

THE LAST THIRTY YEARS HAS witnessed an extraordinary blossoming and consolidation of the Australian arts economy. By any measure — social, cultural, economic — the arts are a much more significant part of all Australians' lives in the 2000s than they were in the 1960s. But, as we embark upon a new Millennium, will this continue to be the case?

Along with the spectacular increase in the number of artists in Australia over the past 30 years, has come a worrying decrease in the average income for those artists. A similar expansion in the number and capacity of performing arts centres across Australia has brought with it a new vulnerability to economic downturns. The introduction of the GST, the globalisation of culture and the convergence of the communications, computer and entertainment industries are just three of the new challenges facing Australian arts practitioners in the next century.

Australian artists have always been flexible and innovative — they've had to be in order to respond to the changing demands of the world around them. The arts community has always faced this challenge.

On the other hand, the new challenge that faces the broader Australian community in the next century, and especially politicians, the media and other opinion makers, is how to re-value the creativity and innovative excellence of Australia's artistic community. For whether Australia succeeds in the information economy of the future will depend to a large degree on how well it nurtures and develops its most creative minds — in the arts, sciences and business.

Planning now to meet those challenges is critical, and Hans Guldberg's *The Arts Economy 1968-1998: Three Decades of Growth in Australia*, which charts trends across 30 years of cultural statistics and indicators, will be indispensable to that planning process.

The Australia Council's role in the development of the arts in Australia will continue to evolve as it has done constantly over the last 30 years. The pursuit of excellence will always be an essential part of Council policy, as will be supporting the creation of new work, and fostering the participation and appreciation of the arts by all Australians, regardless of their background and circumstances. The creation of the New Media Arts Fund and the Major Organisations Fund in the past decade, however, point not only to the need for Council to constantly revise and refine its relationships with the arts and artistic communities in the new century, but also its willingness to do so.

And, whereas in the early 1970s, the Council clearly led the way in funding terms as well as setting the broad policy guidelines for artistic development in Australia, in the new century, combined State and local government expenditure on the arts far outstrips Council's — a healthy sign of Council's success in promoting the value of the arts over the last three decades.

Publications like Hans Guldberg's *The Arts Economy 1968-1998* will be fundamental to arts and cultural policy makers across Australia as they negotiate their ways through Australia's cultural landscape into the new century.

✦ **Margaret Seares**
Chair, Australia Council

preface



introduction

This booklet is a companion to Hans Hoegh Guldberg's *The Arts Economy 1968-1998: Three Decades of Growth in Australia* (Australia Council, 2000). This major new research work of 170 pages gathers together a wide range of statistics and other cultural indicators in an attempt to map the progress of the arts sector in Australia over the last 30 years.

Just as the arts economy has evolved over the past 30 years so have the statistical frameworks used to measure it. The frameworks have shifted incrementally over the years in response to changes in the working definitions of what constitutes 'the arts' and how that category may differ from other broad categories such as 'culture' and 'recreation'. These definitional shifts have been useful and progressive in that they have yielded increasingly precise statistics, but the shifts have also meant that it is sometimes difficult or even impossible to compare certain figures across time.

This summary was prepared and written by José Borghino, as a reference guide to the larger report and presents edited highlights from *The Arts Economy 1968-98*.

The financial figures in this Companion — as in the main report — have been converted to 1996-97 prices for the purposes of comparison. Many of the statistics in this report come from the latest ABS Census of Population and Housing (1996).

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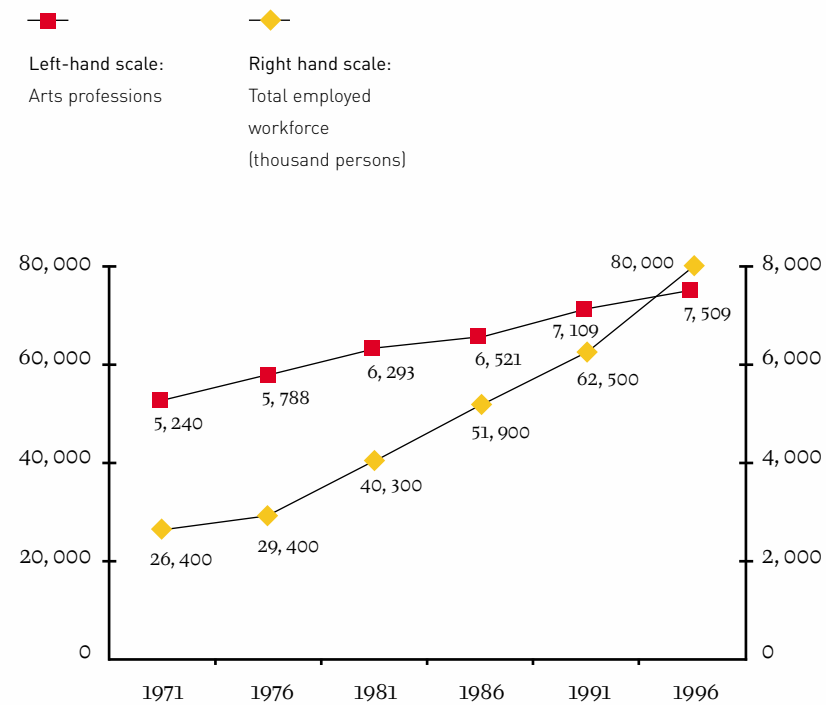
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How many artists are there in Australia?

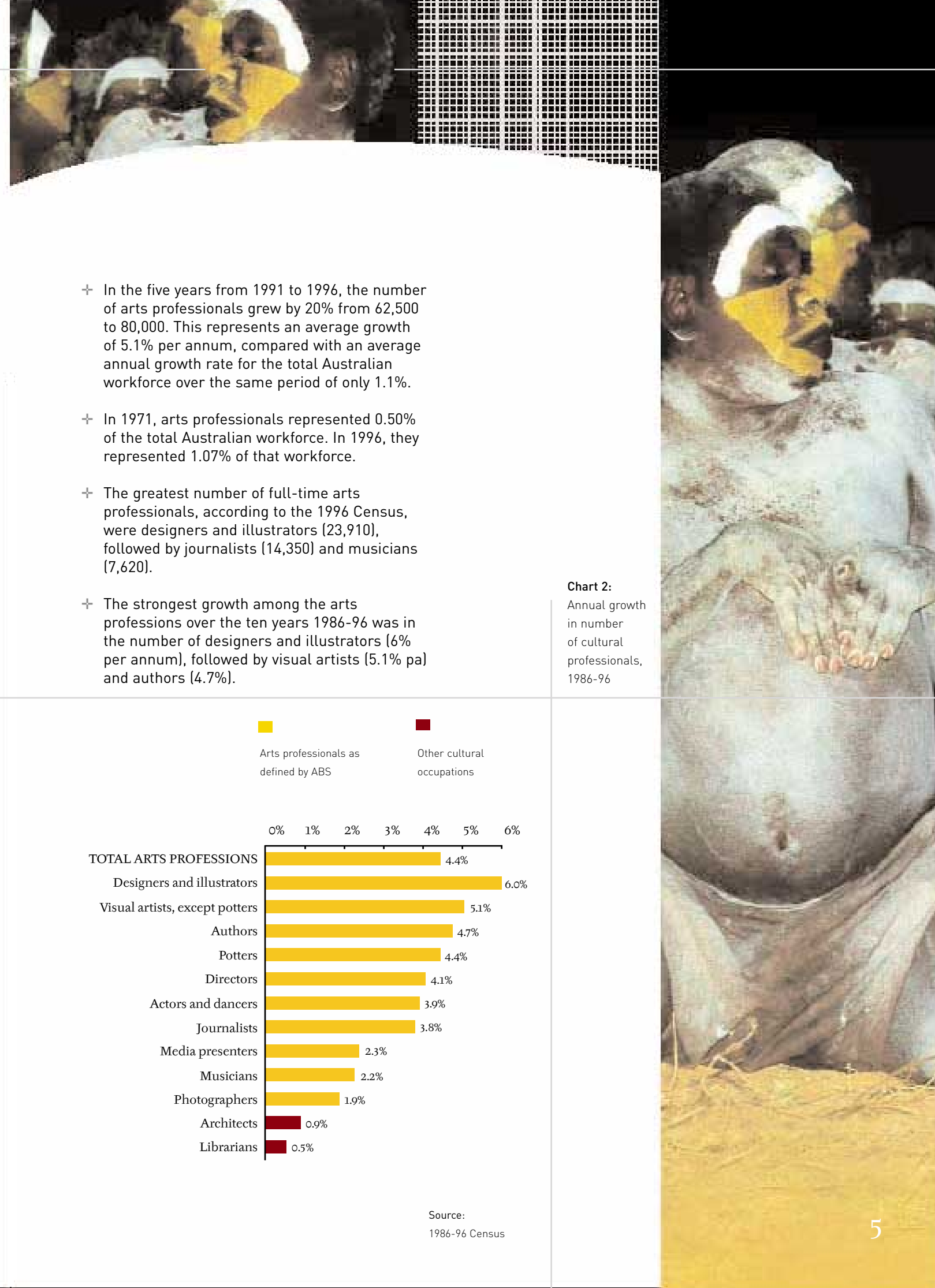
TODAY, MORE AUSTRALIANS THAN EVER BEFORE EARN AN INCOME AS ARTISTS.

