

REPORT ON PROCEEDINGS BEFORE

STANDING COMMITTEE ON SOCIAL ISSUES

**INQUIRY INTO THE STATE OF LIVE MUSIC IN NEW SOUTH
WALES**

CORRECTED

At Macquarie Room, Parliament House, Sydney, on Monday 18 May 2026

The Committee met at 9:15.

PRESENT

The Hon. Dr Sarah Kaine (Chair)

Ms Cate Faehrmann

The Hon. Rachel Merton

The Hon. Sarah Mitchell (Deputy Chair)

PRESENT VIA VIDEOCONFERENCE

The Hon. Anthony D'Adam

The Hon. Emily Suvaal

The CHAIR: Welcome to the first hearing of the Standing Committee on Social Issues inquiry into the state of live music in New South Wales. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today. My name is Sarah Kaine. I'm the Chair of the Committee. I ask everyone in the room to please turn their mobile phones to silent.

Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures.

Ms EMILY COLLINS, Head of Sound NSW, affirmed and examined

Mr MICHAEL RODRIGUES, Executive Director, 24-Hour and Sound; 24-Hour Economy Commissioner, sworn and examined

Ms KERRI GLASSCOCK, Executive Director, Create NSW, affirmed and examined

Ms KAREN JONES, Chief Executive Director, Destination NSW, affirmed and examined

Mr PHIL HEADS, Group General Manager, Communications, Heritage and Community, Venues NSW, affirmed and examined

The CHAIR: Welcome, and thank you for making the time to come and give evidence today. Would anyone like to begin by making a short statement?

KAREN JONES: No.

The CHAIR: Excellent. We might begin with some questions, then. I'd like to start with the Vibrancy Reforms, so I might go to you first, Mr Rodrigues. Thank you for the Government's submission, which was helpful. The Vibrancy Reforms have come up quite a lot in the submissions. I wonder if you could talk a bit to them. A lot of the changes are quite technical. There was some commentary on that through the submissions, particularly from the local councils. What is the data telling you about the actual impact of these reforms on the live music scene?

MICHAEL RODRIGUES: As you all know, everyone has been involved in the vibrancy reform agenda. The basis of it is really about creating an enabling environment for going-out behaviours, including across hospitality and entertainment, of course, which includes live music. It really works as a suite of reforms. In terms of the enabling mechanisms—of which there are a number, mainly designed at both venues and precincts—the reforms work to enable councils and the private sector to, I guess, in some ways build the stable foundation for going-out behaviours to occur. In line with the State strategy, this is not restricted to any one area, but across Greater Sydney and all of New South Wales.

Through the measurement associated with that reform agenda, we can see a number of key trends emerging. I guess everyone knows the history of where this inquiry is stemming: the 2017 music and arts economy inquiry. It paints a very different scene of how people are participating in the night-time economy generally across the State, with a real decentralisation of activity, rather than a concentration of activity in one or two key areas. In terms of the specifics of participation when it comes to live music, one of the key reforms was the late-night music incentives, which was referred to in the submissions. In terms of the uptake, that has been, and continues to be, strong. But, beyond that, there are a number of complementary programs that are being run both between our office and Sound NSW that are, I guess, reinstalling the stages on which music can occur.

In terms of the actual uptake of those programs, through our office we have the Live Performance Venue Program—I think that was referred to, again, in the submission—two rounds of which have occurred. We've seen a number of venues participate, both in Greater Sydney and across regional New South Wales. Those programs are taking some time, but there are examples of where venues are now putting on music consistently in their venues on multiple nights per week, whereas in the past they haven't necessarily done so. In broad terms, the overall performance—and this is referred to in the State of the Night—is relatively solid and consistent. In terms of the specifics of participation in live music, we've done a lot of work to put those stages in and the performances are happening. So it's been a positive outcome.

The CHAIR: Ms Collins, could I ask you a question? Sound NSW is still relatively new, so I wondered if you could give a bit of an overview of what sort of support has been provided to artists—funding and that kind of thing—and what it's actually targeted to do. Have you got any examples? I know we've got the submission, but are there any other examples you wish to highlight?

EMILY COLLINS: Yes, sure. As you said, we are relatively new and young as an office in government. We opened our first program 2½ years ago. Since that time, we've had nearly 3,000 submissions or applications to our programs. It's been incredible to see the industry response to the work we're doing. In terms of support, we have established 14 investment streams across eight programs. We really take an ecosystem approach to how we invest. It's not about investing in just one area of the industry. It's really important, because the music industry is an ecosystem, that we invest in grassroots—in artists, in venues, in festivals, and also in industry development organisations, who can provide support on the ground for great activity. Being nearly three years into some of the programs, we've got some early evaluation on the programs we run. The touring and travel program that we established in our first year provides small grants to artists and industry professionals who want to tour domestically or internationally. We've supported 485 recipients through that program, which has directly

supported 1,900 artists and industry professionals to participate, whether that's regional touring or international touring or industry development opportunities.

The outcome of that program is that we've seen over 4,000 shows happen across the State and internationally. I think it's a huge amount of work that wouldn't have happened otherwise; 73 per cent of the program participants that we surveyed said that the funding was essential to the activity happening. There are some really great results from that program as well, where 94 per cent of the program participants said that they valued the program highly or very highly and that it was really crucial to their career development; 100 per cent of applicants who toured regional New South Wales said they absolutely would return; and about 95 per cent of applicants said that as a result of the investment in their touring, they were able to increase their audiences, both in an online digital realm but also in a physical real world with people turning up to their shows.

We're really hearing from the participants who have been successful through the programs that this work is highly impactful. We get told almost daily from the recipients that this investment is life-changing for their careers, and there's a whole range of artists who receive that money, from grassroots artists who are maybe doing their first tour to artists who are touring internationally and maximising of international support slots. There's a real variety of investment that comes through that program. I think it's really important to note that we understand how hard regional touring is, particularly for regional-based artists, and so we recently doubled the amount available for domestic touring in acknowledgement of the cost-of-living pressures and how hard it is to tour at the moment. Also any regional artists get an automatic \$500 increase on their application in acknowledgement of the increased travel costs. We're really proud of that program. It's having incredible results, and it's going to be a real pillar of our work moving forward.

The CHAIR: One of the things that I got asked by a journo the other day and I really was a bit stumped on, so I thought I might throw to you and perhaps you in particular, Ms Jones, was one of our terms of reference is about audience demand and how do we try and create the audience, so we're doing all of these things. I wondered maybe for all of you to think of that, but perhaps Ms Jones, in terms of Destination NSW, I'm guessing that's probably something that's on your minds as well. Can you talk a bit to that?

KAREN JONES: Yes, I can. Thank you for the question. I feel like this is probably a good opportunity for me just to clarify the role of Destination NSW, and in particular Destination NSW is the New South Wales government agency for the visitor economy. We're not specifically an agency for the music industry or for cultural or for arts funding, but we are all about driving visitation to the State for the overall economic benefit of the State. Everything that we do at Destination NSW is really anchored into our Visitor Economy Strategy 2035, which was launched in August last year, and under that strategy there are five pillars.

The first pillar is around attracting people to New South Wales, and it's about accessibility and how we can get people here through aviation, and making sure we have enough hotel rooms and jobs to service the economy. The second is around how we sell the State and how we promote New South Wales and Sydney in particular to try to get visitation to the State. The third pillar, which is probably of most relevance to this Committee, is around major events and using major events as a key tool and a key driver to attract visitors here. The fourth pillar is around tourism product, making sure we've got really good tour operators in the State who are encouraging people to return again and again. And then the fifth pillar is around data.

