

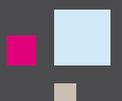


Australian Government

**Department of the Environment,
Water, Heritage and the Arts**

STRATEGIC CONTEMPORARY MUSIC INDUSTRY PLAN

FOR DISCUSSION AND COMMENT
2010



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INVITATION TO COMMENT

The Australian Government is committed to supporting the Australian contemporary music industry, a significant contributor to our nation's culture and economy.

During the 2007 election, a number of commitments to support Australia's contemporary music industry were made, including the development of a Strategic Contemporary Music Industry Plan to enhance continued cooperation within the industry.

This draft Strategic Plan has been developed in consultation with key stakeholders and relevant Government agencies. The draft Strategic Plan highlights five key priority areas for action.

The Government's election commitments in relation to boosting music industry exports, promoting private capital investment opportunities and reducing barriers to live performance are also addressed in this draft Strategic Plan.

The draft Strategic Plan acknowledges existing Australian Government support for the contemporary music industry as well as the cross-jurisdictional work currently underway for contemporary music development, including work being undertaken through the Cultural Ministers Council. It also outlines a series of ideas for potential initiatives within each of the priority areas, for which we are now seeking industry comment.

As many of the issues faced by the Indigenous contemporary music sector are similar to the broader industry, a focus on Indigenous contemporary music will be integral to all of the key priority areas. The draft Strategic Plan is also designed to reinforce and complement the aims and principles of the Cultural Ministers Council's Indigenous Contemporary Music Action Plan.

I am keen to ensure that the Australian Government receives industry advice on the draft Strategic Plan, and in particular the key priority areas and potential initiatives. There is no commitment or guarantee that the initiatives will be funded or developed further.

A number of questions are included in the draft Strategic Plan which I encourage you to consider and comment on through a written submission to the Department of the Environment, Water, Heritage and the Arts.

I look forward to receiving your thoughts on the draft Strategic Plan and considering your views.



THE HON PETER GARRETT AM MP
Minister for Environment Protection, Heritage and the Arts





VISION

Australia will have a vibrant, diverse and innovative contemporary music industry, which is a valued and visible part of Australian culture.

INTRODUCTION

Australia's contemporary music industry plays an important role in Australian society. Music is central to the lives of many Australians and contributes to our rich, diverse and vibrant culture. At the same time, the contemporary music industry is diverse, comprising a range of small, medium and large businesses involved in education, research and development, production, manufacturing and performance.

It is an industry that has a long and proud history. Australia has produced a significant number of outstanding performers, bands and music creators who have built enduring careers both locally and abroad. With our small population base, it is fair to say that we have had a tangible impact on the international music scene.

The industry is facing short and long term challenges due in part to new technologies which have changed the way in which music is delivered, accessed and consumed. The industry also operates in an increasingly competitive global environment. Online distribution and the globalisation of promotion and marketing channels have made it possible for people to access a wider range of music far more quickly and easily than was the case a decade ago. New and emerging technologies are challenging traditional markets, yet at the same time new approaches to creating, distributing and exploiting intellectual property in music are being taken up. While these advancements offer challenges and potential threats to the industry, there is also significant opportunity for expansion and growth.

As one of our key creative industries, a thriving Australian contemporary music industry makes a significant contribution to Australia's cultural life and economy. This industry contributes around \$2 billion to the economy and generates thousands of jobs across the contemporary music sectors. It also plays an important role in strengthening the contribution of Indigenous culture and its languages to Australia's culture and supports the sustainable development of Indigenous communities.



The Australian Government recognises the importance of a unified and cooperative approach to the continued development of the industry. In order to meet the future challenges of Australia's contemporary music industry and harness new opportunities in music creation and consumption, the Australian Government, in cooperation with the contemporary music industry, is proposing to look at the following key areas:

1. **Enhancing industry cooperation**
2. **Increasing exposure of Australian music and fostering live performance**
3. **Boosting music industry exports**
4. **Improving training and skills development**
5. **Building business capability and innovation**

A focus on these key areas will ensure strong support at all levels of the music value chain. A targeted approach will open up pathways for grassroots musicians and music businesses. It will also help those more established within the industry to develop and hone their skills, ensuring the continuation of a vibrant domestic Australian music industry that can expand further into the global music market.

