

**Submission  
No 782**

## **SYDNEY'S NIGHT TIME ECONOMY**

**Organisation:** MusicNSW

**Date Received:** 11 July 2019

**Date:** 11 July, 2019  
**Attention:** Joint Select Committee on Sydney's night time economy

**To the Hon. Natalie Ward MLC and Committee Members,**

Thank you for the opportunity to contribute to the inquiry into Sydney's night time economy. This is a submission from MusicNSW, the state body for contemporary music in NSW. MusicNSW is a not-for-profit industry association set up to represent, promote and develop the contemporary music industry in NSW. We run skills and professional development programs for musicians and industry, administer funding on behalf of Create NSW, and provide support, advice and referrals. Established in 1998, we have over 20 years' experience developing contemporary music in NSW.

The lockdown laws were designed to curb alcohol-related violence in Kings Cross and the CBD. Many will argue that this goal was successfully achieved – the incidents of injury and violence in those areas have reduced. But there have been significant unintended consequences of such a knee-jerk approach to regulation – business confidence has been decimated, cultural confidence is dismally low and the night time economy is underperforming by \$16B a year<sup>1</sup>. And the collateral damage to the music industry been significant, sustained and ignored by Government.

But we would like to take this opportunity to encourage the committee to see music not as the problem, but as a key part of the solution. MusicNSW recommends that the best way to stimulate night time economy is to invest in music, arts, culture and entertainment, and ensure regulatory frameworks foster, rather than hinder, their growth and delivery. Coupled with a clear vision, cross-portfolio collaboration, better regulation and some smart marketing, Sydney could have a thriving night time economy in just a matter of years. But it will take some serious work. We need a whole of government approach to counter Sydney's reputational crisis – a one-off marketing campaign or a 30-minute lockdown exemption will not fix this. We need the NSW Government to lead night time economy development, rather than hinder it. This means abolishing the lockdowns. This means better transport options. This means significant investment. And it means changing regulation. We need a clearly articulated vision for the night time economy, which celebrates culture and business, supports innovation and risk, and makes Sydney a better place to live.

Our submission is intended to give a brief overview of how the lockdowns have impacted the music industry and how it can help get Sydney's night time economy back on track. We would welcome the opportunity to elaborate on our recommendations and present at the hearings.

Regards,  
Emily Collins

## SUMMARY OF RECOMMENDATIONS

---

### REINVIGORATE SYDNEY'S MUSIC, ARTS AND CULTURE

- Implement the recommendations from the Music and Arts Economy Inquiry from 2018
- Review, reduce and amend regulation for venues and businesses
- Make significant investment in the music and arts industries

### ENHANCE SYDNEY'S NIGHT TIME ECONOMY

- Repeal the lockdown laws in full
- Establish Sydney's Night Time Commission
- Create a 5-year master plan for Sydney's night time economy, in collaboration with relevant agencies and industries (health, planning, police, industry, tourism etc)
- Appoint a Night Time Commissioner to spearhead the delivery of the plan

---

<sup>1</sup> 'Imagine Sydney Play: the economic & social potential of a playful city' Deloitte Access Economics, 2019

- Remove the Liquor Licence freeze

## IMPACT OF THE LOCKOUTS ON THE MUSIC INDUSTRY

---

### VENUES

The music industry is an ecosystem that is made up of many moving parts. Artists, managers, venues, festivals, publicists, labels, distributors, streaming services, radio, studios, engineers, lawyers, booking agents, music media, music education and so many more are directly involved ensuring this ecosystem thrives. The lockouts weakened one vital component of this ecosystem – the venues – and the flow-on effect of this has meant Sydney’s music ecosystem has been struggling to recover ever since.

The lockouts directly impacted many venues through reduced trading hours – not allowing new customers in after 1:30am and closing up at 3am. This resulted in reduced revenue and a reduction in the number of performance opportunities venues were able to offer artists, as venues were simply open for less time on one night. But the reduced revenue also forced owners to make economic decisions around their music programming – it is well known amongst venue operators that people often drink less while engaged in live music<sup>2</sup>. So if a venue needs the reliable sale of liquor to pay the bills, putting on live music may not always be a viable decision.