For us at Destination NSW, it's probably really important that, again, the Committee sort of understands that for us in investing in those events, it really does come down to what is the visitation outcome from that. Whether that be a live music event, whether it be a cultural event, whether it be a sporting fixture, the real premise of Destination NSW is making sure that we're driving visitation. To your point around audience demand, of course we want as many people attending any of our events, as much as possible, including live music. But, ultimately for Destination NSW, we want those people to be visitors, we want them to be travelling far and we want them to be staying overnight. For those proposals that do come in to Destination NSW, we will look at that visitation first and foremost to see if they meet our expectations. If they do, we will choose to invest in them. If they don't, then we obviously point them in the direction of other government agencies with which they might be more compatible. That's where I lean into the work of my colleagues here at the desk from the Department of Creative Industries, Tourism, Hospitality and Sport and any programs that they might also be running, as well as any other relevant government agency across government.

The CHAIR: Does anyone else want to have a go at that one?

MICHAEL RODRIGUES: Yes, I'll maybe support it and then pass to Ms Collins, if that's appropriate for the Committee? I think the key challenge that the 24-Hour Economy Commissioner has to face is just the attraction of people staying at home. I've talked about that in the past. But as we go about re-establishing our night-time economy on a precinct basis, one of the things that aims to do is to encourage repeat visitation and consistency of participation in going out generally. From a purist perspective, I'm relatively agnostic about what

people do, but obviously music is a priority for the State. What you're seeing is, for example, in key districts like Brookvale Arts District—which has been a key participant of our programs—the return of or the re-establishment of participation in live music. As an example, Brookie Fest has come out of that district, which is essentially a live music event.

There are other examples: In Enmore, a well-known event, King Street Crawl, is now more practically delivered, because you have more venue stock. Right at the moment, Great Southern Nights is on, similarly on a precinct basis, using the infrastructure that has been put in place. No-one at this table would say we've managed the audience development challenge that has been presented, but at least we know that live music is a way that people discover music or artists. As part of that, building that infrastructure back, making it accessible and encouraging repeat visitation is part of our audience development strategy.

The CHAIR: Ms Collins, did you want to add?

EMILY COLLINS: Yes. As I said, we're a new office. In our first few years we've been established, we have been really focused on establishing a baseline support—making sure we have venue stock, making sure we have festivals that can connect with audiences. Really what's coming through from stakeholder messaging is that audience development will be a key priority moving forward. We've trialled our first step into that arena through our Local Audience Development Grants that we ran for the first time this year, investing in live music events that really harness engaging new audiences to their programs. We've just invested in 28 events across the State—Western Sydney, regional New South Wales and Sydney—looking at how they bring in new audiences and making sure that we're connecting local audiences, not just to local artists, but to local venues and festivals, which is a really key part.

A lot of the messaging we're hearing is that, in terms of the long-term sustainability of the sector, the audiences are a really key pillar of that engagement, because without people turning up, a lot of the businesses are going to struggle. That's a key focus for us moving forward. We've seen some great results through the early programs we're running, and we're committed to doing more to support our local artists and local venues and local festivals to really maximise on that engagement. It will be key to the success of the strategy; that's for sure.

Ms CATE FAEHRMANN: Good morning. I'll start with you, Ms Collins, because you were just talking about local festivals and providing support for local venues and local festivals, which is great. What kind of research or work is the Government doing or are you doing to look at and alleviate or assist with the barriers such as insurance and infrastructure—the various things that artists can be supported to do things?

But these are really big barriers, obviously, that a lot of people are talking about. There have been some good recommendations in the submissions about how potential government schemes are assisting with insurance, for example.

EMILY COLLINS: We've heard that consistently. I think it was an issue that really came out of COVID, the increase in insurance costs, not just for festivals but for venues as well. It is something we hear consistently, and we've spoken a lot to venues about what that looks like. There's work being done on an industry level to tackle some of those issues. For example, we provide support to industry associations, who then look at group buying power around insurance schemes. In terms of what the Government's done specifically on insurance, I think it's still something on our agenda that we need to focus on.

Ms CATE FAEHRMANN: Are there some issues, potentially, with industry looking at group buying schemes? I mean, that's fair enough, but doesn't that risk, for example, potentially consolidating insurance into the bigger, more powerful industry bodies and once again leaving the smaller festivals hung out to dry, if you like? I'm sure you're very aware of what's happening with the domination of the music industry by a few players.

EMILY COLLINS: We've seen some really great examples of venues working together and organisations working to help connect them to insurance brokers who are acting on behalf of those smaller, grassroots venues. We've seen some really great results. That's not to say that there's not more work for us to do in that space. There is. I think insurance is a tricky one for us to get involved in. We've considered options about how government gets involved, but we're also really mindful of disrupting a commercial market and inadvertently sending costs higher. So we are cautiously investigating options. At the moment, we see that for venues and festivals it's still a key issue and we're looking at how the State Government can assist them to better bargain in their own right.

Ms CATE FAEHRMANN: Similarly, in terms of what stakeholders suggest could assist with making it easier for people to go out a little bit cheaper is looking at how to make public transport services more available, more accessible and, ideally, free. If not free the whole time, maybe Thursday through to Sunday would be pretty amazing—after six or something, for example. What's been done in that area? I know when I speak to the Minister

about this, there's always, "Oh, we've trialled it. We've done it during Mardi Gras and it was amazing." But is there anything more concrete being worked on?

MICHAEL RODRIGUES: It's been identified as a key issue. You and I have talked about it over time. I'd say that with Mardi Gras, it's a good example of the art of the possible, combining both the transport network usage with special event trading. Shortly, we'll be able to, I think, provide information around the empirical evidence of what has happened as a result of that intervention, which I think gives us a basis to continue discussions with Transport around—I guess target is probably the best way. Simply because of the cost of activating the transport network, we've got to find a way of making it a sustainable outcome.

Ms CATE FAEHRMANN: There's always the cost, of course, which is front of mind for governments. But then there are the benefits in terms of financial costs as well, which is what your KPIs are no doubt all about in terms of businesses.

MICHAEL RODRIGUES: That's right, yes.

Ms CATE FAEHRMANN: I'm thinking of the fact that there are so many young people now increasingly more away from the city centre in terms of changing demographics.

MICHAEL RODRIGUES: That's right.

Ms CATE FAEHRMANN: This is the problem, right? They don't want to be stuck in Surry Hills or Newtown or Kings Cross at 2.00 a.m. or 3.00 a.m.

MICHAEL RODRIGUES: I think what we saw with Mardi Gras was that the certainty that the transport would be available is a driver for people having the confidence to go out, which I think will be reflected in the data, as distinct from just sheer patronage. It goes to the fundamental concept that if you want people going out, safe, reliable, affordable transport is a key part of that consideration.

Ms CATE FAEHRMANN: I have one more question. I do want to pick a little bit into the definition of contemporary music that Sound NSW and the Government has adopted, which is more restrictive than the Music Australia and the Australian Government definition. For some reason, Sound NSW, I don't think experimental music, sound art—these are some of the things that you won't find—contemporary classical, opera, choral and ensembles, music theatre, working in and with community music groups. "Contemporary music" as defined by Music Australia is, "Any genre or subgenre of music currently composed, written and produced by Australians"—you probably know the rest. Why does Sound NSW and the New South Wales Government have a tighter definition which precludes and excludes a lot of musicians in New South Wales?

