

REPORT ON PROCEEDINGS BEFORE

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

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

CORRECTED

**At G7/G8, 55 St Andrews Place - Parliament of Victoria, East Melbourne, on
Wednesday 8 August 2018**

The Committee met at 9:00

PRESENT

The Hon. Paul Green (Chair)

The Hon. Catherine Cusack

The Hon. John Graham

The Hon. Shayne Mallard

The Hon. Taylor Martin

Ms Dawn Walker

The CHAIR: Welcome to the sixth hearing of the Portfolio Committee No. 6, Planning and Environment inquiry in the Music and Arts Economy in New South Wales. I acknowledge the traditional custodians of this land. I also pay my respects to the elders past and present and extend that respect to other Aboriginals who may be present or listening. Before we commence, I will make some brief comments about the procedures for today's hearing. In regard to parliamentary privilege, as witnesses are providing evidence to the Committee outside of New South Wales, they will not be asked to take an oath or affirmation. Thus, the Committee asks that witnesses speak truthfully.

While the Committee acknowledges that witnesses are unlikely to make any adverse reflections on others, it is in their interests to ensure that any comments made relate to the terms of reference and avoid adverse reflections on others as they may not be formally covered by parliamentary privilege. If they need to name individuals or make any comments that they believe may reflect adversely on themselves or others, they may request that their evidence be taken in camera; that is, in a private hearing.

NICHOLAS TWEEDIE, Barrister, Owen Dixon Chambers West, examined

The CHAIR: Mr Tweedie, in what capacity are you appearing?

Mr TWEEDIE: I am a barrister currently practising at the Victorian Bar. I think I am here to talk about agent of change.

The CHAIR: Would you like to make an opening statement?

Mr TWEEDIE: I can make as long or as short an opening statement as the Committee wishes. As I said, I am a barrister practising at the Victorian Bar. I have been there now for in excess of 20 years. I practise mainly in the field of planning and environment law. In 2008, I volunteered my services to the Save Live Australia's Music [SLAM] to assist in trying to reform laws and regulations associated with live music. We had a degree of success in that, including the introduction into planning schemes in Victoria of clause 52.43, from recollection, which is commonly known as the "agent of change" principle. That is one of the reforms we were able to achieve that have assisted in some way in improving the viability of live music venues in Melbourne. I can provide a bit more background as to why we thought agent of change was a good idea.

The CHAIR: In light of your experience with environment and planning law, it is probably best that members ask questions

Mr TWEEDIE: Sure.

The CHAIR: The agent of change principle appears to suggest that if you come second you have to put up with what is in the precinct. We were talking yesterday about people who own property and there is a question of who was there first, second or third.

Mr TWEEDIE: The first thing to understand is that there is a common law of nuisance. If you are a person who causes a nuisance—in live music, that is mainly through the emission of noise—it does not matter whether someone has come to the nuisance. That is, if you are first or second, that does not matter. Agent of change does not do anything to remove the rights of existing residents. It states that if you are a new residential use that is coming into an environment that is affected by noise from a live music venue, it is your responsibility to take reasonable steps to protect yourself through structural means from the existing environment.

It also works the other way. If you are a live music venue that wants to introduce itself into an environment that is not a live music precinct and there are existing residents, it is your job to make sure that your venue does not emit noise at a level that is likely to be disturbing. As I said, it works both ways. It does not say that live music gets a free kick. However, it does state that if you are coming into an existing environment you have a shared responsibility to take reasonable steps to ensure that the houses you are building are protected.

The principle has broad application in planning in Victoria. For example, if you are trying to build an apartment building next to a train line or a major highway, one of the things you would be expected to do is to make sure that the internal amenity—the living conditions inside those apartments—is acceptable. That means that you must have, in effect, the right thickness of glazing or the right orientation of your balconies to ensure that the noise from the environment you are coming into—the existing lawful noise—is not unacceptable.

To understand how agent of change works in the Victorian system, it is very closely aligned with what is called the State Environment Protection Policy No. N-2 [SEPP N-2], which is a separate regulation that deals with noise from music venues. The way it works is that if you are a music venue, a resident nearby is classed as a sensitive receptor, and you have to achieve a particular noise level at that sensitive receptor. It is about five, six or seven decibels above background level. Background level is the noise that exists for 90 per cent of the time, in simple terms. What it says is if you are a music venue there you have to keep your noise emissions to a small amount above that—the amount that is barely perceptible, four or five dBs.

The problem is that you might have a music venue that has been there, in the case of the Tote, 30 or 40 years, in the case of the Corner Hotel, a little shorter time, and it might be existing perfectly well, complying with SEPP N-2, none of the residents that have been there around it have any problem and you are not breaking the law, but if you introduce a new resident closer or an unprotected one you might suddenly become non-compliant in terms of SEPP N-2, and that is not fair. It should be that if you are coming in that environment—a stable environment where there are no complaints and the live music venue has coexisted peacefully, for want of a better word, with its neighbours—you have to take some steps to make sure that your new residents are not going to be disturbed or the existing venue is not going to start breaking the law through no fault of its own. Does that make sense?

The CHAIR: That is good. It is very clear and concise.

The Hon. CATHERINE CUSACK: Why is it called "agent of change"?

Mr TWEEDIE: It means that the agent or the person who is changing the environment has the responsibility to mitigate their impact. If I am the new venue, in that case I am the agent of change—I am changing the balance or the focus or the environment, so that is the term. Again it applies to other things. If you are trying to introduce a landfill, you are the agent of change—you are the person who is changing the status quo, so you have the responsibility to take steps to ensure that what was otherwise a peaceful coexistence does not change.

The CHAIR: Do you have 149 certificates?

Mr TWEEDIE: I do not know what a 149 certificate is.

The CHAIR: A 149 certificate is a property sale document that talks about what your house or residence is entitled—

Mr TWEEDIE: That you have to disclose when you are selling your house?

The CHAIR: Yes, basically.

Mr TWEEDIE: We do have a version of it.

The CHAIR: In Wollongong they are doing it on the 149 certificate. If you are in a live music precinct, that is on your 149 certificate, which is a very smart way to go.

Mr TWEEDIE: Yes. I think there are problems with that though. The problem with that is that just telling people about it does not change the legal position. As I go back again, even if I tell you that I am a live music venue, that is no defence against a breach of State environment law N-2 and it is no defence against the common law of nuisance. What we want to do is try to make sure we do not have conflict—not that we tell people there might be conflict but we take practical steps to ensure that there is no conflict in the future and that we place the responsibility for doing that on the person who is changing the status quo. I am sure parts of New South Wales are in the same position as Victoria.

Particularly in Victoria we have a massive population explosion or growth. We are sensibly trying to concentrate that growth in what we call activity centres or places closest to services and facilities: Fitzroy, the central city, Richmond—all those places you went. We want people living in and around activity centres but that brings with it problems and potential for conflict. Traditionally again in Melbourne live music venues have been in these activity centres, in the entertainments precincts—Fitzroy, Brunswick Street and all those places. If we are going to have new people coming in there we do not want to destroy what makes them livable places in the first place and what attracts people there, so we have to make sure that if we are bringing more people in there that they can live in houses where they can get a good night's sleep.

The Hon. JOHN GRAHAM: Can you talk to us about what this means in practice? Because in some cases it has meant that developers faced with this change in the law have worked with the venues.

Mr TWEEDIE: Yes. Exactly.

The Hon. JOHN GRAHAM: That has been some of the practical impact.

Mr TWEEDIE: Like anything it has not been universally successful but it has had a number of very successful outcomes. What it does in practical terms is it requires someone who is applying for a planning permit—permission to construct an apartment building in 90 per cent of cases—if you are going to build an apartment building and you are in close proximity to or in an area that might be affected by a live music venue, you have to convince the local council that you have worked out what the problem is, what the existing level of noise from the venue is, and taken steps in the design and construction of your building to protect against that. That is one way of doing it. But it is actually the case that it is often far more efficient and more cost effective for the new developer to assist the venue to control noise at its source. It is much easier to stop the noise getting out of a building than to noise-proof a new building.

In Victoria part of the reason for that is that compliance with SEPP N-2, this noise regulation, is measured not internally but externally. So if you have a balcony on an apartment, if you are breaching SEPP N-2 there you are breaking the law, even though you might have triple glazing and the people are in their bedroom asleep and cannot hear anything. That is a problem with SEPP N-2 that we are still trying to work to address. There is currently a review of SEPP N-2 in Victoria which, like most reviews, is taking forever. But a smart developer will say, "Okay. It's either going to cost me \$100,000 to put double glazing on the east façade of my building or I can

just sit down with the venue and I can see that the main problem is it has a tin roof because it is a 100-year-old building. What if we put an acoustic ceiling in there and I give them \$50,000?" Or even better, as in a case that has happened—it might have been Jon Perring told you about this case—they just say, "Why don't we get our builders when they are constructing to come in and do this work and you will be more effectively contained in terms of your noise emissions and won't have to not have balconies or have a blank wall or do all these sorts of things, and everyone will be happy." That is the type of win-win situation that can happen.

The Hon. JOHN GRAHAM: Not quite everyone.

Mr TWEEDIE: That is right.

The Hon. JOHN GRAHAM: That is a really good solution. The gap it leaves though is a new venue moving in, wanting to open its doors, might then be trying to open with a development with a whole lot of non double-glazed windows nearby.

Mr TWEEDIE: That is right. And if that happens then they are the agent of change and it is their job to make sure that they do not make the situation worse.

The Hon. JOHN GRAHAM: The reason that is more significant in the issues we have been presented with in New South Wales is Melbourne claims to have the highest number of venues per capita in the world and you are protecting those but we have a venue crisis where—

Mr TWEEDIE: You want to encourage new venues.

The Hon. JOHN GRAHAM: We are not coming off that high base. The new venue issue is more significant in our State. Do you have any views about how that interaction happens if you accept we have fewer venues to start off with?

Mr TWEEDIE: That is very difficult because if you are bringing in a new venue what you are doing then is changing the noise environment for existing residents that have been there. Again, if the venue has been there for 50 years and no-one is complaining, fairness says you should protect them. In the same way, if a resident has been there for 50 years and they have not been exposed to a particular noise environment it is probably fair to be doing that. In those situations the better way to go would be something the Victorian Government engaged in which was to think about funds or assisting venues to soundproof. The problem again is that it is an economic issue at the end of the day. Live music, while culturally particularly valuable, is not always economically the best producer of money. I am sure you have looked at the figures. Economically it has very wide and beneficial effects but venues exist on a fairly tight budget and if you are going to encourage live music—

The Hon. JOHN GRAHAM: Just on that point, agent of change might be one tool; the grants are another tool. They are both powerful levers. Can you give us your perspective on the other tool that has been put to us, which is that Brisbane model of having an entertainment precinct? As I understand it, one of their tools is to say, "Forget all the measuring and the 50 metres and so on—just have double glazing if you are building in these quite tightly defined precincts." Do you have a perspective on that?