- According to the Australian Bureau of Statistics (ABS), in the past 25 years the number of full-time artists and arts professionals in Australia has tripled (from an estimated 26,400 in 1976 to 80,000 in 1996 — an increase of over 300%), while Australia's total workforce only increased by 43% over the same time. This amounts to an annual growth rate of 4.5% in the number of full-time artists and arts professionals, compared with a 2.4% annual growth in the total employed workforce in Australia.

Chart 1:
Estimated number of arts professionals and total employed workforce, 1971-96

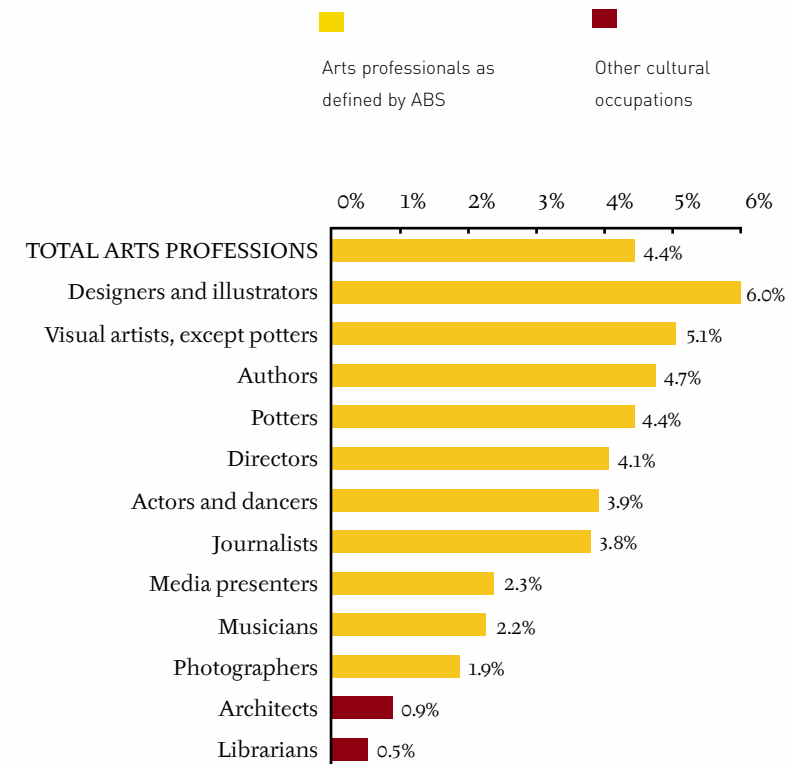


Source:
Estimated from Census data (arts professions as defined by ABS for 1996)



- In the five years from 1991 to 1996, the number of arts professionals grew by 20% from 62,500 to 80,000. This represents an average growth of 5.1% per annum, compared with an average annual growth rate for the total Australian workforce over the same period of only 1.1%.
- In 1971, arts professionals represented 0.50% of the total Australian workforce. In 1996, they represented 1.07% of that workforce.
- The greatest number of full-time arts professionals, according to the 1996 Census, were designers and illustrators (23,910), followed by journalists (14,350) and musicians (7,620).
- The strongest growth among the arts professions over the ten years 1986-96 was in the number of designers and illustrators (6% per annum), followed by visual artists (5.1% pa) and authors (4.7%).

Chart 2:
Annual growth in number of cultural professionals, 1986-96

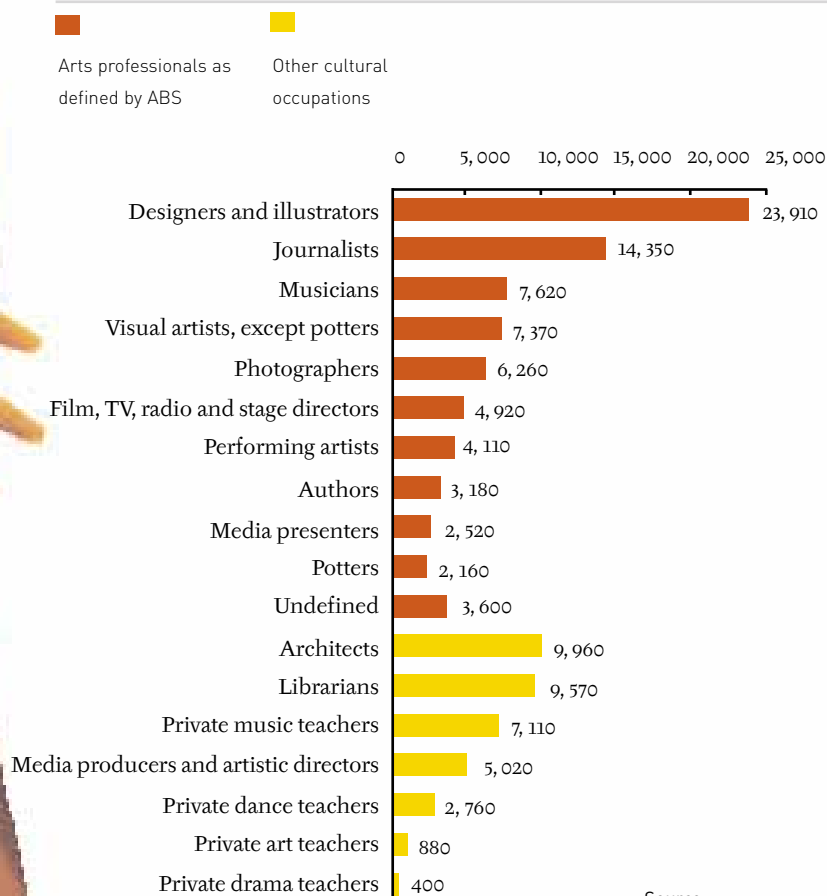


Source:
1986-96 Census

How many other cultural workers are there in Australia?