EMILY COLLINS: I think it's important to note that a lot of those genres you mentioned and the exclusions we have are services that have been delivered by Create NSW for a long time. Sound NSW was established to focus on a particular area of contemporary music and to avoid duplication. A decision was made to keep some of those core services around contemporary classical, ensemble, art music within the existing structures that it had been for a long time. I'm sure Ms Glasscock can talk more to that. But we do define contemporary music as new and original music being made now by local artists. That inevitably means that there are contemporary music outcomes and funding being delivered by both Create and Sound NSW. We do a majority of it, but there are carve-outs because the work was already being delivered by Create NSW.

The Hon. SARAH MITCHELL: Thank you all for being here. I have a couple of questions related to some of the grants and funds that are mentioned in the submission. I'm not sure who they're best directed to, so I might just ask and whoever wants to jump in is fine with me. A lot of the detail here with the amounts and the grants that went out are for the 2024-25 financial year. What funding was there for the current financial year? Is it the same and that just hasn't been finalised yet?

EMILY COLLINS: So the current financial year as in 2025-26?

The Hon. SARAH MITCHELL: Yes.

EMILY COLLINS: We're not quite finished in the financial year, so there are some final decisions being made.

The Hon. SARAH MITCHELL: I'm just trying to understand. All of the grants that are here, all the different funds, venue upgrades et cetera, are all continuing in this current financial year. You could only just provide us the data for the previous one.

EMILY COLLINS: Correct, and because they're still being under assessment and there are also new programs added to the mix as well.

The Hon. SARAH MITCHELL: I just wanted clarity.

Ms CATE FAEHRMANN: Could we get on notice possibly what has been committed this financial year so far?

The Hon. SARAH MITCHELL: If you can provide that on notice, that would be good.

EMILY COLLINS: Yes, absolutely.

Ms CATE FAEHRMANN: That would be pretty complete.

The Hon. SARAH MITCHELL: I'm just trying to understand whether they're continuing but also I guess just the demand and how much is going out the door in each of them. If you can provide what you can on notice, that would be great.

EMILY COLLINS: Absolutely. We're more than happy to provide that.

The Hon. SARAH MITCHELL: Fantastic. I just have a couple of specifics—the few that stood out to me that I was just interested in. The First Nations-specific funding stream—can you just tell us a little bit more about the artists that has gone to and how that has been rolled out and received in the community as well?

EMILY COLLINS: Yes, sure. Part of the Contemporary Music Strategy that we developed—the 10-year strategy—identified the need for First Nations-specific funding. We've run it for the second time this year. It's through the Contemporary Music Development Grants. There are two funding streams available directly for First Nations people or First Nations-led organisations. One stream is around investing in individuals, so not just making music but around professional development opportunities as well because we heard really strongly through the consultation that we did in the development of the strategy that people are working from a different baseline and that there are actually different levels of support needed within the First Nations community. That professional development and investment in skills but also in things like tools to help make music were really important. We also had a round for First Nations organisations, so groups leading work either in a local area or across the board to provide dedicated support.

Some of the examples of the sort of organisational piece are investing in organisations like Gadigal Information Service, who run Koori Radio, helping them to deliver Yabun Festival or to do skills development programs within the community radio network. We've also funded organisations like Awesome Black to do music hubs in Maitland and individual artists running recording studio programs to bring in new emerging First Nations talent and provide them support in a safe First Nations network. Kobie Dee, for example, is running a program through his studio program.

The Hon. SARAH MITCHELL: Some metro and some regional as well—you've had a bit of a mix?

EMILY COLLINS: Absolutely—some in Maitland and some in metro. It's an area of work that we need to do better on, and part of being a new organisation is about deepening our engagement with various parts of the sector to make sure they're aware of our programs and have direct support to access our programs. We acknowledge that there's much more work for us to do in that space. We're really committed to making sure that people are aware of our programs and have support to access them, and that they're targeted and reflective of the needs of the community.

The Hon. SARAH MITCHELL: The Venue Upgrade Grants—and I appreciate this is detail from the previous financial year. I think it says nine venues were given some funding to uplift sector expertise and then 30 venues for infrastructure. You can provide this on notice. I'm just keen to know how many were rural and regional versus metro in that grant funding program. If you've got anything now, feel free to share, but if you need to take it on notice, that's okay. I'm just keen to understand the breakdown.

EMILY COLLINS: I might have something now, just for the last financial year. Also, I note that this program is not yet completed in its assessment, so some of the figures are not final. In terms of regional support, we're seeing 20 per cent of the total budget invested into the regional venue upgrade for infrastructure programs—20 per cent of the budget is going to regional venues for that particular stream. But there are three streams. There's also an advanced screen and lighting technology round, where 92 per cent are regional. It depends on the program stream, and there's three of them at the moment providing support at different levels and for different activities. I'm more than happy to provide on notice a proper breakdown.

The Hon. SARAH MITCHELL: As someone who lives in the regions, we like access to these sorts of grants and programs as well.

KAREN JONES: Can I also add to that? At Destination NSW, we also run the Regional Event Fund. Obviously, that's regionally targeted. There are a number of music events that receive that funding. In fact, last year during the financial year, there were about 25 events regionally related to live music that received funding.

The Hon. SARAH MITCHELL: The other part that stood out to me in your submission was the All-Ages Live Music Venue Program. That's possibly as a mother of not quite teen girls yet, but we're getting there, and as a flashback to my own youth. It was always good to go to festivals and things back in high school. I was curious to know a little bit more. I actually wasn't familiar that there was work being done in that space. What are you finding in terms of the demand, particularly from the 16 to 25 age bracket that you call out? What work is being done in that space to find somewhere that young people can enjoy music in a safe way?

EMILY COLLINS: Connecting back to the audience development conversation earlier is that investing in young people's participation and access to music is a really key pillar of audience development, because you need a constant pipeline of new music fans and new music workers coming through to sustain the industry. In acknowledgement of that, we've piloted for the first time an All-Ages Live Music Venue Program. It's grants of up to \$100,000 for venues for in-venue, all-ages activity. It's currently under assessment, so I can't share results. It's really important to us that young people are a huge part of the ongoing work that we do. That venue-specific program is underway. It was also a key factor within the Local Audience Development Grants that we just ran.

A significant number of events that we funded through that latest round were looking at young people to really target that local audience engagement. There's a lot more for us to do in this space and a lot more we're willing to do and committed to doing because, without young people coming through the industry, there's a very hard stop about what our future looks like. I think there are many changes happening in the youth space around how young people engage in live music. Young people drink less. They're probably dealing with a more intense plethora of online options and attention-grabbing options that make it hard for them to find out what's on and to engage and also to afford—accessibility is a really key part. We're doing a lot of work looking at how we can maximise young people's attendance and make sure that it's healthy and safe. We're doing a pilot. Hopefully it goes well so that we can expand it beyond its current model.

The Hon. SARAH MITCHELL: Mr Rodrigues, in your role, are you finding a gap for that age bracket as well? Is that something that you've identified?

MICHAEL RODRIGUES: Broadly, the objective is our office is there for everybody, irrespective of age. It's right to have the discussion around young audiences, but equally older audiences as well.

The Hon. SARAH MITCHELL: I would agree with that.

The CHAIR: We all agree.

The Hon. SARAH MITCHELL: I was just being cheeky. We're not as young as we once were.

