

**REPORT ON PROCEEDINGS BEFORE**

**PORTFOLIO COMMITTEE NO. 6 – PLANNING AND ENVIRONMENT**

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

**CORRECTED**

**At Tamworth Regional Council Chambers, Tamworth on Thursday 13 September 2018**

**The Committee met at 11:15 am**

**PRESENT**

The Hon. Paul Green (Chair)

The Hon. Catherine Cusack

The Hon. John Graham

The Hon. Shayne Mallard

The Hon. Penny Sharpe



**The CHAIR:** Welcome to today's hearing. This is the ninth hearing of the Portfolio Committee No. 6 inquiry into the music and arts economy in New South Wales. The inquiry is examining policies to support the music and arts culture. The Committee is also considering whether local councils are setting realistic noise abatement and environmental impact targets in their consideration of development applications from cafes, restaurants and live-music venues. Before I commence I would like to acknowledge the traditional custodians of this land and I would like to pay my respects to the elders past and present and extend that respect to other Aboriginals that may be listening today. In terms of the hearing, today we will hear from local business owners, music organisations and the Tamworth Regional Council.

Before we commence I will make some brief comments about procedures for today's hearing. In accordance with broadcasting guidelines, while members of the media may film or record committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that they must take responsibility for what they publish about the committee proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing, and so I urge witnesses to be careful about any comments they make to the media or to others after they complete their evidence as such comments would not be protected by parliamentary privilege if another person decided to take action for defamation.

The guidelines for the broadcast of proceedings are available from the secretariat. There may be some questions that a witness could answer if they had more time or certain documents at hand. They are able to take these questions on notice and provide an answer within 14 days. The committee secretariat will help witnesses with that process. Finally, please could everyone turn their mobile phones to silent.

**ROD LAING**, Chief Executive Officer, Wests Entertainment Group, sworn and examined

**CRAIG POWER**, The Pub Group, sworn and examined

**JOHN KRSULJA**, The DAG Sheep Station, sworn and examined

**The CHAIR:** I welcome our first witnesses. Would any of you like to make an opening statement?

**Mr LAING:** If I may start by saying good morning and thank you for the invitation to appear before the Committee today. May I also welcome the Chair and committee members to Tamworth on such a beautiful day. Tamworth is the country music capital of Australia. I am representing the Wests Entertainment Group and in particular the West Tamworth League Club as CEO for the last 30 years. I am also a past chairman as well as director of the Country Music Association of Australia for a 10-year period. Having been involved with the club industry for the past 30 years, I have certainly witnessed the demise of live entertainment throughout this time. The reasons for this are a combination of high running costs—for example, Australasian Performing Right Association [APRA] licence fees—as well as compliance regulations, such as noise complaint procedures, venue lockouts and local government restraints that have been placed on our venues in particular.

Take my club Wests, for example. We have an annual liquor license fee of \$532, but if we continue to trade after 1:30 a.m., for those trading hours there is a loading of \$5,000, which would be a big impost on a small venue. Small venues simply cannot afford to do this, and that is why venues are closing early. Add to this APRA live artist fees of \$11,000 and you could throw in background music fees of \$6,000, and I guess the entertainment industry and venues today have become the milking cow for the regulators. Let me touch on noise complaints. Although Liquor and Gaming NSW handle the regulation, once found guilty the compliance becomes too tough for a venue to remain viable if they continue.

If I could take Wests again, our auditorium Blazes, which has hosted a lot of the big-name Australian artists such as INXS, Jimmy Barnes, Eurogliders, Divinyls and Sheppard—and Sheppard are appearing there this coming Saturday night—this venue had a noise monitor installed during the early 1990s. This monitor receives decibel readings, and once it reaches a certain reading the power cuts out. That results in a very poor music experience, I guess, for the fans sitting out there in the crowd. Obviously, for the artists who are live on stage, it is frustrating. Our other live entertainment areas run without any interference from any device whatsoever. To remove the device is a costly and time-consuming process—as I said, it has been there since the early 1990s—and removal may not be granted by the regulators. That is why we are considering a non-entertainment direction for that particular room, which has been iconic to Tamworth for at least my 30 years with that club.

Clubs, of course, are the social hub of communities, the place where like-minded people come together for a number of reasons: watching entertainment, listening and dancing to their favourite bands. Increased competition from other hospitality providers is a fact of life these days, and is part of the business. However, local councils are also providing some of that competition. Two examples of those are the Narrabri and Tamworth councils that have very well-patronised venues that have been either built by or assisted by government grants, a luxury not afforded to most of us. The Tamworth Country Music Festival is not only our city's largest event but Australia's largest music festival, attracting many thousands of visitors annually, all injecting cash into our local economy. Wests and our grounds were a major player in the festival in years gone by, and in those years gone by we used to stage temporary venues on our surrounding grounds. Local government regulations and new council venues have resulted in our organisation withdrawing from staging outdoor concerts. Those noise restrictions just made it too hard for our venues to move forward with that.

Over the last 20 years I have been fortunate to attend North America's largest music and country music festivals, including Nashville, Chicago, Milwaukee, with the objective of obtaining ideas to improve our event and to research compliance for our own sake. I feel concerned today for any young country music artist trying to make their career in this current environment because of lack of venues in New South Wales. I really feel for them and I do not know how they can sustain their career today. I look back at our venue, which really springboarded Keith Urban's career, when Keith Urban won a talent search in Tamworth all those years ago. He would regularly perform at our venue not just at the festival but throughout the year. We just do not see that today, artists that have made it or are trying to make it coming back to perform in our venue in Tamworth. Tamworth's live music scene is strictly limited today. Venue costs, compliance, drop-off of patrons seeking live entertainment and venue lockouts really make it almost impossible to survive, and only the persistent venues are surviving today.

**The CHAIR:** Would anyone else like to make an opening statement?

**Mr POWER:** Yes, I would. I am very proud to have been invited to represent the Pub Group on this panel. The Pub Group Tamworth represents five licensed hotels in Tamworth, four that are operating and one that is currently closed. It is a family owned and operated business that employs an average of 300 staff throughout the year, with 126 casual to full-time staff currently employed continually. The group's first hotel was built in 1989, and in the following 29 years we have continued to operate and grow our successful hospitality business. Music in many ways has been a very important key to our growth, and all our venues have actively used it to create a memorable experience for our customers while maintaining a steady employment stream for performers and artists. To ensure the future success of venues and Tamworth's reputation, our family has held many important positions on country music industry boards, council committees and stakeholder committees. We have sponsored and manage many artists along the way and have had venues awarded as national award winners for service to the country music industry.

Our family has been very involved in the country music industry and still believes it is a very important brand for Tamworth and the region's tourism growth into the future. All our venues currently use live bands, solo artists, background music, pilot performances and DJs at different times of the year to lure customers and create experiences. Throughout the 10-day 2018 festival our venues held 209 individual bands on the program and operated from 7 a.m. until late. Some of the shows are ticketed, but the majority are free so there is a massive investment in resources and funds to create this event. Our administration office last year sold a total of 6,740 tickets including online sales. Most of these were sold through our head office, which we manned for 10 days. Outside of the festival the venues had an estimated 246 live entertainment acts perform weekly and bookings for the duration of the year.

During our time and experience, I believe the live music industry and late-night economy has suffered significantly through a range of reasons, which may need some attention. Noise complaints have aroused an issue with local council and policing. It is our belief that expectations and conditions on some of these licences definitely affect the ability to create more opportunity for a vibrant live entertainment culture. Some licences have noise restrictions that force them to invest in continued level testing, with other licences having live entertainment direction restrictions, whereby the hotel can only face a band or entertainer in a certain direction. The lockout laws and licensing pressure, while decreasing issues in troubled areas, also had a negative effect on good operators, prohibiting growth and resulting in a lack of interest in staying open for late operators. As a business that prides itself on being organised and professional, we still find the licensing authorities' application process for extension of licences confusing, frustrating and with inconsistent requirements and expectations.

We met with local member Kevin Anderson and the then Minister for Gaming and Racing, Troy Grant, some years ago to talk about our frustration over the application processes, in an attempt to make change that would help Tamworth and New South Wales hotel operators. The above-mentioned and ongoing costs that our industry has had to endure or consider affect the ability to invest in the continued risk. With two yearly excise increases, increased insurance policies plus the licensing fees, Phonographic Performance Company of Australia [PPCA], APRA, Australasian Mechanical Copyright Owners Society [AMCOS]—to mention a few—these are often hard to swallow on top of already high costs to employ, market, advertise and execute live performances. Our hotels in 29 years of operation have never had one licensing in breach, and like many in New South Wales today have grown to become family friendly destinations that have a responsible and reputable food and beverage gaming operation. But there is some thought out there that government regulation and policy have not adapted, changed or grown at the same speed as our flourishing industry has.

**The CHAIR:** Mr Krsulja, would you like to say anything?

**Mr KRSULJA:** Yes, thank you. I am the owner of the DAG Sheep Station, in Nundle. We are located 40 minutes east Tamworth. We are an award-winning venue. We host weddings, conferences, events and live entertainment during the Tamworth Country Music Festival, in July and in January. Over the last 10 years we have had over 250 dinner shows and entertainment, and we have hosted eight songwriters retreats. We work on improving the craft of songwriting and nurturing artists of all ages to help aspiring artists to improve the craft of songwriting within the industry. We have had over 240 artists attend those retreats and over 600 songs written over that period of time. I am also a singer-songwriter. In 2017 I won a Golden Guitar through the Country Music Association of Australia for the Heritage Song of the year. It is a song written at the DAG Sheep Station during one of the songwriters retreats.

My notes are to help to stress the importance of encouraging and nurturing songwriting and music. Some of my points are to help raise the profile and importance of music, performance and arts subjects in primary schools and encouraging and nurturing creativity and originality. I would also encourage stimulating industry development to ensure increased development and performance opportunities for local, young, emerging and early

career artists as well as nurturing emerging artists and industry professionals in all areas of the music industry including recording, rights management, live music production, touring opportunities both in cities and regionally. I would also encourage ensuring that the industry is continually supplied with upcoming artists and professionals. I feel supporting audience development through collaborative marketing campaigns and promotional campaigns for live music is very important for the future of music and arts in Australia. Then there are regional touring grants and support for artists and assisting with regional music events as well as granting incentives through perhaps subsidies for venues to offer live music, original music, solo artists and bands. I would encourage grant incentives for festivals to continue to encourage new artists and platforms rising artists.

Original Australian content and music programs should be supported and encouraged on all radio networks including ABC Radio National. Community radio stations should be supported through funding and encouraged to play Australian and original music. Those are my thoughts on ways to help the industry. Mr Laing and Mr Power have touched on what needs to be done in venues, and I thought I would touch on another perspective. There is a saying "from the paddock to the plate". I think you have to take young artists through the industry, and that includes building an audience for them and a platform for them to perform whilst also making a good environment for the venues to afford to do this. I hope my comments help what you are out to achieve.

**The CHAIR:** They will, I am sure. Have you experienced vexatious complaints or just one-off complaints that the music is too loud or coming from a certain direction?

**Mr LAING:** In the past, certainly West Tamworth League Club has, and that was the result of the noise monitor being installed. That went through the courts back in the 1990s. These days it is more or less a phone call to the venue, it is a one-off, or the police turning up and saying "We've had a noise complaint". At times it has not been our venue; we are close to other venues but basically it has just been the one-off.

**Mr POWER:** Yes, I would have to agree that it is more than a one-off occasion, but it is definitely during the festival when it happens to us most. The process will usually be a phone call to the venue, and then the council or the police will give me a call and we will have to go and check some levels.

**The CHAIR:** Mr Krsulja, you talked about the songwriters retreats. How do you go about getting development consent for that? Do you need to get further consent for the property? Has the process been hard or fair?

**Mr KRSULJA:** We currently receive an APRA-AMCOS grant of \$2,500 a year, which we have to apply for to bring an Indigenous performer to our retreat. It has to be from regional New South Wales and we have been trying to apply for one from New Zealand APRA to bring a New Zealand artist. We have been unsuccessful in that, so we have subsidised bringing a New Zealand artist to Australia. If there was more incentive out there to help bring more, maybe under-privileged people, or to open the doors to younger people, we would certainly be interested in that.

**The CHAIR:** When you talk about hosting people at your property, would they camp there?

**Mr KRSULJA:** We have accommodation for up to 90 people. This last July we had eight tutors, all gold guitar winning songwriters who come and tutor and mentor these students—we call them artists. We had 32 attendees that pay a fee and it is for five days, five nights. Where we live we have little or no mobile service, no television, no distractions from the outside world. So it is a really good retreat where everyone just switches off in a nice, nurturing environment.

**The CHAIR:** Do you have any complications with needing any further consent conditions from council?

**Mr KRSULJA:** No.

**The CHAIR:** Does anyone else have any comment about council consents when trying to run events or comments about unreasonable consent conditions?

**Mr POWER:** We have to apply for a couple of development applications at some of our venues to put stages in places and to activate different areas outside of our venues which are close. Sometimes it can be a pretty lengthy process, but luckily the council have been really good with it in the past couple of years where they did give us a three-year development application, which was really good. They saw the sense. They knew what we did and they knew that we did the festival well.

**The Hon. JOHN GRAHAM:** Thank you for evidence, particularly on restrictions on noise issues which is consistent with what the Committee has heard elsewhere from other venues. I also thank you for your broad-ranging views about things that might influence this issue. What can the Committee do to build on the fact

that Tamworth is the country music capital of Australia? What is the potential in Tamworth to build on the 10-day festival and extend it to the rest of the year? Where could it head to, if it were given more support?

**Mr LAING:** I guess one of the most complaint from country music fans is when perhaps they are travelling through the region throughout the year and they pull up and stay a night, say, in Tamworth. They would criticise the city not offering country music entertainment or not having those venues with the entertainment that perhaps they have seen at a prior festival, the previous year or some years ago. I think there is obviously a need because of our profile and, of course, being the country music capital, most people travelling through the area would expect at any night of the week to find country music. In some of our venues they will find country music, particularly on weekends. However, mid-week and on Sunday and Monday nights it would be very limited. The reason for that is obviously the cost factor and secondly, having the patrons there supporting the venues.

**The Hon. JOHN GRAHAM:** Presumably those two things are related. The more live music you have, the more people will come to hear country music through festival season.

**Mr LAING:** Yes, most definitely.

**Mr POWER:** I mentioned about the licence extensions, that the issues with the authority in applying for the extension of licence during the festivals for hotels is a massive headache. Basically, you have to apply for 10 separate applications for each day. I have to do triplicates of that. I have to serve one at the council and one at the police. When you attend the council, they say they will not sign it because they feel like they do not know what they are signing and I am only serving the notice. The police are pretty much the same. Then depending on how the officer that you get views that extension, he will ring back and ask for different demands every year.