- + Over and above Australia's 80,000 arts professionals, the 1996 Census identified a further 35,700 Australians working in 'other cultural professionals', including architects (9,960), librarians (9,570) and private music teachers (7,110).
- + In total, the 1996 Census identified 156,700 Australians (or 2% of the total Australian workforce of 7.6 million) as full-time culture/leisure workers in the broadest sense. Of these, just over half were arts professionals, the rest included 'other cultural professionals' and, finally, 41,000 people working in 'other cultural occupations', which included museum and gallery curators, as well as support workers such as sound technicians, camera operators, library technicians and photographers' assistants.

Chart 3:
Number of arts and related professionals, 1996



Source:
1996 Census

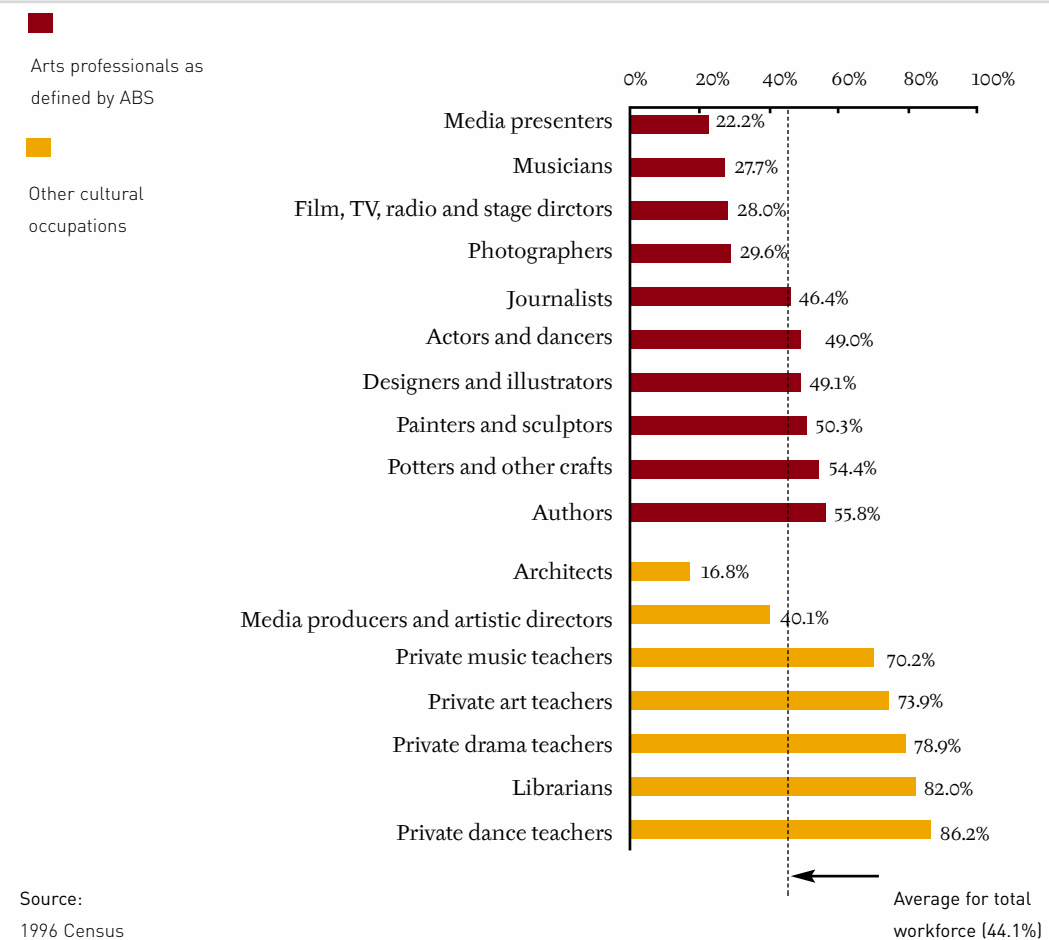


Who are these artists?

- + In 1996, about 56% of arts professionals were male, the same proportion as in the total workforce.

But this predominance of males varied markedly across different categories of arts professionals. For instance, while 77.8% of media presenters and 72.3% of musicians were male, authors were predominantly female — only 44.2% being males.

Chart 4:
Female ratio of cultural professionals, 1996

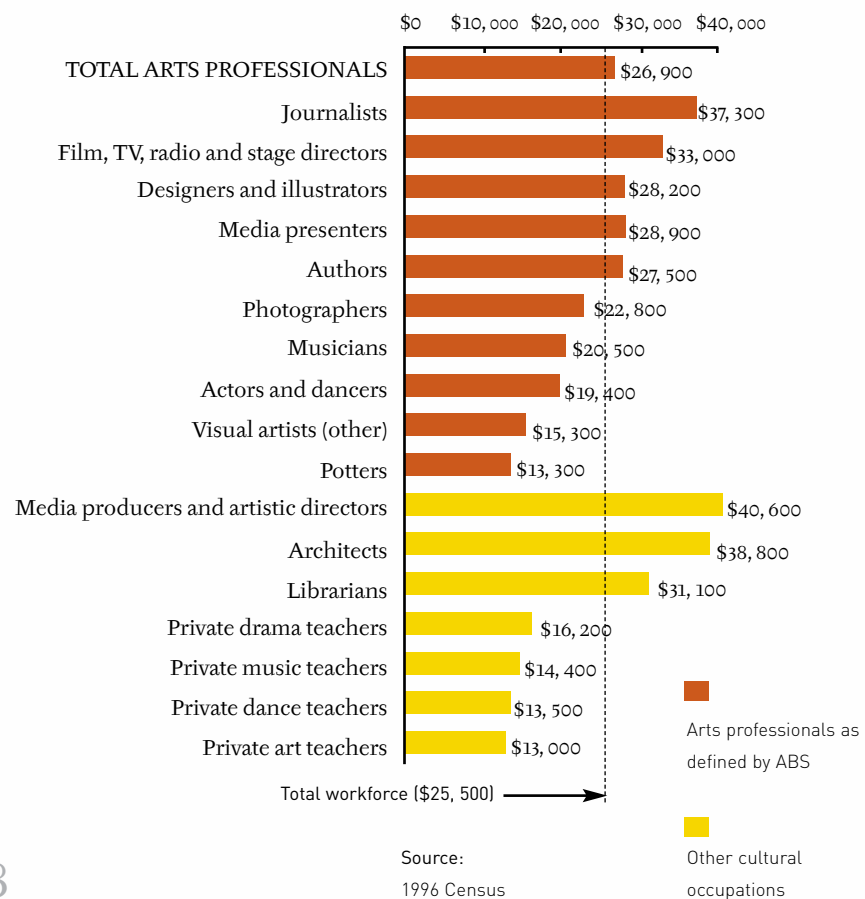


Source:
1996 Census

Where do Australian artists live?

- + In 1996, the majority of arts professionals lived in New South Wales (13,480), Victoria (8,740) and Queensland (5,560). The other States and Territories had the following populations of arts professionals: Western Australia (3,130); South Australia (2,420); ACT (1,270); Tasmania (790); Northern Territory (300).
- + As a proportion of the State or Territory's total employed workforce, there were relatively more arts professionals living in New South Wales (1.21%), the ACT (1.19%) and Victoria (1.13%). The proportions in the other States and Territory were as follows: South Australia (0.88%); Northern Territory (0.87%); Queensland (0.87%); Tasmania (0.85%); Western Australia (0.82%).