MICHAEL RODRIGUES: It's remarkable what you discover, giving people the opportunity, and if it's close, affordable and relevant. An example of this has come through our district program, with Camden, where one of our districts put on something called SPINOUT Festival—not what you'd expect; it's a rock'n'roll festival. I went out there for the opening and it was packed to the rafters with people aged 50 to 70 dancing. That's great participation and also is setting an example to a generation of younger people about what is possible. I think that broadly the precinct approach is about accessibility, inclusion and a diverse range of offerings, particularly because the State has taken a position where we want to diversify night-life and not make it essentially an alcohol experience. It opens up discovery for audiences more broadly. The same issues that Emily reflected on in terms of access to social media and all of those things, the aim and the ambition is to break that cycle by providing a more compelling reason for all ages, which includes young people.

Ms CATE FAEHRMANN: Maybe you need to go into retirement villages and start looking at those as special entertainment precincts. I'm not kidding!

The Hon. RACHEL MERTON: Thank you to each of you for being here. I might start with Ms Collins. Does Sound NSW consider itself a government body in terms of structure? You made reference to being created in 2023.

EMILY COLLINS: Yes.

The Hon. RACHEL MERTON: Where do you sit?

EMILY COLLINS: We sit within the Department of Creative Industries, Tourism, Hospitality and Sport. We're an entity within that department with a specific remit on contemporary music.

The Hon. RACHEL MERTON: Is there an advisory board? I'm checking about the decision-making process in the absence of being an independent statutory body.

EMILY COLLINS: We have an advisory board that is legislated. There are 12 members of that board. Their job is to provide advice and feedback to us as a new policy area within government to make sure that the

work we're doing is targeted and industry-relevant, and making sure that we're using a proper evidence base to make decisions—noting that the advisory board does not make decisions. They are there to provide advice and feedback to our programs and processes and make sure that any issues that arise around AI or other pressing issues like insurance, as Ms Faehrmann mentioned—that we're across those as the government office and that we're thinking of ways to work with industry to address them.

The Hon. RACHEL MERTON: How is the advisory board appointed?

EMILY COLLINS: The advisory board is appointed by the Minister. Sound NSW did a call-out for expressions of interest.

The Hon. RACHEL MERTON: So ministerial appointments to the advisory board that you work with?

EMILY COLLINS: Correct.

The Hon. RACHEL MERTON: On page 5 of your submission, you talk about the Contemporary Music Festival Viability Fund, which is the \$2.25 million, and then you list the five major festivals. Where does Greater Western Sydney or the Sydney metropolitan area sit in this list?

EMILY COLLINS: The fund was open to festivals from across the State, and it really was a fund developed to address immediate financial need for major festivals that were at risk of falling over. The rationale behind the program is that these big festivals have a huge impact on the rest of the sector. We still hear from venues in Sydney who say that their winter season is now quiet because of the close of Splendour in the Grass. These big festivals, whilst seemingly have their own festival and seem isolated, have a huge industry impact. That \$2.25 million we spent on that round of funding saved 6½ thousand jobs for these events that otherwise would have fallen over. It's a real strategic investment in making sure we have these big, giant festivals that are massive employers, and they also provide a lot of opportunities for local artists to perform and have impacts on their side tours and sideshows of organisations, or of artists who tour, to participate in those.

The Hon. RACHEL MERTON: Are there any engagements, initiatives or presence in terms of supporting the music festival outside the established festivals in terms of Greater Western Sydney? I think there might have been a pilot in Fairfield.

EMILY COLLINS: The criteria for the Contemporary Music Festival Viability Fund were quite tight because they were just looking at festivals with 15,000-plus attendees. We've now since launched a Local Audience Development Grants program, which really looks at a broader range of festivals under 15,000 that are working with community, delivering great outcomes. We had a huge number of applications to that fund, much more than we could support. We've invested in 28 of those applications and I think the broader festival sector beyond the majors will see really great benefits—specifically benefits for local community.

The Hon. RACHEL MERTON: Are we possibly able to obtain some information around that—

The CHAIR: Yes, I'm sure Ms Collins can take that on notice.

The Hon. RACHEL MERTON: —just in terms of where in Sydney and who they might be?

EMILY COLLINS: Yes. We can absolutely provide a breakdown of the festivals that have been funded through the two different funds and where they're located.

The CHAIR: I just want to ask Mr Heads a question about venues. Yours is the Venues NSW network.

PHIL HEADS: That's correct.

The CHAIR: We're talking about all the changes in the past few years. Have you noticed any changes in the activity through your Venues network? What are you hearing from promoters and event organisers?

PHIL HEADS: Yes, we have noticed a real broadening in the genres of music coming into the stadiums. Obviously, there are the big artists you'd expect, but in the past couple of years we've had K-Pop artists coming to our venues. We've had the first Mandarin artist at Accor Stadium last year, Mayday. We had Diljit Dosanjh, the Sikh superstar, at CommBank. They all attract really different audiences. Stadium concerts, on average, attract 65 per cent first-time visitors, unlike sport where they're very rusted on and they're there every second week. We've seen a broadening of the genres, but we've also seen, because the genres are increasing, more Sydney people, or more New South Wales people, through the venues.

The CHAIR: Do you keep particular data on that so you know that this is a first-time person?

PHIL HEADS: Yes. We're able to access some of the ticketing postcode data, which tells us where people come from. It's one of the reasons we've been able to take acts like Robbie Williams and the Foo Fighters to Sydney and to Newcastle because Newcastle serves a completely different audience to Sydney. If people come

down from the far North Coast or out as far as Moree, they come into Newcastle, whereas they wouldn't come to Sydney. We've been able to work with the promoters to build in some sort of cost efficiencies, I guess, to host multiple concerts in New South Wales.

The CHAIR: Maybe this might be to Create as well, or it might be to anyone. One of the things that comes through the submissions is that there's a real appreciation of the state of the sector kind of report in 2024, but there still seem to be requests for ongoing, real-time data and it feels like people who are operating in the real-world economy feel at a disadvantage to those in the algorithmic world when it comes to data about music and going out. Do you all share what's going on? How are we going in terms of data collection and bridging that gap between real-world data and algorithmic world? Ms Glasscock, do you take some kind of lead on that?

KERRI GLASSCOCK: I'm happy to take that. The core commitment in the Creative Communities policy, our 10-year government policy for arts, culture and creative industries, is the now legislated Creative Statement to Parliament. It's a triennial report back to government that will happen. The first one will take place in September this year. That will be a really fantastic opportunity for industry to be able to see themselves reflected and for us to be able to communicate the health of the sector more broadly. Obviously, it's more broad than just live music; it's the creative industries as a whole ecosystem. Additionally, Create NSW now also has policy and strategy functions within its organisational structure, which we didn't have before, and also data evaluation and reporting streams. As those come online, we will start to see more real-time data be able to be shared with industry. We're really excited about that.

The CHAIR: Does anyone else have anything to say on that data aspect?

KAREN JONES: Can I just clarify? I said 25 applications for regional New South Wales. It's actually 29 over the last two years.

The Hon. SARAH MITCHELL: Even better.

The CHAIR: That brings us to the end of our time. Thank you so much for making yourselves available today and for your input, I know, into the submission. I think some things were taken on notice from us, and there might well be supplementary questions, which the secretariat will liaise with you about.

(The witnesses withdrew.)