Indigenous Contemporary Music Action Plan

Indigenous culture plays an increasingly important role in shaping our national culture and identity. A key focus of this draft Strategic Plan will be to ensure that Indigenous contemporary music is considered across all the key priority areas. Particularly for young Indigenous people, contemporary music provides opportunities for involvement in education and training, maintaining connections with culture, language and history, and providing opportunities to earn an income.

The Cultural Ministers Council Indigenous Contemporary Music Action Plan, *Towards a Stronger Indigenous Contemporary Music Sector*, provides the framework for action at a national level. Many issues identified in the Action Plan are also issues for the broader music sector which are considered within this draft Strategic Plan.

As the proposed strategic initiatives contained within this draft Strategic Plan are refined, there will be a focus to ensure that they are consistent with the Indigenous Contemporary Music Action Plan.





GOVERNANCE ARRANGEMENTS

The Department of the Environment, Water, Heritage and the Arts will monitor the implementation of the Strategic Plan to ensure that it is meeting the Government's objectives and goals.

A review of the effectiveness of the Strategic Plan will be undertaken by the Department of the Environment, Water, Heritage and the Arts, in consultation with the industry, in the third year of implementation. The review will look at the extent to which the Strategic Plan has met its Vision and Goals and consider how it might support the future needs of the contemporary music industry.

SCOPE OF THE PLAN

The term 'contemporary music' can mean a variety of things to a variety of people. For the purpose of setting the scope of this draft Strategic Plan, Australian contemporary music is defined as music that is currently being written, recorded and performed by Australians. Its genres would include (but would not be limited to) blues, country, electronic/dance, experimental, folk, funk, hiphop, jazz, metal, pop, rock, roots, and world.

INDUSTRY ANALYSIS

The Australian contemporary music industry has an excellent reputation for producing musicians of international renown. It plays a major role in Australia's cultural identity with Australians demonstrating a strong connection with contemporary music and its associated events. Whilst being a final product in itself, contemporary music also crosses into a number of other products and industries, including film, television, radio, advertising, retailing, games, mobile and other new technologies.



The contemporary music value chain is complex and includes individual songwriters and composers, artists and performers, record companies, recording studios, publishing companies, manufacturers, distributors, retailers, and collection societies. While there are a small number of large multinational music companies, the industry is characterised by the many small and micro businesses that represent the full range of activity.

The industry attracts high levels of attendance, with popular music events consistently selling the largest number of tickets of any category in *Live Performance Australia's Annual Ticket Attendance and Revenue Survey*. The 2008 Survey Report notes that gross revenue for the non-classical music category fell from \$503.24 million in 2007 to \$389.16 million in 2008. However, despite this fall in revenues, non-classical music events remain the largest live performance category by both gross revenue and total attendance, representing 36.7 per cent of the live performance industry by revenue.

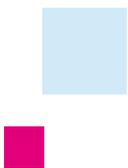
In 2005–06 popular music concerts had the highest attendance rate as a cultural activity with 25 per cent of Australians aged 15 years and over attending at least one concert in a 12 month period (Australian Bureau of Statistics 2008—Arts and Culture in Australia: A statistical overview).

The industry is a significant contributor to Australia's economy providing thousands of jobs in retail, recording and live sectors. There are more than 60,000 businesses, representing approximately 1.3 per cent of all Australian business (Queensland University of Technology CCI Music Sector Fact Sheet, 3 May 2007).

It was estimated that in 2004 the broader music sector contributed around \$1.6 billion Gross Domestic Product (Queensland University of Technology CCI Music Sector Fact Sheet, 3 May 2007). Australian Bureau of Statistics data from Australian Industry 2003–04 also estimates that this figure could be in the order of \$2 billion, based on 2003–04 income of recorded media manufacturing and publishing businesses, recorded music retailing, and sound recording studios.

The overall sustainability and viability of the sector is important to the Australian economy.