I will explain I have been applying for these applications for the past 10 years and it is the same application. They will reply with, "Well, it depends on the interpretation of the officer viewing it." Then we work 12 months year around. I employ people for 12 months on the festival. We need to have all our marketing in place, all our advertising in place and our contracts out—like I mentioned, 209 individual bands; it is a 12-month process. I have these applications in within the period that I need to have them in. They do not give me a reply until four days before the event, whether I get the extension.

**The Hon. JOHN GRAHAM:** Yes, but you are taking all the risk upfront?

**Mr POWER:** Yes, and there is no way around it. It is a clumsy, clumsy process.

**Mr KRSULJA:** I would like to add that there are plenty of touring artists willing to come to Tamworth year-round, mid-week. Again we need help building an audience and even subsidising some of these venues or taking the strain off them so they can afford to be able to put touring artists on regularly—but, again, building an audience for them as well.

**The Hon. PENNY SHARPE:** I find it extraordinary that you have been doing the same thing for 10 years and you have to apply in exactly the same way, even though council looks as though it has been able to do some longer term DAs, which is good news. I look forward to asking council about that because I think other councils can learn from that; it is a problem that we have heard a lot about. Are the different bands that roll through essentially all the same—all part of the country music festival. I am trying to understand why they make you do 10 separate applications for essentially doing the same thing every year for the last decade. It does not make any sense.

**Mr POWER:** That is exactly right. To give you another example, during the year we have to apply for extension for Father's Day.

**The Hon. PENNY SHARPE:** Is that an extension in operating hours?

**Mr POWER:** That is right. The hotels can only open at 10.00 a.m. For me to serve breakfast—and we do 4,000 or 5,000 meals a weeks now—I would have to apply for an extension to open at 8.00 a.m. on a Sunday for Father's Day. The process is that I do not have a charity or a local organisation that supports my reason for opening then I cannot open. Then I have to go and find someone to write a letter and say, "We support Craig's venue. We'll be there supporting it on the day." This year, for instance, the officer said, "Well, I don't think that's a good enough reason." At the end of the day, all I am trying to do is give the community somewhere to come and eat breakfast on Father's Day. That is an opportunity to put on entertainment. We have entertainment. We have two bands running all day on Sundays. They are prohibitors that stop you actually developing your business.

**The Hon. PENNY SHARPE:** I am very interested in this noise monitor cut-out device. Would you tell me how it came to be installed? What do you need to do to get rid of it?

**Mr LAING:** It came about from one complaint, as I said, during the 1990s.

**The Hon. PENNY SHARPE:** It was a noise complaint?

**Mr LAING:** It was a noise complaint.

**The Hon. PENNY SHARPE:** From a local resident?

**Mr LAING:** From a local resident across the road from the business, where perhaps that resident was complaining about traffic noise, noise from the air conditioning unit and then he focussed on the noise from the entertainment inside the auditorium.

**The Hon. PENNY SHARPE:** How long had the auditorium been operating?

**Mr LAING:** It has been there longer than I have. As I said, I have been there 30 years, so the club has been there for over 50 years. The neighbourhood over the years has built up around the club. I guess there were some houses built there in those early days as well but our photographs show there were very few homes there. Also, it is fair to say, over those years people buy and sell and new people move into those houses—

**The Hon. PENNY SHARPE:** Do you think it was a new resident?

**Mr LAING:** I guess if you are buying a house near a club or next door to a shopping centre you would expect a fair amount or a little bit of noise would be part of the business, and traffic going to and from those venues. To get rid of the noise monitor which does not really serve—

**The Hon. PENNY SHARPE:** I want to stop you there. There was one complaint?

**Mr LAING:** One complaint only.

**The Hon. PENNY SHARPE:** Did it end up going to court? Who imposed the condition to put in the noise monitor?

**Mr LAING:** Yes, it went to the Licensing Court and the magistrate at the time imposed that restriction, or gave the order for that monitor to be installed. No doubt back in the 1990s that was the going thing. A lot of venues in Sydney, particularly hotels, had those noise monitors in their venues as well because of resident complaints, no doubt. As it has been there for a long time, we have attempted on three occasions to have it taken out because it does not serve the purpose now and yes, there are bands performing there. As I mentioned. Sheppard are playing there this coming Saturday night, but the venue has spent considerably large amounts of money sound-proofing that venue with double-glazing windows and insulation that has really assisted us over the years. Now we feel there is no need for this particular monitor. As I said, by law they have to plug into it. If the red light stays on, that power is cutting out and performance is affected.

**The Hon. CATHERINE CUSACK:** Even though since it has been put in you have installed noise attenuation inside the building?

**Mr LAING:** Yes. Through our solicitors it is a lengthy and costly process and we would also need consent from the particular person who complained in the—

**The Hon. CATHERINE CUSACK:** They are still there?

**Mr LAING:** No, he is deceased.

**The Hon. CATHERINE CUSACK:** There is no way for you to do that, even though that person is no longer here?

**Mr LAING:** We are locked into it. It is there to stay.

**The Hon. CATHERINE CUSACK:** Is it inside the venue?

**Mr LAING:** It is inside the venue, yes. It is inside the auditorium. As I mentioned, it is a large club. We have other venues around that club where entertainment plays, obviously during the festival and during the year, in those venues with no restrictions whatsoever and no complaints. We talk about complaints; we do not receive too many these days because, basically for one reason. Many years ago I started a neighbourhood partnership program, a bit like Neighbourhood Watch, where we meet with the neighbours once or twice a year, just discussing what their concerns are, what our plans are, whether we are extending or what we are up to as well. That has really assisted us with that complaint business, I guess, from individuals complaining about entertainment noise.

**The Hon. CATHERINE CUSACK:** Why would the machine be installed inside the facility and not outside?



**Mr LAING:** Good question. It is probably a question for somebody else. I cannot answer that.

**The Hon. SHAYNE MALLARD:** It is a relic from the 1990s as well.

**Mr LAING:** Yes.

**The Hon. CATHERINE CUSACK:** Even in the 1990s the noise affected people outside, not inside.

**Mr LAING:** If I could explain to you; no matter how you use the microphone in front of the stage that is picking up those readings, that is in front of the stage, it is set at about 102 decibels, which is right there, which is right on top of that sound. You can imagine, the further you go back and the further you move away from, say, our business, you would not hear it.

**Mr POWER:** I think one of the issues that Mr Laing and clubs and hotels have is these conditions that were placed on our licences were done 20 years ago, were done a long time ago. They have not been revisited and the opportunity or the expense for us to get the conditions removed is a lengthy process and one which licensing police do not take lightly, and neither does the authority. If there is an opportunity to revisit licences and take these conditions off, that is what we would be asking for.

**The Hon. CATHERINE CUSACK:** Is it your understanding that if you do revisit, all the conditions are then open to re-examination?

**Mr POWER:** You would have a look at all the conditions and, as I say, we have been running hotels 29 years without a breach. There are conditions on some of those licences that do not refer to today's business at all.

**The Hon. SHAYNE MALLARD:** The danger is that you could get new conditions put on as well.

**Mr POWER:** That is exactly right.

**The Hon. SHAYNE MALLARD:** I have never heard of a machine that cuts off the power. I am aware of noise monitoring machines in venues, but never one that overrides the power. That is extraordinary. One of you gave evidence about the direction that the band had to face.

**Mr POWER:** Yes, that was me. At one of our hotels we have a condition on our licence that entertainment is only allowed to face in a southerly direction.<sup>1</sup>

**The Hon. SHAYNE MALLARD:** That is a new one for us.

**The Hon. JOHN GRAHAM:** Hopefully that is the front of the stage.

**Mr POWER:** It just depends on which way we face the stage.

**The Hon. SHAYNE MALLARD:** That is extraordinary. We have heard some unique conditions on venues, that is in the list now of unique conditions. Mr Laing, I came here today expecting to hear about a strong, positive partnership between the venues and businesses that support Australia's largest music festival, the local government authority and the police. You have painted a picture where you could have been giving evidence from Newtown, Marrickville or Sydney about the relationship they have with the authorities, which is not good. I am a bit disappointed to hear that. Is it as dire as you have made it appear?

**Mr LAING:** There are reasons for it. If we can look at DAs that we may attain at the time of submit to run those out for events, they do take time. They take up to two or three months, it depends how busy council is. They are costly and the restrictions on those and losses on top of that just make it horrendous. Mr Power mentioned about the three-year term, that has happened in recent years. I guess, from one DA, if you are running that same event every year it makes sense to obtain a DA for three years. I think that is a good thing that this council has implemented. However, it is tough at times and it is the running costs that are associated with those fees and also the restrictions, all make it almost impossible.

You can imagine a football ground, as we have outside our club, directly outside. We had three temporary venues out there and those venues had artists such as Lee Kernaghan. John Butler performed in there, so it really

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<sup>1</sup> See, [Correspondence from Mr Craig Power, The Pub Group, to Chair, 25 September 2018](#), the correct licence condition states: 'On occasion where entertainment is provided outside the licensed premises building the amplification system shall be arranged and operated so as to direct the sound in a general southerly direction'.

crossed over to different genres of music. That particular venue held 2,000 people. The one next door; 600. The one next door to that; 150. There was a lot of activity happening in one area. We have a really well-built entertainment centre in Tamworth, we have the Capitol Theatre in Tamworth, the town hall and other council venues that can cater for those large numbers now as well. Given that we would need a DA every year, back in those days every year submit a DA, it was too hard, particularly with the noise regulations placed on that as well. Obviously they are outdoor venues, they are a temporary structure. A very thin vinyl wall is placed there, the neighbours could hear what was happening as far as entertainment is concerned.

**The Hon. SHAYNE MALLARD:** What is the relationship between the festival and the community in general? The Committee has been to Byron Bay and heard very encouraging evidence about the relationship between the council and the festival. We have also heard evidence from Wollongong about the support from the council. What is the relationship between the festival and the Tamworth community?

**Mr LAING:** It has definitely improved over the years, there is no doubt about that. Like I said, 30 years. I found the same in Nashville, to be honest, during their festival that prior to the festival there were letters to the editor where locals were writing into the newspaper complaining, "Here we go again. The country music festival is on, we won't be able to drive our cars downtown, or park." Council addressed those issues here, and obviously Nashville was pretty much the same. I do not see that today. I see the locals embracing the festival. I know as a young person growing up in the city, as a young teenager, we would go away for the festival to the coast and go to the beach. These days, the locals embrace the festival big time, I believe.

**The Hon. SHAYNE MALLARD:** I think we are back at the old red tape issue regarding licences.

**Mr LAING:** Yes.

**Mr POWER:** I would like to add, we have a really good relationship and healthy relationship with our local liquor accord as well, with the council and local licensing police. We did have what happened in Newtown and Kings Cross, it was throughout the State. That pressure came from above and it did come to Tamworth. We did have a couple of pretty sad Tamworth Country Music Festivals where they basically had the full riot squads and they herded everyone out of town, and it did damage that has taken a long time to repair.

**Mr LAING:** Reputation.

**Mr POWER:** To our reputation. What I probably want you to understand, we have had to go through that, when you make reference to Newtown and those areas. Yes, we have had to put up with that as well.

**Mr KRSULJA:** I would like to add, the relationship is good and improving with our council and our community. I live in a village in Nundle. We are an hour away from the festival and we have grown our festival by hopping onto Tamworth's festival over the last few years to now. All our accommodation is full in Nundle. The pub has music, the DAG has shows every day, council provides a bus for people who come up and see our shows. It has really increased. Mr Power and I sit on a board to help a second festival in the year, July, which now council is really helping with. I know from even my micro business that the festival in July and January provide opportunity for many locals in a village that has only 300 people and is a big part of the income for our venue.

**The Hon. CATHERINE CUSACK:** I go back to this anti-noise machine. Do you have a copy of the order made by the magistrate?

**Mr LAING:** It is attached to our licence, which is on display at the front of the venue. I believe you may be coming over for a tour this afternoon?

**The Hon. CATHERINE CUSACK:** Fantastic.

**Mr LAING:** I will have Carolyn take you down to that area and point out where that is.

**The Hon. CATHERINE CUSACK:** It will be a fantastic case study for us. The 102 decibels, was that set in the order?

**Mr LAING:** Yes, correct. It was.

**The Hon. CATHERINE CUSACK:** That cannot be adjusted either?

**Mr LAING:** Cannot be adjusted. That is where the meter has been set and it cannot be tampered with. In fact, I have the only key. I do not know where that is today. It is probably locked in my drawer somewhere and has not been accessed for so many years.

**The Hon. CATHERINE CUSACK:** You have mitigated the noise. There is less noise coming out now?

**Mr LAING:** Yes, from when it was first installed, that is correct.

**The Hon. CATHERINE CUSACK:** Mr Power, you referred to APRA fees. What are those fees?

**Mr POWER:** There are ongoing fees with the amount of televisions we have, the amount of chairs we have got in our restaurants, background music. For example, the other day APRA rang because we had advertised some karaoke. Then we had to pay them a licensing fee for karaoke shows. While she was on hold she found that we had phone music on hold. Then she sent us notification saying we have to pay. We just changed our phones over to the National Broadband Network. CX, which is the company that provides our phones, have that product licence, they tell us. I said to her, "Look, I cannot pay it. I didn't approve it." She said, "You have to pay up until August." I said, "It hasn't been on there till August." She said, "Well, it is a fee. You have to pay a licensing fee for music on hold." They are all the things that leave a sour taste in our mouth. We are already paying for that.

**Mr LAING:** If I can add, at times it is pretty hard to understand. Again, for our business where we are spending, say last year, half a million dollars on live entertainment. In addition to that, we are also paying APRA for the right for those acts to perform, \$11,000 that they are collecting.

**The Hon. CATHERINE CUSACK:** Even though they might be performing their own music?

**Mr LAING:** Correct, yes. It is very complicated, their system.

**The Hon. CATHERINE CUSACK:** How do they get to charge? I do not understand.

**Mr LAING:** We do not understand either, and I do not know anybody who would.

**The Hon. CATHERINE CUSACK:** Mr Power, do you have any venues interstate?

**Mr POWER:** No.

**The Hon. CATHERINE CUSACK:** In relation to licensing police, do you find consistency in their attitude towards premises?

**Mr POWER:** Yes, definitely today.

**The Hon. CATHERINE CUSACK:** And a positive relationship?

**Mr POWER:** Very positive relationship.

**The Hon. CATHERINE CUSACK:** Are they the only branch of the police that you deal with?

**Mr POWER:** We obviously deal with outside of licensing police, we have a really good relationship with the inspector in town. We have meetings with those guys with our local liquor accord and crime prevention units, stuff like that. Yes, we have a healthy and an ongoing really good relationship with them.

**The Hon. CATHERINE CUSACK:** It sounds like sometimes you might express a frustration and they are indicating it is coming from the top. There is not much they can do.

**Mr POWER:** Yes, I think so. I think originally when there was a lot of pressure on venues and going back to that time, the pressure was coming from above to get the job done.

**The Hon. CATHERINE CUSACK:** When you have music in your venue, do you believe that adds anything to the risk around the venue?

