

**Submission
No 436**

**INQUIRY INTO THE MUSIC AND ARTS ECONOMY IN
NEW SOUTH WALES**

Name: Mr Larry Heath
Date Received: 28 September 2018

MUSIC TOURISM CONVENTION PRESENTATION.

27th August 2018 – Cologne, Germany.

Thanks so much for having me today.

My name is Larry Heath and in addition to founding a website called the AU review 10 years ago, which brings together music, arts and tourism, I'm the Director of the National Live Music Awards, an annual event in Australia which celebrates the live music industry in Australia across eight simultaneous events in December – one in every state and territory.

For this year's third annual event, we made the choice to move our NSW event from Sydney to Wollongong, a coastal city about an hour south of Sydney. And I'm here today to explain what's happening in Sydney and why we made this move.

In many ways, this presentation is less a celebration of the city in which I live, and more a cautionary tale of what happens with the live music industry and the government are not working together.

And with everything that Sydney has going for it, the fact that this is a case study for anything less than showing off one of the most heavily populated, arts loving cities in the world, should be troubling for all of us. And having spent the last few years travelling the world seeing how other cities handle their live music economy, Sydney is certainly not the only city facing these sorts of problems. But for music tourism to thrive, they are issues that need to be addressed.

SLIDE ONE > SYDNEY PICS

When you think of Sydney, what comes to mind? Our beautiful harbour? photos of celebrities hugging koalas? Nikki Webster flying over the crowd at the Sydney 2000 Olympics? Indeed, it's a city that needs little introduction for its aesthetic beauty, and natural tourism charms. And with a venue as iconic as the Sydney Opera House, arts and music sits at the forefront of the very image of the city.

Annual events like Vivid Lights, Music and Ideas festival, which runs for 3 Weeks at the start of winter, has become one of the most visited tourist events of the year in the whole country – and you can see a taste of it in the image there now. Sydney Festival transforms the city every January. The Sydney Fringe Festival takes over September, there's June's Sydney Film Festival and the iconic Mardi Gras in February.

Add in concerts which take over the Sydney Opera House forecourt and the central business district's Domain, where the annual New Year's Day Field Day concert is held – which just announced Cardi B and Migos amongst its 2019 headliners – and you can ensure that live music tourism is alive and well in the heart of the city on select days of the year. Subject of course to noise restrictions and strict curfews of course.

And these events are just the tip of the iceberg of an annual calendar of music and arts events that run through the city.

These events in particular bring in millions of visitors, both from within the country and outside of it. Looking at the Vivid Festival alone, the 2017 event attracted 2.33 million visitors, with bespoke travel packages sold for the event up some 50% from the previous year. It's clear that visitors want to come to Sydney for more than just the views. And tourism boards and governments will often point to an event like Vivid, as an example of how they support the arts. We're doing things! We got Solange to play the Sydney Opera House! But what about the rest of the year? A vibrant city that embraces music tourism needs to be on show 365 days a year, not just 3 weeks every winter.

And this is where things get interesting.

When I tell you that NSW police tried to ban dancing and DJs at the Sydney Fringe Festival, and have been going around to venues not licenced as "nightclubs" to get rid of their mirror balls because mirror balls condone dancing, EVEN IF that venue is licenced to have live music, you start to get the idea of where the live music economy sits in the list of priorities for current legislation. Very low. And it seems that dancing, is the real enemy of social decorum.

And yes, the fact you laugh at that is just an indication of how absurd and backwards the policy is.

A lot of this policy reflects the state of economy in the city. Sydney is, for all intensive purposes, a rich city. In fact, with 5 million residents, the country's most populous city is the most expensive English speaking city to live in the world.

SLIDE TWO > LIST OF EXPENSIVE CITIES IN THE WORLD

Admist all this growth in population and indeed music and arts tourism to the city, which had made it an enviable hub of culture around the world, we've also become one of the most expensive cities in the world to live. Multi-million dollar apartments have popped up near the Opera House, with residents complaining about the noise at 9pm on a Saturday night on the rare instance when a concert takes place on its steps. There were some memorable moments at the Crowded House concerts where Neil Finn told them all to "get stuffed".