THE STRATEGY: KEY PRIORITY AREAS, GOALS AND INITIATIVES

Key Priority Area 1: ENHANCING INDUSTRY COOPERATION

The Australian contemporary music industry is made up of a wide range of participants with varying and divergent interests. A diverse range of suppliers, buyers and service providers as well as businesses of varying sizes, from major cities to regional and remote areas, make up a complex production chain within the industry.

There is an opportunity to strengthen links between industry and government to consider ways in which the Australian contemporary music industry can build its economic potential and implement a framework for the future. Working together can potentially increase the industry's ability to respond to rapidly changing models of production, distribution and consumption. Ongoing cooperation and coordination within industry itself, and between industry and government, is key to ongoing success.

Goal: Improved coordination and unity within the Australian contemporary music industry, and between the Australian contemporary music industry and Government.

Achieving the Goal:

What currently occurs:

The Australian contemporary music industry formed the Contemporary Music Working Group (CMWG) in 2003 to address key industry challenges. The CMWG brings together industry leaders from Australia's major peak bodies, industry associations and service providers.

The Australian Government acknowledges and commends the work of the CMWG in working to achieve greater cooperation and cohesion within the contemporary music industry.

Ideas for future action—for discussion and comment

To build on the work commenced by the CMWG, the Australian Government is seeking industry advice on the value of developing an industry-government forum [an *Australian*

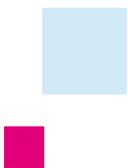


Contemporary Music Industry Advisory Council] to provide advice to the Minister for the Arts on the issues and challenges affecting the contemporary music industry.

The Council could provide advice to the Government, through the Minister for the Arts, on the five key priority areas proposed within this draft Strategic Plan, and be tasked with implementing key elements of the Strategic Plan once it is finalised.

If established, the Minister for the Arts would be responsible for appointing members to the Council, with membership drawn from key members of the industry and Australian Government representatives.





Key Priority Area 2: Increasing exposure of Australian music and fostering live music performance

To reach audiences and establish careers in the industry, Australian musicians need to achieve ongoing exposure. The Government recognises the value in supporting initiatives which boost the profile and diversity of Australian music both domestically and internationally including through touring, the internet, television and radio.

Governments at all levels recognise that live music performance has long played a significant role in Australian cultural life, particularly for young musicians and Indigenous musicians. While new technologies are providing different ways for artists to reach audiences, live performance remains important for artists' technical and creative development, income generation and networking with fans and industry. It is the first step in furthering an international career.

However, there are barriers to delivering live music performance in Australia, including, but not limited to, the cost of travel and freight, accessibility of venues, particularly in regional areas, low or even no pay, and the sensitivity in relation to licensing and planning regulations.

It is acknowledged that licensing and planning regulation relating to live music venues and precincts are the responsibility of State and Territory governments. Recent evidence suggests that there is an ability to strike a balance between encouraging live music performance and protecting local amenity. The Australian Government's role is one of leadership, encouragement and assisting with the development of opportunities for information sharing.

Goal: The profile of Australian music is increased and more innovative opportunities for exposure developed.

Goal: Strengthened pathways which support live music performance.

Achieving the goals:

What currently occurs:

Continued support for the Australian Music Radio Airplay Project (AMRAP)

AMRAP is a community radio initiative that works with musicians and community broadcasters to create increased radio airplay opportunities for contemporary Australian music. In the 2008–09 budget, the Australian Government announced funding of \$2.4 million to continue support for AMRAP for a further four years.

Since then, AMRAP has enhanced existing 'music to station' compact disc distribution services and expanded its 'grants to stations' service to support the recording of new Australian music and radio content. AMRAP is now developing and implementing digital technology solutions to assist stakeholders to promote and access Australian music for airplay. Services include digital music distribution systems and online music administration platforms that connect musicians and music distributors to community radio stations and their listeners.

Reducing barriers to live performance

Through the Cultural Ministers Council (CMC), the Australian Government works with States and Territories to look at best practice regulatory practices which foster live music. In addition, the CMC is developing a publication titled '*Supporting Australia's Live Music Industry: Suggested principles for best practice*' to assist States and Territories in their future planning.

