



SYMPHONY  
SERVICES  
AUSTRALIA

The Hon Michael Sukkar MP  
Assistant Treasurer  
PO Box 6022  
House of Representatives, Parliament House  
Canberra ACT 2600

28 January 2022

Dear Minister,

**Symphony Services Australia pre-Budget submission on priorities for the 2022-23 Federal Budget**

Symphony Services Australia (“SSA”) provides services to Australia’s six symphony orchestras (the Adelaide, Melbourne, Queensland, Sydney, Tasmanian and West Australian Symphony Orchestras), on whose behalf we make this submission.

**The impact of COVID-19 on the arts**

COVID-19 has had an enormous impact on the arts and cultural sector and its audiences. Losses continue to mount so it is difficult to quantify accurately the exact economic impact of the pandemic either sector-wide or by artform. It is clear that what was initially expected to be a two-year disruption will continue well into a third year, and possibly beyond.

In its 2021 pre-budget submission, SSA noted that the industry had experienced an estimated \$24 billion of lost economic output and almost \$11 billion in lost industry value. It had seen 79,000 jobs cut - around two thirds of the workforce<sup>1</sup>. The live performance industry saw a 69.2% decrease in ticket sales in 2020 (\$2.0b to \$0.6b), and a 67.5% decline in attendance (23.9m people to 7.8m people).<sup>2</sup> The classical music sector was particularly hard hit, recording a 79.3% decline in revenue. While statistics are not yet available, 2021 saw similar disruption. This decline was reflected in the orchestras’ own ticket sales and attendances with individual organisations experiencing up to a 92% decline in box office income between 2019 and 2020.

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<sup>1</sup> SSA pre-budget submission, 2021

<sup>2</sup> <https://liveperformance.com.au/wp-content/uploads/2021/10/Live-Performance-Industry-in-Australia-2019-and-2020-FINAL.pdf>

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Estimated revenue loss among the six symphony orchestras in 2020 was approximately \$49.3 million and we anticipated a further \$38.4 million downturn in 2021. What actually occurred was a state-by-state situation where some states, such as Victoria and NSW, experienced major lockdowns and concert hall closures. Other states remained able to sell tickets to full capacity or in some cases, reduced capacity.

Uncertainty has led to audience caution nationwide – since Omicron, audiences have been self-regulating and many ticket buyers have shunned subscription-style purchases and instead make last minute, single ticket purchases based on their personal and geographic situation close to the time of the concert. This makes it very difficult for performing arts companies to plan and budget.

An example of box office decline in 2021 is the Melbourne Symphony Orchestra, which in 2019 had box office sales of single and subscription tickets totalling \$14.6m. By contrast, with so many days of lockdown MSO's 2021 ticket sales were approximately \$3m. For other orchestras such as the West Australian Symphony Orchestra, 2021 was less catastrophic but it is expected that 2022 will see box office income drastically reduced due to opening borders and the introduction of COVID-19 to the state, affecting both the health and confidence of concert-going audiences.

Philanthropy has also been affected, with both corporate sponsors and individual donors' ability to donate impacted by the pandemic. Despite this, the orchestras continued to deliver live concerts where possible, and increased their engagement with their communities through digital means in order to remain connected when concert halls were dark.

Government programs such as JobKeeper, the Restart Investment to Sustain and Expand (RISE) Fund, Arts Sustainability Fund and various state government emergency grants and funds have sustained the orchestras through the past three years. SSA and its member orchestras are extremely grateful for this support.

### **Industry Partners**

SSA works alongside a range of other national peak bodies for the arts<sup>3</sup>, and supports their submissions. It is essential that we work together to support the arts and creative industries.

### **Recommendations**

We draw your attention to the following budget-related requests which are specific to COVID-19 and will benefit those companies and individuals in the arts sector that have been impacted by the pandemic. These recommendations were initially put forward in October 2020 in response to the Parliamentary Inquiry into Australia's Creative and Cultural Industries and Institutions:

1. Establish, in partnership with states and territories, a **\$130m-\$200m Live Entertainment Events Insurance Scheme** to increase industry confidence to reactivate live. Further detail about this recommendation is contained in the submission by Live Performance Australia.
2. **Maintain the Restart Investment to Sustain and Expand (RISE) Fund.** This program has been key to supporting the industry to revitalise, yet many of the projects funded have been delayed due to lockdowns. More time is needed to allow companies to fully utilise existing grants, while others would benefit from targeted funding to create and deliver new work.