**Mr POWER:** No, I do not. Today, our venue can have 800 people in it or 1,000 people in it without music. With added music going late at night, you are going to have an increase in alcohol sales, but the culture has changed. The culture has changed in hotels. Hotels are not like they were 20 years, 30 years ago. It is a different culture and it is a really good culture now. People are going out at different times. There are not as many people going out. In Tamworth what we see, the late night culture and market has actually decreased compared with what it was, and that is mainly due I think to technology. Years ago people would all get paid on a Thursday, they would get paid cash in an envelope and they would all go down to the pub and have a few beers. That has gone today. That is totally removed. Now, we have had to change our venues so that they are more family friendly and they do food, they do good entertainment at the right time. I do not see any increased risk at all when we put on entertainment.

**The Hon. CATHERINE CUSACK:** In Victoria they have adopted in principle that music does no harm. It might sound funny but they are saying that they do not have to have increased security just because they are having music. But you do?

**Mr POWER:** Yes. That is another cost. During the festival our cost is around \$30,000 to bring in security from Sydney. We did some analytics testing last year. One of our venues we can have 6,000 to 7,000 people through in a day.<sup>2</sup> When you have those sort of numbers there is a duty of care that we need to control those sort of numbers. It is not a dangerous risk, it is not a violent risk, it is crowd control, people on the street, people outside a licensed area, children, all different things why we need security for crowd control.

**The Hon. CATHERINE CUSACK:** That is about the numbers, it is not because there is music playing.

**Mr POWER:** No, it is about the numbers.

**The CHAIR:** Thank you for your time. In light of your answers the Committee might put some more questions on notice. You will have 14 days to answer them and the secretariat will assist you. We appreciate your evidence today. It is very important. Thank you.

**(The witnesses withdrew)**

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<sup>2</sup> See, [Correspondence from Mr Craig Power, The Pub Group, to Chair, 25 September 2018](#), the actual numbers in the venue were 2000 to 3000.

**JYE SEGBOER**, President, Tamworth Business Chamber, Hotelier, affirmed and examined

**CHRIS WATSON**, Chris Watson Travel, sworn and examined

**The CHAIR:** Would either of you have an opening statement you would like to present?

**Mr SEGBOER:** I have prepared a letter, which I can read if you wish.

**The CHAIR:** Yes. If you would like to table that it will help Hansard.

**Mr SEGBOER:** Certainly. On behalf of the Tamworth Business Chamber we wish to contribute on the basis of our members into the inquiry into the music and arts economy in New South Wales. Generally, we believe such an inquiry is crucial in the support of the arts, music and the wider associated economy. The Tamworth Business Chamber is at the forefront of the business community in our area and we represent our members by ensuring that we participate, contribute and act on any socio-economic aspects and concerns that could potentially affect our local businesses. Our membership portfolio is made up of small to medium enterprises with a total of 450 businesses as members across our region. Thus, this makes us the largest regional business chamber in New South Wales.

A third of Australian economic activity is generated in New South Wales, with music and the arts being significant drivers in promoting our State economy. The New England North West region plays host to many music and arts events throughout the year. You have just heard about the Tamworth Country Music Festival being the largest contributor to that. It has been running for close to 47 years. Many of the entertainment venues associated with this festival are members of the Tamworth Business Chamber. The festival attracts 50,000 visitors, of which 26 per cent come from the New England region, 45 per cent from the rest of New South Wales, 26 per cent from interstate and 3 per cent from overseas. On average, 32 per cent of these visitors stay for the entire 10-day festival.

The development of vibrant music and arts events is essential in building and showcasing our regional towns as cultural venues and providing additional support within the local region. This can achieve a high balance between private and public attractions and can draw a diversity of age, lifestyles, and culture. On the other hand, there are often too many restrictions placed on entertainment and licensed venues. Our members report that these existing restrictions can deter live entertainment. Some examples of these, which the Committee has just heard, include noise restriction regulations that are varied across too many platforms being, local council, police, Liquor & gaming NSW; requirements for venues to include contract wages for entertainment when calculating workers compensation; application costs for multiple days when wishing to extend trading days or times to accommodate entertainment; additional security guard provisions; APRA fees and the duplication of these fees across different platforms; and, of course, lockout laws.

That is why the Tamworth Business Chamber is predominantly concerned with regional New South Wales and the effects of any policy or legislation and government departmental initiatives that could affect the economy of our diverse range of population in regional New South Wales. We also feel that ancillary assistance is needed to be given to our communities to identify potential funding opportunities and sources and develop project proposals to promote growth in the music and arts sector. Thank you for the invitation.

**The CHAIR:** Mr Watson, would you like to add anything?

**Mr WATSON:** I am happy to give an overview of our business and what we do on the music and arts space. Within our businesses we have numerous different avenues. We act as a promoter bringing international acts into Australia, a festival organiser both in Australia and in Fiji. We also run Australian showcases in Nashville showcasing Australian music, and organise a linedance festival here in Tamworth. On top of that, our core business is our travel business where we operate music travel as well as a normal full service travel agency. For us, the trend of travelling for specific purposes, that is live music, has increased over the past years. People are looking for experiences and within our business over the past year we have seen a significant increase in these figures. For example: In 2017 through our business, domestic music travel was \$220,000; in 2018 it is currently at \$310,000—an increase already of 49 per cent; international music travel, \$364,000 in 2017 and at the moment in 2018, \$990,000—an increase of 104 per cent. The Tamworth Country Music Festival brings in more than \$50 million to the economy a year and the Australian Country Dance Festival in Tamworth brings in around about \$1 million to the local economy a year.

I think with the right support and assistance there is great opportunity to increase music-related travel, the arts and tourism and the local, regional and State economies have a lot to benefit from this. Issues we currently

see through our businesses are the cost of performance visas for internationals wanting to come to Australia and perform; licensing laws, as has already been set out, things such as noise restrictions and hours of operations; and APRA fees. Current partnerships with the Tamworth Country Music Festival and Nashville Sister Cities and Country Music Association [CMA] Nashville have seen a great growth in tourism from Australia to the United States and an increase in popularity of Americans wanting to come to Australia for music-related events from Nashville and other areas. There is potential for growth in tourism if we work in partnerships with tourism bodies, local councils, venue operators and private businesses.

**The CHAIR:** I want to know about festivals and regulations. What is your experience with the council regarding DA consents and are they tenable?

**Mr WATSON:** The support for us from the council for our festivals has been fantastic. Our linedance festival has been going for 15 years here in Tamworth. It started with about 100 people coming in, now more than 1,000 visitors come into the town on an average five-day stay in May, generally a slower time period. Council have been very supportive of that event, both with funding, opportunities and ideas and support from Destination Tamworth.

**The CHAIR:** How long is your DA approved for?

**Mr WATSON:** We fall under the leagues club DA. Most of our event is run at the West Tamworth Leagues Club, so we are under the DA with them using their venues.

**The CHAIR:** You do not have to apply every year?

**Mr WATSON:** We do not have to apply. Other venues we use, the same thing, we do not have to apply.

**The CHAIR:** Is there any negative experience in your business from regulation?

**Mr WATSON:** APRA is hard to deal with. We have to supply a list of songs that we are using over the five-day festival, which can be quite extensive and takes a lot of manpower work to get that together to then pay our APRA fees. We do have a blanket licence with APRA that is arranged through the Australian Line Dancer and that does help for our normal classes and weekly events, but our annual event in May, we have to get a separate licence for that.

**The CHAIR:** What is that worth?

**Mr WATSON:** It varies, depending on what music we are going to be playing, anywhere up to \$1,000. The part that makes no sense about that is that we are already in a venue of the leagues club that has an APRA licence. We are carrying our own licence and blanket licenses, but the leagues club already has one.

**The Hon. JOHN GRAHAM:** How long have you had the relationship with Nashville and what does Tamworth get out of it at the moment and what is the potential?

**Mr WATSON:** Mr Segboer might be able to give a business overview of that too, but from our business we have been running tours to Nashville for 15 years. It started as just that, tours. Now we have built relationships in Nashville and we have worked very closely with council on those relationships, both with the Sister Cities and with the CMA over there. The benefit for us is we are seeing a lot of support. We are seeing people from the United States coming to Tamworth on internships for our festival. We have been able to attract international artists to Australia from Nashville. On average we take about 100 visitors a year. When we are in Nashville now we have Tamworth Country Music Festival branded clothing and hats that we give to all of our people to advertise as walking billboards. The amount of people who come up and know the relationship of Tamworth, they expect it to be like Nashville, they expect that we have live music every night. When you talk to them they just expect a smaller version. It is very different from that. But, the opportunity now is that Americans are wanting to come here for our festivals and we are seeing that increase.

**The Hon. JOHN GRAHAM:** Do they have a Sister Cities relationship with any other city or any other country music festival?

**Mr WATSON:** Nashville do have other Sister Cities relationships, but I could not tell you who they are.

**Mr SEGBOER:** I think one with Japan, but I cannot think of the city.

**Mr WATSON:** I think you could be right. We have one with Japan.

**Mr SEGBOER:** I think very close too.

**The Hon. JOHN GRAHAM:** It is still an incredible relationship.

**Mr SEGBOER:** Absolutely, and it is a very strong Sister Cities relationship.

**The Hon. JOHN GRAHAM:** A direct link into the biggest music market in the world in the United States.

**Mr SEGBOER:** Absolutely.

**Mr WATSON:** Definitely.

**Mr SEGBOER:** A delegation from council and the business community attend Nashville every year.

**The Hon. SHAYNE MALLARD:** This is a formal council Sister Cities relationship?

**Mr SEGBOER:** It is a formal relationship, yes.

**The Hon. JOHN GRAHAM:** On the question of potential, you have this incredible asset, how would you build on that relationship? Where could you take this to step things up to the next level?

**Mr WATSON:** From what I see there is a fantastic marketing opportunity in Nashville to promote events here in Australia with live music components. I think that music tourism in the United States is particularly increasing and you are seeing people such as Kid Rock renting his own cruisers and running them now, and Luke Bryan doing the same things because there is great opportunity for music tourism. I think we have an opportunity to showcase our product. Hence, we run an Australian showcase in Nashville every June where we take artists over from Australia, at our cost—and some of that is subsidised by Tamworth Regional Council—to try to promote what we have on offer here to open up those doors.

**The Hon. PENNY SHARPE:** Regarding driving international tourism, what is the one thing that you would like this Committee to recommend that you think would help bring more people here?

**Mr WATSON:** That is a really good question. I think if there was something we could recommend it would be enhancing partnerships with our national, State and local tourism bodies, if those three key areas could work further together. At the moment the funding that we are receiving to help sponsor our events in Nashville comes from Destination Tamworth. But what we are seeing is that people are coming here and they are staying in Sydney, or they are going to Cairns. We have a small contingent of 30 coming from Alaska and New York next year and they are doing a 12-day Australian tour. They are only touching in Tamworth for a day or two, yet that has come about because of our relationship with the United States. Having the three government bodies work more with local bodies, that could be a great opportunity.

**The Hon. SHAYNE MALLARD:** Mr Segboer, has the Tamworth Business Chamber done any research around the benefits to the Tamworth community of the festival or generally the music economy of Tamworth?

**Mr SEGBOER:** We work in partnership with Destination Tamworth and Tamworth Regional Council to do a survey each year following the festival. I believe you are hearing from Barry Harley later on. He has prepared more in-depth statistics and revenue around that. I have not prepared any to bring with me today. But, yes, we work in partnership with the council to provide that.

**The Hon. SHAYNE MALLARD:** I could probably ask him this afternoon. Where would you rank the music festival economy in the economies of Tamworth?

**Mr SEGBOER:** In terms of all economies?

**The Hon. SHAYNE MALLARD:** Yes. I would think agriculture would be the major economy of Tamworth.

**Mr SEGBOER:** Agriculture is obviously the top and then health and education are the second and third. Tourism probably falls around the fourth. We also have the Australian Equine and Livestock Events Centre [AELEC] here, which now has over 300 event days or 300 booking days with 150 events days throughout the year. Of course, those event days also have entertainment that go on there and that venue takes up to 5,000 people. With that and the number of people coming through, I believe tourism in the coming years will probably overtake and probably become our third largest.

**The Hon. SHAYNE MALLARD:** You would put the music festival into the tourism category?

**Mr SEGBOER:** Yes, it comes under the tourism category.

**The Hon. SHAYNE MALLARD:** Mr Watson gave a figure of \$50 million to the local economy. You said people bring \$50 million to the region.

**Mr WATSON:** Yes, over \$50 million. That is a very conservative rate based on some maths that has been done by Destination Tamworth. I am sure again Barry Harley will touch further on that. But I know that they would say it could be upwards to \$70 million or \$80 million, but as a conservative rate it is \$50 million.

**The Hon. SHAYNE MALLARD:** That is direct and there is a multiplier on that of course.

**Mr SEGBOER:** Of course, yes.

**The Hon. SHAYNE MALLARD:** Once it goes into the shops, hotels and businesses.

**Mr WATSON:** That is right.

**The Hon. SHAYNE MALLARD:** How is the drought affecting Tamworth?

**Mr SEGBOER:** Generally, Tamworth is pretty optimistic around the drought. In the general business community, whilst some sectors are hurting, other sectors are feeling as though we have been through this before. For New South Wales as a whole obviously it is the worse drought, but Tamworth has seen these conditions over years gone by before. There is a fairly large agricultural sector here obviously, but they have prepared for it and the majority of people have conditioned themselves ready for the drought. Surprisingly, the smaller farms and the ones that have the higher turnover—not two or three generations of families that have lived on the farm—are the ones that are hurting more because they have not been through that condition. Generally, from what we know through a campaign that the Business Chamber is helping to coordinate, the R U Aware campaign, is that it is actually the smaller farms being under 100 acres are the ones hurting more so than the larger ones financially.

**The Hon. SHAYNE MALLARD:** I know it is outside our terms of reference but I feel if we come to Tamworth we should ask about it. It relates to resilience too. Tamworth has developed a diversified economy and music is very much a key part of that.

**Mr SEGBOER:** Absolutely. We are an economy unlike any other if you talk about other regional cities in New South Wales, particularly comparing us to Dubbo or Wagga or Orange. We are a city where we are not reliant upon large Federal or State institutions, government institutions. We do not have a university. We do not have key drivers that traditionally would keep those smaller regional communities thriving. We rely upon our agriculture and our tourism and our diversity, particularly manufacturing and those other sorts of areas, for our economy. We are very unique and very resilient, as you suggested, because of that. We would love a university here. I hope I see one before I die. But Tamworth is very unique in that regard.

**The Hon. CATHERINE CUSACK:** Tamworth now has a great deal of infrastructure that has sprung up around these festivals. In particular, accommodation, car parking and just that expertise as to how to manage it. Is that under-utilised?

**Mr SEGBOER:** I think throughout the year there are some venues that are under-utilised. A lot of those venues that we have talked about and you heard about from the previous people that were here like the Entertainment Centre and AELEC, the equine centre, those have come about from the business community actually fighting for them or putting their own hand in their pocket to deliver and have those venues built in partnership with council. One of them in particular, the Entertainment Centre, which is a 5,000-seat venue, probably misses out on a fair bit of the conferencing and events market in particular in music from touring acts because of the cost of running that venue. It is a venue that was built probably 25 years ago.