Mr TWEEDIE: That is also a potentially effective tool but I would suggest it maybe a little bit more of a blunt instrument.

The Hon. JOHN GRAHAM: It might be appropriate in some very specific areas but not—

Mr TWEEDIE: Definitely. Again, I do not think that this is a problem that only has one solution. What you need is a broad—if you are trying to encourage live music venues it is not just about noise but noise is a big issue. Sometimes you can only address one issue with one tool. Agent of change addresses a very specific problem—that is, the introduction of residents predominantly to an existing noise environment—but it does not solve every problem.

The Hon. JOHN GRAHAM: Do you know how many agencies in Victoria are involved in the regulation for the policing of noise?

Mr TWEEDIE: It is primarily two, well there are three potential ways. Primarily the local council can regulate noise and it is usually through the mechanism of a planning permit or there also might be local laws. So you have got Federal laws, State laws and then you might have local laws passed by councils—you may have a similar thing. A council may have an amenity local law that says you cannot cause a nuisance and they can pursue that. Again, that is a sort of criminal regulation. Then you have got the EPA, which is at least nominally responsible for administering and potentially prosecuting for a breach of the environmental regulations, although councils can

as well. Then you have the common law of nuisance, which also allows any person to bring an action, although that is very, very unusual. It is effectively someone suing someone and not many people want to do that.

The Hon. JOHN GRAHAM: We believe in New South Wales there are seven agencies or bodies.

Mr TWEEDIE: I think the police also have some powers to go in and do it. Seven sounds a lot?

Ms DAWN WALKER: Was it the SEPP 52 that you mentioned you are looking at reviewing?

Mr TWEEDIE: The SEPP N-2.

Ms DAWN WALKER: Are there any other planning regulations you are looking at in Victoria that you think affect the live music industry?

Mr TWEEDIE: I do not think that there are a lot of planning regulations. There are certainly any number of things you can do through planning regulations to assist live music and one of those mechanisms is what has been described as identifying areas that are live music precincts and actively encouraging venues to establish there. In Victoria we have a policy-based planning scheme that gives policies saying, "We want more of this here" or "We do not want more of this here". The first thing we did in Victoria was also to recognise the value of live music in the planning scheme, to actually have in State policy that we value this, that this is an important part of our culture and economy. In the same way as you would have other parts of the Arts recognised—for example, you might have the area around the State Theatre and the museums specifically recognised in policy as an arts and cultural centre. You want to do the same thing for live music—not everywhere but in places, again, like Fitzroy and Brunswick and places that have been traditionally associated with that. It is a cultural thing as well as an economic thing. You recognise its value explicitly, you encourage it in certain areas and then you do everything you can basically to reduce red tape.

One of the other things that is important is that in Victoria we have a separate system for regulating liquor licences, and because most live music venues are licensed premises there is also a double layer and they have conditions on those liquor licences. One of the other things that was slammed in right at the start was to have a standard condition of liquor licences reformed that says if you are having live music then you have to have a certain number of security officers, the presumption being, falsely, that live music was somehow associated with greater levels of increased risk, which, of course, is exactly the opposite. The problem was that if you had 20 people sitting on a floor listening to someone playing acoustic ballads in a very small venue and then you had to pay for a couple of bouncers on the door, not only was it absurd but also it just made it economically unfeasible. So one of the things we did was to persuade the Director of Liquor Licensing to remove those conditions and to work again on a set of conditions that focused more on risk.

As we know, the greatest risk in licensed premises is vertical drinking—people standing up and drinking—and the lowest risk is usually associated with people listening to live music and having things to do other than drinking—that is not to say it is risk free. So those are other things. You need to look at the regulations that apply to the conduct of the music venue and do everything you can to remove red tape and unnecessary regulation. Whatever the truth in the 1970s of the old paradigm that live music venues are all massive beer barns where people sit around drinking heavily and throwing glasses at the stage or something, that is no longer a viable way to look at live music because live music is very, very different. Live music can be bands playing, it can also be DJs and a whole of different forms of music.

Ms DAWN WALKER: I am interested in the days of SLAM. I remember the community being very active around these issues.

Mr TWEEDIE: Yes.

Ms DAWN WALKER: Do you think the passion of the days of SLAM has continued?

Mr TWEEDIE: Definitely. I think it is not just the community but it is also filtering through to other levels. For example, a few weeks ago I attended the Moreland City Council, an inner city Melbourne council centred around Brunswick, to speak to them on behalf of live music about a particular problem that had arisen between—again, this is a classic thing—a live music venue howler that was there and someone who wanted to build an apartment building next to it. They had not done the steps necessary and in that case it was a particular problem—namely, it was not airborne noise, it was structure-borne noise because they were actually sharing a party wall.

Now whilst they had said it was okay because they had measured airborne noise, what they were not taking account of was that low-frequency vibrations transmit through walls and cause noise inside. Anyway, in addressing the Moreland City Council we were able to persuade them unanimously that this was not acceptable

and that they would not support this. Most of the councillors there from various backgrounds—conservative backgrounds, Greens backgrounds—all spoke quite passionately in favour of supporting live music. I do not think that would have happened 10 or 15 years ago.

The Hon. CATHERINE CUSACK: I want to go through the tool a little more deeply.

Mr TWEEDIE: Sure.

The Hon. CATHERINE CUSACK: In the case you have just described to the Committee did the hotel have to get consultants in to prove that it was going to be a problem? Did it incur costs?

Mr TWEEDIE: It did, yes.

The Hon. CATHERINE CUSACK: With the agent of change do venues say, "We will get our noise person, you get your noise person and we will put them together?"

Mr TWEEDIE: It depends. Again, in a case where there are arguments, yes, that does happen. What it does do, however, is to place the primary onus on the apartment developer to convince them in the first instance. But there have been a number of cases where the developer has either chosen not to do that and has tried to say, "Well I am not going to do it" and a couple of those cases have resulted in them being refused their permits at the appeal tribunal, which is called VCAT. In other cases there are disputes about what they need to do and one of the problems with our existing clause 52.43 is that it is arguable or what happens in the situation where you measure existing noise levels—and technically you are in breach of SEPP N-2 even though no-one has complained about it—you have some developers going out and actively trying to find any dwelling or setting up a dwelling and saying, "Aah, you are in breach of SEPP N-2 as you are now so I do not have to do anything."

That is partly a problem because they did not write clause 52.43 well enough. They did not do what we asked them to do so there are some problems with it. If they had let me write all of it, it would not have had this problem but that is the way it goes. There is a practice note that has been put out that we manage to have that gives the true position, which is that it is not about technical compliance, it is about whatever the existing conditions. But there are arguments, there are disputes. But sensible people, and what you find with my experience acting for developers over 20 years, what they are most interested in is getting a permit and making money, and if it is cheaper and quicker—which is very important for developers—to give the venue \$20,000 or \$30,000 or, in the case of Howler, I understand \$100,000, if they can do that, if that gets them a permit quicker they are happy to do it.

The Hon. CATHERINE CUSACK: Happy to comply.

Mr TWEEDIE: It is also in their interests because if they are trying to sell apartments and people are walking up and saying, "Hang on, there's a pub next door. I'm not buying that", they can say, "Well, it's triple-glazed and you can't hear anything". It is in their own interests. So always bet on self-interest, and with developers always bet on whatever is going to be most economically viable for them. But it only works if there is some sort of legal requirement that they be brought to the table.

The Hon. CATHERINE CUSACK: How do they demonstrate compliance for the purposes of their application?

Mr TWEEDIE: It is by acoustic measurement. Noise at least, unlike other things like odours, is very easy to measure objectively; you just go out there with the appropriate tools and you set up your sound monitor and you can objectively set a level. There is a general consensus—not always the same—about what becomes disturbing or not and now there is an emerging body of knowledge about things like sleep disturbance as well. So at night-time it is not just about the base level of noise; it is about noise peaks—people slamming doors or screaming out. So it is instances of high-noise emission that are also important. But while there is some debate about those levels, there is a general scientific consensus as to what is an acceptable level for someone to sleep and live in, internally and externally, so you can measure it.

The Hon. SHAYNE MALLARD: We have a housing affordability, if I can use the word, crisis in Sydney effectively.

Mr TWEEDIE: Yes, and we have one here.

The Hon. SHAYNE MALLARD: And you are adding to the cost of apartments. There are two parts to my question. How many buildings, roughly—ballpark—have been supplied since the legislation came in, and do you have a guesstimate of the percentage addition to the cost of the—

Mr TWEEDIE: I could not answer either of those things.

The Hon. SHAYNE MALLARD: When did the Act come in?

Mr TWEEDIE: 52.43 was introduced in September of 2014.

The Hon. SHAYNE MALLARD: I am concerned for Sydney—and I think it relates to what the Hon. John Graham said—that the horse has already bolted for us in terms of densification and venues have closed, but also densification has already consumed all of the property sites around the inner-city hotels and so forth. Did you guys act just in time?

Mr TWEEDIE: Not just in time. It would have been preferable to build earlier because there are a lot of venues that did not survive. I would say it is never too late. The experience in Melbourne has been that as certain areas gentrify and as live music declines in those areas, other areas open up. What you find is that as property becomes more valuable and more gentrified the live venues might go not only because of noise issues but just because no-one is going to come anymore; they do not have the same thing. But in Melbourne other areas have opened up.

When I moved to Melbourne more than 20 years ago, Brunswick Street, Fitzroy, was the coolest place in town and Acland Street in Fitzroy was the second coolest place in town, depending on which side of the river you lived on. But I think you would find now that those areas have moved on now and now it is High Street in Thornbury or Lygon Street, the northern end of Lygon Street and other areas. So it is never too late and you can always, in areas which have not gentrified to that same extent, make changes.

The Hon. SHAYNE MALLARD: I think that is right. I think you can compare Marrickville and areas like that that are the same.

Mr TWEEDIE: The other thing as well is that the experience with the central city in Melbourne, which is the biggest activity centre and which has been a massive success in terms of bringing people to live in the central city, that is the area where there is, again, the highest number of live music venues and the highest population and there are still buildings going up everyday. Even if you are not fixing existing problems at least you are not making it worse. I would never say it is too late.

The Hon. CATHERINE CUSACK: In relation to the definition of noise, is it the same everywhere in Victoria?

Mr TWEEDIE: That is a very good question. I do not think there is a formal definition of "noise". I would have to go and look at the environmental regulations again. My recollection is that there is not a formal definition of "noise", but "noise" is scientifically defined as the transmission of audible frequencies through air, and that can, as I said, either happen through airborne transmission or structural transmission that creates vibrations that then create vibrations in the air. So what "noise" is, is the air perceiving frequency or vibrations in air.

The Hon. CATHERINE CUSACK: Is unacceptable noise unacceptable everywhere?