Breakthrough: Emerging Indigenous Contemporary Musicians

Supported through the CMC and supplemented by the Australian Government in 2009–10, *Breakthrough* provides Indigenous musicians with an opportunity to make a high quality recording of the best tracks of their repertoire. Funding is provided for recording costs, production and engineering fees, mixing, mastering, design work and printing, as well as publicity and media costs.

The project assists Indigenous musicians to produce a high quality recording suitable for mainstream broadcast, and to market their recordings. This provides valuable experience in the music industry.

Contemporary Music Touring Program

The Contemporary Music Touring Program provides funding support for touring. The aim of the Program is to increase access to high quality contemporary music for audiences in regional and remote areas and to build the touring capability of Australian musicians.



Bringing Aussie musicians centre stage

The Australian Government has committed to amending the current migration regulations to require international touring productions to employ at least one local band or artist as a support act.¹ A discussion paper which proposes the development of a *Foreign Music Acts Certification Scheme* was released for consultation in late 2009.

Ideas for future action— for discussion and comment

Continuation of the *Breakthrough* Program

Industry feedback is sought on the merits of continuing the *Breakthrough* Program beyond 2009–10 to build on the Program’s success and the potential for expanding the model to be available to the broader sector. *Breakthrough* provides opportunities for continued exposure of Indigenous music to Australians and the world, improves access to facilities and equipment, and enhances the potential for income.

Supporting Indigenous music content across multimedia channels

National and global appreciation and understanding of Indigenous contemporary music is on the rise. To build on this, the Australian Government is seeking feedback on a proposal that would see the development of a documentary series to unearth talented Indigenous musicians around Australia and raise the profile of Indigenous musicians through television, internet and radio exposure. This would be rolled out over a three year period.

The documentary series could potentially include a prime time television series, music video clips (with the potential to link with the *Breakthrough* program); and musician profiles posted on the internet.

In addition, the proposed project could also include the preparation and distribution of CD’s featuring the recordings of participating Indigenous musicians. This could provide a valuable source of income, networking and training opportunities and expose artists to new markets.

The proposed project could also provide valuable training opportunities to Indigenous film-makers, engineers and sound producers.

¹ *Fresh Ideas for the Arts—Bringing Aussie Musicians Centre Stage Fact Sheet, Policy statement 2007*



Encouraging Australian music exposure

In recognition of the role played by broadcasting services in developing and reflecting a sense of Australian identity, character and cultural diversity, the Australian Government, together with industry, could continue to encourage ongoing exposure and increased diversity of Australian contemporary music across various platforms. This includes radio, television and new digital delivery platforms.

Supporting Australian Artists to produce broadcast-ready music for airplay

Feedback is sought on a proposal designed to increase the diversity of Australian contemporary music through financial support to assist new and emerging artists and bands to produce broadcast-ready, and commercially viable, products for radio.

Should the program be developed further, it would require the strong support of the radio industry to ensure its success.

Best practice guide to improve workplace practices for live music performance

There is a need to increase awareness of the value of live music and the need to ensure appropriate conditions for artists. The Australian Government proposes to work with State and Territory Governments and relevant music and hospitality industry groups and associations, to develop a best practice guide to improve workplace practices and arrangements for live music performance.

National Live Music Coordinator position

Feedback is sought on a proposal to establish a National Live Music Coordinator position to work within the contemporary music industry.

The Coordinator could work constructively with governments, the broader contemporary music industry and the hospitality sector to progress industry objectives, including relationship development, strategy and resource development, and the development of education tools that would increase knowledge relating to the various models for presenting live music.





Key Priority Area 3: Boosting music industry exports

Export growth is critical to the long-term sustainability and development of the Australian contemporary music industry. The globalisation of the music industry and Australia's diversity provide opportunities for strong growth in Australian contemporary music exports. There is also increased interest in distinct and diverse music, especially Indigenous music.

The Australian Government currently supports the promotion of Australian music internationally in a number of ways, including grants programs to assist businesses reach new markets, and advancing cultural diplomacy opportunities.