Mr TOM LOOMES, Executive Director, Strategic Planning and Policy, Department of Planning, Housing and Infrastructure, affirmed and examined

Mr TAREK BARAKAT, Deputy Secretary, Hospitality and Racing, Liquor and Gaming NSW, affirmed and examined

Superintendent PAUL DUNSTAN, Commander, Central Metropolitan Region, NSW Police Force, sworn and examined

Dr SARAH KHANLARI, Medical Adviser, Office of the Deputy Secretary, Population and Public Health and Chief Health Officer, NSW Health, affirmed and examined

The CHAIR: Thank you very much for making the time to appear today. I know some of you are regulars in these inquiries, and for others it might be the first time, but welcome. Do any of you have opening statements?

TOM LOOMES: No.

PAUL DUNSTAN: No.

TAREK BARAKAT: No.

SARAH KHANLARI: No.

The CHAIR: Happy to head straight into questions? Excellent. Perhaps if I could start with you, Mr Loomes. Obviously, a lot of the submissions have spoken about the differences to planning and regulation in the Cultural SEPP. I wonder, have you had stakeholder feedback about the Cultural SEPP changes?

TOM LOOMES: The Cultural SEPP has been in effect for under a year now, but we do know that some of the key provisions that have been enabled through that have been taken up. One that was used, quite obviously, was the ability for unlicensed venues to have extended trading during special events, which occurred during the Mardi Gras. The City of Sydney obviously allowed for that to occur alongside the extended trading for licensed venues as well. Others include the expansion of patron capacity for different sized bars and licensed venues. We do know that those are being taken up through council feedback. For those that have outdoor dining, obviously that's where it applies, and there are special provisions for the special entertainment precincts, as well, for additional capacity.

Feedback that we have received more generally is about that there's been a lot of change that's occurred with planning provisions, and that there is now an opportunity to really bed those down with stakeholders, with councils, and make sure that that educative guidance piece that needs to occur after you make big changes is now happening. We will be focusing on that over the next little while, just to make sure that those changes are understood and being best used.

The CHAIR: That did come out in the submissions, as well, that it's been a lot of big changes really quick, and it's something that I'd like to ask the rest of the panel about as well. Can you explain a bit more—are you looking at providing standard operating procedures, or what kind of guidance are you looking at?

TOM LOOMES: We will be updating some of the guidance that we have prepared over the years that's come with the different vibrancy tranches. Something I feel quite passionately about is ensuring that the advocacy groups—no doubt that you'll hear from today and over the balance of this inquiry—are also advocating to their members about how to best use some of the provisions that have been provided. It's a bit of a two-way street. We're happy to support them through that, as well. I think that's beneficial for us, because we get case studies of where things have really worked well, where the provisions have been taken up, and then we can provide that, obviously, as part of our updated guidance, as part of our web content, and ensure that we're constantly reviewing some of those changes and how they're best being rolled out.

The CHAIR: I wonder, Mr Barakat, with liquor and gaming there's obviously also been changes like who does what—is that feedback that you've been given, and what kind of action have you been taken taking around making sure different stakeholders know what their responsibility is and who's in charge of soundproofing and who inspects, and that kind of thing?

TAREK BARAKAT: Yes, we have a lot of engagement with our sector, largely because we are regulating that sector as well, so there's an onus on us to make sure we're communicating with them about a whole range of different things. You're right that there's been a lot of change in our space. A lot of that has been around incentivising venues to put on live music—fee reductions and extended trading and things like that, where they host live music that meets certain criteria. The key change for us, or probably the biggest change for us as an

organisation, was becoming the sole agency responsible for assessing and regulating noise complaints in relation to licensed venues. Historically, there have been six or seven government agencies and local councils who were part of that process. Now, it sits with Liquor and Gaming NSW, and we've had a range of communication to industry about that.

For these other changes, we've hosted webinars and we meet monthly with the peak bodies—The AHA, ClubsNSW, Leagues Clubs Australia. We have what's called a Hospitality Concierge within Liquor and Gaming NSW. That's a dedicated team of ex-industry people whose sole job is really to work with licensees and venue operators to guide them through not just these changes, but the whole process of getting a liquor licence or accessing these incentives and things like that. That's the team that's been hosting these webinars. We also travel regionally as an executive team. Myself and some of my executive will travel to regional New South Wales about five times a year.

The most recent trip we did was a couple of weeks ago to Moree. In those trips, we have a two-day workshop. The first day, we'll meet with local council, police, Aboriginal groups and community organisations to get a sense of what's working and what's not, and what's happening on the ground up there, and then on the second day we'll do a half-day, what we term a "roadshow". We invite all licensees, operators, people who work in the industry to come and meet with us and hear about our regulatory approach and also hear about some of these Vibrancy Reforms and how they can access them and make sure they understand how they work in a regional area.

The CHAIR: I've worked in a regulator before. This perhaps is a question for both you, Mr Barakat, and Superintendent Dunstan. When changes come in, there's also a cultural piece for the inspectors, the regulators, the officers. Some of the feedback in the submissions was that, while we might have had regulatory change officially, perhaps the culture with some of the people engaging either in the policing work or the inspection work might not have changed. How are we making sure that that's happening? The reality of it is, in an organisation, it takes time for cultural change. We no longer are looking for that strict interpretation or where this has changed. How has that worked in both the police and in your area?

TAREK BARAKAT: I can start. Certainly that is feedback that has come through in the submissions. It's not feedback that has generally been put to me on a regular basis, but I do understand that some people are seeing that. From our perspective as an organisation, we're constantly providing training, support and ongoing monitoring and information to our teams on the ground. You're right, it does take people a bit of time to change a mindset and change a culture. I do think we've put things in place, with regular town hall meetings—we have, as an organisation, internal communications about these reforms. Prior to any of these things going live, we communicate internally with our staff so they understand what the change will be and how it will impact them in the things that they do on a day-to-day basis. But certainly if, through the submissions or through this process, there are other things the Committee thinks could be done to better educate and upskill some of our people, we're very happy to take that on board as well.

The CHAIR: Superintendent Dunstan, I note that your title has "vibrancy" in it. I wondered how recent that is. Could you speak to that cultural issue of how we are shifting into supporting vibrancy?

PAUL DUNSTAN: I've been involved since the beginning as a part of the working group and then on the steering committee. Those changes are very much—we've been a part of the whole journey—the NSW Police Force. Obviously, we're a big State with a big workforce, but we've got a really well-entrenched licensing policing community. Most of them have been involved in the game for a very long time. There is, you're correct, a cultural piece there. We need to change some hearts and minds there to be more supportive. But I think, like any organisation, the tone is set from the top. Our commissioner, in his first three or four weeks in the job, spoke at Mr Rodrigues' NEON Forum, outlining his commitment to the vibrancy reform changes. It has been on me to make sure that his commitment and desire trickles down through the organisation. Have we got it right on all occasions? I'm guessing not. But it's a lot of communication through a hierarchical organisation, where we're quite confident that his direction and intent can be passed down to those licensing police out in the field that are dealing with the venues on a nightly basis.

The CHAIR: Dr Khanlari, I suspect you've probably been at other inquiries talking about this, but could you talk a bit about the role that you play in regard to festivals? Has this changed or evolved in recent years?

SARAH KHANLARI: I'm not personally involved in the music festivals space, but I understand from colleagues at the New South Wales Ministry of Health that there are regular touchpoints with the music festivals industry. NSW Health supports a vibrant and inclusive music culture, but of course our primary aim is to promote and support public safety. Part of what we do there is provide advice to the music festivals industry, specifically around the requirements for medical support, as well as other health promotion and peer support groups that can

provide support for patrons of music festivals. That happens with any subject music festival and includes ensuring that the advice around medical support is proportionate and promotes public safety at those events.