Mr TWEEDIE: The environmental policies do have a degree of variation and they are also usually based on a figure above background noise level. So what you can emit in a pristine residential or rural area where the background noise level might be, say, 30 or 40 decibels in a very quiet environment, you would be five above that—it is very quiet. But if you are in an activity centre where background noise—and traffic is the major component of background noise initially—is occurring, you will have a higher noise threshold because your background noise levels might be 60, or something like that. In the central city there will be higher background noise levels. So the bit you can add to that is greater.

The Hon. CATHERINE CUSACK: The traffic noise at 11 o'clock in the city will be at a lower level than it would be—

Mr TWEEDIE: It will be lower. Noise levels at night generally are lower, yes. Also, in the State environmental protection policies there are different noise levels for different times of the day. There are lower noise levels for the night period, there are lower noise levels on weekends and there are obviously higher noise levels in the middle of the day. So they are generally designed around protecting sleep.

The Hon. CATHERINE CUSACK: Is that an evolving sort of broad policy?

Mr TWEEDIE: Not exactly. I think those general principles that we have higher standards at night, those sorts of things are well accepted. But, as I said, we are looking to reform some aspects of the noise regulations and, in particular, the main problem in activity centres is the current requirement to measure noise exterior. We have to come as a society to make a choice. Do we want activity centres and co-existence? If we do,

we have to accept a compromise, which is people cannot expect to have on their tiny Juliet balcony in the middle of the central city the same noise that they have in their bedroom. It is perfectly reasonable. The other thing is shutting your doors and windows—that is another real problem, because it is very easy to soundproof an apartment if you have all the doors and windows closed; but of course then you are not naturally ventilated, which causes its own problems as well and is not the greatest outcome environmentally. But what you find as well is that there are things you can do to still allow natural ventilation but in a more controlled way.

But the important point, we think, is to move to a paradigm in activity centres in the central city where what we are really about is protecting people's right to sleep and inside the house, and if they are disturbed by noise at a particular time, if they shut their doors and windows or only have a couple of louvres open or something, they are protected, but they cannot expect to go out on their balcony and not hear the thud of the base drum from the Cherry Bar, which is 20 metres away. You cannot have both—something has to give—and we think that the best compromise, in my view, is to protect the dwelling unit, make sure people can get a good night's sleep or escape from noise if they have to, but if your doors or windows are open or you are on your balcony or outside, it is fair game. That is not everywhere—you would not do that in a pristine, residential suburb, but in the central city and activity centres you have to.

The Hon. CATHERINE CUSACK: How is train noise treated?

Mr TWEEDIE: Essentially the same way.

The Hon. CATHERINE CUSACK: Is it factored into background noise?

Mr TWEEDIE: Yes, it can be. Everything is factored into background noise. But, again, background noise—without wanting to get too technical—is defined as L90, which is the noise level that is constant for about 90 per cent of the time. So it takes account of the fact that there will be variations. It might be that a train goes through once every 10 minutes, but it does not affect the background noise level. You can have bursts of a very high noise level, but if they do not occur for very long in your sample for, say, an hour period, if there is only one minute of 100 decibel noise, that will not necessarily influence the background noise. But in areas where trains are regularly going through, or trams, it will affect that ground noise level because they will be going through with sufficient frequency. Again, all of those things acousticians are fairly well settled on. There are some fairly clear standards on how you measure noise and what is the appropriate background noise, whether it is L90, and which frequencies affect humans more and so on. Acousticians can do that.

The CHAIR: That is awesome, it might be less traffic at night, certainly in Woolloomooloo, but the cars sound louder and the motorbikes.

The Hon. SHAYNE MALLARD: Sirens.

The CHAIR: Because there are fewer of them the normal background noise is gone.

Mr TWEEDIE: You get used to noise, you can habituate noise. What disturbs you and wakes people up is those bursts of noise, the car door slams, someone yelling out to their mate or when you open the door of a venue, which is why you want to have airlocks.

The CHAIR: Thank you for giving your valuable time.

Mr TWEEDIE: My pleasure; I hope I helped you.

The CHAIR: In light of your evidence the Committee may have further questions. You will have 21 days to answer them in writing.

(The witness withdrew)

ADAM JANKIE, Head of Government and Education, Mushroom Group, examined

ALEX KELSEY, Project Manager, Mushroom Group, examined

The CHAIR: Given that we are out of our jurisdiction you do not need to take an oath or affirmation. Because we are outside New South Wales parliamentary privilege does not cover you. Please be mindful of that if you are talking about someone in a negative way.

Mr JANKIE: We will try not to offend anyone that is not in the room today.

The CHAIR: Do either of you have an opening statement?

Mr JANKIE: Yes. My name is Adam Jankie and I am here representing the Mushroom Group of companies as nominated by the founder and chairman Michael Gudinski, AM. I am here today in my capacity as head of government and education for the Mushroom Group, where I lead a team with regards to our engagement with the State Government, Federal Government, local councils and industry bodies. Additionally, I work across a number of different businesses within the Mushroom Group and have a strong background in promoting, touring, record label management, artist management and music publishing. My broad experience should allow me to give evidence and answer questions relating to a number of different topics.

Assisting me today is Alex Kelsey who will be able to provide further specific information pertaining to ticket sales and volumes and economic contributions that our primary touring companies—The Frontier Touring Company, Roundhouse Entertainment and Illusive Present—make to the State of Victoria, as well as some comparative numbers for the State of New South Wales. We have supplied a number of reference documents for the Committee members which should help provide statistics and evidence relating to our contribution here today. Any questions we are unable to provide specific responses to today will be taken on notice and submitted in writing through the formal process.

Additionally, I would like to add the following key points: The Mushroom Group of companies is the biggest independent music and entertainment group in Australia with its headquarters based in Melbourne. Mushroom has also maintained an active office, funnily enough, in Woolloomooloo, which the Committee was just talking about. I certainly have not heard any gunshots whilst I have been there but I have heard the motorbikes and the hotted up cars driving past. We have been there for over 30 years. The Mushroom Group operates in all areas of contemporary music and entertainment, from concert touring through to rights management and music publishing. Mushroom employs over 160 full-time staff across four buildings in South Melbourne, Albert Park and Port Melbourne with an additional 50 staff operating out of our Sydney office.

We think it is very important to acknowledge the link between creativity and the cultural fabric of the community and State. The direct and indirect links that have been made can be found in the Creative State strategy document, which is one of the reference documents you have got. We think it is important that a broad whole of government approach is needed when it comes to music and the arts and the creative industries and we think it is important to acknowledge the economic contribution that contemporary music makes to the State and the community. There is a table of contents on the second side of that which is for the reference documents.

The Hon. CATHERINE CUSACK: That is the preface note you were talking about. That is great.

Mr JANKIE: Mr Tweedie is quite technical with what he has to say. I might be able to expand a little on noise pollution. I have sat on a reference group with the Environment Protection Authority in Victoria that is dealing with exactly that: One, the measurement, and; two, the mitigation of noise coming out of music events both with respect to the agent of change principle and new buildings and new dwellings going up and outdoor major events as well.

The CHAIR: Do you want to add anything?

Ms KELSEY: No, Mr Jankie has summed it up.

The CHAIR: One of the questions with the agent of change is that is about people coming in but we are trying to revamp pre-existing use rights and the ability to revamp music assets across the city. Do you have any comment on that, where you have been able to manage the agent of change and retrospectively pick something up and give it life because it has history and culture?

Mr JANKIE: Yes. Victoria obviously faces the same challenges with respect to live music and the noise pollution issues. Obviously for us working in the sector noise pollution, especially in a residential dwelling, leads to complaints, complaints lead to temporary shut downs, which in turn can lead to full-time closures of venues.

There are two sides to this. We are aware that pre-existing venues that have been there for a significant amount of time in the State of Victoria as new dwellings are being built within that area the onus is on the developers and builders to mitigate those issues coming from the venues. As you said, we have pre-existing use with pre-existing dwellings as you do in New South Wales and especially in Sydney where people are becoming more and more impacted and people are complaining more as we progress further into the future. It may be to do with empowerment, there is the ability to complain online. One person complains, the rest follow suit and it becomes quite a big issue.

In this State we have the agent of change to deal with new developments but what the State Government has done via Creative Victoria and via the Music Works package, which deals specifically with contemporary music, which is the space in which we sit, is the government has provided funding and opportunities for venues to further educate themselves on how they can mitigate the sound and not cause so much noise pollution and issues to nearby residential dwellings but also provided funding for soundproofing and physical structure that can take place within a venue to mitigate that. As Mr Tweedie mentioned, air locking doors, running two sets of doors creating airlocks, and other sound mitigation material and soundproofing material have been implemented.

There are a number of venues in Victoria that have received grants between \$10,000 and \$20,000 under the current policy package, which from my understanding and speaking with operators within the industry, has vastly reduced the amount of complaints they are getting and helped them build relationships with their residential neighbours as well. There can be things that are not set in stone and are not regulated, which operators tend to do. I know from our personal perspective we run a number of major outdoor events in the State of Victoria. Some of them are in fringe areas of the city, including the arts precinct in South Bank where we have 20,000 residents within 150 metres of the site. Things that we have found to be important is the pre-event communication strategy with the local residents.

We have that event which has an attendance of 8,000 to 10,000 people every year in the peak of summer. It falls on the Australia Day long weekend. We have 21,500 residents within 150 metres. The event has been running for four years. In the last two years we have had zero complaints. Half of that is based on our communication strategy with the community—what we do to communicate with them—and the other half is based on our mitigation and what we do to stop that sound hitting their boundaries. There are interesting things with noise pollution because by-laws come into play for local areas, as well. The basic measurement that we do—you have to measure it at boundaries of your nearest resident—is that at the exterior of the property of your nearest resident it cannot exceed 96 decibels. That sounds quite high but it is not. I am probably speaking at 75 decibels right now, so it is not a huge amount.

The Hon. CATHERINE CUSACK: And it is outside.

Mr JANKIE: Yes, that is at their boundary.

The Hon. CATHERINE CUSACK: Outside of their premises.

Mr JANKIE: Yes.

The Hon. CATHERINE CUSACK: It is outside noise. That is what I am saying. It is not internal noise.

Mr JANKIE: That is exactly right.

The Hon. CATHERINE CUSACK: Wow.

Mr JANKIE: Strategies that we have taken is that we offer complimentary tickets to events that are going to impact local residents with sound. That seems to be a really big winner. For us, whether it is the resident who wants to attend, or their children that may be interested in that event, or whatever it is, we are quite lenient. We ask them to provide proof of their location through a utilities bill or something like that. We have had really strong uptake in that regard. It is a combination of managing the technical side of the sound—ensuring that we have full-time measures taking place and monitoring taking place—and dealing with those residents in advance.

Then we also run temporary hotlines for event days, where people can make a complaint and we then deal with that complaint. I think, in reality, it is very much a situation of people just wanting to be heard. They want their voices to be heard. They want it to be acknowledged that you are causing a problem for them. Once you acknowledge what that problem is they seem to calm right down and we are able to come to an amicable conclusion.