However, more targeted and better coordinated activities both within government and between government and industry are required to assist in the growth of music exports. This will provide improved business pathways through information sharing and learning from experiences.

A well-coordinated and branded presence in global markets is also critical to achieving success internationally.

To target potential music markets, it is important to ensure that our music artists are professionally ready and fully understand what is involved in achieving international success. Professional development, mentoring and continued support are critical in assisting artists to become export ready. The Australian Government acknowledges the work that State and Territory governments are undertaking through the development of national trade events which assist in providing national pathways for musicians and music businesses.

Export initiatives will also be considered in light of the Minister for Trade's *Brand Australia* initiative.

Goal: To provide a solid platform to enable Australian contemporary music industry exports to grow.

Achieving the goal:

What currently occurs:

Austrade provides assistance to commercially viable music businesses on the same basis as for other businesses. Assistance includes mentoring from export advisers to improve export knowledge and skills, as well as in-market assistance from staff at overseas posts. Austrade also provides financial assistance through reimbursement of export promotion costs through the Export Market Development Grants Scheme. Austrade works with individual musicians, bands, record labels, managers and music publishers to earn export revenue at all stages in the music business chain.

In 2005, Austrade established and branded the Australian Music Office (AMO) as its main vehicle for interacting with the music sector. The AMO works closely with the music sector both within Australia and at overseas events.

International opportunities for contemporary music are also supported through a range of programs administered by the Australia Council for the Arts, including:

- *International Pathways*, which provides Australian musicians with the opportunity to build their reputation overseas through support of international touring to three or more cities;
- *Track Record*, which provides support for music managers to promote and sell Australian music acts internationally; and
- *Live on Stage*, which supports international showcasing activities and major performances at key festivals; as well as targeted promotional activities at key international music markets.

Ideas for future action—for discussion and comment

Austrade's Australian Music Office

The Australian Government is seeking feedback on a potential expansion of Austrade's Australian Music Office. The proposal could increase the availability of experienced Austrade industry specialists in key overseas markets (potentially Japan, London and New York). The specialists could work with, support and advise Australian music businesses on a full time basis. This could build on the current success of the Australian Music Office in generating overseas markets.

Australia Council's *Track Record* music program

Track Record has been successful in supporting music managers to promote their acts internationally.



The Australian Government is seeking feedback on a potential expansion of the program to support small music businesses (including independent record labels and publishers) in international market development opportunities and assist the career development of artists and music businesses in the global market.

Australia Council's *International Pathways* program

International Pathways has been successful in providing support for touring, networking and market development activities for artists in the early stages of international market development.

The Australian Government is seeking feedback on a potential expansion of the program to ensure that the diverse range of Australian contemporary music is adequately covered in order to support a broader market reach.

Goal: A strong well-coordinated and branded Australian presence at international music markets.

Goal: Increased opportunities for Australian musicians and music businesses to seek mentoring and professional development in order to become more export ready.

Achieving the goals:

What currently occurs:

The Australia Council, Austrade and the Australasian Performing Right Association have been working together to develop a consistent and coordinated presence at international music markets in order to support Australian music export activities through the development of a unique and identifiable branding. The *Sounds Australia* brand is becoming the public face of the Australian music industry, supported by a collective of interested parties, including industry associations, Federal and State Government agencies and commercial companies. The Australian Government notes that *Sounds Australia* has programmed Australian branded music experiences at all major international music events during 2010, and commends the work being undertaken in this area.

Ongoing support is needed, from within Government and industry, to continue to build Australia's presence and ensure strong outcomes for the contemporary music sector.



Austrade also provides support to the music industry at overseas trade fairs and events, and domestic fairs and conferences, with the aim of encouraging linkages between buyers and sellers.

Ideas for future action—for discussion and comment

Development of an Export Strategy

The Australian Government will consider working with industry to develop a joint Export Strategy which could provide leadership in export activities, and coordinate a consistent approach to international marketing. The Export Strategy could explore links with related industries, particularly in regional markets, and consider how to exploit new and emerging technologies, which could enhance the way in which our artists are promoted internationally.