Ms CATE FAEHRMANN: Just to get an update, Mr Barakat, on the incentives provided in terms of the annual liquor licence reductions of 80 per cent—I think it was 564 venues. There was an announcement a couple of months ago. Has the department also put out what the total cost of those licence fee reductions are?

TAREK BARAKAT: We haven't put out the total cost of the reductions, but, in terms of getting that figure, I'm happy to take that on notice. I don't have it with me today. In terms of numbers, as of 7 May, just strictly talking about live music venues, we've got 576 that are accessing those incentives.

Ms CATE FAEHRMANN: Do you have the breakdown between pubs and clubs?

TAREK BARAKAT: I don't. I've got a lot of breakdowns, but I don't have that one, unfortunately. I've got live music, performance, total, regional—

Ms CATE FAEHRMANN: I was going to ask you regional as well.

TAREK BARAKAT: Live music in non-metropolitan areas—again, strictly live music venues, not including performance venues, which we've got categorised separately—is 152 as at 7 May 2026.

The Hon. SARAH MITCHELL: Can you explain the distinction between—sorry, you said live?

TAREK BARAKAT: Live music is about music, putting on music. There's also a category for performance, which might be things like theatre, dance or something like that. I've got total numbers and also a breakdown between live music and performance venues. They can access the same incentives—the fee reductions, the extended trading—

Ms CATE FAEHRMANN: The performance venues can?

TAREK BARAKAT: Yes.

Ms CATE FAEHRMANN: That figure that you just quoted before, was that Sydney or the regions?

TAREK BARAKAT: The 152 is non-metropolitan—so, yes, mostly regional New South Wales.

Ms CATE FAEHRMANN: Thank you. If you could provide that, I might put in some more comprehensive questions. Now, Superintendent Dunstan, "Vibrancy Reforms" was in your title. Is that correct?

PAUL DUNSTAN: Yes. I'm the lead for the police. I've been involved since the first working group, two to three years ago, and I've been along for the journey through all the various tranches.

Ms CATE FAEHRMANN: What does that involve? Are you smoothing over issues in terms of how some LACs might be maybe a little bit more—

PAUL DUNSTAN: That's an unofficial part of the role.

Ms CATE FAEHRMANN: —let's say diligent in terms of licensing crackdowns or what have you? In fact, I've met with the commissioner about this. A number of venues are really unhappy with the level of attention. It seems like they're being targeted, particularly by the Kings Cross police, and obviously Newtown has also come into that. Venues are afraid to speak out. They're afraid to speak out because they feel that when they do, police target them more. Are you aware, firstly, that particularly the Kings Cross Local Area Command has a reputation by quite a few venues of being too heavy-handed?

PAUL DUNSTAN: No, I'm not aware of that. I am aware of issues at particular individual licensed premises in Kings Cross and in the inner west area, but no general perception of heavy-handedness or targeted.

Ms CATE FAEHRMANN: You were saying "leading from the top" in terms of the commissioner, and you've got the title of "Vibrancy Reforms". How is that conveyed through to a local constable level, that vibrancy is important and that certain venues may not need 12 police walking through them at 2.00 a.m. every Saturday night on the dance floor with dogs, resulting in quite a few people leaving? I mean, this happens. The Universal is an example. It sounds like a good title, but I'm just wondering what you do to try and have the police a bit more—

PAUL DUNSTAN: Yes, there's an internal memorandum protest, obviously, when the legislation is first passed. As we've all acknowledged, there has been a lot to happen very, very quickly over the past couple of years. In addition to that, we've got a well-established licensing network where we have a corporate sponsor for alcohol. It's Assistant Commissioner Waddell up in the northern region. He has a stream of regional licensing coordinators that feed into him, and they are our conduits—or they're tentacles down into all the licensing police out in the field. But we've done much more than that. We've had Mr Rodrigues and his team meet with all the

licensing police to try and speak and educate the police on where we're heading. As I conceded before, we haven't got it right on all occasions, but there's a genuine intent and tone from the top to support vibrancy, to be a part of vibrancy. If it hasn't cut through as well as it should have, as I mentioned before, that's on me, because it's my job to make sure police are very much involved and engaged in supporting the night-time economy.

Ms CATE FAEHRMANN: It's good to know that's happening. Can you give an update about any music festivals over the last year to two years? Are you involved in the user pays assessment at all, from the police perspective? I know that there's a committee or a working group that's set up to assess things at particular times, but it's also done through the local level. What involvement have you had and what information can you give about how that's going?

PAUL DUNSTAN: In my previous role as an operations manager, I was heavily involved in the user pays or user charges model, particularly in and around New South Wales venues and other inner-city locations. We've come a long way in that space. We've revitalised and revamped our standard operating procedures. We always have a risk-based approach, but we now work with the venues. We ensure that they're engaged in the process. If they're not happy, we've built an escalation process into the user charges standard operating procedures where the client—in this case, the music festival—can raise concerns with the commander of where the event is taking place. That can then escalate to the region commander if they're not happy and then, ultimately, to the head of profession at our major events group. The assistant commissioner at the police transport public safety command is the ultimate decision-maker if those other two safety measures haven't achieved a mutually agreeable outcome.

The Hon. SARAH MITCHELL: This question is probably to you, Mr Loomes. It follows on from what the Chair asked earlier about the special entertainment precincts and setting those up. One of the submissions we got from Local Government NSW talks about some of the challenges for rural and regional councils to establish those. I wonder whether you had any feedback from regional councils in particular about that process and any views on that particular issue.

TOM LOOMES: Nothing to say that it's too complicated. We've had multiple meetings with councils that have shown an interest, to help guide them through the process. There are a number of councils. I think Parkes, Tamworth and Goulburn are in the process of establishing special entertainment precincts. They're obviously all in their infancy. There are only nine special entertainment precincts, in effect, across New South Wales at the moment. We will be working more closely with some of those regional councils to make sure that they do work in a regional setting, and to understand some of the differences between a metropolitan-based special entertainment precinct and a regional one. I think with every legislative and government framework, there are always tensions, so we will take some of those lessons and find ways to make it as simple as possible. It does straddle both the local government and the planning frameworks. We're as joined up as we possibly can be with our colleagues in the Office of Local Government, but if there are ways to simplify or template, we're very open to it.

The Hon. SARAH MITCHELL: One of the things they say in their submission is, because some of the metro areas already have designated late-night trading areas, when you try to move that to a regional area, it's not always simple. What you're saying is you're working through that process with the councils.

TOM LOOMES: Yes, and every special entertainment precinct isn't the same. They're not all late-night trading. They have different purposes. In Tamworth, for example, I know that they've got one in the town centre, but they've also got one around the sports centre as well that they're proposing. That will be based on special events that occur at the sports centre. If they're going to be a bit more bespoke and have different purposes, it's going to make it a little bit difficult. But as much as we can work with those councils to make it simple, we will. We haven't had too much negative feedback at all. It's all a learning process.

The Hon. SARAH MITCHELL: Mr Barakat, I think this one would be for you. In the ClubsNSW submission, one of the things they talk about as an area for further improvement or reform is, "Simplify the process for clubs to use rooftops, including for the provision of live music," which stood out to me as interesting. What are some of the challenges around using particular spaces at the moment? Is it a licensing issue? What would be the concern around rooftops?