The Hon. SHAYNE MALLARD: Is this your experience in Sydney as well?

Mr JANKIE: Yes. Funnily enough, you guys are obviously quite familiar with the Parliament in Sydney. We run a lot of events in The Domain, across the road.

The Hon. SHAYNE MALLARD: Dreadful!

Mr JANKIE: A couple of years ago—

The Hon. CATHERINE CUSACK: Your noise is bothering me! I need free tickets!

The Hon. SHAYNE MALLARD: You do not need to; you can sit on your balcony.

Mr JANKIE: I am not at 96 decibels. We had an event at The Domain when the opening got postponed because something happened in Parliament—I think a Premier got rolled or something—a few years ago. It just happened to be on the day of our event. We were impacted by that but we—

The Hon. JOHN GRAHAM: So were we!

Mr JANKIE: It cost us a lot of money.

The Hon. SHAYNE MALLARD: We have had some adverse evidence about the Domain and Centennial Park. I have a lot of experience in that area because I was a trustee. How has your experience been with running events in the Domain or Centennial Park in terms of—

Mr JANKIE: Very expensive. It is an expensive place to operate because we have to adhere to so many requirements. However, those requirements, if they are not to do with noise they are to do with preservation.

The Hon. SHAYNE MALLARD: Parkland.

Mr JANKIE: Exactly. So the preservation and restoration of those types of parklands and really important places such as that increase the cost of operation, but the events we have run there are some of the most memorable and some of the most picturesque, as well. To get those images and those shots where you are side-by-side with the CBD and those nice buildings—

The Hon. SHAYNE MALLARD: What about Centennial Park? Do you have events in Marsfield, there?

Mr JANKIE: Yes. We have done a lot of events at Centennial Park. We have the entertainment quarter. We have run a lot of stuff—indoor and outdoor—

The Hon. SHAYNE MALLARD: Do you manage the noise impacts on the neighbourhood there?

Mr JANKIE: Yes.

The Hon. SHAYNE MALLARD: They are pretty sensitive there.

Mr JANKIE: Yes. Again, it is the same thing. Mitigation is anything from having to reduce your overall levels within your event itself, to now, the modern thing is putting up container walls and things like that to block—

The Hon. SHAYNE MALLARD: Shipping containers?

Mr JANKIE: Yes, shipping container walls to block out the sound. They have become quite cheap and accessible now.

Ms KELSEY: The Opera House forecourt. Reducing the capacity and—

Mr JANKIE: Yes, exactly. The Opera House forecourt—out the front there. We have done events on Cockatoo Island. There are not too many residents there.

The Hon. SHAYNE MALLARD: With our "noise authorities", for want of a better terms—the EPA and councils—has that relationship been strong and positive?

Mr JANKIE: Strong and positive, yes. We maintain across the board a very positive relationship. It has been a long term since I have heard any of our site or event managers have a big whinge about anything to do with council engagement or noise engagement from that perspective. So, with regards to outdoor shows every State has its own requirements. I would say that in New South Wales and Victoria—Sydney and Melbourne—the challenges are very similar with respect to outdoor shows, but nothing, from our perspective to be concerned about.

The Hon. CATHERINE CUSACK: What are the main hurdles to having more outdoor shows?

Mr JANKIE: In some ways—you probably know because you say you are on the trust—the venues are limited as to what they are allowed to do on an annual basis. The Domain is only allowed to run six shows a year. So we put up for review more than six shows a year, but we are one of many players that has an opportunity to fall into that six. So we are lucky to get one or two shows there per year. If the opportunities were there to do more we would probably do that, but I think that is probably the balance between the State's position on the parklands themselves, and the Royal Botanic Garden and everything else.

The Hon. SHAYNE MALLARD: And the amenity.

Mr JANKIE: And the amenity, exactly right—retaining that for what it is. So one is access to the sites, and two is ongoing encroachment of residential buildings and how density is starting to impact some of these parks. Probably when they were originally built there was not a huge amount of residences around there. Rezoning has impacted that and as a result we are battling against that. Our response to that is communications and increasing our level of communications. Historically the music industry, and very much the contemporary music industry, probably was not so great at doing that. However, over the last 10 years it has become quite an important thing. I would like to think that our industry has probably become a bit more professional and corporate in its dealings with the community, the states and other bodies. I would say that the two main barriers would be restrictions on access to those locations and the ongoing build-up of residential—

The Hon. SHAYNE MALLARD: If there was more capacity provided, whether it be in Centennial Park, the Domain or somewhere else, would that demand be taken up with more concerts in Sydney?

Mr JANKIE: Yes, absolutely.

The Hon. CATHERINE CUSACK: We have been talking about Western Sydney and venues in Western Sydney, and whether that is the middle of Sydney, or whether the middle of Sydney is where the CBD is. Someone suggested to us that there are two different markets.

Mr JANKIE: We would agree with that.

Ms KELSEY: Yes, totally.

Mr JANKIE: We would agree with that position. We run gigs all over the place, whether it is in Western Sydney, central Sydney or secondary markets and regional markets like Newcastle, Wollongong and the Central Coast and everywhere in between. But we view those as completely different locations. New South Wales, Sydney and Western Sydney is vastly different to Victoria and our landscape here and how things work. There is a vast distance, I suppose, between the western suburbs and the central CBD with respect to the way that people in Sydney think. So our focus for major shows is the CBD. That is where our shows take place, but we do an amount in the regional suburbs. What we call Western Sydney shows are mostly limited to local acts—to Australian national touring artists or vocal artists as opposed to major international artists.

Ms KELSEY: Aside from Homebush.

Mr JANKIE: Yes, aside from Homebush. Homebush is obviously that one differentiating factor, and something that is very unique to Sydney and New South Wales, which does not really exist anywhere else. Very rarely would you find the major concert location for major events being 40 minutes to an hour—if not more—out of the city and isolated in an area like that.

The CHAIR: Why is the ICC not appropriate?

Ms KELSEY: Capacity is one reason. When the ICC was being built there were a lot of contributions from different promoters around the country. Overwhelmingly, the feedback to the project was that the capacity was too small. It should have been a scalable event centre that could go from, say, 5,000 up to 15,000. All of that feedback was put forward and was not taken on board. I think that the capacity for an international act with the stage at one end is around 7,500, which financially—depending on who the act is—does not make sense.

Mr JANKIE: Major venues, irrespective of the capacity, cost a significant amount of money to operate. That is the problem with the ICC—it is not is scalable with respect to cost. Say you put 5,000 people into the Hordern Pavilion versus putting 8,000 or 10,000 people into the ICC. The Hordern Pavilion with 5,000 people is far more profitable simply because it costs so much less to operate that venue. The Melbourne Park precinct has done it quite well over the past 10 years. It has reformatted the ways that it is rescaling its venues. We have got Margaret Court Arena here, which is a 7,500 capacity arena—or 5,000 to 7,500. They have also got Hisense Arena next door, which can do similar numbers up to about 10,000.

The Hon. JOHN GRAHAM: Can I jump in on that demand point, which is really interesting. Thanks for the tour figures you have given us; they are really useful. We have not had something similar to this to date, which gives us an idea of the comparison between Victoria and New South Wales. Maybe the first clue about the potential is if we were able to tackle the venue situation in New South Wales. In those figures you are showing us, this year to date there have been 49 shows in Victoria and 40 in New South Wales. They are not dissimilar numbers, although on a population basis you would expect that would probably be as high as 64 in New South Wales for our population.

Mr JANKIE: Correct.

The Hon. JOHN GRAHAM: That gives us some idea about what the potential is. To Mr Mallard's question, if the venues were available, would you be able to run 64 shows in New South Wales and get the audience to turn up?

Ms KELSEY: It is actually bigger than just having the venues. It is a whole building process. It is creating a thriving music scene that is local that has those small local venues to build a following. While we spoke about the ICC and its capacity, the way it has worked in Victoria is that there has been an organic growth through the grant system from the Government, which encourages venues to operate to allow a thriving music scene for up to seven nights a week, so there is always something going on. That is not the case in New South Wales.

The Hon. JOHN GRAHAM: Tell us about that. What does it look like from the point of view of bringing artists to New South Wales?

Mr JANKIE: Here is the thing: The demand and capacity issue is not at the top end of the market, so it is not at the arena scale or stadium scale. It is at theatre level and below. We consider Melbourne to be the live music capital of Australia and that has been built from a grassroots level. What is lacking in Sydney and where the numbers differentiate is that there are not as many small localised shows, whether that is artists based in New South Wales or national Australian touring artists. There does not seem to be the support at a venue and industry level for that to have built up at the same pace as it has in Victoria.

The Hon. JOHN GRAHAM: What size of venues are missing when you are trying to bring artists or developing artists through?

Mr JANKIE: It is in that 200 to 500—

Ms KELSEY: It is 200 to 500, but up to, say, 1,500. There seems to be a lack of venues around that range where artists are either in a developmental stage or coming for promotional tours. It is hard to find a space for them to perform where we can actively engage the music publicly to go to see them. There are a couple of differences in Victoria as well in that we have a strong community radio presence. We have a strong leaning towards discovering music. We have those channels and that is lacking in New South Wales. It is all of that at a grassroots level that plays into building it to go further up the scale, but venues between 250 and 1,500 is really where the gap is.

Mr JANKIE: The real life example is that you can go out tonight, on a Wednesday, and find a multitude of venues around the CBD or fringe suburbs of the CBD that are hosting live music shows of all different genres of music. On this given night, if we were to go to Sydney, we would be hard-pressed to find anything outside of a bar or a club that would be hosting live music tonight, unless it is a major scale event. There is that lack of support at that 200 to 500 capacity range in the market. As a result of that, we would be more inclined to program mid-week shows in Victoria, even Brisbane and other parts of Queensland. We hesitate to book them into New South Wales because the market appetite does not seem to be there, because people are not used to it. That is years and years of—

The Hon. JOHN GRAHAM: It creates this cycle?

Mr JANKIE: That is right. We certainly found that financial support for the industry from a grassroots level all the way up is what starts to instil that thought process and that mindset.

Ms DAWN WALKER: Thank you very much for coming. Thank you for the pack, which is very useful.

Mr JANKIE: No worries.

Ms DAWN WALKER: I am thrilled you are here because I grew up in Melbourne with Sky Hooks in the 1970s. I am very excited to meet you both. I am interested in the ticket scalping issue, which you have raised and I know Michael Gudinski has raised that as well. Can you give us an idea what your concerns are and what are the issues for the live music economy in Australia?

Mr JANKIE: I will start and I will let Ms Kelsey elaborate on it because live-scalping is very much her baby at the moment. We have provided document number six. You guys know this is part of a larger document that we have submitted federally as part of our recommendations as to what could happen with respect to Federal legislation around ticket scalping. We are certainly happy to say that a lot of it is based on the model that New South Wales has adopted recently, which we think is quite good, even compared to what Victoria is doing at the moment. New South Wales seems to be ahead of the game with respect to ticket scalping.