While initially the reduced trading hours directly impacted venues’ viability, it soon became apparent that there was another damaging impact of the lockouts – less people were going out. Whether it was the repeated message that Sydney at night wasn’t safe or whether it was the notion that the lockouts had ‘killed-off’ all interesting night life – the results were the same – audiences were dropping off<sup>3</sup>. This served to further impede live music venues who were already struggling with the market disruption of the lockouts – now music-loving audiences were going out less.

This financial pressure has been felt most keenly by the small-medium venues in Sydney, as their turnover is much smaller, they have less flexibility in their business model, and often don’t have the cash reserves to endure a few nights of lost income, let alone several months or years. This has meant Sydney has lost many of its small-medium venues, particularly independent ones. The larger venues, such as The Enmore (2000 capacity) or The Hordern (5000 capacity) survive as they often have big-name local and international touring acts and sell thousands of tickets. But even the larger promoters of touring festivals and acts have anecdotally stated that it’s now much harder to sell tickets in Sydney.

With Sydney’s regulatory environment already being incredibly complex for music venues (noise regulation, liquor licence freeze, excessive and complex red-tape), it’s no wonder that **176 venues** have closed<sup>4</sup> since 2014. The flow-on effects of this loss have impacted many other parts of the music industry, including lost income on ticket sales, less performance opportunities for artists, industry relocating interstate and no business confidence. There needs to be a full regulatory review for venues and businesses trading in Sydney to better understand the issues, to amend existing regulation so it’s not so onerous, and to introduce new regulatory frameworks that help to develop and grow music venues in Sydney – such as entertainment precincts, Agent of Change and Good Neighbour policies.

### ARTISTS

When you’re a young or emerging artist and just starting out, you need to play live to develop your craft and to build audiences. But getting a gig when you’re not well known or experienced can be very tough. So you play whatever gig you can get – a café, a restaurant, a support slot for another band. When you first start out, you generally play smaller rooms with anywhere between 20-80 people in the audience. Once you’ve done this for a while, you start trying to move up the venue chain and play bigger shows – 100-200 cap rooms. You convince those venue bookers

---

<sup>2</sup> ‘Alcohol Consumption in Live Music Venues’, City of Sydney, 2016

<sup>3</sup> ‘Sydney CBD sees drop in live performance revenue since introduction of lockout laws’, Live Music Office, 2016

<sup>4</sup> ‘The music and arts economy in New South Wales’, Portfolio Committee No. 6 – Planning and Environment, 2018

# MUSICNSW

you're good, because you've already played a bunch of shows, have a small following and are getting much better at performing live. And you keep growing from there. If you're lucky you might get picked up by radio or a manager or programmed on a local festival. You hunt for opportunities, you use your gigging history as your CV, and you try to make a name for yourself.

But the lockouts have made that development pathway almost impossible. There aren't enough small-medium sized rooms putting on live music anymore. There aren't enough performance opportunities for Sydney artists to practice, to develop their craft, to build audiences and loyal followings. And there aren't enough performance opportunities for artists to earn a living.

There is an ever-growing list in the MusicNSW office of Sydney artists who have moved to Melbourne. We won't provide exact numbers, as we don't feel it's genuine to say that these artists have left Sydney purely because of the lockouts – people make the huge decision to leave their home city for a number of factors – like love or family or affordability. But we've spoken to quite a few of them, and yes, the lack of opportunities has been a significant factor in their decision. We're hearing, anecdotally, that there are more career opportunities in Melbourne, more funding opportunities, more people to collaborate with, a better spirit of collaboration and a less stifled creative culture. This means Sydney is losing generations of talent, and it's not just musicians – it's everyone who works in and around the industry too – photographers, managers, agents, designers, website developers – the creative industries.

We surveyed 220 of our Sydney-based members who are musicians, DJs and live music performers. We asked them 10 questions about the lockouts and the results are fairly conclusive:

- **85%** said that the lockouts have had a direct impact on their music career
- **75%** said the number of gigs they played in recent years has decreased, most of them attributing this to the lack of venues and performance opportunities
- **40%** said the amount of money they earn **PER GIG** had decreased in the last 5 years, **36%** said it was the same, **4%** said it had increased and **19%** said they weren't sure

We also asked them to describe Sydney's music scene currently. While some were optimistic about the talent and perseverance of the local industry, the overall sentiment was clear:

*"A large pool of highly talented performers and composers struggling to maintain a living due to inconsistent performance opportunities"*

*"Struggling compared to when I started a few years ago. A lot of the small venues that I used to play at, or go to as an audience member, have now closed. There are still small warehouse style grass-roots gigs but it is hard for emerging bands who are looking for gigs in rooms with approx. 80-300 capacity."*

*"Nowhere near as healthy as it was before the lockout laws and a joke compared to other cities like Melbourne that take the industry seriously."*

*"A poor shadow of its formerly awesome self"*

*"Stagnant"*

*"Struggling"*

*"Dead".*

As the state music body, whose job it is to support these artists and the broader industry, this is quite appalling to hear – and yet we're not surprised as this has been the nature of the conversation about Sydney for many years. The impact of the lockouts on Sydney's music industry, and music reputation has been incredibly damaging and there has been little effort made to counteract this loss.