Consideration could also be given to ways to increase participation and build links within the industry in order to take advantage of broader export programs. The outcomes of the Review of Australia's Export Policies and Programs (the Mortimer Review) and activities of the Australian International Cultural Council should also be considered in the development of a potential export strategy.

Towards a coordinated music industry international presence

There is an opportunity to significantly increase the export of Australian music through building on the early success of the *Sounds Australia* brand. To ensure the momentum gained from this success is continued, the Australian Government is seeking feedback on a proposal that could see provision of support for the ongoing development of a unified and identifiable Australian presence at key international trade events, through the *Sounds Australia* brand.

Support could be provided to assist music businesses and artists to attend key markets and invest in stand operating costs, collateral and outfitting. Support could also be provided to facilitate artist showcasing and engage in customer marketing. It is also proposed to consider offering training support to artists and music businesses attending key market events with the aim of assisting them to understand how to make the most effective use of their time.

For this proposal to achieve success, it will be important for Government and industry to work together.

The industry is also strongly encouraged to continue its support for the *Sounds Australia* brand.





Assisting our music artists to become export ready

The Australian Government encourages and supports mentoring and professional development for our music artists to help them become export ready. The Australian Government, through Austrade, could work with industry to advise what training may be required for export readiness and assist the industry to deliver this training.

The Australian Government may also seek to work with State and Territory governments to ensure that there are improved pathways to key national music market events, such as Big Sound and the Fuse Festival. This will allow Australian musicians to develop their skills, build their networks and increase their knowledge of the industry in order to successfully export their product.

The Australian Government may also consider opportunities to organise performances for Indigenous artists at international conferences which have a live music focus. Assisting Indigenous artists in attending and participating in international events will fast-track, focus and develop their skills and international profile.

Key Priority Area 4: Improving training and skills development

Investment in the capabilities of people in the music industry will improve opportunities to build the growth and development in the industry. To ensure that the industry retains its entrepreneurial strengths, skills development across all levels of the industry, from music education to informal training, must meet the needs of the industry. This is particularly important in Indigenous communities where music is a strong and central activity, and improvement in music and business skills can have crucial and wider effect on overall skills development.

Goal: The Australian contemporary music industry has greater access to mentoring and professional development and educational opportunities.

Achieving the Goals:

What currently occurs:

Music and Intellectual Property training packages

Innovation and Business Skills Australia (IBSA), an Industry Skills Council, was funded by the Australian Government to review the Music Training Package for nationally endorsed competency and qualifications relating to music business, performance and sound, and technical production. A revised Music Training Package was launched at the 9th AustralAsian Music Business Conference on 20 August 2009. The Training Package provides qualifications from Certificate I to Advanced Diploma in music business, music composition, music performance and sound production.

Of particular significance is the fact that the Package has been updated to respond to changes in technology, and address other gaps identified by the music industry. Sound production has been expanded and now encompasses a broad range of contexts from live music concerts and stage productions to sound recording, mixing and editing in the screen, media and interactive games industries.

IBSA has also developed training products for the vocational education and training sector on behalf of IP Australia. These training products can provide businesses across the industry with the skills and knowledge necessary to adequately protect intellectual property.



Ideas for future action—for discussion and comment

Music managers' business skills

To assist with building business skills in the Australian music industry in Australia, the CMC piloted the initiative *CONTROL: the business of music management*, a strategic business planning and management skills workshop for music managers.

Recognising the success of the pilot project, the Australian Government may consider providing further support for this industry-driven national program which could be delivered on a biennial basis over a period of three years.

Music business training

The Australian Government will consider consulting with IBSA and the contemporary music industry to undertake a review of industry capabilities. Should the review be undertaken, it would identify available training and education programs, and provide recommendations on future skills development for the industry. This could include a review of formal, informal and mentoring activities.

Contemporary Music Spaces

Research has identified that there is a need for professional spaces to be established where contemporary music artists and businesses can access specifically tailored training, mentoring and skills development opportunities. The Australian Government is seeking feedback on a proposal relating to the potential establishment of six contemporary Music Spaces across Australia.