It is a really interesting one. Ms Kelsey will be able to speak in detail on it. From our perspective, we have major concerns and issues with the resale market where tickets are being sold for more than 10 per cent of the face value of the ticket. The reality is that the price of a ticket is reflective of what it costs to put on a concert. The promoters and those involved are not making huge percentages and huge sums of money. When a ticket is resold for a significantly higher value, the person who is reselling that ticket, in most instances, is making more money than the performer, the promoter and more money than all the operators. Issues come into the resale of tickets when someone is duped into being something for three times the price because a company was very good with its search optimisation. Therefore, when they used Google to buy a ticket, rather than taking them to an official site, it took them to a subsidiary site, which made them think that the show was sold out and they had to pay three or four times the amount.

Those people eventually, first, come to the realisation that they have purchased something that is far more expensive, but they take that out on the promoter and the artist. That is who gets ridiculed for it. Secondly, in other circumstances, those tickets are in fact not valid and an individual may resell the same ticket to 200 different people. Those 200 people then turn up to an event expecting that because they have paid for a ticket they will get inside. When the tickets do not scan at the entrance, unfortunately, we are the ones who have to reject those 200 people and explain to them, "Sorry, it is not our fault. We are the ones not letting you into this show, but you have purchased something incorrectly", and that is why we encourage people to buy directly from the advertised source. We have had huge issues with this. Ed Sheeran's first show in Perth—which is now the biggest tour in Australian history that we were fortunate to promote—was at a brand-new \$300 million stadium that was built in Perth, and we had over 200 rejections.

Ms KELSEY: There were about 273 rejections at the gate from resold tickets. People had been sold the same ticket numerous times and only the first person who comes along gains entrance; everyone else is denied entry. Those people have bought a ticket in good faith, sometimes paying \$2,000 for a ticket that is actually only \$120.

The Hon. JOHN GRAHAM: Do you participate in the secondary ticket market?

Mr JANKIE: We do not participate. Ticketmaster is obviously one of the two major ticket outlets in Australia. We have to use the ticketing agencies that are contracted to venues. We do not control the ticketing, as such. A venue does long-term deals with rebates, whatever it may be, and incentivised marketing opportunities. When we hire a venue, we are forced to use that ticketing company. In a lot of instances, the major venues are all signed up with Ticketmaster. We use Ticketmaster which now has its own resale platform because it has seen how big and lucrative the marketplace is. However, for our events Ticketmaster Resale is not allowed to sell tickets to our shows. They are simply not allowed to do it and it is part of our requirement with them.

Ms KELSEY: In most instances.

Mr JANKIE: In most instances, where we are able to sway it and control the situation. We do not want it happening; however, we support potential models that restrict the amount a ticket can be resold for. For example, if a ticket can be resold at a capped price of 10 per cent more than face value, we would support that if it is going to knock everyone else out of the marketplace with respect to resale.

Ms KELSEY: The New South Wales legislation is the best that has come to the table so far. A lot of the recommendations that we have made to the Federal Government are based on the New South Wales legislation and also what South Australia are looking at implementing. In Victoria at the moment, it is still basically major events. You have to declare a major event to activate this 10 per cent, which seems to be the magic number. One thing to make clear is that there is a difference between resale and on selling. A ticket resale is, for example, I have bought a ticket to a show, I cannot go anymore and I would like to sell my ticket to a friend or to someone. I just want to get my money and the transaction cost back. That is where that 10 per cent comes in to allow that. We do not have any issue with that whatsoever. The issue we have is selling it multiple times for exorbitant prices, well over what they should be, et cetera. The New South Wales legislation is great. The biggest problem is actioning someone who is breaking the law.

With the Childish Gambino on sale recently, with the New South Wales legislation in place, there was not one ticket on Ticketmaster Resale that broke the New South Wales legislation. In New South Wales for that show, anything that appeared on Ticketmaster Resale was within the law. Viagogo, however, which is an offshore company and the one that causes the most headaches, was selling them for an exorbitant amount of money. In Victoria and Western Australia, however, Ticketmaster Resale also had Childish Gambino tickets for three, four, five or 10 times the price. It was working in New South Wales, and you could use that as a test case to say that we can see that it works. However, if the law is broken, the penalties that have been introduced in the New South Wales legislation are great, but the question we keep asking is: Who is actually enacting them? Who is going to make the people accountable, and when and how is that done? We make complaints to the governing body, we make complaints to the Australian Competition and Consumer Commission [ACCC] and it gets buried in this, "Yes, we are aware of it and we are working through it."

The Hon. CATHERINE CUSACK: The ACCC would never enforce New South Wales laws.

Ms KELSEY: There are some around the consumer law. If they are breaking the consumer law we go to the ACCC as well.

The CHAIR: That sounds like a good budget estimates question—just flick it through to us. What can we do to build light music back in New South Wales? What are some things that we can do?

Mr JANKIE: The support comes from a grassroots level and needs to flow all the way up through the industry. I will be honest with you; the current policy package that is in play in the State of Victoria for contemporary music had a huge contributing factor to the ongoing growth and sustainability not only of our live music scene but also of our recorded music scene, our export opportunities and everything else. In our reference documents I have done a breakdown of what that package looks like. That package was formed by the then Opposition with the shadow spokesperson heavily engaging with the sector and with people such as ourselves as to what we saw as the major barriers, where we saw opportunities and what they could do. They took advice from a number of different people, both in the private sector, our peak bodies such as Music Victoria, The Push, who is up next to chat to you guys, and everyone else.

Over the past three years we have seen that policy come into play both from a funding and grants perspective, an educational perspective coming from departments and whatnot and also an accessibility perspective with respect to department people. It has had huge benefits. It has been highly visible within the media as well. It has impacted not only the industry but also at the political level. It has been quite good for the Government. We are now seeing that engagement starting to follow through. We would hope that the sector gets a lot of bipartisan support from all sides of politics but it certainly does not seem to be the case in this State at the moment. The current package is five times the size of what the previous funding packages were. But the economic benefits that are now being measured off the back of this are really substantial. The political benefits within the media are obviously pretty substantial. We would like to think that this package will continue to be built upon moving forward, or at least by this Government if it retains power. We would like to see something similar employed across the board.

We are obviously monitoring what is going on in other States. Federally, the funding has completely dried up for contemporary music. The high arts are still getting a little bit but our sector, which is the biggest economic contributor when it comes to creativity and the arts, receives the least, especially at a Federal level. So it is very much up to the States to come up with money and opportunities if you want to build your own markets within those States and cities. I would definitely encourage you guys to look at some of the opportunities that are being created and the packages that are put in place under the current policy.

The CHAIR: Thank you. I am sure that we could keep going but we have witnesses who are waiting to have a say. In light of what you have just said, we might put some further questions on notice. You will have 21 days to answer them. Kate and the team will help you with that. We appreciate your openness today. The information is gold.

Mr JANKIE: We really appreciate the opportunity. As Mr Tweedie said before, it is great for you guys even to be engaging at this level. It gives us a lot of confidence as private sector operators that governments and the people at your level are interested in what is going on, want to build our industry and help support us as operators within the industry to grow. We do make significant financial and economic contributions but outside that there are major links and contributions within the health and education sector providing pathways and opportunities for people. That is a critical area which is where we sit at the moment.

We are having big issues with youth crime and things like that in the State of Victoria at the moment. It seems that the music- and arts-related programs are providing opportunities and pathways to deal with these sorts

of issues. So it is not just about mainstream, financial, venues, people attending and noise pollution. Contemporary music and the arts can have a deep and significant impact on society itself and help to mend some of these problems in society. We really appreciate the opportunity and we are always happy to take any further questions down the track. Thank you.

(The witnesses withdrew)

KATE DUNCAN, Chief Executive Officer, The Push, examined

The CHAIR: Good morning. Would you like to make an opening statement?

Ms DUNCAN: I would, thank you. My name is Kate and I am the Chief Executive Officer of The Push. The Push is a statewide youth music organisation in its thirtieth year of incorporation. At the forefront of emerging trends and innovation, we deliver a range of initiatives that are relevant and responsive to Victoria's future music industry and audiences. Over the past 30 years our programs and events have engaged more than 600,000 young people across Victoria. As an organisation, we are uniquely positioned as the connection between the music industry of today and the music creators, professionals and audiences of tomorrow. Our program alumni includes some of the State's most prominent figures in the Australian and international music industry. They are our artists, journalists, photographers, event managers, artist managers, producers, label representatives, radio presenters, academics and community leaders.

Since being appointed as the Chief Executive Officer of The Push in May, I have started our strategic planning process for the next four years and after widespread consultation across our staff, board and young people have captured the themes that our community wants our organisation to be at the centre of a representative, visionary and celebrated youth music community, continuing to deliver high profile all-ages events and youth audience development opportunities throughout Victoria. To ensure that The Push can achieve this, we must foster innovative program models that are led and owned equally by both our music community and young people across our State.

The way in which young people create and consume music is continuously evolving and is dictating the way in which future audiences will behave and engage in a digital and creative landscape. To maintain relevance across our sector, we must be adaptive and responsive to these trends. Although more than ever before, underage audiences are wanting to experience and participate in music in a live context. Nationally, over the past 10 years, we have seen a decline in the number of all-ages events held across the country. This is reflected across all music genres, with a majority of promoters and artists predominately focusing on supporting overage events in licensed premises.

In 2014, the Victorian Commission for Gambling and Liquor Regulation implemented a number of reforms to streamline the delicensing processes for liquor licensees or permittees wishing to hold all-ages live music events in licensed premises. Despite these reforms, we have still seen a continued decline in the number of all-ages events held. Through consultation with industry, The Push has been able to identify up-front costs as the key barrier in staging all-ages events. Promoters or artists are required to cover costs of opening a venue during the day as the venue is unable to sell alcohol to recoup the costs of opening their venue. This has been compounded by increased security expectations which has been particularly pronounced at all-ages events. To address these barriers, we need a package of measures, combined with financial incentives to address the challenges that are impeding all-ages programming. Through a series of State government programs and community partnerships, The Push has led this space nationally, through a number of existing and new initiatives supporting youth music and audience development.

These include the FReeZA program, funded through the Victorian Government Department of Health and Human Services. FReeZA is now in its twenty-first year and is a statewide program that currently supports 80 teams of young people across metropolitan, rural and regional Victoria to lead the planning and staging of live music and cultural events within their communities. These FReeZA teams are made up of young people aged 12 to 25, and annually the 80 teams stage over 400 events, with more than 150,000 young people taking part across Victoria. These events not only foster skill development for young people participating in the program but also provide important performance opportunities for local musicians and emerging artists.