TAREK BARAKAT: I actually wasn't aware of that.

The Hon. SARAH MITCHELL: I'll ask them, but you're here first, so I thought I'd see what your view was as well.

TAREK BARAKAT: No worries. It might be a licensing issue. It could also be a noise issue, being on a rooftop, whether that's problematic for them. Hopefully the fact that we're now taking on responsibility for noise complaints—they could come to us and work with us. We're certainly happy to facilitate the best we can, as long as it's appropriate and we're not impacting public safety and things like that. If people want to use places and

spaces for live music and they need to change their licence or have a different licence or go through a process to make it appropriate, we're happy to work with individual venues or ClubsNSW generally. We meet with Clubs on a regular basis. It's not something they've raised directly with me, but we're very happy to look into it.

The Hon. SARAH MITCHELL: I'll ask them this afternoon. I was just interested. I didn't know if that was something that was a broader challenge.

The CHAIR: There was a similar issue raised by, I think, the Hotels Association about certain spaces—terraces and things—over space that the hoteliers don't own. There was a similar consideration. I don't know if that's for Mr Loomes or for you. We might provide some questions on notice.

TAREK BARAKAT: Provide the questions on notice, but also, as I said, we meet with them monthly. I'll raise it in the next meeting and try to understand it a bit better as well.

TOM LOOMES: On rooftops generally, they are a complex space. They're built as rooftops, and some of them are not necessarily built to carry a load or to be used as an active space. But we will be looking into how we can simplify access to those spaces in the future. There's a bit of an interaction with the National Construction Code and managing that safety requirement. It's a space we've heard about, largely from bars in the city, and about how to make that as quick and easy as possible to access.

The Hon. SARAH MITCHELL: I have one more. I wanted to ask you, Dr Khanlari, about what the role of Health is in the issue around the Vibrancy Reforms more broadly and your particular role or the team that you're in. How do you feed into the rest of the government work in this space?

SARAH KHANLARI: NSW Health has supported the New South Wales Vibrancy Reforms. As I mentioned before, we're very keen to see a safe and inclusive culture, and one that offers a diversity of offerings, which is one of the aims of the reforms. Our main involvement has been to ensure that the reforms ensure public safety as they increase social mobility. We would expect, as part of that, as people go out more, especially at night-time and to venues where there's the consumption of more alcohol because of the extended trading hours, that is all likely to have an impact on alcohol harms that we see.

A lot of our work has been to ensure that we have an as-tight-as-possible monitoring and evaluation framework and contribute to that framework so that we can see any signals of harm that might be coming about, either because of the increased number of licensed venues or their opening hours, and to work with the Vibrancy Reforms team to embed any protective health measures that we can. That would include things like, for example, if we're expecting to see people out and about for increased hours, we might also expect to see increased drug use, and whether we can embed some other protective factors like ensuring that venues have access to naloxone if they need it, if we're expecting to see harms related to the inadvertent ingestion of other drugs.

The Hon. SARAH MITCHELL: So it's that public health response going alongside it. With the evaluations and things that you've done so far—and I note this is only relatively new work—is that publicly available? How do you assess and report on any of the trends that you see?

SARAH KHANLARI: The Vibrancy Reforms team, I believe, has made publicly available their plan and their reporting. We contribute to that reporting in a couple of ways. Firstly, with NSW Ambulance data that includes geolocation—that is, where an ambulance might be called out to pick someone up—we gather together all of the codes, but specifically we look at codes related to, say, alcohol intoxication or alcohol poisonings to monitor whether we're seeing any changes in that and whether we can link it to a specific location. The other main piece of data that we contribute to that evaluation and reporting includes ED presentations for alcohol problems. These are across all triage categories.

We have, unfortunately, seen an uptick in the number of presentations to emergency departments across New South Wales since December 2025. That has been a persistent increase above four-year average levels, so there's some work to be done there to validate that data and have a closer look at what's causing that. ED data can be quite complex to interpret. We know that triage categories 4 and 5, the less severe presentations to ED, have actually decreased over the recent times, and that may be because of presentations, for example, to urgent care centres. However, we think that alcohol poisonings, alcohol intoxication is less likely to present through that pathway and more likely to present through ambulance services, for example, to the emergency department.

The Hon. SARAH MITCHELL: How does that tie in with the work that the police do? If you're seeing hotspots or issues with ED presentations or problematic behaviour, do you work together to keep an overarching view on where you see the challenges coming from?

SARAH KHANLARI: Yes, I understand that the agencies do work together to provide that information. Because the ED presentation data is statewide, it's very difficult to provide any sort of location that we're seeing those hotspots. As I mentioned, there are a range of things that contribute to interpreting that data that makes it

tricky. But certainly, we'd be happy to provide further advice and do some closer analysis and work with police on that.

The Hon. SARAH MITCHELL: Is there anything from the police perspective?

PAUL DUNSTAN: I can take the exact data on notice. However, since the rollout of the various tranches of vibrancy, particularly in the metropolitan area, there's been no impact on reported violent crime or alcohol-related crime in and around the metropolitan area. There are a couple of isolated increases in rural New South Wales—I don't have the towns or the cities at hand—but there's no noticeable impact. There's just a couple of anomalies in regional New South Wales where there has been an increase.

The Hon. RACHEL MERTON: Doctor Khanlari, could I pick up the issue that you raised earlier about medical support. Madam Chair, it's under the terms of reference as "any other related matters". One of the festivals that was listed earlier this morning was Yours and Ours. That was funded to the tune of nearly \$500,000 by the Government. I recall that there was a pill testing trial at that festival. As you can imagine, a lot of families and parents continue to register concern with me about pill testing at music festivals attended by young kids. Parents are thinking it's a government signoff on illicit drugs. The police are there, but what role do they play? Going forward, in terms of crowd safety and medical support, where is pill testing today?

SARAH KHANLARI: The Government obviously committed to a trial of drug-checking services. I think that's an important point because it's not just the pill testing that happens at these services but it's part of a broader suite of services that's provided to people who choose to have their substances tested. There's obviously the process of the actual pill or capsule being tested, or other substance being tested. However, what's wrapped around that is supporting the person from the point that they walk into the service, all the way through. That includes ensuring that they're aware that drug-checking services cannot definitively say what's in the drug, and the safest option is always to discard the drug and to not take it. However, if the person is going to do it, it is supporting them in doing that in a safer way. The Government also committed to an evaluation of that 12-month trial, and I understand that that will be made publicly available. The University of Sydney was commissioned to do that independent evaluation. The Government is currently considering that to understand where it sits in the broader suite of harm-reduction services in the festival space.

The Hon. RACHEL MERTON: Commissioner Dunstan, in terms of reports of the pill testing and illicit substances being found on festival-goers, what is the police response, for crowd safety?

PAUL DUNSTAN: We've had a slight change in strategy at the music festivals in the enforcement of drug possession, in particular. We've now pivoted to a more drug supply focus. The days of young people attending festivals and going through a gauntlet of police lined with drug dogs are behind us. We still have drug dogs, and we don't apologise for having drug dogs in and around the festivals, but we focus on the supply of drug, not the possession. You'll see us more often around train stations, in parks or areas en route to the festival, trying to identify and locate those that are responsible for the supply of prohibited drugs.

The Hon. RACHEL MERTON: In short, in terms of possession of illicit drugs at a festival, if the police are aware of this, what action is taken?

PAUL DUNSTAN: It's still an offence to possess a prohibited drug but, depending on the type of drug, whether they're entitled to a caution, a diversion, a field attendance notice or a charge, it depends on the type and quantity of the drug.