**Mr WATSON:** It would not be that long. Twenty, I would say.

**The Hon. CATHERINE CUSACK:** Did it need an Act of Parliament to allow it to be built on that piece of Crown land? I recall it was very complicated. The money was there but there was a caveat.

**Mr SEGBOER:** The money was raised by 100 individual businesses who donated \$20,000 and then it was matched by the State Government at the time—again showing the strength of the business community here. But now it is not fit for purpose in terms of operating costs. It really needs an overhaul. One classic example of a touring act is Dolly Parton, who came three years ago. Council had to subsidise the cost of attracting that act because the cost of transforming that venue into being able to take that sort of an act is quite high. Because the venue does not have a permanent stage, it does not have permanent lighting, it does not have permanent seating and it does not have a permanent box office, it is very expensive whenever an event looks at that.

We quite often lose out on concerts that might be going from Sydney to Brisbane. They look at Tamworth as a halfway point which could service quite a large range of people within a 350-kilometre radius to go to a



concert. Keith Urban is a classic example that has overlooked this venue before because of the cost. They are naturally just going up the highway. To pull in with their trucks and do a concert here for one night is not that difficult, but it is the cost of actually running that venue.

**The Hon. CATHERINE CUSACK:** They are physically driving through Tamworth, are they not?

**Mr SEGBOER:** They are physically driving through Tamworth.

**Mr WATSON:** We quite often hear that as a complaint from locals. Why are these acts not coming to Tamworth when we are the country music capital or we are the music capital, the music centre? Why are these acts coming straight through? Why did Keith Urban get his start in Tamworth and was found here busking on Peel Street yet he is coming in January to other major cities while our festival is on and not coming to our town? He is three hours away in the middle of our festival, which is going to impact our festival. It is because of the cost of getting them here from those capital cities and the cost of running the venues.

**The Hon. CATHERINE CUSACK:** What about private sector infrastructure such as hotel rooms, for example?

**Mr SEGBOER:** You are staying at my hotel tonight, which has only been open three months.

**The Hon. CATHERINE CUSACK:** I stayed there last night. It is fabulous.

**Mr SEGBOER:** Thank you. There is significant money being spent in terms of accommodation. Obviously, from a business point of view, interest rates being so low has certainly been a big driver around infrastructure being placed in Tamworth. We have seen in the last three years two new hotels open, one being the Wests Entertainment Group new Mercure hotel and my hotel. Some of those smaller properties have undergone major extensions to accommodate more beds and more rooms within the city. Then you have got other older properties that are going through full upgrades at the moment to improve their accommodation. I think that comes from the need for change and people would nowadays expect a hotel room to be better than what they have at home or equivalent. They are not satisfied with staying in a three star.

**The Hon. CATHERINE CUSACK:** I have been in many country towns where there is not that confidence to make that investment.

**Mr SEGBOER:** Absolutely. I think the confidence comes from events like the festival and going back to the equine centre now where there are 150 events days out there attracting up to 5,000 people per event day. It certainly has made the accommodation sector more confident and prepared to invest in growth in the region.

**The Hon. SHAYNE MALLARD:** Do you have a market in the grey nomads, the caravans and camping around the festival?

**Mr SEGBOER:** Around the festival, caravanning and camping makes up about 64 per cent, I think, of people who come to the festival. People staying in hotels, there is only about 13 per cent or 14 per cent.

**The Hon. SHAYNE MALLARD:** We used to come up with mum and dad with a caravan in the eighties.

**The Hon. CATHERINE CUSACK:** I remember the year the Peel River flooded during the festival.

**The Hon. SHAYNE MALLARD:** Is that an ongoing market, the grey nomads—I do not know if that is a derogatory term but that is the term I hear—the retirees with the campervan or caravan?

**Mr SEGBOER:** Absolutely, and it is a market that comes through Tamworth every day of the week and, I guess because we are the country music capital, stop here for that purpose, but as previous people were saying, they cannot find any entertainment during that time because they do not have a schedule, so sometimes they might stay three or four nights until there is a band on at the weekend or that sort of thing. So there is a positiveness around that as well.

**The Hon. CATHERINE CUSACK:** Basically, every Victorian going to Queensland in winter—

**Mr SEGBOER:** Comes through here.

**The Hon. CATHERINE CUSACK:** —comes through Tamworth.

**Mr WATSON:** One way or the other; either on the way up or on the way back, yes.

**The Hon. CATHERINE CUSACK:** Also you would be finding from a generational point of view that the interest in music is much greater in the older generation now than it was maybe 10 or 20 years ago, just because

people over 60 have been brought up with music and they love music and now they are enjoying the time to get around to it.

**Mr SEGBOER:** Absolutely. One of the great things about the festival—and it is a festival like none other in Australia in the sense that no-one really owns this festival, it is not a gated community or a music community over that time—the generation you are talking about love the free entertainment and they love the busking, they like to explore and see new entertainment and new acts and it is nothing for them to spend eight hours a day just in Peel Street listening to various buskers and new acts. You also get a lot of the bands and entertainers that come during the festival who will set up in Peel Street. They might have paid gigs somewhere else but they will set up in Peel Street and do a day down Peel Street. People from all walks of life and all—

**The Hon. CATHERINE CUSACK:** Ages.

**Mr SEGBOER:** —ages can enjoy that act whether it is free or paid.

**The CHAIR:** Thank you for your evidence; it has been helpful. Tamworth is the country music capital but I was wondering if Mr Watson was going to give us an illustration of some linedancing.

**The Hon. CATHERINE CUSACK:** Lennox Head Public School won the national linedancing championship.

**Mr WATSON:** Yes, they come here—they won it here.

**The Hon. CATHERINE CUSACK:** We are really good at it.

**Mr WATSON:** They are fantastic, and it is great because of the great youth market; it is really good to see that generation dancing.

**The CHAIR:** On behalf of the Committee I thank you for your presentation. In light of your evidence we might put some more questions on notice. You will have 14 days to answer them. The secretariat will help you with that if you need any assistance. It is great to be up here and we look forward to seeing you maybe later this afternoon.

**(The witnesses withdrew)**

**(Luncheon adjournment)**

**DAVID WOODWARD**, Artist Manager, sworn and examined

**REBECCA BELT**, Director, Country Music Association of Australia, sworn and examined

**The CHAIR:** Good afternoon. Welcome to the inquiry. If you could state your name and the capacity in which you are presenting at the inquiry.

**Ms BELT:** I am a board member of the Country Music Association of Australia [CMAA] and a country music publicist and journalist.

**Mr WOODWARD:** I work in music management of artists. I originally was the publicity and marketing manager for the Tamworth Country Music Festival and I have worked on other festivals across the country including the Mount Isa Rodeo, the Gympie Music Muster, the Newcastle Jazz Festival and Brisbane's Delectable Food Festival. I now manage John Williamson, Beccy Cole and Shannon Noll.

**The CHAIR:** Do either of you have an opening statement you would like to present?

**Ms BELT:** Yes. As I said, my name is Rebecca Belt and I am a country music journalist and publicist and a board member of the Country Music Association of Australia. I have worked as a country music journalist for more than 20 years, with 13 of these years being at the *Northern Daily Leader* here in Tamworth, and for the past two years I have been running my own business, The Country Journo. I am now a publicist for music artists, predominantly working in the country music industry. I have been a board member of the CMAA for four years.

During my time as purely a journalist, I interviewed, and built relationships with, every major Australian country music artist as well as many artists in other genres. I continue to work as a freelance journalist for *Country Music Capital News*, which is run out of this building. I make 100 per cent of my income from the country music industry. I work on festivals including the Gympie Muster, and this festival, and I attend the Tamworth Country Music Festival—I have attended for 25-odd years—Hats Off and CMC Rocks each year, as well as other smaller industry events.

I am able to make 100 per cent of my income from the country music industry because of the contacts I had already built during my time as a country music journalist. Only a handful of the artists I work for have country music as their sole income, with artists having a range of other careers including mining, tourism, teaching, farming, trades, nursing, and labouring, due to the difficulty of making a sole income from country music. They use their jobs to support their country music careers, although most would aim to make their sole income from country music.

Board member and CMAA president Dobe Newton is currently working to update research on the value of country music to the nation. But, from data collected in the last major research project, which unfortunately was back in 1997, the value of the country music sector at that stage was \$258 million, which has increased substantially in 21 years as festivals have grown and numbers of performers have increased, with the value to the Tamworth community alone then being estimated at \$30 million and now being estimated at a conservative \$60 million. However, as artists would be able to speak about in much more depth than I can, musicians across all genres are not being paid fees that are in line with consumer price index [CPI] increases over the years.

As a board member of the Country Music Association of Australia, I am heavily involved in The Academy. The Academy, which the CMAA runs in January for the senior course and July for the juniors, involves about 20 aspiring music artists, and their parents for the juniors, attending the intensive residential course where they are mentored and tutored by award-winning country artists and other professionals in the music industry. The courses attract students from across Australia and New Zealand and is the only course of its type.

Funding for the arts industries is imperative, with 70 per cent of Australia's creative exports coming from New South Wales and 42 per cent of Australia's creative industries employment being in this State—that is more people working in creative industries than working in mining and agriculture in this State. The CMAA Academy of Country Music has received New South Wales government funding over 20 years, in particular Create NSW funding for the Create NSW Indigenous Senior Academy Scholarship to encourage Indigenous students to attend The Academy, and we have been approved as core funding, receiving \$5,000 each year—we received \$10,000 last year for two scholarships—and associated publicity to go with those scholarships.

This is only a small contribution towards what it costs to run The Academy. The budget for the two academies is in the vicinity of \$145,000 annually, which is based on no frills and virtually no marketing, relying on word of mouth. It is also run without adequate administrative funding. It has been running for 21 years. Funding for The Academy is a direct benefit to young people in regional areas, with most of our students coming from

rural, regional and remote areas. The Academy is a chance for aspiring music artists—and not all choose to specialise in country music—to meet with others who have the same goals and share the same passion for music as they do. For remote students, this can sometimes be the first time they have been with a group of others their age, particularly in the junior course, who love to play music as much as they do. Most of the students tell us it is the first time they have found their tribe.

Students who have attended the junior and senior courses include Jessica Mauboy, The McClymonts, Amber Lawrence, Travis Collins, Lyn Bowtell, Sara Storer, Judah Kelly, and a long list of other award-winning artists. The Academy is the most important way the CMAA nurtures the next generations of music artists, ensuring they have a broad knowledge of the industry to assist them in making useful career decisions. Live music is an important factor in any culture and country music shares the stories of Australians and plays an important role in the heritage and history of this country. This is not even taking into account the cultural significance of festivals such as the Tamworth Country Music Festival, which draws tens of thousands of like-minded music lovers into one city for 10 days of the year to share their love of the cultural form. I know Barry Harley will speak more about that later.

**The CHAIR:** Mr Woodward?

**Mr WOODWARD:** A very succinct statement. I cannot follow on from that.

**The CHAIR:** She is a journalist.

**Mr WOODWARD:** Do not expect anything like that. As mentioned, I work purely in music management at this point in time. I have spent a lot of time working in public relations [PR] and publicity for events and also national tours such as Kenny Rogers, Dolly Parton and Guy Sebastian. I do not do that so much anymore simply because the money is not there like it used to be. I completely understand that music and the arts industry is a creative industry that is a choice that people go into; it is a difficult field to break through. I am quite lucky with the artists I work with in that they are very financially sound and I do derive my entire wage from them. My interest really in this—and thank you for inviting us to be here—is looking at tourism value and employment benefit to local areas, especially New South Wales securing events and not losing them, as we have seen in the past, to Queensland, and how the benefit can be for artists moving forward.

As I said, I work with artists at a top tier, so we are quite fortunate, but as Ms Belt said, there has been no increase in our fees and although they are paid quite well, there is no CPI, there is no increase in fees and our expenses such as travel, accommodation—all that has increased. I feel that we lag behind Queensland quite a lot, especially when it comes to music and arts events in New South Wales. Queensland is investing quite a lot of money, especially in the events I have worked in before, in keeping the events and developing them further. Whether that is through infrastructure grants or things like that that I know have been awarded, such as the Gympie Music Muster, so that is where my interest lies.

**The CHAIR:** Ms Belt, with your vast experience, what can be done better?

**Ms BELT:** I guess speaking in respect of the Country Music Association of Australia [CMAA] and the academy, which is my area of specialisation, it is all about funding and making it easier for those regional and remote students to be able to get to somewhere such as Tamworth, which is obviously not the city, but just make it easier for them to be able to access courses like the academy, which will then introduce them into that next—hopefully the next level of their career, whether that is country music or any other area of the music or arts. They always say to us—attending the course costs \$3,300 for each student for the juniors, which includes a parent attending as well. A lot of these students are coming from regional and remote areas. Their parents could be in the agriculture industry, and they do not have easily accessible money.

**The CHAIR:** Especially at the moment.

**Ms BELT:** A lot of people do crowdfunding, and we offer some scholarships, and councils offer scholarships, and we are attempting to get more scholarships to encourage those people to attend.

**The CHAIR:** You talked about Create NSW funding. It is not enough. What can they contribute? I know you talked about the Indigenous grants and two scholarships. Would you like to see Create NSW do more funding, more grants, or diverse options of grants?

**Ms BELT:** Yes, a diverse option of grants.

**The CHAIR:** We have got them before us next week.

**Ms BELT:** Great.

**The CHAIR:** We will be your voice.

**Ms BELT:** Excellent. Yes, more diverse grants on offer so that we can, as I said, encourage more of those students to come and experience what the academy has to offer.

**The Hon. JOHN GRAHAM:** Thanks for your evidence. The main thing I was keen to ask about, given both your experiences, was the touring circuit and how it has changed over time, particularly in regional New South Wales or regional Australia. Have you got any views about how that has changed over time?

**Mr WOODWARD:** Venues are definitely spending less than what they were before, so different artists should go into a club and pay a hire fee. Those prices have gone up. In a club, you may get a guarantee of a certain amount. Those guarantees seem to have reduced a lot and a lot of clubs are not offering guarantees like they were before. Therefore, that puts the entire risk back on the artists. Venues such as clubs that do television advertising, it is now a contribution they want, or you take it on yourself, so it is just a hire cost exercise, and instead of travelling around—again, it is an artist's choice—by caravan, although some still do it, now it is just lots of flights and hire cars and hotels. A lot of the time you are going into places—the different thing with touring now from, say, 10 years ago—we were lucky, and using examples I should not be using such as Delta Goodrem, Guy Sebastian, artists like that did not need to go into regional areas. They would rely on essentially doing metro city shows and now it is so competitive for the dollar and the value, because everyone needs it, that everyone tours regionally so our competition is a lot more than it ever was before.