Chart 5:
Estimated median incomes of arts and related professionals, 1995-96

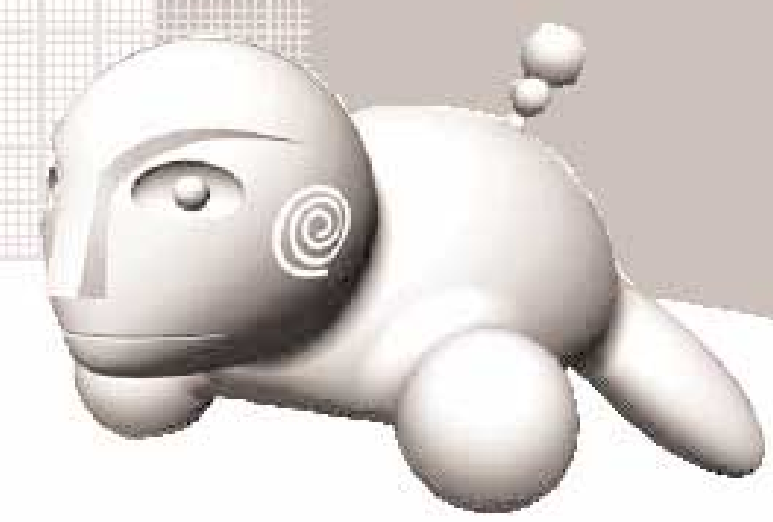


Paid or unpaid? Full-time or part-time?

APART FROM FULL-TIME ARTS PROFESSIONALS, MANY OTHER AUSTRALIANS ALSO DERIVED PART OF THEIR LIVELIHOOD FROM CULTURAL INDUSTRIES OR PARTICIPATED IN THE ARTS ON AN UNPAID BASIS. THE ABS CONDUCTED SURVEYS IN 1993 AND 1997 TO MEASURE THESE PARTICIPATION RATES.

- + In 1997, 15.1% of the Australian adult population participated in the arts on a paid or unpaid basis: 331,400 persons undertook paid work only, 545,600 received payment for some but not all their work, and over 1.3 million received no payment at all.
- + Writing (educational and other books, newspapers, magazines and journals) was the most common cultural activity — nominated by 543,000 people — with 22% being involved on a paid basis only.
- + Design (graphic, multimedia and fashion) was the second largest group with 240,000 persons, 40% of whom had paid involvements only.
- + There were 209,000 live performers of music, of whom just 5% worked for payment only.
- + Of the 146,000 performers of theatre, opera, dance and other performing arts, only 7% worked for payment only and as many as 82% received no payment whatsoever.
- + The total number of involvements in the arts by Australians receiving at least some payment for their services grew by over 50% (from 626,500 to 956,700) in the four years between 1993 and 1997.
- + The growth in total involvements (paid and unpaid) over the same period was even higher (60% — from 1,437,500 in 1993 to 2,306,500 in 1997), suggesting a strong growth in community arts access and participation.





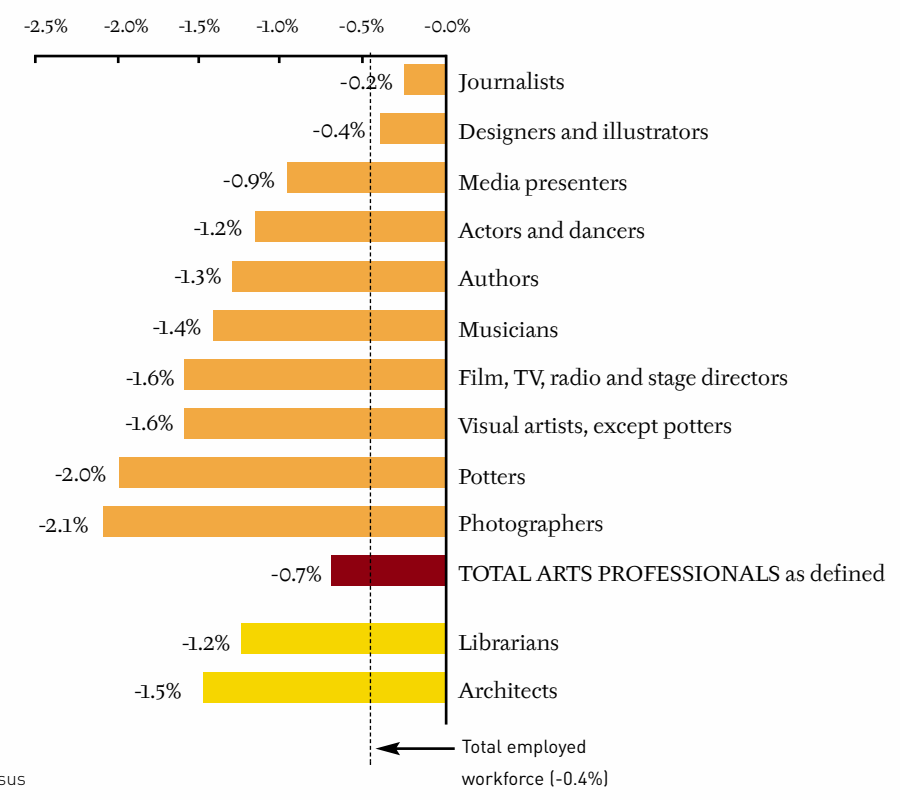
What do artists get paid?

ALTHOUGH THE ARTS SECTOR OF THE AUSTRALIAN ECONOMY HAS BEEN GROWING STRONGLY AND THE NUMBER OF INDIVIDUAL ARTISTS HAS BEEN INCREASING THEIR MEDIAN AND AVERAGE INCOMES HAVE BEEN DECLINING.

- + The total estimated income of arts professionals rose from \$1.7 billion in 1985-86 to \$2.5 billion in 1995-96. But the dramatic increase in the number of arts professionals during that time has been accompanied by a decline in their median incomes, which have declined faster than did the income of the Australian workforce as a whole.

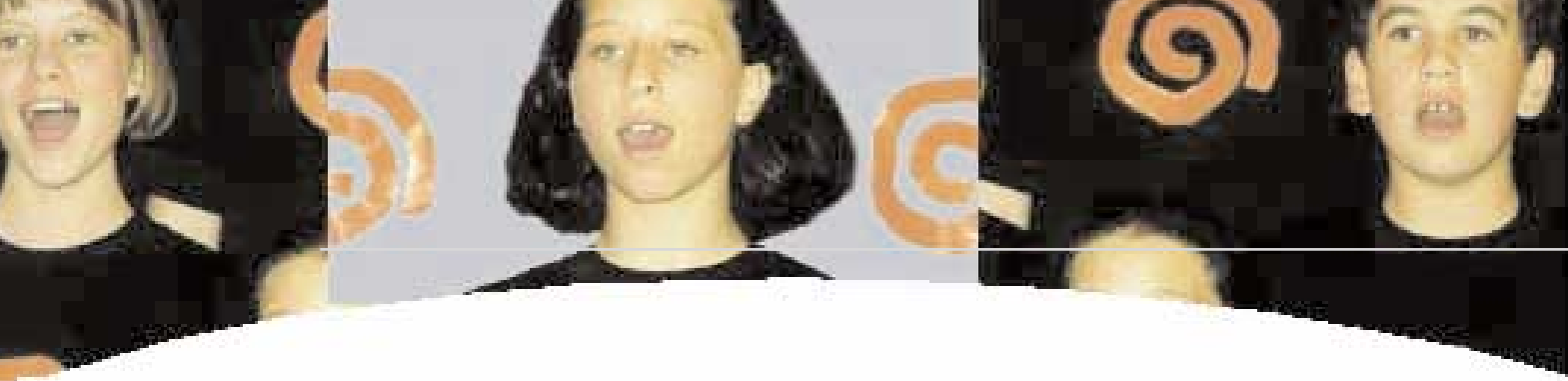
- + In 1986, the median income of arts professionals was \$28,800 and the average (or mean) was \$33,200. In 1996, the equivalent figures were \$26,900 (median) and \$30,885 (mean).
- + Between 1985-86 and 1995-96, the annual decline in the median income for arts professionals was 0.7%, compared with a decline of 0.4% per annum for the total Australian workforce.
- + Journalists had the slowest annual decline in income (-0.2% per annum), while photographers (-2.1% pa), potters (-2.0% pa), visual artists (-1.6% pa) and film/TV/stage directors (-1.6% pa) suffered the fastest annual decline in income over the period.
- + A decline in income of less than 1% annually may not appear to be very much, but when compounded over ten years it means that the median income for arts professionals as a whole fell by 7% over the decade 1986-96. And for some practitioners, like potters and photographers, it fell by over 20%.