The proposed Spaces could provide a physical location that becomes a central point of call for micro-small music businesses, including independent artists, producers, and managers who are working with minimal support and funding. Essential business training and workshops, mentoring and business marketing will be offered to individuals and business managers with a focus on encouraging innovation. The Spaces could also provide a professional space for new and emerging artists to develop their music and performance skills.

The aim of the initiative would be to ensure that artists and businesses have access to a creative hub, which connects the music industry from the grassroots level through to commercial activity. The initiative could also support export strategies, providing a pathway to export readiness through learning from, and networking with, other artists and music businesses.

Key Priority Area 5: Building business capability and innovation

Sustainable and resilient music enterprises are at the core of a strong music industry. Improving Australia's contemporary music businesses' ability to plan, adapt to change and take advantage of the digital economy is needed to ensure a vibrant and growing industry.

The Australian Government recognises the role of innovation in boosting productivity, particularly in the international environment and that the creative industries including the music sector are increasingly recognised as drivers for innovation and economic growth.² The diversity of Australia's culture plays an important role in providing rich musical content and new and exciting forms of musical expression. The contemporary music industry will be encouraged to explore opportunities for innovation and new business models to make use of technological advancements and succeed in the digital economy.

The digital economy has created great opportunities for the music industry by providing a means by which creative works can be easily and cheaply reproduced and distributed in ways that can develop new markets and business models. However, the internet and related technologies have also enabled illegal file sharing, file distribution from unlicensed internet sites and illegal copying. These are ongoing threats to the music industry. The music and film industries claim to have lost billions of dollars in revenue globally as a result of unauthorised usage.

Ongoing and reliable data on the state of the industry is also important in order to measure its success and growth. While a number of peak bodies and government groups collect data on various aspects of the industry, a more coordinated effort towards collecting and analysing industry information and market intelligence would assist with planning.

Goal: The Australian contemporary music industry works more collaboratively to build innovative partnerships.

Goal: Information and critical data on the Australian contemporary music industry is available and accessible.

² *New Directions for the Arts: Supporting a vibrant and diverse Australian arts sector—Policy platform*



Achieving the Goals:

What currently occurs:

Creative Industries Innovation Centre

The Australian Government has provided funding of \$17 million over four years for the Creative Industries Innovation Centre (CIIC). The CIIC was launched in February 2009 and its core services will assist music enterprises by providing comprehensive business reviews to eligible businesses, financial support to implement recommendations and help in connecting businesses to sources of knowledge, expertise and market information.

The industry is encouraged to seek opportunities in relation to building business capability through the CIIC. There may also be scope to access a number of complementary services that are being developed to enhance and build on the CIIC's core business advising role. These include incubation, business development, training and education solutions, technology and expert access services.

Hosted by the University of Technology Sydney, the CIIC is also supported by a nationwide network of partner organisations which will facilitate collaboration between all creative industries and has the potential to build linkages with each other and with other sectors of the economy.

Strategic Digital Industry Plan

A commitment was made in *New Directions for the Arts* to develop a Strategic Digital Industry Plan. The Plan will address key areas such as innovation, broadband, intellectual property, exports, skills and education and training. It will also build on the work already undertaken in the development of the *Digital Content Industry Action Agenda* report released in 2006 and will outline a vision for Australia's creative industries.

The Australian Government is currently working with relevant departments and agencies on the development of the Plan.

Protecting artists' copyright

The Australian Government recognises that it is important to ensure that the copyright of songwriters, performing artists and others who invest their talent and resources in the music industry is adequately protected in the digital age. The Australian Government will continue to examine ways to adequately protect artists' copyright given the challenges posed by new and emerging platforms and changes in consumer patterns.



The Australian Government will work with representatives of both copyright owners and the Internet industry with a view to considering potential solutions to address issues arising from the popularity of peer-to-peer file sharing, and reach an industry-led consensus on the issue.

Investment opportunities

While Australia has a strong finance sector, any future investment opportunities need to focus on industry innovation to develop successful alternative business models where music businesses can access affordable finance. Private sector microfinance models which directly link global consumers to a particular product have the potential to simultaneously grow music markets and sustainable music businesses.