**The Hon. JOHN GRAHAM:** We have taken evidence that the touring market around Australia has broken down a bit, given the squeeze on Sydney venues, including some acts skipping Sydney on the way around a national touring market, or Victorian artists are saying, "The state of Sydney venues is impacting on our ability to tour." Outside of Sydney, how would you describe the state of the regional touring market? You have talked about some of the challenges. Is it still a live option for the acts you guys are dealing with or has it really slowed down over that 10 years?

**Mr WOODWARD:** It has probably slowed down more in the past two years because of the drought. For the top end artists it is still quite a healthy viable touring opportunity.

**Ms BELT:** I do not look after those top tier artists, but I have looked after tours on the next level down and I know for them it is a struggle. They were on door deals, so they have to make that money through the ticketing. Again, they had to organise their own advertising, all that kind of business, so all the risk is on them and very little on the venues. It is a hard slog it turn up to—you think you are turning up to work and you do not know whether you are going to lose money that day or whether you are going to make money. That is the risk that you are taking.

**The Hon. JOHN GRAHAM:** The pressure is either way, no matter what sort of artist you are, but it is probably still viable if you are at the top level, despite the pressure, although the bands you are talking about—

**Ms BELT:** It is a struggle, yes.

**The Hon. JOHN GRAHAM:** Is it breaking down a bit, or it is not at that point?

**Ms BELT:** A lot of them are—I think Mr Woodward would back me up—shortening their tours. They are doing mini tours. They might do weekends here and there. They are not doing a three-month tour where they just go from one place to the next. They have to choose very carefully, obviously, where they are going to spend their money and where they are going to take their risks.

**Mr WOODWARD:** In saying that, from my point, being realistic, these are artists who choose this profession. I do not think it is up to the Government in any way, shape or form to be funding their tours. I really do not. It is like the CMAA Academy. I think it is a wonderful academy, and I have been up there and spoken as well, but if you give a scholarship for everyone wanting to go to the academy, are you going to give one to every child that wants to go to a cricket camp? It is simply not possible. For me, it is about education and being able to work with the right people, the APRAs and the Arias, and things like that that can provide regional touring scholarships or things like that. I remember Australian Film and Television at one stage actually had regional grants for people who were creating shorter feature films to go into regional towns because there was enough happening in Sydney and Fox Studios, things like that. They were the opportunities, and there is not going to be enough for everyone. Realistically, it is impossible to fund every artist, otherwise I will go on the road, and I cannot sing. Let me go out there and sing for a job.

**The Hon. PENNY SHARPE:** Mr Woodward, you talked about Queensland doing good things in respect of attracting events and festivals. What are they doing right that New South Wales is not doing?

**Mr WOODWARD:** Well, my biggest example was CMC, which started at—

**The Hon. PENNY SHARPE:** Sorry, CMC?

**Ms BELT:** Country Music Channel.

**Mr WOODWARD:** Yes, CMC Rocks, which I have never been involved in in a work capacity except for artists performing on it. It started off in Thredbo and they expanded from there and went to the Hunter Valley. They left the Hunter Valley to go to Ipswich, where it is absolutely massive now. It has been growing and they had a plan, but the promoter always said that they could not refuse the money.

**The Hon. PENNY SHARPE:** Was there a State incentive for them to move to Ipswich?

**Mr WOODWARD:** Yes, \$1 million over three years.

**The Hon. PENNY SHARPE:** Was that for the premises? Do you know what was that for?

**Mr WOODWARD:** I am not quite sure. I can tell you that whilst it was at the Hunter Valley there were about 500 people employed over the three-day period. That is 500 local people and Kurri Kurri and Cessnock are two of the lowest employment areas in New South Wales, so for me that was a huge loss. It was also 3,600 people camping on the site. They had international artists and it was filmed and broadcast into the United States with an audience of more than 20 million people. I also look at things like the Gympie Music Muster. It gets \$150,000 local government support per year. It also gets \$150,000 State Government support per year, and it received a \$500,000 grant for infrastructure from Federal Government two years ago.

**The Hon. PENNY SHARPE:** There obviously are grants in New South Wales. They are smaller. Some of the evidence that I am aware of, it makes it very hard for people to apply for them as well.

**Mr WOODWARD:** I do want to talk about that.

**The Hon. PENNY SHARPE:** There must be an easier way to do it. We have got money there. The Government—I am not a government member but the Government has got money there. We want it out the door. We want it supporting those programs. I worry about the compliance and up-front costs and the time that it takes for what are relatively small amounts of money.

**Mr WOODWARD:** My concern with that is probably more from a local government point of view. To put on an event I am assuming it still remains the same—that they need to get wet weather plans, traffic plans and everything done so—

**The Hon. PENNY SHARPE:** Yes, the Committee has heard a lot of evidence about that.

**Mr WOODWARD:** The local red tape then stops them from excelling further to State government level. I think if there was a coordinated position, group or whatever from State government level to work with local government that may assist to get things off the ground.

**The Hon. PENNY SHARPE:** You had a very positive story to tell us in your opening presentation about the growth of festivals and seemingly the growth in the number of artists. I think we have a bit of a disconnect. This Committee gets a lot of the negative, and this is partly about us trying to work out what we can do to make it positive. Would you talk a bit more about what you have seen? What has been your experience around the growth? The thing that has changed fundamentally in the past decade, or the struggle for venues, is that every kid with a guitar also has the internet and they are able to connect with people all over the world. Whatever subgenre you like, you can find friends. Where are the new young artists coming from? Is it the case that there is always a group of people that are coming through? Where are the positive stories in that? What leads on from that? I take your point about subsidising kids who cannot afford to come to camp.

**Ms BELT:** Yes, as we said, it is completely there.

**The Hon. PENNY SHARPE:** Yes, some of it is there. I was referring to good stories, such as more festivals and what has been driving that, and to the growth in young artists. Where are they coming from? How are they finding their way to connect to country music?

**Ms BELT:** Obviously I can only speak from anecdotal evidence from what I see at the academy.

**The Hon. PENNY SHARPE:** Sure but you have a lot of experience which I am interested in hearing.

**Ms BELT:** I do not know if it is the case that country music may be becoming a bit cooler so we are getting young people coming through. When I say yes there are more artists, obviously as the population increases there are more artists but it is not necessarily artists who are making their income from country music. Yes, there

are a lot of young people coming through but whether they continue into longer-term careers in country music, and particularly to the stage of the artists that Mr Woodward looks after, is a completely different issue. But, yes, I think it is becoming a more popular form of entertainment possibly and that is why more young people are going down that road. The people obviously that I deal with are from rural areas so maybe they relate more to it and that is why they decide to take it up as their genre.

**The Hon. CATHERINE CUSACK:** When I was a kid my dad owned one record—a Marty Robbins record that was played over and over again. I have noticed that a lot more women are involved in the industry. Is that fair to say just because of the way it has changed?

**Mr WOODWARD:** Definitely in the corporate side of it. As far as performers I do not know whether it has increased or anything. But from the corporate side as far as record labels I would say there are a lot more women in the industry.

**The Hon. CATHERINE CUSACK:** Has the increased focus on festivals come at the expense of people going to permanent venues or are they completely different?

**Mr WOODWARD:** If you can get on the festivals it is nice because it is attractive pay to be honest. So you can go, let us say, to Wagga Wagga RSL Club and have a guarantee of \$10,000, or you can be booked for the Gympie Music Muster and get paid \$40,000—no risk, no advertising—and it is nice for an artist to do. But that also then affects your touring schedule because if you have just gone, let us say, to Gympie you do not want to go back around that area of south-east Queensland or anything probably for the next 12 months. So everything is about schedule. I do not know whether it has changed. I do not think so. It is just that you aim for it, especially as emerging artists, as you know.

Emerging artists want as many eyes on them as possible. They will not be getting, say, \$40,000 or \$50,000; they might be getting \$2,000. But being an emerging artist that has not had 10 albums out or things like that, they might sell \$5,000 worth of merchandise, whereas some of the established acts have 20 albums out and we have heard all the songs but they might only sell \$2,000. That is where the emerging artists do very well with merchandise. Plus the emerging artists generally probably have a broader idea of merchandising so it is quite cool. A lot of the T-shirts, stubby coolers and things that they do are quite cool and funky and appeal to more than just the country music audience.

**The Hon. CATHERINE CUSACK:** The McClymonts in particular commented that artists are inundated with requests for free performances.

**Mr WOODWARD:** All the time.

**The Hon. CATHERINE CUSACK:** People seem to have no idea of what it costs to put on a show.

**Mr WOODWARD:** Yes, all the time, especially around the drought area at the moment where a million fundraisers are going on. The ones that we have entertained have been the ones that have come to us saying, "We don't expect you to lose money. We will cover flights, accommodation and things like that. Do you want a fee?" All the artists that I have worked with that have done the concerts have not charged a fee but we have not lost any money either.

**The Hon. CATHERINE CUSACK:** But you needed your costs covered for doing it.

**Mr WOODWARD:** Just costs covered. One artist of mine who is going on the Today show is doing the country music channel and is performing six songs—a great promotion. He has two performers playing with him. But that privilege of us going to be able to perform is costing him \$1,000. Your players, your musos, do not do things for charity.

**The Hon. CATHERINE CUSACK:** When you talked about the change in venues payments and how there has not been any CPI, why are they earning smaller sums now?

**Mr WOODWARD:** I think it is a greater risk, unless you go in there as Delta Goodrem where they know that you are going to sell out. We have also seen ticket buying changing; it is not selling out straightaway. Shows still sell out but it may be the day of the show. I think there is no rush anymore. People know that a lot of shows do not sell out so unless you are a really big name act there is no guarantee for the venues anymore, whereas before I think they could go, "We know that Guy Sebastian is coming in and we are going to sell 1,000 seats so we are quite happy to give him a guarantee of \$20,000."

**The Hon. CATHERINE CUSACK:** So the risk has now been put back onto artists?

**Mr WOODWARD:** Well and truly but there is a lot more competition. I am looking at it from the venue side as well.

**The Hon. CATHERINE CUSACK:** Right.

**Mr WOODWARD:** They are not in the market to lose money and run at a loss, so they are trying to make money but there are a lot more artists touring, especially regionally now than what there was ever before.

**The Hon. CATHERINE CUSACK:** And artists are accepting less because they have to?

**Mr WOODWARD:** That is right. You are either accepted or—

**The Hon. CATHERINE CUSACK:** Do you think the cost of operating venues has increased over time?

**Mr WOODWARD:** No. If anything, it would have reduced with technology as far as manpower and physical items that need to happen for a performance to be put on or promoted within a venue.

**The Hon. CATHERINE CUSACK:** What about things like security?

**Mr WOODWARD:** That has never changed. A lot of the venues are quite lacklustre and do not even meet the security standards that they are supposed to have.

**The Hon. CATHERINE CUSACK:** What are the great venues in New South Wales for someone wanting to do a tour?

**Mr WOODWARD:** As far as what kind of level artist?

**The Hon. CATHERINE CUSACK:** No, where?

**Mr WOODWARD:** What kind of level artist?

**The Hon. CATHERINE CUSACK:** Country music.

**Mr WOODWARD:** Okay. You have Wagga Wagga, Albury, Dubbo, Armidale, Coffs Harbour, Port Macquarie and Lismore, and Ballina is another great one.

**The Hon. CATHERINE CUSACK:** Are the venues in those towns overwhelmingly clubs?

**Mr WOODWARD:** Overwhelmingly. We just did three shows on the weekend and they were all theatres. We try to search for theatres just for one of my acts in particular but the other acts want the guarantee. They want to know going in no matter what they are going to get—\$8,000 or \$9,000 per show. Yes, a lot of the times it is clubs.

**The Hon. CATHERINE CUSACK:** Do you find clubs easier to deal with?

**Mr WOODWARD:** I find them easy to deal with. It is a different audience generally that goes to them so the artist has to be willing to accept the audience. They are generally rowdier, drink more and are probably not as quiet and attentive. And some clubs are great; they completely revamp the clubs every couple of years and others let them get quite old and tired.

**The Hon. CATHERINE CUSACK:** I live in the Ballina shire which has a pretty old demographic but the older demographic is really into music.

**Mr WOODWARD:** The Ballina club there has completely done a turnaround and in the past two years there has been a new entertainment manager, I believe, and we sell out every show there.

**The Hon. CATHERINE CUSACK:** It is fantastic.

**Mr WOODWARD:** We love it. We did not go there for years because it was completely run-down and tired.

**The Hon. CATHERINE CUSACK:** The Committee heard evidence from some clubs that they worry about putting on live music because that upsets the bulk of their patrons who are their members. There seems to me to be a conversion in age groups and music.

**Mr WOODWARD:** Yes and clubs also want live music because people are going to go in there and order meals and buy drinks. They might put money in the poker machines and things like that, so it is also attracting them. In saying that we have a great Australian act in Tamworth this Saturday night over at the West Tamworth League Club—Sheppard—a capacity room of 880. As of last night they had sold 320.



**The Hon. CATHERINE CUSACK:** I am sorry, where was that?

**Mr WOODWARD:** West Tamworth League Club. They had 320 as of last night.

**The Hon. CATHERINE CUSACK:** What about the Entertainment Centre here at Tamworth?

**Mr WOODWARD:** It is used a lot more. It was considered a white elephant for a long time, which I am sure other people have said. I am sure I am not the only one. I think it is used a lot more now. I think having the equine centre so close to it has also brought in other events that may not have come.

**Ms BELT:** TRECC, which is the Tamworth Regional Entertainment and Conference Centre, hosts not only live concerts. They do car shows there. They just had a massive craft show over the weekend.

**The CHAIR:** We heard evidence that Keith Urban has just gone straight through to Queensland because of the cost and the infrastructure that needs to be put in there.

**Mr WOODWARD:** It is extremely expensive.

**The CHAIR:** Do you want to comment on that?

**Mr WOODWARD:** I do not know where it sits now. When I worked at Tourism Tamworth we were trained to build it up and bring conferences and events into Tamworth. At the time we did a cost analysis between Newcastle Entertainment Centre, Tamworth Regional Entertainment Centre and WIN down in Wollongong and it worked out that Tamworth was double the price of the next one down. It was very expensive. I do not know whether that is still the case.

**The Hon. CATHERINE CUSACK:** When was that?

**Mr WOODWARD:** I left there in 2010 so I am going to say 2008. We went to the Moteliers Association and formed a group with them and said that if we could pitch for conferences and events we would take care of the accommodation, we would do all their bookings for them but we would take a commission from all the hotels and then we would use it to try to subsidise some of the cost of TRECC. Although we were funded by council we ran separately and independently from them. That is how we tried to attract them.

**The CHAIR:** The Entertainment Centre, from what we understand, is not a plug-and-play venue. That is the cost.

**The Hon. SHAYNE MALLARD:** Is there any intersect with streaming services for getting audiences along to the venues? We have heard from the streaming services about how they dominate the music market in terms of consumption. We heard that they can tailor information for artists about where their downloads are coming from so you could then target tours and venues based on that. Are those tools being used?