Chart 6:
Annual trend in median income at constant prices, 1986-96



Source:
1996 Census

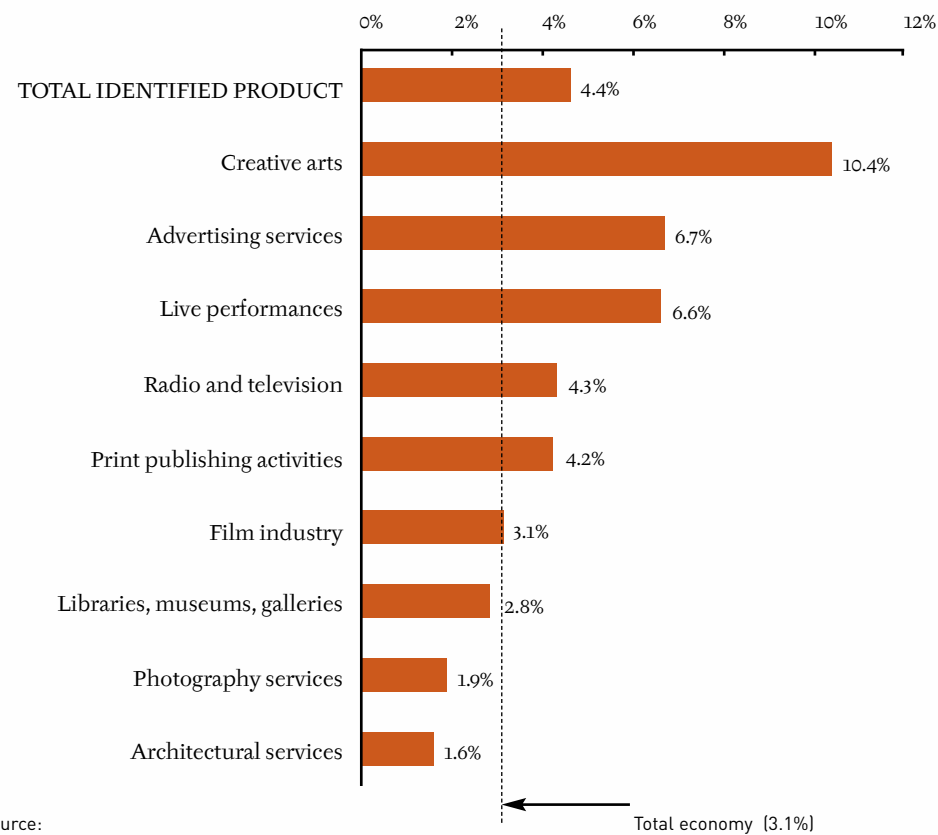




How fast has the arts sector grown?

- + The arts have become an increasingly important part of the Australian economy and in 1996-97 it was estimated that they contributed about \$8.7 billion to Australian gross industry product.
- + The annual growth rate for the arts-related components of the Australian economy between 1974-75 and 1993-94 was 4.4%, while, over the same period, the overall Australian economy grew at an annual rate of 3.1%.
- + This growth varied across a number of different cultural industries. The annual growth in the value of the creative arts (comprising self-employed artists) between 1974 and 1994 was 10.4%, for live performances 6.6% and for architectural services only 1.6%.
- + In 1974-75 the combined value of nine components of the arts-related sector included in the chart below accounted for 1.28% of the Australian economy, while in 1993-94 the same nine components accounted for 1.61%.

Chart 7:
Annual growth trend in value of nine selected arts-related products, Australia, 1975-94



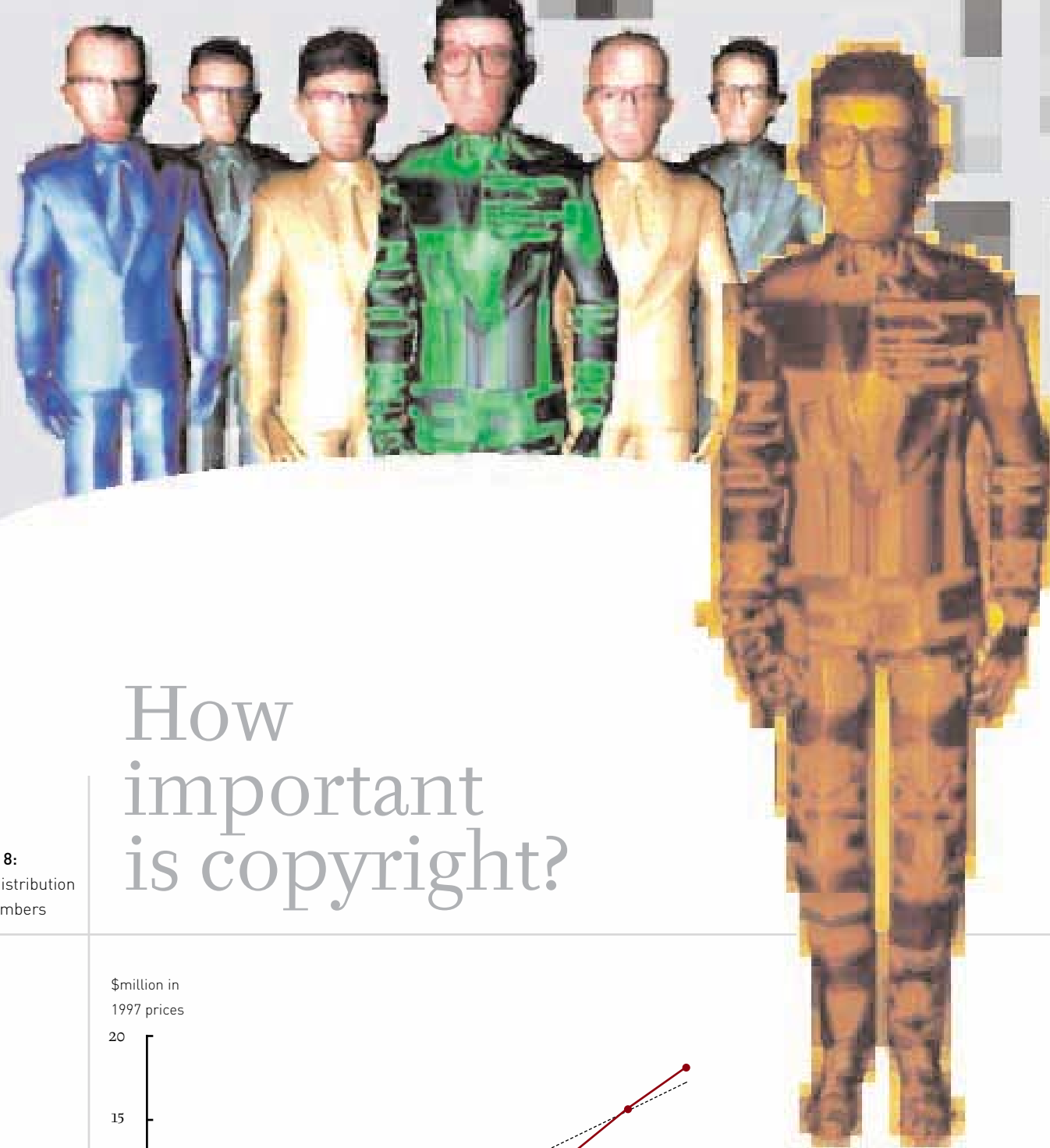
Source:
ABS input-output
'commodity' or product data

How much do Australians spend on the arts?