## MUSIC IS THE KEY TO THE NIGHT TIME ECONOMY

---

Sydney is not the first city to encounter regulatory and economic challenges around its night time economy. While it's not necessarily easy to change a city, it is possible. And the good news is, we're not alone and there's plenty of help available from cities who have already walked this path like London, New York, Melbourne, Amsterdam and Berlin.

While there are more knowledgeable NTE experts than us, we are experts in music and we know that a thriving live music scene is crucial to a thriving night time economy. If you look at any of the cities listed above – live music is integral to their economic success.

So, as we see it, NSW needs to support and repair Sydney's music industry in order to develop Sydney's night time economy. The 2018 Parliamentary Inquiry into the Music and Arts Economy made 60 recommendations for improving NSW's music and arts scene and they are a clear road map for getting the music industry back on track. Recommendations include a one-stop noise shop for streamlining noise management, a live music regulation roundtable, investment in venues and artists and the completion of Create NSW's well-overdue contemporary music plan. The report is well considered and received significant industry input. MusicNSW fully supports the implementation of those recommendations, as a matter of priority.

The NSW Government has been dabbling in night time economic development for several years yet nothing so far has seen significant progress. There was the Callinan Review in 2016, which held three Night Time Economy Roundtables and released a 25-point action report. Highlights from the report include these Government supported actions:

- **1.1** Establish a new entity within Government which has ongoing responsibility to implement and monitor action plan progress and liaise with stakeholders to foster and promote Sydney's night-time economy, with regular reporting to the Deputy Premier
- **2.1** Develop a night-time economy master plan for Sydney
- **3.2** Establish a world class wayfinding system for visitors to access public transport hubs and major facilities
- **5.1** Work with stakeholders to encourage and facilitate the use of vacant commercial spaces and public places for establishing pop-up performance and art offerings
- **6.5** Identify reforms necessary to the planning laws to enable the promotion and encouragement of multi-purpose venues – (i.e. book stores by day, small bar by night)

These actions laid clear plans for developing Sydney's night time economy and many of the points, despite being 3 years old – have not been delivered on and are still relevant. One of the outcomes of the Action Plan was the establishment of the Night Time Economy Taskforce. MusicNSW, a participant in the three roundtables that created the Action Plan, has not been informed of any significant progress made by this taskforce. We believe this is due the NTE not being prioritised within Government, nor given the attention and resourcing it deserves. MusicNSW recommends the committee established the Night Time Commission and appoint a Night Time Commissioner to sit within DPC to work with a well-resourced team to spearhead Sydney's NTE development. Their role will be to engage government departments and relevant stakeholders, bring together existing research and thought leaders, and develop and deliver a 5-year plan for Sydney's Night Time Economy.

MusicNSW would also like to make special mention of organisations like the Night Time Industries Association, of which we are a member, and the Committee for Sydney. The work of both of these organisations will be hugely beneficial to the Night Time Commission.

---

## RECOMMENDATIONS

---

MusicNSW endorses the Night Time Industries Association submission to this inquiry and support their 16 steps for developing the NTE.

**MusicNSW's final recommendations are:**

- Repeal the lockout laws in full
- Establish Sydney's Night Time Commission
- Create a 5-year master plan for Sydney's night time economy, in collaboration with relevant agencies and industries (health, planning, police, industry, tourism etc)
- Appoint a Night Time Commissioner to spearhead the delivery of the plan
- Implement the recommendations from the Music and Arts Economy Inquiry from 2018
- Review, reduce and amend regulation for venues and businesses
- Make significant investment in the music and arts industries
- Remove the Liquor Licence freeze

If you'd like any more information please do not hesitate to get in touch.

Regards,

Emily Collins  
Managing Director  
**MusicNSW**