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<sup>3</sup> APRA/AMCOS, Arts Access Australia, Ausdance National, Australian Museum and Galleries Assoc, Australian Music Centre, Australian Writer's Guild, BlakDance, Diversity Arts Australia, Live Performance Australia, Moogahlin Arts Centre, National Association for the Visual Arts, Performing Arts Connections Australia, Regional Arts Australia, Screen Producers Association, Theatre Network Australia

We also request consideration of the following recommendations which will benefit the arts and cultural sector. Some of these recommendations have been made in previous years but remain priorities.

3. Provide an additional **\$133m per year to the Australia Council for the Arts** to assist in stabilising the arts sector following the COVID-19 pandemic as follows:
  4.
    - a. \$20m towards a First Nations Performing Arts Fund for self-determined First Nations companies and independent artists and \$500K to develop a 10-year national First Nations Arts Skills & Workforce Plan (for further details see the submission by BlakDance);
    - b. \$25m to create a Reserves Incentive scheme for Government to match funds raised by arts organisations towards their reserves or endowments (for further details see the submission by Live Performance Australia);
    - c. \$5m to boost funding to Playing Australia (for further details see the submission by Performing Arts Connections);
    - d. \$30m to facilitate the establishment of new entrants into the National Performing Arts Partnership Framework;
    - e. \$10m to increase capacity to invest in four-year funded arts organisations, thereby increasing capacity in the important small-to-medium arts sector;
    - f. \$15m to re-establish a Young People and Culture plan (for further details see the submission by Theatre Network Australia);
    - g. The remainder to be allocated to increasing grants and fellowships for independent artists across all artforms.
5. Support a Regional Arts Strategic Framework, investing **\$20m per annum for new funding programs and an extension to the Regional Arts Fund** (for further detail see the submission by Regional Arts Australia).
6. Recognising that Australia is a culturally diverse nation, we support the investment of **\$12 million in building CALD Capacity in the Arts and Creative Sectors** (for further details see the submission by Diversity Arts Australia).
7. While not budget-related, Symphony Services Australia re-states its call for the Government to create a **national arts and creative industries plan** with input from the sector. Government policy that seeks to strengthen and grow both the intrinsic and instrumental value of the arts will unlock jobs, growth and social wellbeing in its many forms.

### **The economic and social value of the arts and symphony orchestras**

SSA takes this opportunity to draw your attention to the significant public value of the performing and creative arts industries, demonstrated by pre-COVID ticket sales of \$2.0b in 2019 and a workforce of more than half a million Australians.<sup>4</sup> The arts sector tells important stories, engages with Australians wherever they are and leads to greater education and wellbeing outcomes for those who participate.

For their part, prior to the pandemic the six Australian symphony orchestras performed to over one million people in 2019 across 2,000+ events, more than 200 of which were in regional centres. Nearly 200,000 Australians attended free concerts by the symphony orchestras, and there were over 1,300

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<sup>4</sup> Live Performance Industry in Australia 2019, © Live Performance Australia, <https://liveperformance.com.au/wp-content/uploads/2021/10/Live-Performance-Industry-in-Australia-2019-and-2020-FINAL.pdf>

workshops, concerts or events dedicated to education. The orchestras provided 2,644 jobs (2,115 of them to artists) and performed 290 works by Australian composers.<sup>5</sup>

All this activity provided impact and our reach was increased 20-fold through radio broadcast and streaming. The benefit provided to the community by the orchestras extends far beyond what can be measured in dollars alone. Despite COVID, the impact that symphony orchestras can generate within their state is enormous.

**Orchestras are everywhere** – they are in schools, hospitals, aged care facilities, prisons and concert halls. They are on our radios and computers being streamed each day; they provide the soundtracks to our movies and television programs, they support our opera and ballet companies and our theatrical performances.

**Orchestras are essential** – they are major employers in the live performance industry and contribute to Australia’s creative and cultural heritage. They support their communities in times of need and provide the backdrop to our daily lives through programs that impact Australians of all ages and backgrounds.

Yours sincerely,



Kate Lidbetter  
Chief Executive Officer

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<sup>5</sup> Data provided by the Australia Council for the Arts and the six state symphony orchestras, 2019