- + According to ABS household expenditure surveys, Australians' annual spending on arts-related goods and services between 1984 and 1994 grew significantly faster (1.3%) than average total expenditure on all items (0.4%) over the same period per household.
- + In 1984, the average Australian household spent \$786.18 per annum on selected arts/cultural items; total household expenditure on all items for that year was \$43,038; and so, arts/culture-related items amounted to about 1.83% of average household expenditure.
- + In 1994, the average Australian household spent \$885.18 per annum on the same selected arts/cultural items; total household expenditure on all items for that year was \$44,877; and so, arts/culture-related items amounted to about 1.97% of average household expenditure.





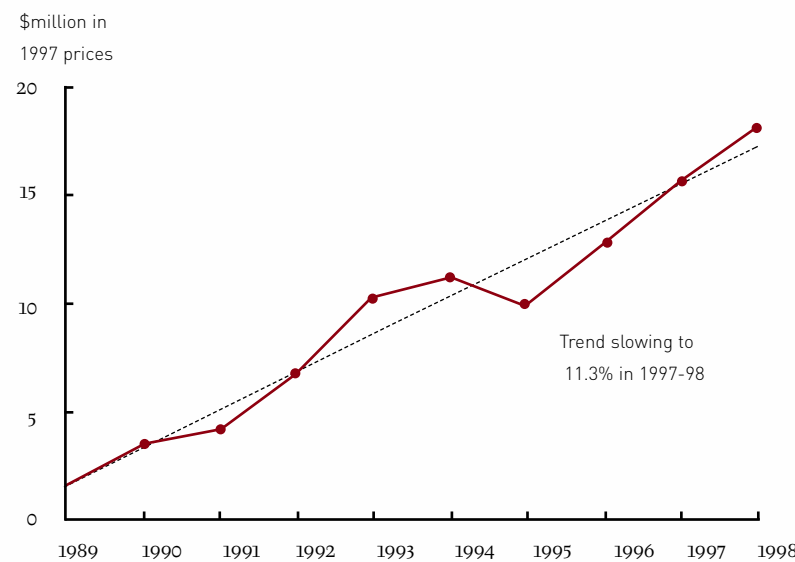
How much do Australian governments invest in the arts and culture?

GOVERNMENT FUNDING FOR ARTS AND CULTURE HAS BEEN INCREASING BUT THE PROPORTION INVESTED BY THE FEDERAL GOVERNMENT HAS BEEN DECLINING, SO THAT THE MAJORITY OF ARTS AND CULTURAL FUNDING IS NOW PROVIDED AT THE STATE/TERRITORY AND LOCAL GOVERNMENT LEVEL.

- + Total cultural funding in Australia increased from \$2,390 million in 1988-89 to \$3,447 million in 1996-97 — an increase of 44.2% over that period. Of this, the Federal Government provided \$1,198 million (or 50.1%) in 1988-89, and \$1,288 million (or 37.4%) in 1996-97.
- + In the area of 'core arts' (literature and publishing, visual arts, crafts, photography, music, other performing arts, and community cultural activities), funding from all government sources increased rapidly between 1968-69 and 1973-74 (from \$29.7 million to \$136 million). It declined in real terms over the next ten years and then increased up to \$223 million in 1991-92. Since then it has receded, before recently recovering and reaching a new maximum of \$228 million in 1995-96 and dipping slightly to \$225 million in 1996-97.

How important is copyright?

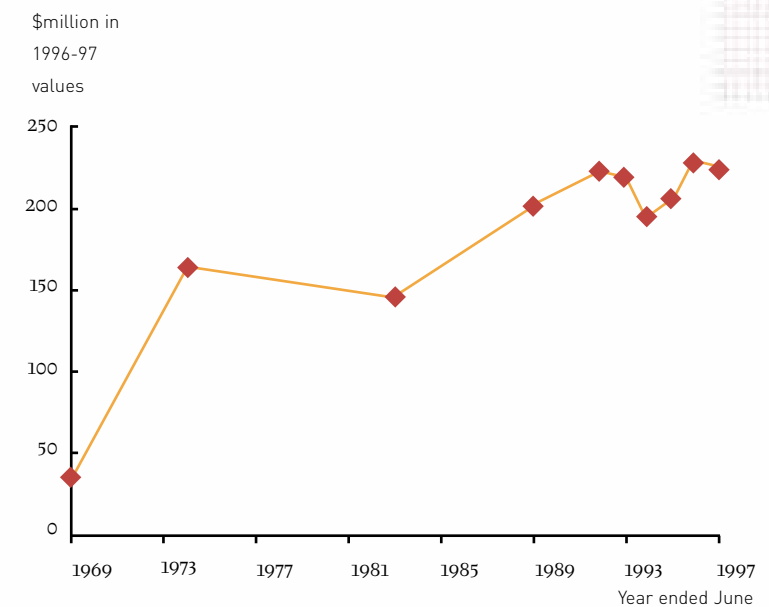
Chart 8:
CAL distribution to members



Source:
Copyright Agency Limited (CAL)


- + Issues of intellectual property and copyright are becoming critically important for Australian artists in an increasingly digital environment. A measure of this is the increasing distribution of payments to copyright owners by collecting agencies such as Copyright Agency Limited which collects fees from institutions to compensate copyright owners for the copying of their work. In 1999, CAL distributed \$20 million to copyright owners.

Chart 9:
'Core' arts funding in Australia, 1968-69 to 1996-97




Source:
Artburst! (estimates to 1983-84),
Australia Council and ABS (1988-89 to 1996-97)





How much do Australian governments invest in radio, film and television?

How much do Australian governments invest in cultural facilities?



+ Funding for broadcasting and film production has remained in the vicinity of \$900-950 million since 1988-89. In 1996-97, radio, and television broadcasting accounted for \$778 million of funding, film and video production for \$127 million and multimedia \$6 million, for a total of \$911 million. Of this, \$874 million came from the Federal Government.

+ Between 1988-89, when it amounted to just under \$900 million, and 1996-97 when it reached almost \$1.4 billion, there has been a rising trend in funding cultural facilities such as libraries, museums and performing arts venues. The main funding for these facilities comes from State and local governments — 52% and 34% respectively in 1994-95 — with federal funds accounting for only 14%. Just over half the total went to libraries and archives, with 13% to museums, 12% each to performing arts venues, arts centres and cultural heritage, and 10% to art galleries.

What are the trends for Indigenous arts?

