standing consumption outdoors.

26 February 2021

- South Australia is open to every state and territory
- 199 people or less and you can all dance providing the 1 person per 2 square metre rule is applied
- Between 200 and 999 people. Up to 50 people can dance on one dedicated dancefloor. The 1 person per 2 square metre rule must be applied to the dancefloor area.

31 March 2021

- Density requirement changes from 50% to 75% (3 per 4 sqm)
- Dancing allowed for venues that cater for up to 1000 people
- Performance venues with fixed seating increasing to 100% capacity with masks.

8 May 2021

- Takeaway available from pubs
- 1 per 4 sqm
- No dancing
- Full capacity at Adelaide Oval.

12 June 2021

- 75 people in single room and 300 total in a venue
- 1 person per 4 sqm (25%)
- Physical distancing of 1.5 metres.

29 June 2021

- Masks mandatory for healthcare workers
- Seated indoor entertainment
  at 75% capacity if masks worn
- No singing or dancing.

5 July 2021

- 75% capacity
- Dancing allowed
- Standing alcohol consumption allowed.

20–27 July 2021

- Lockdown
- Public entertainment not permitted.

10 August 2021

- Seated consumption at 3 per 4 sqm indoors (75%)
- Venues where you stand and sit
  – 1 person per 2 square metres (50%)
- No dancing.

23 September 2021

- Dancing of up to 50 people at private venues
- Stand-up drinking resuming at 1 per 2 sqm (50%).

26 December 2021

- 1 person per 4 sqm indoors (25%)
- 1 person per 2 square metres (50%) outdoors
- Seated only indoors and outdoors.

28 January 2022

- 50% capacity inside
- No dancing
- Seated alcohol consumption
- No standing consumption.

11 February 2022

- Outdoor 75% capacity
- No dancing
- Standing alcohol consumption outside allowed.

Creative People, Products and Places (CP3) is a research centre based at the University of South Australia.

Director: Susan Luckman
Associate Directors: Justin O'Connor and Saige Walton

CP3 seeks to be a leader in high quality research for policy makers, cultural communities and institutions, creative practitioners and industries, helping to provide new evidence-based perspectives that the sector requires for post-pandemic recovery and sustainable development.

CP3's approach is based on the idea of creative ecosystems, which are complex combinations of the arts, creative industries, cultural institutions and values. Located in particular places, they reveal multiple national and global linkages that are essential to individual and collective wellbeing and place based identities.

Creative ecosystems are connected to a range of economic, planning, environmental, health, education and social welfare outcomes, but have their own distinct value.

This Working Paper Series is intended to help engagement with the different interests and communities in the local creative ecosystem, providing research and ideas in an accessible way, drawn from CP3 researchers and collaborators from Australia and overseas.

For more information please contact us at **CP3@unisa.edu.au**

https://www.unisa.edu.au/research/creative-people-products-places/

Designed by Studio TunTun

University of South Australia | Creative People, Products and Places (CP3)