**Ms BELT:** I do not look after tours or all of that kind of thing. I am more servicing to media and organising interviews and all of that kind of thing, pitching to media and getting that kind of coverage. But the level of artists that I look after, if they are getting streams then they love it. I obviously deal not in a publicity sense but with other artists who completely do not want to be on the streaming services because they have their CD market and they want to keep their CD market. They do not want people listening to their music any other way because they are not getting the kinds of royalties that they like to be getting.

**The Hon. SHAYNE MALLARD:** For want of a better term, it is a disruptive. It has well and truly changed the nature of the music market. In fact, it is expanding it and growing it. That has been the good news about it.

**Ms BELT:** You have to jump on board. The artists that I look after, if people are streaming them they are loving it. I know myself as a country music fan on the other side, it is a good way to discover new artists that you might not have heard of before. Obviously, you have got to be able to get onto those playlists and stuff. The level of artists I am looking at mostly are not at that level where they can get onto those playlists.

**Mr WOODWARD:** The next generation—or the young people—are streaming. I am not personally a streamer but it is the way of the future and you need to be on all platforms streaming. The only disappointing thing with streaming—this was only a couple of weeks ago—is one song on Spotify needs to be played 180 times for the artist to receive \$1. That takes away a lot of the revenue that we used to get.

**The Hon. CATHERINE CUSACK:** Can they not just play it themselves 180 times?

**Mr WOODWARD:** They can, but they are still only getting a dollar. You have to like your own music really a lot.

**Ms BELT:** You can just turn the volume down and play it all night.

**Mr WOODWARD:** Exactly. It is the way of the future. There is no way of avoiding it. The sad thing is the music industry is not a healthy industry across the board. The more JB Hi-Fi keep reducing the size of the CD area and allocating it to whitegoods because they have a greater return on that, Sanity stores are closing down all across the country, Big W and Kmart now only stocking the top 10 albums—streaming is where we have to go, unfortunately.

**The Hon. CATHERINE CUSACK:** My car does not have a CD player in it.

**Mr WOODWARD:** New cars do not have CDs players in them. I hate it.

**The Hon. SHAYNE MALLARD:** Is there industry knowledge that needs to be improved around this? Is there need for awareness in the country music sector, because we are hearing that the other sectors are going into the streaming side pretty full on? Is there some role for a convention or a conference for the music industry to get together and work through these issues?

**Mr WOODWARD:** I think it would be fantastic. I am lucky that the artists I work with are all signed to a record label so I do not have to do any of the streaming. They set all that up. They go and meet with Spotify or whoever and then say, "Can we be a feature artist on the main page?" I know very little about streaming. If there was an education about it I would definitely jump on board. I think it would be great.

**The Hon. SHAYNE MALLARD:** I would talk to your artists.

**Mr WOODWARD:** They say, "How does it all work?" I say, "Don't worry about it, I've dealt with it." No, I have not.

**The Hon. SHAYNE MALLARD:** I can confess that at the beginning of this inquiry I was not a streamer but I am now. I was a downloader and I thought I was up to date.

**Mr WOODWARD:** No, I am way behind you and I work in the industry.

**The Hon. SHAYNE MALLARD:** My CD collection is boxed away. I have not looked at it for years.

**The CHAIR:** I think you raised a very important point earlier that we have heard consistently through the inquiry. That is about people being paid the same rate that they probably were being paid in the 1970s. There is no CPI increase; it is just a flat rate because you are a muso and you have to hold down another job to subsidise your talent. What would you like to see in that area?

**Ms BELT:** I do not know if it is more of an awareness around these venues or festival organisers. Particularly again with the artists that I work with, they will offer them these spots at festivals and stuff for exposure or say, "Come and play at our venue for exposure." Exposure, unfortunately, does not pay the bills. I think this has been a problem always in all genres that they go, "You are just playing music." It is not seen as an actual serious job or career or whatever. They are like, "You're just playing guitar. You're just singing." Whereas obviously there has been many years of work go into being able to get to that stage. I think possibly it is an education thing for venues and festival operators and all of that kind of thing to think we do need to see the value of entertainment and music as a cultural form and as a form of entertainment and we need to pay to that level.

**Mr WOODWARD:** I do believe that the top tier are the top tier because they have worked hard, they are good. They make money because they are good at what they do. Not all the artists that we are talking about are any good. Some of their songs are just crap. Their performances are crap. Let us be honest: not everyone can be a star. I think the thing that is different especially for country artists today is we do not have the platforms that we did before like *The Middy Show* or *The Bert Newton Show* where they could get profile and raise profile. Other genres have triple j Unearthed and that sort of media backing, but we do not really have that. There is not a huge country music radio audience in Australia. There is no TV besides CMC, which is a subscriber channel on Foxtel. I do not think there is that huge platform.

The biggest issue is we have got the top tier of country music and then probably three tiers down. We have not really discovered any new acts. It is not because there are not any great acts to discover. It is that there is no platform for them to get that national recognition—unless they choose to go on *The Voice* or something like that, but then they are also going on there with 20 other acts and they are not singing their song. There is no *Middy Show* anymore, which used to be a go-to for every artist, and *The Bert Newton Show* and *Hey Hey It's Saturday*. We do not have those platforms anymore either.

**The CHAIR:** And *Countdown*.

**Mr WOODWARD:** *Countdown*. Thank you.

**The CHAIR:** On that note, thanks for coming to give evidence. It is incredibly important. We have heard about other genres but it has been great to be here in Tamworth—the capital of country music—to hear this. There is a void of country music on Triple J, for instance. That does carry a lot of other musicians, like you were saying. There is obviously a bit of work to be done in the country music area. In light of the evidence you have given we may put some further questions to you on notice. You will have 14 days to answer them and the secretariat will help you with that if necessary. We really appreciate you taking time out to give evidence today. It has been extremely helpful.

**Mr WOODWARD:** Thanks for inviting us. Enjoy the rest of your time in Tamworth.

**(The witnesses withdrew)**

**CAROLYNE MORRIS**, Tamworth Songwriters Association, sworn and examined

**The CHAIR:** Could you state the capacity in which you are appearing in this inquiry?

**Ms MORRIS:** I am here as a representative of the Tamworth Songwriters Association and as an independent singer/songwriter working artist.

**The CHAIR:** Do you have an opening statement you would like to present?

**Ms MORRIS:** Yes. I have been asked to come here in place of the Tamworth Songwriters Association [TSA] President, Mr Duncan Hill, who unfortunately could not be here today. As I said, I am a local singer/songwriter and performer who has been actively involved in the music industry for 20 years. I am very proud to be part of the diverse Tamworth musical culture and community. The TSA is a not-for-profit volunteer-run organisation that recently commemorated its fortieth anniversary. We are Tamworth-based but we have an Australia-wide membership. I am here to impress upon you the importance of songwriting within the spectrum of music and the arts.

Our motto is "First the Song". Those simple words say it all, because without the individuals who create the songs and original pieces of music there would be no music industry; we would not be here today. There would be no music history, no commemorative or celebratory songs, no happy birthdays, merry Christmas, nothing in elevators or in your cars. Without songwriters and the music they create it would be a very bland and less exciting existence. Our organisation is one of the few avenues for songwriters to have their music heard, to be judged if they wish, critiqued and given recognition of or commendation for. We provide mentorship, guidance and tuition, we have workshops and we provide initial exposure for novice and inexperienced writers to perform their work in a supportive environment. Through songwriter showcases our members are offered the opportunity to perform their songs whether they are commercially released or as raw, brand-new works.

We also enjoy, through the TSA, association with people of high profile who have at some stage in their life and careers been involved with the TSA—for example, Adam Harvey, Joy McKean, Beccy Cole, Sara Storer and artists of that calibre. We still have them support us with concerts and various things with us. We are proud to host an annual national songwriting competition of considerable prestige, which culminates in an awards concert during the world-acclaimed Tamworth Country Music Festival each January. On average, we receive about 650 submissions for the competition. It is a platform that provides entrants with an opportunity to express themselves, to facilitate and nurture novice writing voices, to acknowledge and validate individuals who contribute their time and experience to enhance the integrity of songwriting and the industry even if they are not necessarily songwriters, and it may often boost emerging artists' careers.

We applaud the local Tamworth venues and appreciate immensely what they do for the artists. What happens in Tamworth is a good model for what is possible in other locations. We feel a validation and exposure for the artists is an essential key, as we have all heard from other presentations, and especially fair remuneration, especially in APRA-licensed premises where artists can be paid for providing entertainment and singing their own songs. How the Government perhaps can help is to incentivise the venue owners through licence bonuses or trade-off in planning and development regulations to make it easier for them to secure licences to have live music performed or, if they have a large back area of the premises, not to have to go through massive hoops and weeks and months of applications to be able to hold an outdoor mini-festival if they have the land, for example.

We are not criticising the good work that venues do but we would like to lend our support for the development of the industry so that in turn songwriters and artists can have a better opportunity to be more involved. We need also—it was touched upon earlier with the existence of the internet and streaming music—vigilance to be carefully maintained to ensure that songwriters and artists receive payment for their work. Sadly, online fraud is prolific. I was sent an email recently saying how much they loved my song they bought online—somebody in northern Canada—and I have never put any of my work online for sale. I looked it up the other day and there is a site on which I had uploaded music to listen to but they had my songs on there for \$2 apiece and I have never received anything or any notification about that. So that is out there, and I am only on a very minor scale as far as a performer.

As was said also before, considering how many musicians there are, I think it is fair to say that only a very small portion of those artists can make a comfortable living based entirely on their music involvement. There is a saying in the music industry that a musician is someone who loads up \$5,000 worth of gear into a \$500 vehicle, drives up to five hours and then spends another five hours setting up, playing, pulling down, drives home for five hours and, if they are lucky, they might get \$500 for that. We as an industry need to ensure that our entertainers,

be they musicians or actors, are given the respect of being paid properly for their professional time and contribution. If I could give you another example: weddings. They question how much a band would ask to play at a wedding, but when the question is put back and they are asked, "If you had six tradespeople that you wanted to be going for six hours and working after hours on a Saturday night, how much would you expect to pay them?" It certainly would not be the minimal amount that we require as a band to cover our costs.

As far as me personally here in Tamworth, I feel that the industry here often is quite fragmented. We have the potential to create an industry hub here in Tamworth, perhaps using somewhere like Nashville as a model, where people can come in and it would be appreciated through something like a government grant so that we could ensure an industry hub where somebody can come in and can be directed to recording studios, musicians, photographers, graphic artists, media, industry legal advice, artist accommodation services—all that sort of thing—because at the moment people come to town and say, "What's going on?" because outside of the festival we are a very fragmented industry here.

Also, just briefly, a monopoly of bookings, and a lot of independent artists, of which I am, we do our own bookings. For example, in Tamworth here, even though we are a regional city, at one stage there perhaps is one individual that controls at least seven venues as far as bookings, and he has a stable of artists. So if you are not part of that you literally cannot get a look-in in any of those doors. I think that needs to be addressed as well to make it a different way of securing bookings. We are about independent artists as well as people that are signed and, as you heard before, there is not a lot of that. We need to ensure legal support and protection for songwriting and for our songs and where the base of all music comes from. The TSA is a very proud, modest organisation that has been going for a long time and we support multiple artists of all genres and all stages of their career as well.

**The CHAIR:** How do you copyright your songs? Walk us through what an artist does if they were going to copyright it and what you need to do to receive royalties?

**Ms MORRIS:** To the best of my knowledge, in this country we contact an organisation called APRA, which is the Australian Performing Rights Association. You basically put in the name of the song, the songwriters, and how long the song is. That is it. There is no record of the lyrics or what is connected. It means that people can have songs with the same title out there and that is about it, as far as copyright.

**The CHAIR:** When you said they are getting \$2 a song overseas, what is happening there? Are you uploading it to an international site?

**Ms MORRIS:** In my case, it was a site you can go to and listen to people's music. You can put a profile on and put your music on there so that people can listen.

**The CHAIR:** What site is that?

**Ms MORRIS:** The one I was referring to, SoundClick. You can listen to snippets of songs.

**The CHAIR:** Do a lot of Australians use that one?

**Ms MORRIS:** I am not sure. There are so many more avenues. There are a lot of different ways that people can do it now. That is just one small occurrence where—

**The CHAIR:** Could you clarify what are some other ways that people would do it?

**Ms MORRIS:** Again, I am a bit like Mr Woodward; I am a little bit behind. We concentrate on doing what we are doing and I personally have not uploaded anything for sale online. I am still one of the independent artists who have to save up to finance creating an album and then decide whether or not I can upload songs individually, which I intend to do when I get that going. The cost of creating an album these days, a very modest album, you are looking at up to \$10,000. When you are speaking of a higher production album, it is 45, 50, 100, 150,000. For an independent artist starting out, you still need to find \$10,000 to record an album generally. A lot of it is happening at home studios these days, and if you have access to musicians it can be done, again, on a lower scale as well, but I believe there is a lot of online avenues for promoting music. As Mr Woodward was saying, the younger generation are very tech savvy. If there is something out there—companies like CD Baby, where I believe hard copies of music can be sent to them and they will distribute it for you.

**The Hon. JOHN GRAHAM:** Thank you for your submission. That was really appreciated. The fact that you and others had put submissions in is one of the reasons the Committee was able to come to Tamworth.

**Ms MORRIS:** Thank you for coming.

**The Hon. JOHN GRAHAM:** I want to continue on from where the Chair was heading about the APRA fees. We have taken evidence from venues here and elsewhere and they say: Look, we have got a lot of pressures

on us, including regulations, and a whole lot of other pressures. One of those pressures is paying the APRA fees. There is both the complexity and the payment. They are going to be simplified next year. I might deal with the complexity. Talk to us in a little more detail about what those APRA fees mean from a songwriter's point of view. If they were not there or if they were diminished, what would that mean for songwriters?

**Ms MORRIS:** If I could choose to take this on notice. As I said, I am here in place of my president of the association, who actually submitted this, so I would rather it go back to him to be able to give you the correct information rather than giving something that is not—

**The Hon. JOHN GRAHAM:** That sounds fine, but it would help us if you talked about what those APRA fees mean to songwriters?

**Ms MORRIS:** Again, I am probably a very bad example because I write and I play music and I register my songs, but personally I do not always pursue and do my performance reports and live performance reports. Some people I know work very, very hard and they will do three or four shows a week, and they travel a lot. They are not the upper echelon artists; they are hardworking artists here. They try to make a living out of it and they are also proactive. They make sure they get their performance reports in, and they get paid for every time that they sing their songs in venues, every time they go out. They are right on the ball so far as that. I cannot give you the information you need because I am not a very good example of what should be done.

**The Hon. JOHN GRAHAM:** It sounds like a lot of paperwork on top of everything else, on top of the driving and the loading and unloading that you have already talked about.

**Ms MORRIS:** And nothing is handed to you on a platter, you have to chase every single cent.

**The Hon. JOHN GRAHAM:** Tell us more about what the idea of an industry hub in Tamworth. You have given us some clues about what would be involved in that, but anymore detail would be appreciated.