In 2016 and 2017 The Push partnered with Parliament of Victoria to host Live At The Steps—two free all-ages events held here on the steps of Parliament House and just next door at Treasury Gardens in Melbourne. The events were attended by over 15,000 young people and provided an opportunity for young audiences to access a live music event featuring performances by prominent Australian artists, in a safe and fully supervised, drug- and alcohol-free environment. The event was an initiative of the Parliament of Victoria's Community Engagement program and provided a meaningful experience for 15 young people to work directly with the Parliament of Victoria and The Push to stage an event that was reflective of young people's music interests.

I refer, next, to Music Under Wings mentoring. Since 2005, The Push has delivered a suite of mentoring, training and professional development programs for artists and industry practitioners to help Victoria's music industry to grow at both an individual and industry-wide level. These programs have supported more than 500 young people, with high profile alumni including Courtney Barnett, Angie McMahon, Alice Ivy, Alex Lahey and 360. In 2016, The Push commenced the delivery of the Music Under Wings mentoring program, as a part of the Victorian Government Music Works package. The Music Under Wings program provides mentoring by established artists and industry leaders for emerging artists and industry practitioners in the early stages of their music career, as well as expert masterclasses, free regional workshops and digital resources covering a range of music industry topics. Throughout the program, mentors are drawn from across Australia's creative industries and in total these professionals donate over 1,000 hours of support annually, totalling an equivalent in-kind contribution of over \$200,000.

Selected outcomes from our 2017 program included: within three months of completing the program, 70 per cent of participants took up further opportunities including internships, industry placements and training; 94 per cent of participants actively released music and performed shows throughout the program, including 19 singles and two EP's, and of these, 15 participants have received more than four million streams on Spotify, airplay and rotation on Triple J, as well as being featured in Triple J's Hottest 100; 30 per cent of participants secured paid employment in the creative industries including Sony Music Australia, Native Tongue Publishing, 3RRR, Melbourne International Film Festival, ABC and Our Golden Friend; and five participants have been engaged by industry for management, artist bookings and music publishing.

New Slang, delivered in partnership with Arts Centre Melbourne, is a series of monthly all-ages events held just across the road at The Channel in the Arts Centre. These intimate and exclusive events showcase local and touring artists to a new generation of music fans. New Slang is programmed and managed by an underage events team from across Victoria, providing participants with practical and transferable skills in management, artist liaison and bookings, technical and sound production, stage management, promotions and marketing, photography and video production. The monthly events are consistently sold out and, as a result, the New Slang brand is well recognised as introducing a generation of young people to Melbourne's vibrant and exciting live music scene.

These are just some of the key programs that The Push is delivering that are reinvigorating and responding to the needs of our future music industry leaders and audiences. We are working towards delivering iconic showcase events, industry-led and community development programs that are encouraging the music industry to embrace the viability of all-ages events. We are supporting our music creators, professionals and audiences of tomorrow. Investment in these programs and our future creative industries should transcend politics, and be something that all governments see the benefits in ongoing investment and support.

The CHAIR: Thank you for your comprehensive statement.

The Hon. JOHN GRAHAM: You have provided a good rundown of that set of programs. Obviously it has been built up over a long time?

Ms DUNCAN: Yes.

The Hon. JOHN GRAHAM: What are the trends as young people are engaging with music and how will that reshape things down the track? How do we have to change our thinking of the industry?

Ms DUNCAN: Just coming back to what you said, The Push is in its thirtieth year. A key to the success of the organisation over 30 years is that regardless of which government has been in power there has always been continued financial investment into the organisation and the programs that we have delivered. If that had not been the case the organisation might not be here. Therefore, the people who are going to be working in the industry in the future, and are in the industry now, might not be in those positions because they would not have had the support to foster and develop their skills through our program.

In regard to the trends we are seeing at the moment, particularly around the way in which young people are creating and consuming music, obviously this thing called the internet has kind of changed the way that young people are engaging with music. We are working closely both with young people and listening to the ways in which they are creating and accessing music. In music making we are seeking a significant trend around electronic music production. Lots of young people are making music through programs and hardware such as Ableton which is breaking down the barriers that might have been in place previously.

These are cost-effective ways in which young people can make music in their bedrooms and upload it online and suddenly be accessing all kinds of streams just overnight. We need to be updating program models.

Previously in the 1990s The Push-led Battle of the Bands was a really strong brand and concept that thousands of young people engaged with over those years. However, now the Battle of the Bands model is not as relevant and we need to be delivering programs that are directly in response to the way in which our people are making music.

The Hon. JOHN GRAHAM: Even if people are making music in their bedrooms presumably they still need somewhere to meet up, share information and share their enthusiasm for music.

Ms DUNCAN: That is right.

The Hon. JOHN GRAHAM: You are that magnet for a lot of young people who do not know where to go.

Ms DUNCAN: That is exactly right. It is all well and good for young people to be creating bangers in their bedroom, but social isolation is still real and so that is why investment in programs that can bring people together and foster that community is more important than ever before.

Ms DAWN WALKER: I am curious why Battle of the Bands is old-fashioned. What has happened?

Ms DUNCAN: There is still definitely a space for artists creating music in that framework but what we are seeing now is, particularly around the way in which young people connect with music, it is not so much about a competition. They do not want competitions. They want it to be a celebration and a community. That competitive mentality is something that we are seeing less people wanting to engage with. Yes, there are still young people who are starting bands, and that is awesome and we are doing particularly a targeted program around gender programs in terms of that band space.

There are some brilliant programs here in Victoria through one organisation called Girls Rock! who are supporting young women in learning instruments and starting bands from a really young age, from say 13 years and up. That is something really important. We are seeing this all the time. We are seeing festival line-ups that are predominantly men and that is something that from The Push and from a youth development program perspective we need to be fostering the next generation of women who are going to be on our stage, be that through bands, be that through electronic music production. It is still there, but we are seeing more and more young people taking to electronic music production as the primary form in which they are making music.

The Hon. CATHERINE CUSACK: This is fantastic. Congratulations on what you do. Can you tell us a bit more about the gender programs that you are running?

Ms DUNCAN: Yes.

The Hon. CATHERINE CUSACK: I am on the North Coast of New South Wales and it is a big issue at Bluesfest. There are too many boy bands, and they are great bands. They try to get Melissa Etheridge and people such as her along.

Ms DUNCAN: Yes. I think that it is something that in the public discourse has really only happened in the last five years that it has become really common. We have seen this in the last 48 hours with Bluesfest, that it is okay now to publicly call out—and before there was reference to this—that now technology has allowed a platform for people to call things out and to bring change, which I think is really positive. In regards to the way that The Push is working in this space, we are ensuring that all of our line-ups are reflective and representative of our broader community and representation is a value that we are going to be including in our strat plan in the next four years. I think that is reflective of gender, it is also reflective of cultural background and more and more in five years time this will just be the way in which we operate, it will not be that I am sitting here telling you that hey, there is this concept, it is called gender equity. It is a really exciting time and young people particularly are owning this space and feel confident to be calling stuff out and ensuring that organisations such as The Push are leading the way in supporting them to develop the skills so that they can be on our stages and running our labels in the future.

Ms DAWN WALKER: Do you have a comparable organisation in New South Wales?

Ms DUNCAN: We are the only one in Australia. Music NSW has a program called Indent, which sits within Music NSW that does a scaled back version of youth events and programs. However, their resourcing is nowhere near the level of what we receive here at The Push in Victoria.

The Hon. CATHERINE CUSACK: With projecting out into the regions, the numbers of events that these—

Ms DUNCAN: FReeZA teams?

The Hon. CATHERINE CUSACK: Yes—is very impressive. That is hard to activate outside of Melbourne, is it not? What would you say have been the features of that program that have made it work? Do you have training or partnerships for those people so when they can go back they know what to do?

Ms DUNCAN: There are currently 80 FReeZA teams across the State and the success in each of the programs really is dependent on the FReeZA worker who is leading the team. Obviously, it is really challenging to have 80 teams that are all operating at an incredibly high level with high-level outcomes. I think the key is that The Push—and we do, we take our role very seriously in providing support and training opportunities for each of those FReeZA teams. What we see the most successful programs look like are that the FReeZA leaders in the team are truly representative and reflective of what their local community is and ensuring that the makeup of their event team reflects that as well. My current favourite FReeZA team is one based just down the road in Carlton, delivered by a community health centre. Idil Ali is the FReeZA worker there. She is a young Muslim woman who has been really active in going out to the community and finding different young people from all different backgrounds and bringing them together to deliver programs and events that are truly connecting with the needs of that community. It cannot be a top down approach, it really needs to be led by the young people in the communities. When it is owned by the young people in the communities, then you see the young audiences want to attend and buy into those events.

The Hon. CATHERINE CUSACK: How does she get to be the FReeZA team leader there?

Ms DUNCAN: Each local government area which is a FReeZA provider is responsible for recruiting and appointing their own project officer for the program.

The Hon. CATHERINE CUSACK: Is that a paid position?

Ms DUNCAN: Yes.

The Hon. CATHERINE CUSACK: Is it funded by government?

Ms DUNCAN: The FReeZA program currently receives \$7.2 million over three years. There is allocated funding through the Department of Health and Human Services at the moment. Regional providers can receive up to \$73,500 over three years. Some providers will put that money into staffing but generally the local government area will fund the staff role and then they put that \$73,500 into the events and operations.

The Hon. CATHERINE CUSACK: That is pretty substantial funding. What is your budget overall?

Ms DUNCAN: The Push's current budget?

The Hon. CATHERINE CUSACK: Yes.

Ms DUNCAN: We are currently turning over just over \$1 million annually.

The Hon. CATHERINE CUSACK: The FReeZA program is separate to your budget? You do not count that in your budget?

Ms DUNCAN: No. FReeZA is managed by the Department of Health and Human Services; however The Push is funded \$340,000 annually to provide the support service to the 80 FReeZA teams across the State?

The Hon. CATHERINE CUSACK: And how do you do that?

Ms DUNCAN: How do we provide the support?

The Hon. CATHERINE CUSACK: Yes. Do you do training?

Ms DUNCAN: Yes.

The Hon. CATHERINE CUSACK: Is there a newsletter? What does that look like?

Ms DUNCAN: We regularly go out to the regions and provide face-to-face training opportunities for the workers and for the young people. We also provide online resources and regularly speak with people daily on the phone about their programs and events.

The Hon. CATHERINE CUSACK: That program is leveraging a lot more funding once the councils have engaged, especially if they are paying for the staffing and using it as an event fund.

Ms DUNCAN: Yes, that is right.

The Hon. CATHERINE CUSACK: The funding going into the program is not reflective, it is leveraging more.

Ms DUNCAN: Yes, there is the investment from the local governments, that is right.

The Hon. CATHERINE CUSACK: It is interesting to the Committee to see what works in the regions.

Ms DUNCAN: FReeZA is in its twenty-first year now and gradually now at 80 providers is the largest that it has ever been. It is definitely a model that is working here in Victoria.