Areas once a hub of vibrant nightlife like kings Cross and Oxford Street are now filled with residents who move into new housing with no sound proofing requirements, like we've seen in other cities with the great Agent of Change initiative, complain about the vibrant nightlife that they moved into the area for, and venues are pummelled with fines and heavy police presence until they can't afford to operate in that location anymore. I'm sure these issues are familiar to a lot of you in the room; gentrification is no new thing, be it in Sydney or anywhere else in the world.

And you can see this trend all through the list. If you think about all the other places here – like Singapore, Zurich or Hong Kong – these are cities which are notoriously strict. I believe, with some exceptions like New York City, which ranks just below Sydney on this list, there is a direct correlation between being a “wealthy” city and having strict laws in place to appease the upper classes that the city attracts. It turns out, rich people flock to creative hubs, outprice the people who made it creative in the first place, and then complain about the noise. This happens in cities all over the world. But the crisis affecting Sydney has been all the more exaggerated thanks to lock out laws which came into practice four years ago.

SLIDE: ARTISTS LISTS >>

How many Sydney artists can you think of? There’s just a few modern and classic acts listed up here who have made waves all over the world. Sydney has always been a hub for incredible music.

But over the last four years, the city has found itself gradually losing iconic venues, and turning itself into a city that gave birth to acts like AC/DC, Midnight Oil and Flume and the other artists you may be familiar with on the screen above, into a city where the next generation of artists struggle to find places to perform, and some tours skip the city all together.

Sydney which has 25% of Australia’s population and the image as a leader of the arts on an international level, somehow – with the exception of a few key events like Vivid each year that the government points to as the jewel in their crown – has all but killed off its local scene. Over the last few years, the question “Where are you going tonight?” has seemed to become “What is there to do tonight”?

But without lessening the crisis, the reality is there IS live music every night – there are amazing venues all over the city. There’s just a lot less of them. And the way that we’re marketing the fact hasn’t been good enough, which I’ll get to shortly.

SLIDE: DEATH OF VENUES >>

Let’s look now at exactly the sort of damage we’re talking about.

Over the last 4 years, since the state government imposed strict lock out laws in a purported bid to curb violence in the city, Sydney has lost 418 licensed venues, many of which housed live entertainment. Though it has regained some, and new players continue to open to try and undo the damage that’s been done, there remains a deficit of 176 venues for the city, meaning we’ve lost one venue every 8 days since the laws came into effect. That’s thousands of jobs lost, and untold amounts of money lost. Well actually I have the numbers, and there’s

been a 40% drop in live music revenue in the city in the last four years. And new venues can't grow a reputation overnight. It takes years to build that reputation.

The crazy thing about the lock out laws is that they were modelled after the implementation of similar laws in Newcastle, about two hours north of Sydney, which saw its live music scene decimated as a result.

And then there's Melbourne, which was recently crowned the live music capital of the world after it was found that the city had more live music venues per capita than anywhere in the world. There is no shortage of music tourism in this city. They have 1 venue per 9,503 residents. For a matter of perspective, in New York, it's 1 per 18,554. In London, 1 per 34,350. And while Sydney has seen a decline in live music attendance, 55% of venues in Melbourne said they saw an increase in their audience over the last 5 years, while 20% more gigs were happening in the Greater Melbourne area. Recent studies on that city's economy showed that live music in 2017 generated 1.4 billion \$ for the local economy, which was a 16% increase since 2012. And all of this was in a city that flirted with the lock out laws, even trialled them, realised they didn't work, and rather than try to make them work, they worked harder towards making the city a true 24 hour city, which is a selling point of music tourism for so many of the best cities in the world, Melbourne being no exception.

So when you see that Newcastle didn't work. You see that Melbourne, a comparable city in size rejected the laws, why put them in at all? Dave Faulkner from legendary band The Hoodoo Gurus recently told a NSW Parliamentary committee inquiry, "Sydney has been doing everything it can to destroy all these places and of entertainment and turn them into apartment buildings". And indeed that's what's happening.

So where does this leave music tourism for the city?

SLIDE: MAP OF THE CITY

Well it's going to take a long time to recover. I'll get to some solutions in a moment, but in the meantime, other cities in the state are taking up some of the mantle.