THERE HAS BEEN A SPECTACULAR WORLDWIDE INCREASE IN INTEREST IN AUSTRALIAN INDIGENOUS ARTS IN THE 1990S. THIS IS REFLECTED IN THE GREATER NUMBER OF INDIGENOUS ARTISTS' WORKS BEING SOLD AT AUCTION SALES IN AUSTRALIA TODAY, AND THE CORRESPONDING INCREASE IN THE TOTAL VALUE OF THOSE WORKS.

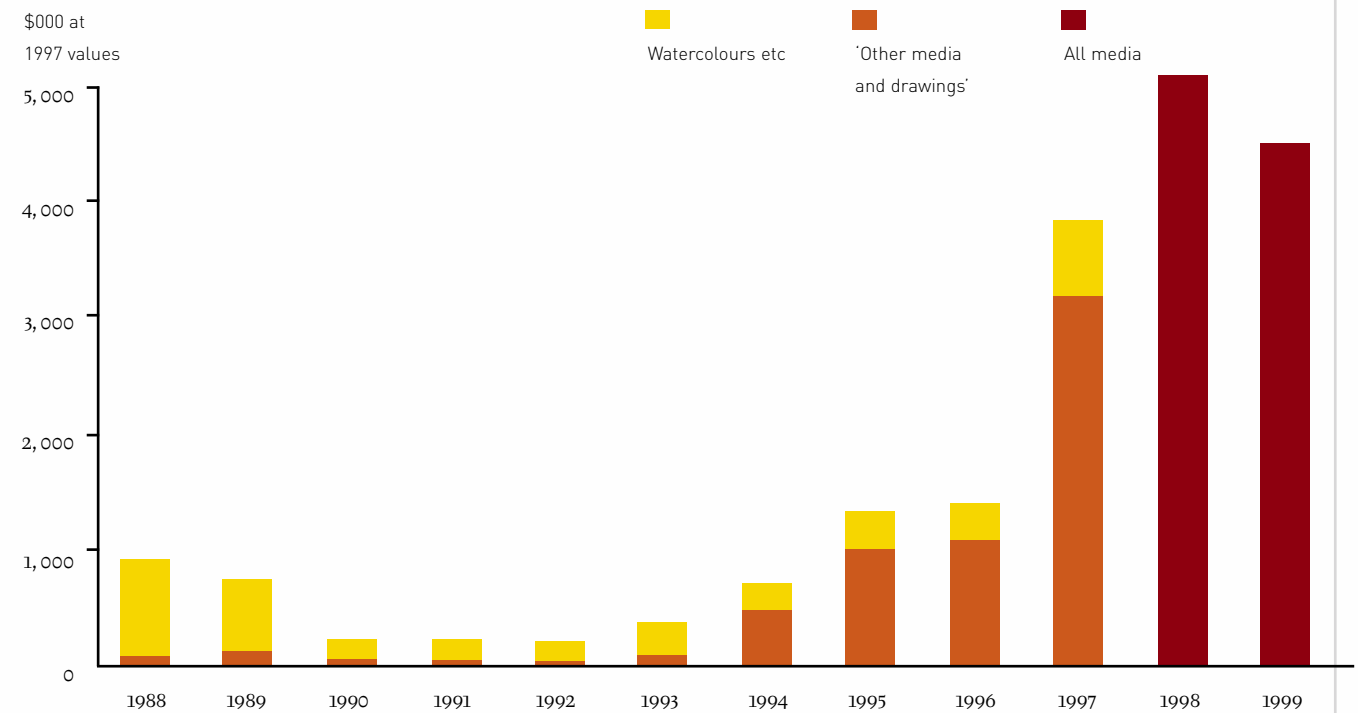
- + In 1988, 150 works by Indigenous artists with a total value of \$873,100 were sold through auction sales in Australia. In 1997, 716 works with a total value of \$3,807,500 were sold. This represents an increase, over that ten-year period, of 377% in the number of works sold and 336% in the value of those works. In 1999, the total value of these sales was about \$4,500,000.
- + Over the same period, the total auction sales of works by non-Indigenous Australians fell in value from \$46,157,000 in 1988 to \$25,357,000 in 1997.



- + The Australian art market has, therefore, shifted radically. In 1988, the value of works by Indigenous artists represented only 1.7% of total Australian auction sales; whereas in 1997, these works represent 10.3% of the market.
- + Although the top sale price for Indigenous artworks has risen from \$51,056 in 1988 to \$206,000 in 1997, the average value of Indigenous works sold has actually fallen from \$5,821 in 1988 to \$5,318 in 1997.

- + Overseas visitors to Australia are buying more Indigenous art and souvenirs. According to Australia Council research, international visitors purchased \$35 million worth of Indigenous art and souvenirs in 1990; whereas in 1996, they purchased \$67 million worth (an increase of 92%).
- + In 1996, international visitors to Australia bought 26,000 Indigenous paintings, 51,000 carvings and sculpture, 29,000 craft items, 12,000 books on Indigenous art, and 15,000 recordings of Indigenous music.

Chart 10:
Total value
of auction
sales of
Aboriginal art



Source:
Australian Art
Sales Digest



How many arts organisations are there in Australia?

- + Between 1970 and 1991 there was a 400% increase in the number of arts-related organisations (from 179 to 894), giving an average annual rate of increase of 8.4%, although in the four years up to 1991 this rate of increase had slowed appreciably to about 2.7% per annum.



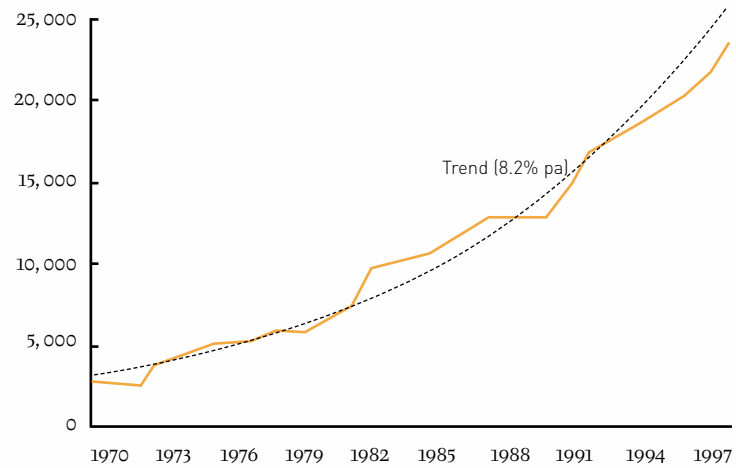
How many cultural centres and theatres are there in Australia?

- + The physical infrastructure for the performing arts has improved enormously over the past 30 years. However, with an increase in venues and capacity come added risks to the viability of the industry should there be a significant downturn in demand.
- + Between 1968 and 1998, the number of cultural centres in Australia has risen by almost 500%: from 14 to 82. And the number of individual theatres in those centres has increased by over 700%: from 23 to 189.
- + The seating capacity of these centres increased from 15,853 seats in 1968 to 100,669 in 1998 at an average annual rate of 6.4%.
- + The geographic spread of these centres has also improved in that time, especially in non-metropolitan centres.