The CHAIR: That was very comprehensive. Thank you for your evidence. The Committee may have some questions on notice. You will have 21 days to answer them. The secretariat will help you with that if necessary.

Ms DUNCAN: Thank you for having me.

(Short adjournment)

MATTHEW ROGERS, Chief Operating Officer, UNIFIED Music Group, examined

LUKE LOGEMANN, Chief Creative Officer, UNIFIED Music Group, examined

DAN NASCIMENTO, Touring Coordinator, UNIFIED Music Group, examined

The CHAIR: You will not be protected by parliamentary privilege because we are in Victoria so if you make adverse comments about anyone you may not be protected under defamation laws. Would any of you like to make an opening statement?

Mr LOGEMANN: Yes, we will do that together. UNIFIED Music Group is a Melbourne-based business. We have offices in Los Angeles, London and also Sydney, in William Street in Woolloomooloo. We have a number of different ways that we are involved in all of this. We manage about 30 artists. About 10 of them are based in New South Wales, the rest are mostly from Australia and the United States. Through that we put on shows pretty much every single week. In Sydney we do venues as small as Red Rattler, which is around 250, all the way up to the Hordern Pavilion where we have Vance Joy doing three nights upcoming.

We also do a live touring business, which we do in collaboration with Live Nation. Via that we have done everything from venues out at Homebush all the way down to smaller venues like Oxford Arts. Outside of that we have six record labels that are home to many, many artists, most of them Australian. We actually advise them on a lot of their touring routes as well. We are really ingrained to the live music world as well as copyright and that kind of stuff as well. Apart from that we are big on advocacy and stuff like that, which Mr Rogers heads up so he can explain a little more on that.

Mr ROGERS: Yes. We work with artists on all scales, from small to large and touring internationally, so our live business in management and touring is quite large. Also, the protection of copyright is very important for us and the management of that copyright. In terms of advocacy, I sit on the PPCA Board and also the Air Board and work towards improving the position for our business and industry in Australia, helping our artists and industry. The owner and chief executive officer of UNIFIED, Jaddan, started in music via The Push, which you would have most likely heard about through this Committee. It is a Victorian Government initiative. Jaddan talks often about the benefits to his early career, how he started in that and the early education that provided him. It is an important point to note that that has led to the careers of many, many people in the Victorian music industry.

I broke down what I felt we could give to this Committee into three areas. What would help a business like ours in New South Wales when we were beginning? What would help a business like ours in New South Wales now? And what will help a business like ours in the future? Firstly, ours was an early stage business in the music industry. I think the most important part is a pathway into the industry—a focus on education and engagement at a young age. Exposure is often the greatest educator. We have five colleges that are very, very strong in music courses—NMIT, RMIT University, College of Arts, JMC and Box Hill TAFE. Box Hill TAFE has just invested a huge amount of money in building a world-class studio, Sing Sing studio that now will be able to have live events as well as a place that people can learn the craft of recording artists.

Those things are obviously public and private. I think the key thing there is that education starts early in the music industry. There is very little formal framework for getting into the music industry. I am one of the few people that are formally educated that works in the company. I have a law and an arts degree. There are very few people in the industry that have formal education. Education is important to grow the industry. Secondly, to support the industry are the industry advocacy bodies to deliver educational support programs. Not-for-profit organisations like the Association of Artists Managers, whom you have heard from, the Association of Independent Record Labels and Music New South Wales are on the frontline and if they can provide basic business training services, the basic business knowledge in the industry will improve.

We have seen in Victoria the support from Music Victoria has been very strong and they have delivered focused campaigns that help young people move in, transition and increase their base level knowledge in our industry. There is then the focus on access to small to medium-sized venues in city and regional areas. Touring focus is often quite heavy on city. I live in a regional area. We have multiple venues of multiple caps up to 500 that can host touring bands so the touring circuit can help. It also helps the culture in those areas. What will help a business like ours in New South Wales now? Increased support to all sized venues is the lifeline of our industry. Therefore, investing in programs that allow those venues to open and thrive is crucial. As you have heard, this has a major cultural, social and financial benefit, also a focus, cultural and contemporary music long-term plan that starts at the grassroots in venues and the parts of the industry that support the labels and managers but also goes

out to ensuring support for large venues, and large events in public spaces and potentially looking at large music companies the way government looks at large tech companies.

About 10 to 15 years the music industry went through one of its darkest moments and it has taken 10 years to come out of that. We have got a revised and renewed sense of purpose in the recorded music industry, with streaming services growth. There is not a week that goes by that you do not hear of another half a billion dollar fund that is investing in owning copyrights or buying internationally. The recorded music industry is growing significantly. We have had some great wins and great tech collaborations that have helped both grow and prosper. At a Federal level we have a copyright regime that is fairly settled now that helps us engage with tech companies. I feel that looking at music companies in the same way that you provide incentives to tech companies or start-ups could be a good initiative because that can help us grow and prosper.

Also, it is isolating contemporary music for support as opposed to just lumping contemporary music in with all arts. Contemporary music has its distinct challenges and distinct benefits to the industry. Finally, what will help a business like ours in the future? I believe the flow-on from access to more funding will help the greater industry growth. The music industry has spent a long time isolating itself from government and feeling that we can kind of do it ourselves. Over the last 10 years there has been increased engagement with government at a Federal and State level to get more partnerships and engagement. Things like Sounds Australia through to the work in Victoria with Creative Victoria has really prospered and helped the music industry have a strong foundation and I feel a New South Wales Government that sees the value of the creative industries beyond the cultural value.

In Victoria a mindset shift happened when the department was renamed Creative Industries and not the Department of Arts. New South Wales is home to the largest music companies in Australia but it almost feels that it is by default and therefore there appears to be minimal work done to retain, grow and entice new business. We are proudly Victorian and proudly a Melbourne-based company. Mushroom is proudly a Melbourne-based company but there is continual opportunities to grow and the market is there.

The CHAIR: Awesome. That was comprehensive.

The Hon. JOHN GRAHAM: Thank you for that. It is really useful, particularly the way you have broken it down. It is very helpful for the Committee. On the point about migration from Sydney to Melbourne, on both the Sydney and the Melbourne end for artists and you guys, can you tell us any more about that issue as Melbourne has been brought in now as continuing to grow on the music front? It is continually becoming a bit of a magnet for the industry.

Mr ROGERS: I think we worked out that six of our 25 staff in Melbourne are originally from New South Wales. There are another four from Queensland. The Victorians are almost in the minority.

Mr LOGEMANN: In terms of artists, we have another artist who has just moved from Sydney to Melbourne as well. A lot of that comes down to cheaper rent and cheaper living costs in general so it is a pretty obvious one. I also think that there is a bit of a collaborative spirit in Melbourne. There is kind of a feeling like you are a part of an arts community so moving here is beneficial for songwriting; it is beneficial for going out to see more artists and that kind of thing.

The Hon. JOHN GRAHAM: Which is fantastic for you guys and it is one of the things we have to be really careful about for our music scene. Who are the New South Wales artists you represent? Give us a quick rundown on who they are?

Mr LOGEMANN: Trophy Eyes is one of them, Ocean Alley, The Clues—we should have made that list. I am blanking a little bit, to be honest.

Mr ROGERS: Tash Sultana has just moved from Victoria to Byron Bay. We represent her for North America and South America, not in Australia. Safia have parts of the band in New South Wales and parts of the band in Canberra.

Mr LOGEMANN: Northlane and The Clues.

Mr ROGERS: In Hearts Wake are from Byron Bay and Northlane are from Western Sydney. Hellion is from Sydney as well.

The Hon. JOHN GRAHAM: There is a bit of a spread across New South Wales.

Mr ROGERS: Yes.

The Hon. JOHN GRAHAM: Tell us a bit more about your experience with touring artists into Sydney. What are some of the practical hurdles that you face as you are doing that?

Mr LOGEMANN: I think when it comes to Sydney there is not really a similar precinct to the Fitzroy, Carlton, Collingwood—that whole strip that has a lot of venues. You would love to be able to put more shows on in a smaller capacity, from the 200 to the 500 range, around Surry Hills, Newtown and those kinds of areas, but a lot of those venues seem to come and go a little bit, whether it is the Hopetoun or the Newtown Social Club and stuff like that. When it comes to the bigger scale the other major issue is that once you get past the Hordern Pavilion it become pretty difficult to scale up and do those 10,000 capacity plus shows.

We find ourselves sending artists out to Homebush, which is good because there is actually a strong market out in Western Sydney but it is not exactly a place that you want to go and have a night out. You go into there, you leave it, there is this stale kind of area. As a result you could be missing out on up to 1,500 tickets, I feel, because there are people that are like, "Well, I want to have a night out. I don't just want to go and see the artist; I want to get dinner, have a drink afterwards." So there is that kind of thing of well. Those are the two major challenges. In the middle end around the sort of 1,000 cap to 3,000 cap Sydney is doing quite well. I think the Big Top at Luna Park is great, New South Wales Roundhouse is fantastic. There are a lot of venues of that scale; it is just more on the smaller end and the larger end.

The Hon. JOHN GRAHAM: That accords with what we have been told elsewhere. Thank you.

Ms DAWN WALKER: I am interested in how you identify up-and-coming artists. You obviously have a lot on your books. Could you give us some idea, is there a process?

Mr LOGEMANN: Yes, there is a process but it is also fairly loose because it is open to interpretation. We look at streaming data, we look at live data, we look at social media data. Then apart from that there is just your habits and your instincts and stuff like that that you are looking for really. Obviously Triple J is a massive resource for finding new artists through their Unearthed program, which is very valuable. Then, again, just to be out and about, especially around the inner northern areas of Melbourne which is a really good place to go and see artists play. One other thing I should mention is that BIGSOUND, which happens in Brisbane, is a really fantastic music conference. Last year we signed three of our key priority artists based on performances there. It has also become the place where people get together and meet each other and that kind of thing, whether it is with internationals or Australians. Those are the main channels, in a nutshell.

Ms DAWN WALKER: Could you speak briefly about your relationship with Live Nation and how that is built into your business model?

Mr LOGEMANN: We come from a punk rock, rock, metal background. We have diversified a lot in terms of what we work with but in terms of that side of the market we joined forces with them I think about 2½ years ago. We bring in the artists, they put on the show and they fund it and then we help with all the marketing and use all our databases to promote it. That is how the relationship works. We also were one of the presenting partners of Download Festival, which is something they started off in Melbourne and they have expanded it over to Sydney as well for 2019.

The CHAIR: Do you have any comments about festivals and your experience with them? What are the good and bad things at festivals like red tape or green tape?

Mr LOGEMANN: Not too much on that end of things. We have a festival that we own 100 per cent of which we put on in Gippsland, Victoria. It is about two hours south from here. We are actually announcing it tomorrow right about this time. It is called the UNIFY Gathering. That has been really beneficial to the local community down there, which was why we did it in an area that needed it a little bit. We are expecting to get between 10,000 and 12,000 people this year. We have sold out every year previously. Basically our local community support means that we have got probably a different outlook on what it is like to go through all the red tape and stuff. We have got everyone from the local police captain through to all the different councils, the footy club, the fire department—everybody loves us down there so we have actually found it pretty easy, to be honest. I do not really have any comments about the red tape.