**Ms MORRIS:** As someone who used to come here as a visitor and then eventually moved here, it is a well known fact that outside of festival time, Tamworth does not have a huge music presence. We have a conservatorium and there is music here, but if a visitor comes to town in the evening or the day time, the best we can do is perhaps direct them to the Big Golden Guitar where there is music playing as they look around some albums. I personally have always had a dream that there is a place, even if it is a cafe, where we have live music playing every night of the week in a corner of the bar, and we have a big screen on the wall so that we can have something like country music television going all day so that when somebody comes to town, we can say, "This is the country music we have here."

Another thing is people rely a lot now on Facebook and different social media platforms. Where can I record my music if I come to Tamworth or how do I find out where the musicians are? How do I find out what is on? We have a lot of individuals here in the media as well. They create pages to inform people of what is going on, but I would love to see a business shopfront of some kind where someone could come to a desk and say, "I am travelling through", or, "I need to know—", "Can you give me a rundown of where I have to go to record?" I can say, "Here is a list of our recording studios", and if they said, "What about if I want to do this", we have a list of photographers available. We need somewhere so people are not floundering about trying to find all this information out.

**The Hon. JOHN GRAHAM:** They sound like pretty sensible suggestions to build on what has already been built here. Do you think there would be an audience for those sorts of activities? Do you think there would be the demand for those sorts of people coming into town?

**Ms MORRIS:** I think living in town as a musician, it has gone around the table many times in circles of conversations I have had. We used to talk about a theatre that is now abandoned and sitting there. We would say, "Would it not be great if we could, somehow, get the finance to have that running, to rent the spot and to sublet spaces?" Then if David Woodward wants to set up a mini office in Tamworth, he can rent one of the spaces out. We could have photocopiers available for people and a place for information to be given out. Just a place where people could congregate in a business sense. We do not have that here. If you want to find somebody who is involved in the industry, you have to search like mad and then they might live out in the back blocks road. We do not have shopfronts here that say, "We are a proud music community and this is what we do. This is our business." I would love to see that happen.

**The Hon. JOHN GRAHAM:** Thank you.

**The CHAIR:** In Sydney, we have a hot desk. We could have a new concept of hot studios where you could pop in, do your recording, and just hire it for an hour or hire it for hours.

**Ms MORRIS:** Even a mini studio.

**The Hon. SHAYNE MALLARD:** We saw that in Melbourne.

**The CHAIR:** We saw it in Melbourne, but it is something we need to pursue in the regions and the city to help our emerging artists because it is unaffordable for them.

**Ms MORRIS:** It is, for visitors and locals. As I said, there are so many different economical methods of producing without having to go to a full stream heavy, massive big recording studio and top-line artists. There is a lot of stuff that can be done digitally and if people had access to that too, that would be wonderful.

**The CHAIR:** We have innovation business hubs and all sorts, why not an innovation music hub with these type of plug and play situations where emerging artists do not have to carry their gear all over the place. They would need only their guitar and certain instruments, and they could just plug in at those hot studios so they are ready to go.

**The Hon. SHAYNE MALLARD:** Thank you for coming in today and giving us another perspective of the music economy. Songwriting would be a hard way to make a living, I imagine, unless you were also performing and travelling?

**Ms MORRIS:** As I think it has been discussed here a lot, a lot of the songwriters I know, we basically—it is a hobby. We do it as a passion. We create music, but very few people can make a living. If you are very prolific and very passionate and very, very committed to going out and chasing and finding every avenue and keeping on top of the legalities and everything, perhaps, and co-writing, perhaps, with a lot of people, but as an independent artist who writes for themselves, it is pretty much something you do as a hobby.

**The Hon. SHAYNE MALLARD:** How many songwriters would be there in your association living in Tamworth?

**Ms MORRIS:** Because we are Australia-wide they are all over the place. We host, for example, a monthly songwriters showcase, sessions where people can come in. In a two-hour time slot we usually have 10 to 12 people come and perform one or two songs each and that is on a regular basis every month.

**The Hon. SHAYNE MALLARD:** Performing their own work?

**Ms MORRIS:** Yes, their own original work.

**The Hon. SHAYNE MALLARD:** Do most songwriters perform their own work?

**Ms MORRIS:** Most do, but there are some who only write lyrics and then they work in conjunction with other people to actually play music for them. Some are not singers. They do not profess to be singers, but they have a beautiful voice as far as what they write and then they can work with other people as well.

**The Hon. SHAYNE MALLARD:** It is fascinating how they would find inspirational material for their songs. I am sure you are thinking about this inquiry as an opportunity to write a song. That was a joke!

**The CHAIR:** We are actually looking for our song on this whole journey.

**The Hon. SHAYNE MALLARD:** Indeed. That is interesting. Most songwriters would be some of the poorer earners in the industry, I would say.

**Ms MORRIS:** If they made their living from songwriting, yes. That is what we said before: Most people actually have day jobs. Most people work. I speak for a lot of people, as much as we would love to make a career from music, travel around, play festivals and do things—even at the mid-range we are talking about, not up the top—even to be able to go and play at clubs or have the luxury of playing around the State, you cannot do it.

**The Hon. SHAYNE MALLARD:** You can take it on notice, but I think the role of APRA will be important for songwriters' income.

**Ms MORRIS:** Yes. As I said, I think you have to be vigilant yourself as well with your own stuff. You need to be on top of and know, and I do not think I am the only person who is more than a little lax in maintaining control and keeping an eye on what you—it is like having a bank account: You have really got to watch it. You cannot rely on the fact that it is going to be accurate all the time. Unless you proactively look after it things can be done or got away with, accidentally or otherwise. If you are not going to check it then it just goes unnoticed.

**The CHAIR:** Thank you so much. That has been really helpful from a songwriter's point of view. Because we have heard the other side of the artists, triple J and streamers and bands, but it has been really good to have someone from the songwriter's situation.

**Ms MORRIS:** Thank you. May I share with you something before I finish?

**The CHAIR:** Absolutely.

**Ms MORRIS:** Again, this is for the songwriters and with the TSA in particular. As part of our competition, in the past couple of years we have had an Anzac category. The winner for the Anzac song in the last awards that we had was actually given a wonderful letter from the Hon. Dr Brendan Nelson, Director of the Australian War Memorial. The winner of the Anzac song was a local writer who is also a long-term member of the association. Her name is Wendy Wood. She gave me permission to read an excerpt from that. He said, "You have given the nation a beautifully evocative gift with *Through the Eyes of a Boy*. The song speaks directly to the debt we owe all those who have given their all for us and our freedoms, and in doing so we are left with a deeper understanding of what it means to be Australian." Again, I think that really highlights how important a song, words and a story behind everything are. It can be a lightweight song about going to the pub on a Saturday or it can be something far deeper. A song can bring people happiness or grief. It can reflect on their lives. As I said, music is a part of everything, but without an original songwriter there would not be music and that is why I think we need to be really protective and respectful of songs and their origins.

**The CHAIR:** It is a universal language that all of us can understand. Thank you for the evidence you have given. In light of that evidence we may put some more questions on notice. The team will be able to help you with that. You will have 14 days to reply to that, but they will assist either you or the president to get back to us on that. We really appreciate your time today.

**Ms MORRIS:** Thank you all for your time.

**(The witness withdrew)**



**PETER ROSS**, Manager, Entertainment Venues, Tamworth Regional Council sworn and examined

**BARRY HARLEY**, Manager Country Music and Festival Director for the Country Music Festival, sworn and examined

**The CHAIR:** Mr Harley, I acknowledge your efforts. The Committee staff have spoken so highly of you, your generosity and your kindness. We really appreciate it. Our experience already coming to Tamworth is that everyone seems to have that high level of generosity and kindness, and kindred of spirit so we have been really blessed today. We heard it has been led through your beginning to assist us in this inquiry. Thank you very much on behalf of the Committee.

**Mr HARLEY:** Some of the delegates have complained that I put them in, have they?

**The CHAIR:** You are doing your job for Tamworth and the region. Thank you very much. Does either of you have an opening statement you would like to present?

**Mr ROSS:** I would just like to say that I am the Manager of Entertainment Venues and that is basically three venues that are owned by council. So Entertainment Venues is a division of Tamworth Regional Council; that is my employer. We manage, program and operate the Entertainment Centre, which seats up to 5,000. It is a very flexible venue. It can be used for car shows, dinners and concerts, theatre shows and a whole range of things. It is very much that flexible entertainment and conference centre. Our Tamworth War Memorial Town Hall, which seats up to 1,000 and then the Capital Theatre, which is a 400-seat proscenium arch theatre, which council actually sub-leases off the cinema owner and the cinema then leases off the building owner. That is located within Centrepoint shopping centre, which sounds slightly odd but has worked quite well in establishing a piece of live theatre in town.

But that lease is running out in five years, so it is a 15-year lease and council has made a commitment to a new performing arts centre and precinct in the current community strategic plan [CSP]. It has allocated funding for initial work on the business plan, the functional concept designs and costings to put that precinct down next to the art gallery and library to create a real ecosystem; a real creative hub full of like-minded components that can work in to activate the venue day and night, and be the best return to ratepayers but also offer the best social and culture to the city, but attract people from outside in.

**Mr HARLEY:** First, thank you very much for including Tamworth in your itinerary. I know that this brief started off being vaguely around Sydney and the night-time economy there, and you have extended it to regional New South Wales and we really appreciate you coming to Tamworth. I guess my specialist area is the festival and country music generally. I know you have probably had the venues giving you their perceived and real challenges and what have you. I just thought I might briefly give you an overview of how the festival really reflects an artificial economy because we do not have critical mass population here as you would have in Newcastle or Wollongong. Following on from what Ms Morris said, it is difficult to maintain that musical presence when you do not have that critical mass. That links back to the venues and the difficulty venues can have.

Broadly, I have given you a copy of the festival program and you can see just by its sheer thickness, its volume, that it is a massive, massive event. It is probably the most unique festival in the world because no one entity owns it. It is actually owned generally by the stakeholders, which includes venues, artists, entrepreneurs, promoters—all of those elements. Council's role, really, as a coordinator or a bringing together of all those areas, ends up having the responsibility to make sure that artificial population comes to Tamworth. We are able to attract around 50,000 people a day across the 10 days. We have in that program something greater than 2,500 scheduled events across the 10 days. It reflects something like 700 individual artists and acts, and it is actually staged in over 100 venues.

You would argue that Tamworth perhaps does not have 100 venues, but I can tell you that every church hall, street corner, arcade or whatever is a venue for that. But that brings about its own challenge because of those 2,500 scheduled events, 73 per cent of those are free. But there is no such thing as free music, so someone has to pay and this is where the pressure comes back to the venues and to the artists to make it work. Any challenges or speed humps that can actually be avoided will lead to more acts being engaged. I think that they have to run a business, so the first thing they do if population—whether it be by drought or by other influences—affects the attendances, is reduce their costs. Their hard costs they have to keep, so the people who actually suffer generally are the acts. I think it would be fair to say that over the past 10 to 15 years, the number of opportunities for artists has been reduced slightly in Tamworth, albeit that the fantastic event is still great.

You would probably find that a venue that may have had seven acts across an 18-hour day probably has five acts now and that pressure is down. Council, as a coordinator, and the people responsible for getting the people here, invests just on \$2 million into the festival. We recover through our venues, through ticketing, through venue hire, and sponsorship and funding, something like \$1.5 million. The net impact to the community is \$500,000 for an estimated injection into the economy directly resulting from the festival of something greater than \$50 million—more like \$70 million, but we conservatively say \$50 million. There is not a regional centre in the world that would not give \$500,000 for a guarantee of \$50 million. But I guess my focus then would be more on how important the funding is, because nearly \$1 million—it is about \$900,000—of that \$2 million that we invest comes from sponsorship and State Government funding through Destination NSW [DNSW]. I guess it is my belief that we would not be able to sustain the intensity of the festival after 46 years if we did not have that government assistance.

I would go as far as to say that any of these events that can create employment opportunities for the music industry that can then develop into that 24/7 type attitude can be assisted by very, very carefully constructed funding opportunities. Unfortunately, or fortunately, it falls on the State a little bit. The Queensland Government, by example, over the past couple of years, particularly in the music area, has thrown literally hundreds of thousands of dollars at live music. From a festival perspective, we do not see them as competition; we see them as opportunities for our artists to get employment. But it is really interesting to see how they have identified quite strongly that that music industry is very important to them in Queensland. I am not saying that we do not do it in New South Wales, but it is something we need to keep an eye on. I guess, in a nutshell, it is probably the festival that I am related on and probably the emphasis on any funding opportunities—I know there are hoops to jump through—would be a significant investment into the future of music in New South Wales.

**The CHAIR:** I like the way you say that it: It is not a cost; it is an investment. I think they are very wisely chosen words. We have taken evidence. We went to Victoria and we have already heard rumblings about Queensland getting off their backside and starting to see the opportunities in the industry of music and arts, so it really is a wake-up warning for the New South Wales Government to get ahead of the game. Otherwise, we will lose these opportunities across the borders. What is more important for myself, being from Wingham and being outside Nowendoc when we came to the Tamworth Country Music Festival so many years ago, is those regional jobs. As you know, we need to keep those jobs in regional areas turning over. Tamworth has a great opportunity to do that as being the host of the country music festival. Mr Ross, how much does the council subsidise the entertainment centre? Do you know what the annual subsidy is?

**Mr ROSS:** There are three venues alone. As a bottom line, it is about 1.2—somewhere between 1.2 and 1.6. We are just into our new budget. I cannot remember exactly where that sits.

**The Hon. CATHERINE CUSACK:** Is that a net figure or a gross figure?

**Mr ROSS:** That is a net figure.

**The CHAIR:** That is not so bad. I heard the Opera House used to get subsidised by about \$15 million.

**Mr ROSS:** That is right.

**The Hon. CATHERINE CUSACK:** Is that fully funded by ratepayers?

**Mr HARLEY:** It would be. Yes, it would be.

**Mr ROSS:** Yes. Yes, it is. At the Capitol Theatre we do have a small sponsorship program for our season of events, but ultimately that is money—

**The CHAIR:** Well spent, I would say.

**Mr ROSS:** Absolutely. Other than use, other regional towns, I know, spend much more on just on one venue. That is for us to run three very unique and very dynamic venues.

**The CHAIR:** Once again, that is an investment.

**The Hon. SHAYNE MALLARD:** Thank you for coming in today. It has been an interesting day to visit Tamworth and hear all the perspectives of Australia's largest music festival and how it relates outside of music festival time. The president of the business chamber, Mr Segboer, gave evidence earlier today. I was asking him about research on the financial and economic benefits to the Tamworth economy from the music festival. He said that I should most likely talk to you about that. Have you got information you can provide to us, probably on notice?

**Mr HARLEY:** No, that is fine.

**The Hon. SHAYNE MALLARD:** We were given the figure of \$50 million by someone else; I heard \$60 million from another witness.