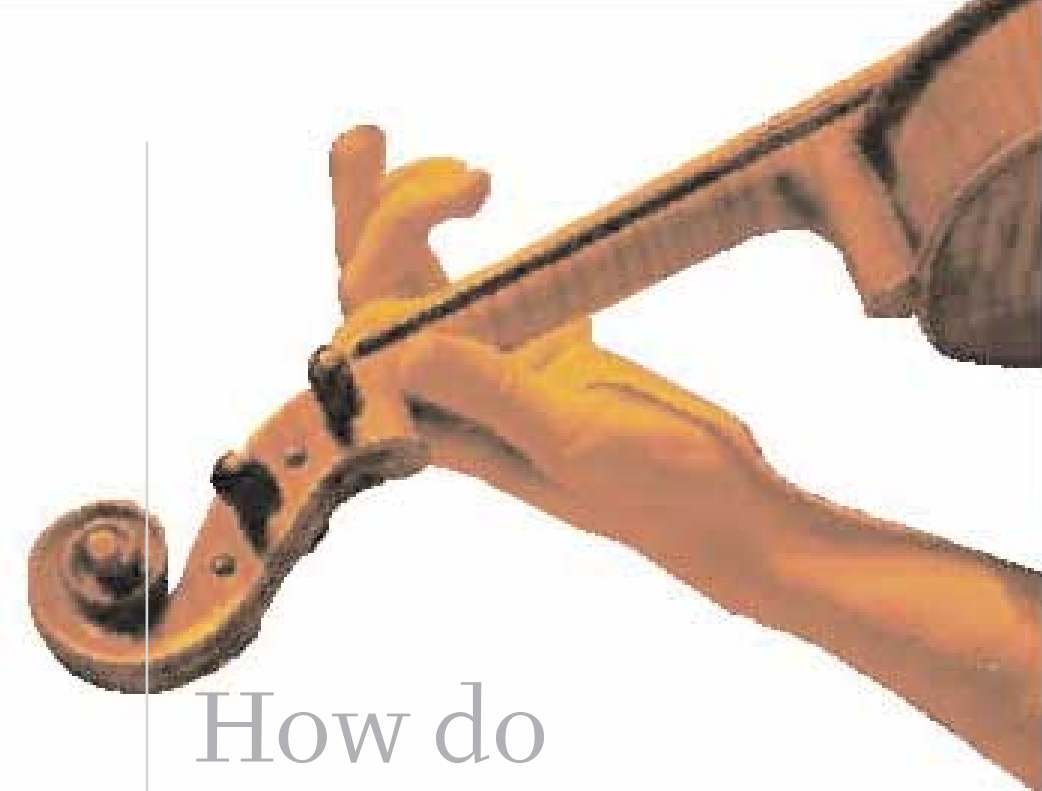
Who is training to be an artist?

+ The number of students enrolling in Australian tertiary institutions to train in the visual and performing arts has increased from under 3,000 in the early 1970s to almost 24,000 in 1997, which represents an annual growth rate of 8.2% over that time (although the trend had fallen to 6.6% in the ten years since 1987).

Chart 11:
Number of tertiary visual and performing arts students in Australia



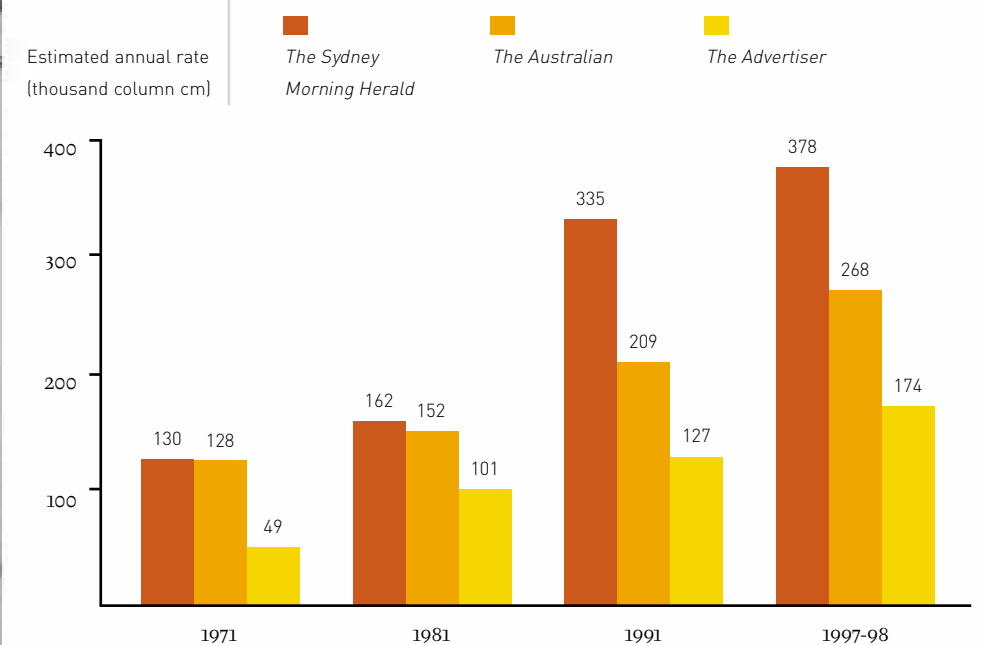
Source:
Department of Employment, Education, Training and Youth Affairs (since 1977).
Estimated from ABS Year Book and University Statistics (1970-76)



How do newspapers cover the arts?

Chart 12:
Estimated area of arts-related features and reviews

+ A survey of three Australian newspapers — *The Sydney Morning Herald*, *The Australian*, *The Adelaide Advertiser* — between 1971 and 1997-98 shows a steady increase in the amount of arts coverage, measured by editorial content, features and reviews.



Source:
First week of May and November each year for each newspaper;
1997-98 estimate for *The Australian's Review of Books* based on October 1999 issue

FRONT COVER

- + Ralkurru Marika from the Rirritjingu Clan performs *red kangaroo dance*
Image: David Hancock/Skyscans
- + Jon McCormack, *Universal Zoologies*
Image: Jon McCormack
- + *NUSHU: The Women's Script*
Wu Lin Dance Theatre
Image: Jim Hooper

INSIDE FRONT COVER

- + *NUSHU: The Women's Script*
Wu Lin Dance Theatre
Image: Jim Hooper

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- + *VIETNAM VOICES* Casula Powerhouse
Image: Jennifer Leahy

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Image: Tony Lewis

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Image: Patrick Riviere

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Image: Jeff Busby

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- + *TAP DOGS* Sydney Theatre Company
Image: Courtesy of Sydney Theatre Company

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- + Troy Innocent, *ICONICA*
Image: Troy Innocent

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Image: Amanda James

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- + *SCENT BOTTLES* Nick Mount
Image: White/ *The Sydney Morning Herald*

- + Ceramic wall pieces by Stephen Bowers
Image: Dan Armstrong

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Image: TMWKTM

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- + Textiles Djididjidi Women's Aboriginal Corporation, City of Melville
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- + Michelle Ferguson in *Ecstasy of Communication*, 1998, Salamanca Theatre Company
Image: Craig Blowfield

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Image: Jon McCormack

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- + *A Life of Grace and Piety*, a Jute Theatre and Kooemba Jdarra co-production
Image: Michail Marzik

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- + *Field of Wildflowers* by Leonie Dennis, member of Boomalli Aboriginal Artists Cooperative
Image: Boomalli Aboriginal Artists Cooperative

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- + *WAKA TUAU*, Te Rangatahi Maori Club, 1998
Image: Wai Paki

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- + *Amplification*, BalletLab. Choreographer: Phillip Adams
Image: Jeff Busby

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- + *Mindimi (The Burmese Princess)*, Rakini
Image: Frances Andrijich

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- + Sydney Symphony Orchestra
Powerhouse Museum Sydney
Image: Bruce Usher

images



Written by José Borghino
as a companion to
Hans Guldberg's
The Arts Economy 1968-98

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