Mr ROGERS: The licensing regime is also very easy to deal with down there for the festival. We are an over-18 event. We licensed the arena where the bands are playing and then it is non-licensed in the camping area, so it is BYO there. That was a conscious decision we made not to monetise it and force people to buy from us. They can bring their own liquor to their tents. But the licensing regime has been really easy to deal with and manage in the set up of the festival.

The CHAIR: How many festivals have you run down there?

Mr ROGERS: This will be our fifth year.

The CHAIR: Did you do a development consent?

Mr ROGERS: For the venue we used the footy club fields and a pony club so they were council land.

The CHAIR: When you did a development consent for the festival were you able to get it secured for three or four years or did they give you just one year?

Mr LOGEMANN: Our first year we only got one year, our second year we also got only one year and then our third year we managed to get a bit more of a blanket thing. Right now we have got the next five years confirmed it seems like. But we are doing it on private land for our fifth year just because we needed to expand. One thing I will comment on is the cultural significance of festivals. I still think it really is the entry level for a lot of punters into understanding not only music but also music culture.

Festivals are as much about the artists on stage as they are about the kind of atmosphere and the sense of community that happens around them. You can see that when a festival does not have a great culture behind it—and that is not to name any names—they can turn into a violent place; it can turn into a terrible kind of atmosphere. But a lot of festivals are that done right, whether it is Splendour in the Grass or Falls Festival, with a lot of the great festivals that we have, I think that when the culture behind them is there it is a really great experience for young people to get into music and find other people that are also into the same arts and the same community as them. I think that it really is important.

The CHAIR: In those first couple of years when you only had a year, we have taken evidence that it is quite risky to do that because you have to try to secure bands for the next year. Doing that and not being sure that the application was going to be approved would be a risk to your investment.

Mr LOGEMANN: A big thing with that stuff is you book a year with the hope that it is building towards the next year. Sometimes you might even take a seven-figure loss on a first year—we have not done that but I have heard of festivals doing it—so that the next year can be great. If you do not have that next year secured then you could be risking it all for nothing.

Mr ROGERS: The big thing that we had down there was a really supportive council. A lot of the work into the lead-up to that was done by our partners. They grew in the local community and so they knew a lot of the people down there. But taking a heavy metal festival into a community of 200 people, you imagine the concern that they may have had about a couple of thousand tattooed people arriving in their pretty little beach side town. But now they are fully on board. I think the footy club has funded solar panels on the roof, they have bought a bus that they use to go and pick up kids from around the community. It is about telling feel-good stories also and the community engagement that we have done there.

The Hon. SHAYNE MALLARD: How many people attend the festival?

Mr ROGERS: It was 2,500 for the first year, then up to 5,000 in the second year, 6,000 in the third year, 8,000 in the fourth year and between 10,000 and 12,000 at year five. We have got a larger capacity, scalable capacity, in our new venue.

The Hon. JOHN GRAHAM: What would you weigh up if you were thinking about bringing a festival like that to New South Wales? You have run it pretty successfully here, including in a community that really wants it. If you are busy weighing up if you will take the step to bring a festival like that into a similar community in New South Wales, what would tip things in favour or against you making that call?

Mr LOGEMANN: It will come down to a local community that wants it and is willing to work with us to try to make it happen. We have explored the Central Coast as an option more for the sake of exploring because it is a bit of a hot bed for youth and youth culture. It would be a community that would be willing to embrace it, a place that is easily accessible and has a lot of accommodation options and that kind of thing. That is why the Central Coast and Byron Bay are the two obvious places that people look at. Newcastle is probably the strongest market for this kind of music in Australia, apart from outside inner-city Melbourne.

The Hon. SHAYNE MALLARD: We will test that in a few weeks.

The Hon. JOHN GRAHAM: You have a Central Coast scene and a Newcastle scene.

The Hon. TAYLOR MARTIN: Why is that? Why Newcastle and the Hunter in particular?

Mr LOGEMANN: When you are selling a lot of records and you find that there is a lot of youth in an area, especially when it comes to hip-hop and heavy music, my experience has been that areas like Frankston,

Newcastle, Western Sydney or Loganholme and outer areas are good. They are not the really far out areas, but close enough. Newcastle fits that criteria. There is also a connection between rock music and surf culture.

The Hon. TAYLOR MARTIN: That makes sense.

The CHAIR: Do you have any comment about Parramatta? The Committee has taken evidence about Homebush. You nailed it; you walk out of a show and there is no ambience. That is it; your experience is over.

The Hon. CATHERINE CUSACK: There is just a long wait for a train.

The CHAIR: That is really sad. Never mind the train; we have taken a lot of evidence about that. What about Parramatta? We are trying to think about the future. What is your feeling about or experience of Parramatta and making live music explode there? It is a very short trip from Homebush.

Mr LOGEMANN: I grew up in Pennant Hills and I go back there every year to see family. Parramatta has become such a massive place and it is surprising that it does not have smaller capacity venues and a bit more of a culture of music and arts. I know of two festivals in the next nine months at Parramatta Park. One is the All Good Things Festival in December and the other is Download next March. That is a very good sign. I do not know of any smaller venues that have done it. However, if there was a 300 to 500 capacity venue that had a great PA and there was some incentive for them to run it, that could be a big win. I do not think that people who are 22 or 23 years old and who move out of home can afford to live in the city. They are probably more likely to live in Seven Hills or Parramatta or an area like that.

The CHAIR: Or even further now.

Mr LOGEMANN: Yes.

The CHAIR: It is unaffordable even further out.

Mr LOGEMANN: Yes.

The CHAIR: That is why they are still living with their parents until they are 39 or 40.

Mr LOGEMANN: That is Sydney for you.

The CHAIR: I mean no offence.

Mr LOGEMANN: That is why our 25-year-old guru had to move to Melbourne when he moved out of home.

The CHAIR: Mr Nascimento, do you wish to add anything?

Mr NASCIMENTO: I grew up on the northern beaches of Sydney—another part of town. I was lucky enough to have a local council that supported grassroots development of live music, whether it be putting on shows or allow youths like me to volunteer or work at the local youth centre when shows were on. Whether it is an area like Parramatta or the northern beaches, it comes down to access to venues. It could be the opportunity for an artist or a punter to attend live music or an individual looking to get experience working in the industry in some way.

It comes down not so much to the lack of but the sporadic nature of opportunities versus coming down to Melbourne for a work or youth perspective. It is about having things like The Push and more councils involved in things like FReeZA and giving kids the opportunity to work or to perform. That is the difference. That is a potential area for development in Parramatta, as you said, on the back of Homebush being a staple from a larger venue perspective. It is about building it from the grassroots. It is a good option.

The Hon. CATHERINE CUSACK: Are all of the people you represent full-time musicians or do they all have other jobs?

Mr LOGEMANN: We manage a lot of full-time musicians, but not necessarily on the labels—we are not 100 per cent privy to the way they do it. Out of the 30 artists, I would like to think that well over half would be full-time musicians. Some are doing quite well and some are on a lower wage. The rest of them would be development artists and I suspect that a lot of them have at least part-time jobs.

The Hon. CATHERINE CUSACK: Is there a gender breakdown? Given your segment of the industry, I suppose it is predominantly male.

Mr LOGEMANN: Yeah, kinda.

Mr ROGERS: The artists we manage do not predominantly come from the heavy music scene. Probably the most well-known artists we manage are Amy Shark, Vance Joy, Illy, Violent Soho, Safia and Tash Sultana. They come from a very broad cross-section of music. We started in heavy music but have moved into managing electronic, hip-hop, rock and multicultural artists. I would say 30 per cent to 40 per cent would be female or non-binary.

The Hon. CATHERINE CUSACK: Musicians are very creative people and there can be an intensity in their work, especially if they are writing their own material. Is it challenging to manage musicians?

Mr LOGEMANN: Always. You are meant to be the mouthpiece who connects the industry to the artists and protects them from each other. Sometimes you get to experience both sides of that. You almost feel two-faced because on one side you are a professional and on the other side you are dealing with artists. It is a skill you learn when you are around artists while they are growing up. Everyone in the music industry has a level of creativity and artistry in what they do and that means they can empathise on both sides. That is very important in being successful.

The Hon. CATHERINE CUSACK: From a performance point of view, musicians must grow personally to be professional.

Mr LOGEMANN: Yes.

The Hon. CATHERINE CUSACK: Some of these performances are amazing in terms of stamina, things going wrong and not exploding on the stage.

Mr LOGEMANN: Yes. There can be a mental health aspect to all of that as well when it comes to being an artist, especially if you are not making money, are working very hard and are touring a lot. You are exposed because your art and everything you put forward is out there. There is a mental health aspect to it. More and more every year it feels that people are willing to talk about that a little more and to be more outward about it. That is really important as well.

Mr ROGERS: There have been some great industry-led initiatives recently. Support Act Limited has a mental health hotline to support the people who are not on public view; that is, the roadies, the crew, the session musicians and so on. A lot of work is going on in that area and there are lots of open conversations about mental health in the music industry. These boys are both managers and they have to weigh up the creative side and the business side. A lot of managers are untrained in therapy or come to the industry through a passion and as entrepreneurs. There are now a lot of industry-led initiatives in that area.

The Hon. CATHERINE CUSACK: There must be almost a counselling role in managing an artist.

Mr LOGEMANN: You have to kinda be an accountant, a psychiatrist, a guru about gear and so on. You have to be a lot of different things.

The CHAIR: You have to be a nurse.

Mr LOGEMANN: Yes, seems to be.

The CHAIR: You have to be all things to all people at all times.

The Hon. SHAYNE MALLARD: Declare an interest!

The CHAIR: I was a nurse.

The Hon. CATHERINE CUSACK: Thank you for that.

Mr ROGERS: Continuing support in that area in the industry is important. Knowledge coming into the industry about how to deal with these things is also important. Some government initiatives are starting to feed out. It will be interesting in the future.

The CHAIR: The Committee has heard of an organisation that does that in the music industry. I think we will invite them to give evidence. That would be very helpful in terms of taking a holistic approach to this inquiry. It would be awesome to put some ideas about that to the Government. Thank you very much for your time.

Mr LOGEMANN: Thank you for listening to us.

The CHAIR: We wish you well and hope to see you in New South Wales a bit more.

Mr LOGEMANN: I am there every second week.

The CHAIR: In light of your evidence, the Committee may wish to ask some further questions. The secretariat will help you with them. We very much appreciate your assistance to the inquiry. Hopefully it will help up-and-coming musicians in the future.

Mr LOGEMANN: Thank you.

Mr ROGERS: Thank you.

(The witnesses withdrew)

The Committee adjourned at 11:29