If you look at the map above, you'll see Wollongong which I mentioned about an hour south, and Newcastle two hours North. At the top of the State you've got Byron Bay, which serves as home to a number of festivals like Bluesfest and Splendour in the Grass that brings in tens of thousands of visitors every year.

I mentioned at the start of this presentation that Wollongong will host the National Live Music Awards this year. We did this to recognise the great work that the city is doing to

promote itself as a destination for live music. The city is popping up more and more on tour itineraries, sometimes in place of Sydney, and though there have been council initiatives that have helped propel this in recent years, all of this comes down to a grass roots efforts by the people behind venues like Rad Bar and festivals like Yours and Owls – which happens every September – that have reshaped the live economy in that city, and made the coastal city a true music tourist destination; home to one of the most exciting burgeoning scenes in the country. Distance wise it's not too unlike punters travelling from Edinburgh to Glasgow for a gig in Scotland, as I did over the weekend.

SLIDE: VENUES AREN'T THE ONLY ONES AFFECTED, BUT FESTIVALS TOO

So now that you have an idea of the state of the city, let's talk about tourism.

Given tourism numbers aren't declining in the city overall, the tourism bodies aren't seeing fixing this as a priority. But it needs to be. Iconic festivals and music venues are what bring people into a city. And with a 40% decline in revenue, they need to take notice.

In Australia, most music tourism is from within the State or within Australia. Byron Bay in Northern NSW has done well to attract thousands of inbound tourists for annual music festivals – but even these events struggle to meet the demands of greedy and difficult councils. And the four festivals you see up there have all stopped operating in recent years. And they used to attract hundreds of thousands of punters around the country.

So what can we do?

Well, me up here isn't necessarily helping the image of the city.

And the first major campaign against the lock out laws, which saw tens of thousands of people marching in the streets against their implementation, called Keep Sydney Open, run by some incredible people I might add, may have done as much harm as good; because it helped amplify the message that Sydney was dead or dying, and venues that were already seeing a downturn in audiences by the very nature of the lock out laws, were suddenly facing an image issue: As far as many people knew, Sydney was closed for business.

But it wasn't. So many venues could have survived if the industry was more equipt for change. Lock out laws in themselves shouldn't have caused as much damage as they did. Cities all over the world have lock out laws, even in a city like Los Angeles. But there, while a venue might have to close their doors at 2am, there are still plenty of dining and entertainment options that continue on through the night. And Sydney has next to nothing in that respect. If the government had spent time liaising with the industry, they might have been able to implement some version of the laws, without causing the harm they did. But they didn't.

Beyond this, the problem we find, and where music tourism can be a solution is in the PRIDE of a city's past, present and future. We have to regain that pride, acknowledge what has gone wrong and work together to ensure it never happens again and we leave things even better for the next generation. When you go to a place like Memphis, and see how something as iconic as Stax records was knocked down, you see now they realise what sort of mistake that was and they've built a replica, not to hide the fact that they knocked it down, when they should never have let the building deteriorate in the first place, but they've embraced the history and built the Museum of American Soul Music as one of the finest music attractions I've ever been to.

I want to show you now a video that was produced for Keep Sydney Open, when a few guys went around the city and actually implemented what could have been a great music tourism strategy for the city: acknowledge the past we've lost. But celebrate it, in the same way you might go to the home where John Lennon once lived in Liverpool, you'll go to the venue where Flume got his start.

SLIDE: VIDEO FROM KEEP SYDNEY OPEN.

Sadly, all these plaques have been taken down.

There are great music walking tours all over the world. I did one in Glasgow recently. And so much of that is about showing off venues that once were, are now and will be. Music tourism requires all three boxes to be ticked. And right now, Sydney is struggling with all three. We're letting venues close that should be thriving and trying to pretend it's not happening; we're struggling to make it clear there is a vibrant scene still happening all over the city; and we're making the pathways for the next generation of venues so difficult that you wonder why anyone would start a business of its nature in Sydney at all.

And the city could have helped make this initiative, these plaques, a permanent fixture. Instead, because it pointed out how much they screwed up, they took them down. It was considered graffiti and thus illegal, but a missed opportunity all the same.