**Mr HARLEY:** The formula that we have used was a formula given to us about three or four years ago by DNSW in terms of average visitation spend if you are just travelling through, or a specific conference spend if you are going for a specific reason into our town. It basically was \$129 for the casual visitor and up to about \$155 for somebody specifically coming. Couple that with the fact that during January festival, the accommodation costs go through the absolute roof, as most A-list holiday destinations do. But you are talking about \$300 or \$400 a night in motel rooms and things like that. Using the conservative figure of somewhere between \$130 and \$155—say of \$150—we know through surveys that the average stay is eight days. We know that the numbers of people coming here range around that 50,000, some higher and some lower on certain days.

If you do a very simple formula and conservatively pull it back to 40,000 visitors times eight days times \$150 a day, it gets you immediately to \$48 million. If you accept that there could be 55,000 on some days and the spend—because of accommodation and music purchasing and things like that—can be higher, then it is really a conservative estimate. One of our economic development analysts has recently been investigating what the actual average spend is, and it is significantly higher than that in terms of Tamworth. When you use his figures, the figure comes out to close to \$80 million, but we do not publicly do that because you have to defend it too much, so we are better off pulling back to a conservative number, and around that \$50 million it would be a real—

**The Hon. SHAYNE MALLARD:** Have you done any work or does Destination NSW provide you a formula for the multiplier effect into the economy of that?

**Mr HARLEY:** No. That is what we are currently working on.

**The Hon. SHAYNE MALLARD:** What about employment?

**Mr HARLEY:** I do not have that. I can take that on notice if you wish and talk to the economic development.

**The Hon. SHAYNE MALLARD:** If you could. I imagine Tamworth must have a big peak in casual employment in that period.

**Mr HARLEY:** Massive, yes.

**The Hon. SHAYNE MALLARD:** That is part of the multiplier effect.

**Mr HARLEY:** And one of your guests this morning, Mr Laing from Wests, is one of the most significant employers during that period; it is several hundred thousand dollars in casual wages that he expends in that 10-day period.

**The Hon. SHAYNE MALLARD:** You mentioned the strategic plan of the council. Is that a public document?

**Mr HARLEY:** Yes.

**The Hon. SHAYNE MALLARD:** Could we have a copy of that? Where does the music festival fit into that?

**Mr HARLEY:** It is significant. Clearly, in terms of the music economy it is the most significant and as much as we endeavour to develop all year round, and that works in conjunction with our venues and opportunities and it also comes with some challenges, our strategic plan includes developing country music activities throughout the year. We do have a mid-year festival called Hats Off to Country, which is much, much smaller by comparison, but it probably has an input into the economy of a couple of hundred thousand rather than several hundred thousand or several million. We have worked very hard to establish in the forefront of everyone's mind the connection between the word "Tamworth" and country music. So in all our marketing and that expenditure I mentioned, the \$2 million around the festival, probably half of that is just impacting the fact that Tamworth is the centre of the country music universe and this is where you should come.

**The Hon. SHAYNE MALLARD:** In your strategic plan you have the music economy as a flag and that is very good.

**Mr HARLEY:** Yes.

**The Hon. SHAYNE MALLARD:** A slightly broader question: How did the festival start?

**Mr HARLEY:** How long have you got?

**The Hon. SHAYNE MALLARD:** Councils come up with festivals to diversify their offering in their economy.

**Mr HARLEY:** It was not council. It was actually private enterprise—it was a radio station. What happened was that television did not come to the north until the sixties. Albeit that it came to Melbourne in 1956 for the Olympics, it did not get out to regional Australia until the sixties. In the late sixties your primary source of entertainment was the radio in the evenings. When television came, that decimated radio audiences and the radio station of the day decided to put specialist programs to air. One of those specialist programs was a program called *Hoedown*, which was a country music program.

Completely coincidentally it was on a clear channel and the clear channel was a radio signal given by the government of the day earlier in the century that in the case of an invasion from the north there would be a series of radio stations that would not be competitive in their signal and this was one of them—1287 kilocycles in Tamworth—and that country music program, despite the fact that everyone was watching television, there was a bunch of people who were not watching television, that is, shift workers, coalminers, farmers and truck drivers and things like that.

So the country music signal took off in a big way to a point where the radio station said, "We should do something about this country music economy. No-one has capitalised on it", and they started to promote country music. In 1973 they decided to run the first country music awards, and that was the start of the Golden Guitar. In 1973, I think, in the program there were five listed events including a barbecue at Peter Ross' house or something like that. So in 46 years it shifted from five events to over 2,500 scheduled events in that period.

**The Hon. SHAYNE MALLARD:** I am glad I asked that question.

**Mr HARLEY:** That is in a nutshell.

**The Hon. SHAYNE MALLARD:** I just wondered because government comes along and creates things like Vivid and so forth, and this has organically been born here. I have one last question. This is an amazing program. With all the scheduling and all the artists it must be an incredible amount of work. I see Hungry Jack's listed as a venue. Is that the name of a pub, is it?

**Mr HARLEY:** No, it is Hungry Jack's—the hamburger joint.

**The Hon. SHAYNE MALLARD:** Yes, it has Country Lovin performing. I am sure there are other non-traditional venues in here. Do you have a special one-off licensing process to allow those types of venues to be able to participate for the 10 days?

**Mr HARLEY:** We do not. Probably half the venues are, in fact, licensed venues and go through all the normal stuff.

**The Hon. SHAYNE MALLARD:** Hungry Jack's is not.

**Mr HARLEY:** Hungry Jack's would not be. That would just be whatever it is called—Loving Arms, or something, would be there as their token gesture for their part of the festival.

**The Hon. CATHERINE CUSACK:** Do they need to apply to council for permission to do that?

**Mr HARLEY:** No. That is getting back to this no entity owns this thing. We cannot curate it. Where Vivid is curated, like just about every other festival in the world is curated by someone who says, "You will perform that and you will perform that", we organically allow all the venues to present their own—

**The Hon. SHAYNE MALLARD:** Wearing my old council hat as a councillor, as a number of the Committee have been in the past, their DA would not be appropriate for live music at Hungry Jack's so you must have some sort of exemption, and rightly so, for allowing this sort of diversity within the CBD? You can take that on notice.

**Mr HARLEY:** I had better take that on notice.

**The Hon. CATHERINE CUSACK:** When you say that you organically allow everyone to put on music, is that just council arranges for the day or the week? There really would not be any other way to do it, would there?

**Mr HARLEY:** It is hard, and even if you did police it you would always miss—I guess historically over the 46 years a good proportion of those early years was encouraging everyone to get involved and probably discouraging red tape.

**The Hon. CATHERINE CUSACK:** Discouraging it by ignoring it.

**Mr HARLEY:** Yes, I suspect.

**The Hon. CATHERINE CUSACK:** But technically the festival really—

**Mr HARLEY:** Shouldn't happen. I do not know that.

**The Hon. CATHERINE CUSACK:** I think that is quite a dramatic statement of the red tape.

**Mr HARLEY:** I think anything that is owned by council would be properly regulated, like DAs would be in for busking in the main street and anything owned by us, all our venues would be done, but I could not answer—I could try and find out—whether that went for everyone else.

**The Hon. CATHERINE CUSACK:** Is this a reflection on the difficulty people have getting events off the ground?

**Mr HARLEY:** Yes.

**The Hon. SHAYNE MALLARD:** I do not want to cause any trouble but I would be interested to see—I think we came by this at another hearing in another area—what the planning process is around the exemption. We want to encourage this, we do not want to discourage it. We want to remove red tape. If you could check and come back to the Committee?

**Mr HARLEY:** All the licensed venues, probably not Hungry Jack's, but all the licensed venues would go through their own vetting process and they have to get an extension on their liquor licence. If their normal 51-weeks-of-the-year licence is from 10.00 a.m. to 10.00 p.m. and they want to go later, then all of that is a natural thing. We do not check that but the licensing police and those authorities would check all that for sure.

**The Hon. CATHERINE CUSACK:** I want to come back to the entertainment centre because we have heard that it is very expensive to put on performances there. A suggestion was made that it needs an upgrade.

**Mr ROSS:** Yes, it does need an upgrade.

**The Hon. CATHERINE CUSACK:** That might have been identified about 10 years ago.

**Mr ROSS:** It does. It really has not had a major refurbishment since it opened. We have upgraded bits and pieces but nothing structurally. We really need the foyers, the toilets—the seating is the major component that we need replaced; it would cost about \$2.2 million to replace the 5,000 seats. But our biggest issue is that our current tiered seating around the side is basically manual handling as far as erecting it and pulling it down. So for us we cannot turn around events quick enough because we need eight hours with eight guys to pull down one 300 section, whereas with that investment of about \$2.2 million it is automated, it goes from 14 metres wide down to about 1.3 in an hour.

**The CHAIR:** Has someone put in a grant for that?

**Mr ROSS:** Yes, we have been looking at grants.

**The Hon. CATHERINE CUSACK:** Can you let us know if anything has gone forward though?

**Mr ROSS:** Yes.

**The Hon. CATHERINE CUSACK:** What about a stage? Is that another issue?

**Mr ROSS:** We do need to replace our staging but it is not too bad, we can manoeuvre it around. It is a very flexible venue. Just going back to your comment about being expensive, because it is very much a four-walls venue, for us to create a small theatre of 300 or a large concert room of 5,000, and there are various configurations in between, it is very resource heavy to create the space that the hirer wants. Be it a dinner for 800 with a stage up the end and curtaining all around and a spot for catering, it is very resource heavy.

**The Hon. CATHERINE CUSACK:** You have done the planning to solve those problems, is that right?

**Mr ROSS:** I think we make the venue work as efficiently as we can with what we have.

**The Hon. CATHERINE CUSACK:** You have a vision of how those problems are solved?

**Mr ROSS:** Yes, we do.

**The Hon. CATHERINE CUSACK:** It really interests me because there is such a big emphasis on business cases now, or grant applications.

**Mr ROSS:** Absolutely.

**The Hon. CATHERINE CUSACK:** It sounds like you would have a very strong business case.

**Mr ROSS:** Yes. In fact, I think the tourism funding is closing —

**The CHAIR:** Yes, the infrastructure grant or something.

**Mr ROSS:** There is the infrastructure, which we were going to put in for the performing arts centre and cultural precinct, but the closing date closed. Last year there was an EOI and then a full-blown business case and everything, but this second year—

**The CHAIR:** You will get another shot at it?

**Mr ROSS:** Yes, it is truncated.

**The Hon. CATHERINE CUSACK:** Is there a business case?

**Mr ROSS:** No, there is not. It is second in line to our new performing arts centre.

**The Hon. CATHERINE CUSACK:** I want to ask about the conservatorium. I think it is 700 children?

**Mr ROSS:** Yes.

**The Hon. CATHERINE CUSACK:** Which is incredible.

**Mr ROSS:** Yes. Adding on to that, I am the chair of the conservatorium as well, and part of this concept for the performing arts centre and cultural precinct is to bring the conservatorium into that. It is funded by the State Government operationally and it is in a beautiful old convent building currently, but it is not fit for purpose. There are access issues, sound issues. Someone who wants to have lessons or even teach in a wheelchair cannot get to other levels, so we are looking at bringing the conservatorium into this cultural precinct so that it helps activate the space day and night and gives all the businesses the cafes that potentially will be there, the art gallery. The ABC radio station which is currently in one of the buildings that we would be knocked down in order to build the new centre wants to come back in as well. Really, following on from what Carolyn Morris was talking about, it will be an epicentre for the performing arts, which of course includes music and arts. Our recording studio is in there as well and of course with the conservatorium there, the recording studio ties in with the universities that work in those areas, like music business. I think the potential for that is exceptional.

**The Hon. CATHERINE CUSACK:** I have one more quick question about the council amalgamation. Councils amalgamated a few years ago, but did that bring the opportunity for the music festival to be spread further and bring economic benefits to surrounding towns?

**Mr HARLEY:** It was before my time, but from an outsider's perspective, it was a doughnut and hole amalgamation, so the direction impact was probably not that evident because Nundle, Manilla, Barraba being smaller centres outside of Tamworth probably had benefited themselves with the increase services available from a larger centre, but in respect of did it help or hinder the festival, it probably had no impact whatsoever.

**The Hon. JOHN GRAHAM:** Thanks for your evidence across the board. The thing I wanted to particularly ask about was the Queensland assistance. We have had a good look at the Victorian assistance. It would be helpful to hear about any examples of Queensland assistance from the Government that you are aware of.

**Mr HARLEY:** Queensland is generally the heart of country music because of its sheer mass and the fact that a lot of Queensland is in regional or rural Australia. There is a natural affinity. Over the last couple of years the festivals that are supported by the Government up there have gone on leaps and bounds. There is the CMC, which moved out of the Hunter Valley in New South Wales to go to Ipswich, and that was because of the attraction of the—

**The Hon. JOHN GRAHAM:** When did that happen?

**Mr HARLEY:** Three years ago?

**Mr ROSS:** Yes, three.

**Mr HARLEY:** Three years ago.

**The Hon. JOHN GRAHAM:** That is one example.

**Mr HARLEY:** Broadbeach, which is now called Groundwater, through a combination of Queensland State, Gold Coast Local Government and the business Chamber, to keep people in the millions of beds up there, have created three or four specific music genre concerts through the year, one of those being country music. Our understanding is that that investment from the Queensland Government has grown over the last three or four years. And there is Gympie, which has been around for some 40-odd years. It is a bit younger than us, but it now is attracting some pretty significant support, plus another three or four country music events up there. The Queensland Government, through its tourism organisation—I cannot think of the name now, but the female Minister for Tourism up there two years ago at a function I was at said, "We want to bring country music capital back to Queensland where it belongs." There seems to be a vested interest in getting the country music back to Queensland. We clearly have a vested interest, for a bunch of reasons, to keep it in Tamworth—46 years being one of them.

**The Hon. JOHN GRAHAM:** Thank you. That is very helpful.

**The CHAIR:** Thank you for your evidence today. It has been incredibly helpful. To hear the history was even more fantastic. Your gig guide for the festival is amazing. That is a work and a half on its own. I note inside of the front cover you have got one of the legends in Chad Morgan. I cannot tell you how many times as a child my dad, in his good place, when he was super good, would play Chad Morgan. From memory, the lyrics that rumble in the back my mind are "He can eat an apple through a tennis racquet." It is lovely to see Chad inside that cover. Thank you very much for your evidence. In light of the evidence that you gave, we may have some further questions. We will put those on notice. The secretariat will help you with those. You will have 14 days to return those answers.

I acknowledge your generosity and your kindness to help us be here. It was a no-brainer once we were doing a music and arts inquiry for New South Wales that we needed to come to the country music capital. It is one of the last venues we will visit before we come to a deliberative. It is very important for us. Thank you very much for your investment in Tamworth and the country music capital and all that you do. May you keep going from strength to strength with the concerts here and the country music festival. It really is the heartbeat of country music in Australia.

**Mr HARLEY:** Thank you very much.

**Mr ROSS:** Thank you very much.

**(The witnesses withdrew)**

**(The Committee adjourned at 14:52)**