The Department of the Environment, Water, Heritage and the Arts is investigating ways to promote private capital investment opportunities in the music industry, including through private sector microfinance models.³ Should the Australian Contemporary Music Industry Advisory Council be established, it could be tasked with assisting in the development of microfinance business models for the sector, as well as other tools and resources which can support small arts businesses, for consideration by Government.

ArtStart

The Australian Government has committed to supporting young and emerging Artists through the new \$9.6 million (over four years) *ArtStart* Program.⁴ The Australia Council is responsible for implementing *ArtStart*.

ArtStart provides financial assistance to recent creative arts graduates who are committed to establishing a career as a professional artist. Graduates who plan to earn income or gain employment as a professional artist in the visual arts, hybrid and media arts, performing arts, literature or in community arts and cultural development may apply.

3 *New Directions for the Arts: Supporting a vibrant and diverse Australian arts sector*, Policy Statement, September 2007, page 14.

4 *New Directions for the Arts: Supporting a vibrant and diverse Australian arts sector*, Policy Statement, September 2007, page 6.



Ideas for future action—for discussion and comment

Contemporary music partnerships

The Australian Government encourages the contemporary music industry to work collaboratively to build partnerships which develop innovative projects that focus on achieving strategic industry needs.

The industry is also encouraged to seek opportunities in relation to research and development through the Australian Research Council Centre of Excellence for Creative Industries and Innovation.

Raising industry awareness of current support mechanisms

Should the Australian Contemporary Music Industry Advisory Council be established, it could be tasked to undertake an analysis of available support for musicians and music businesses and identify how these can be better communicated.

Data improvement

Research has identified that there is a gap in available data relating to the contemporary music industry. It is essential to the strategic development of the contemporary music industry that a sector wide approach is taken to understanding, measuring and reviewing on an ongoing basis, the industry value chain.

It is proposed to develop and undertake a coordinated approach between industry and government towards improving the data relating to the contemporary music industry. It is proposed to look at data requirements and gaps with a view to developing a coordinated way forward for data collection.

Industry communication on the value of music

Industry will be encouraged to help people understand the music making process and how it affects making a living from music in Australia, particularly targeting young people.

HOW TO HAVE YOUR SAY

Please use the submission form accompanying this paper, which sets out our policy on publishing submissions. Alternatively you may wish to write to one of the addresses below.

It is up to you what you put in your submission.

Your submission is more likely to have influence if you include brief recommendations about whether and how to improve the ideas contained within the draft Strategic Plan.

In framing your response you may wish to consider the following key questions:

- Are the five key areas a good focus for the draft Strategic Plan?
- How would you rank them?
- Are there any other areas that need to be considered?
- Do you support the further development of the ideas under each of the key priority areas?
- How would you prioritise the initiatives?
- Are there any issues which should be considered in further developing these ideas? How can the ideas be improved?
- Are there any gaps?
- Are there other projects that could be considered within the key priority areas?

In addition to the questions posed in the submission form, you are encouraged to raise any additional issues that are important to you to ensure the information provided to the Government is robust. You are also welcome to add your own additional ideas.

Please be sure to include your contact details, including your name, address, and website (if any), so your submission can be acknowledged. If you have a particular interest in the proposed initiatives outlined in this draft Plan, it may be appropriate to include some information about yourself and your interests. Also, please indicate whether you are acting on behalf of other people or an organisation.





To have your say, please send your written submission to:

Mr Paul McInnes
Assistant Secretary, Arts Policy and Access Branch
Department of the Environment, Water, Heritage and the Arts.
GPO Box 787
Canberra ACT 2601

Or to:
musicindustrystrategy@arts.gov.au

It would be appreciated if submissions could be provided electronically wherever possible.
To receive an electronic version of this Submission Form, please email:

musicindustrystrategy@arts.gov.au

Questions concerning this project may also be directed by email to the above address,
by telephone 02 6275 9535, or by facsimile 02 6275 9663.

THE DEADLINE FOR SUBMISSIONS IS 30 JUNE 2010.