There's no question that the city will always have a healthy influx of tourism, it's one of the most beautiful cities in the world, with incredible events on the calendar and plenty of incredible people running great venues and doing everything they can, against all odds, to keep the local scene alive. Because that's who builds careers. Not vivid, not mardi gras, not Sydney Festival – they're all important to the city, but they're about the established artist from all corners of the globe. Flume and AC/DC were both on the sticky dancefloors of now defunct music venues that helped the city become a leader in the global music community.

The past must be embraced and the people who make the decisions for the city must see the nightlife economy as a 365 day a year initiative. Not just a few times a year for key events. And pathways have to be paved for the next generation of musicians and entrepreneurs so opening a live music venue or starting a band isn't an impossible task. All ages and Under 18 events are paramount in this.

The embarrassment the city has faced from the global community in the fact of decisions meant to benefit the rich, can and will be reversed. The passionate people on the ground are making sure this will happen, and that should leave us all with nothing but hope. But that's going to take time on a local level.

Those in Sydney need to know: your city is not dead. Sure it's had a brighter past. But the future will only get better. From Mark Gerber's Oxford Art Factory to the slate of iconic venues like the Sydney Opera House and the Enmore Theatre, Alison Avron's Newsagency proving that grassroots venues can exist and flourish, the return of the Lansdowne, the university venues, and so much more. There's barely a night that passes that you can't find something to enjoy. And now, government is finally talking to the sector they helped decimate.

There's now a parliament inquiry into the state of the live music scene both on a local and federal level, and members of the NSW Labor Party, led by the honourable John Graham launched an initiative called Labor Loves Live Music, which is part of a push from the party to fix the damage done. But the fact this was launched in 2012 shows the difficulties even elected officials face from within their own parties. Because as they will be the first to admit, all this could have been avoided if they just reached out to the industry in the first place.

"I think we've got to change the culture in Sydney and NSW", Graham said in a recent interview with The Industry Observer, as well as when I sat down with him a few weeks ago. "Funding is part of it, with just one million dollars of funding to live music a year in NSW, compared to 27 million dollars over four years in Victoria." Victoria being the state where Melbourne is, and Graham continued "but also regulation is clearly part of what's gone wrong. So we've got at the moment an entertainment venue crisis driven by how hard we've made it to keep the door of the venue open. That's about noise, planning and of a lot of laws that are in place for venues."

And here comes the key to all of this. The real problem that can be so easily fixed.

He said "I think what's become immediately clear (from our Parliamentary Inquiries so far) is that Parliament has never really talked to the music industry before. This is the first time we've ever engaged with them formally.' And why is that? "I think the music industry has always been seen as part of a cultural industry that could survive by itself."

Music tourism cannot exist if the relative parties aren't communicating, and in a place like Sydney, having half a dozen agencies regulating it just makes the situation worse. When you have police taking down mirror balls, intimidating venues and those attending them, you also have the image of a police state, and who wants to go out in a city that is going to keep you from dancing. Something which they genuinely have tried to ban at events. This isn't the 1950s.

SLIDE: SYDNEY DOESN'T SUCK IMAGE

I want to leave you with an image from another campaign running in Sydney right now, which for your reference is all about making Sydney a "straw free city". Sydney doesn't suck. For everything we've gone through today, Sydney is an incredible city. Tourism continues on the rise, and music tourism can and will regain the numbers it once had. Perhaps the music industry needs to adopt a similar approach as the anti-plastic lobby.

And I want that to be the main takeaway I want from this presentation. Sydney doesn't suck. But it needs a lot of work. The city needs to use the disastrous decisions made by the government to their advantage. Celebrate what's come before and put everything they can into protecting what's left, and encourage what's still to come. In doing so, they won't just save music tourism in Sydney, but they will grow it, building a completely new economy and taking time to celebrate all the amazing artists that the city has given birth to.

This is a cautionary tale. And ultimately, the first step to a healthy scene is supporting it yourself. So whether you live in Sydney, Cologne, Wollongong for wherever else you come from, get out there and support your local scene. Without it, there's no music tourism, and your city may end up like Sydney too.