Ms CATE FAEHRMANN: Can I just jump in on that one? Just targeting supply and focusing around train stations, what evidence does the police have that people who are going to supply drugs at a music festival or anywhere are taking those drugs on a train with them?

PAUL DUNSTAN: We're getting people on approach.

Ms CATE FAEHRMANN: For supply?

PAUL DUNSTAN: Sorry, I'll start again. We don't want to focus in and around the actual vicinity, the front gate, which we previously did. We're more spread around, trying to identify those that are coming to—

Ms CATE FAEHRMANN: Yes, but from what I've seen, I hardly think that most people that are caught and made to put their hands against the wall and empty their pockets and take their shoes off and everything—I don't think you're getting these people for supply, with respect.

PAUL DUNSTAN: It's an intelligence-based approach, and I think the evidence is we have charged people with supply in and around the festivals. But, obviously, you are correct: We do get people in possession at times as well.

The CHAIR: If I could go back to a question about the special entertainment precincts. I wonder—maybe Mr Barakat and maybe Mr Dunstan in particular—are there particular benefits in terms of the regulatory approach of having particular precincts where you know that there are particular rules in place, where you take a particular approach? Are there benefits to that approach?

PAUL DUNSTAN: I think the Enmore Road one is probably the first and the one we make reference to a lot. As reported, there has been no increase in reported crime in and around the special entertainment precincts thus far. As far as benefits, I'm really not in a position to comment, other than a connected community. It seems to be going okay in and around that area.

TAREK BARAKAT: Benefits from a regulatory perspective—not necessarily for us. We're still approaching the special entertainment precincts and making sure that people are responsibly serving alcohol. We're not doing these things at the expense of public safety. I think you're right: It does make a slight difference that they're in a contained space. There are different rules and regulations. They're created specifically to try to increase vibrancy in those areas. But, from our perspective, we're approaching the regulation of the venues within those spaces in the same way we would any venue.

The CHAIR: Mr Loomes, you mentioned the numbers. Obviously, it's still early days, but can you give the trajectory of special entertainment precincts?

TOM LOOMES: Sure. There's obviously one permanent special entertainment precinct at Enmore Road.

The CHAIR: I know it well.

TOM LOOMES: Yes, me too. There are eight operational trials across the inner west, and I think Fairfield is the other one. But there are at least 20 councils who have expressed an interest. They've passed a council resolution. Some of them have commenced the planning process. I think councils are seeing the benefit of special entertainment precincts—about how to best serve their communities both from a vibrancy perspective but also in terms of how they manage their own workers. Obviously, council has a role to play generally when it comes to certain types of venues. I think there is a strong view from councils that knowing where those places are, being able to operate within them, but also being able to educate their workers about how to enhance those places as well is really important. I'd say the trajectory for special entertainment precincts is on the way up, and we will see quite a few more of them over the next six months to a year really taking shape. We're really interested in seeing the variety of different entertainment precincts as well, as I talked about earlier—not just the late-night trading, but also those that have different purposes, serve different parts of the community and can balance that concept of vibrancy as we also increase housing in a lot of these places, as well.

The CHAIR: Mr Barakat, you mentioned something called the Hospitality Concierge. Could you explain a bit more what that is?

TAREK BARAKAT: Sure. It's a dedicated team within Liquor and Gaming NSW. It's staffed by highly skilled ex-industry people—people who've worked in the pub and club space who understand the challenges and opportunities and what people are trying to achieve. Its sole purpose is to work with licensees, venue owners and venue operators to guide them through the liquor licensing process. I help them engage with council, help them engage with planning and help them engage with police if they need to. It's really a service to assist venues and venue operators to do whatever it is that they want to do in the Liquor and Gaming ecosystem. We've received really great feedback in relation to the establishment of that team. They also get out and about, so they're not just talking to people on the phone or via Teams or online meetings. They go out to regional areas and meet with people on the ground to try to help them navigate some of the—it can be quite tricky. Some of the liquor licensing processes can be complicated, particularly if you're not used to it, so they're there to help people navigate through that in the right way and the most efficient way to get them up and running as soon as possible.

The CHAIR: It's essentially for venue operators?

TAREK BARAKAT: For industry.

The CHAIR: How many people are in that team?

TAREK BARAKAT: I'll have to take that on notice. It's a small team, but I can get you the exact figure on notice.

The CHAIR: That would be good. How long has that been around?

TAREK BARAKAT: A couple of years now. I think it's been around since late 2022, early 2023. But I can get you the exact date on notice, as well.

Ms CATE FAEHRMANN: Can I ask a question on the Hospitality Concierge? What's the difference between that and what Liquor and Gaming staff would do anyway? Isn't that something that you would have done anyway—assisted venues, gone out to them? Is it just a fancy name for what you've already been doing?

TAREK BARAKAT: Yes, it's a name for something that we would do. We always engaged with people, but we never really had a dedicated team before of ex-industry specialists who understood the industry, understood what venues might be going through, dedicated to helping industry navigate some of these processes. Historically, yes, people could come and talk to our licensing team, but that licensing team might also be assessing liquor licensing applications, providing advice to the Independent Liquor and Gaming Authority, doing a whole range of other things. The concierge is dedicated to assisting industry navigate some of our processes.

Ms CATE FAEHRMANN: I want to follow up with the superintendent. Outside music festivals, if the police operation itself is reduced, were you saying before that what that means is the police now are kind of around the festival streets or transport or whatever—is it the same effort, just not all at once outside the gates?

PAUL DUNSTAN: That's essentially it, yes. Correct.

Ms CATE FAEHRMANN: What's the intelligence you referred to that says that you are going to find the supply in the backstreets, or around the festival? It sounds like you're still targeting people who are going to the festival.

PAUL DUNSTAN: The supply is clearly not happening at the front gates of the venues. Our strategy is targeting as people are meeting in those quieter, more secluded locations, not at the front doorstep at the venue. We want to make it safe for the young people or the people that attend these venues. I think there was a suggestion or a thought that coming through a gauntlet, a line of police, made young people potentially feel unsafe. We've sort of spread our area to try and pick up those in the back streets or the isolated areas, where the supply potentially is taking place.

Ms CATE FAEHRMANN: So people basically, if they get Ubers straight to the door of the music festival—is that the way to do it? It just seems a bit strange to me.

The CHAIR: Could I pick up again with the concierge. Could you maybe let us know what are the biggest issues that the industry is asking for help with? Do you have a sense of that?

TAREK BARAKAT: I can provide more detail on notice. A lot of the work the Hospitality Concierge does is helping people get a liquor licence for the first time—so people wanting to start a business, start a pub or a club or a small bar or whatever it might be. More recently, they've played a really important role in communicating some of these changes in the vibrancy space to industry as well—so helping industry. If they do want to access the 80 per cent fee reduction or they do want to trade later because they're putting on live music, what does that entail? How do they go through that process? What do they need to provide us in terms of information for us to approve them as a live music venue, for example, so they can start to access those incentives?

The CHAIR: A question that just came to me—it seems that there has been quite the uptick in smaller bars and venues. Would you be able to provide on notice a change over time for the last couple of years?

TAREK BARAKAT: Yes, absolutely. I don't have it here, but we've got a breakdown of each licence type over the years and we can talk about increases and things like that, for sure.

The CHAIR: That would be really interesting to look at, from our point of view. We have come to the end of our session today. We do very much appreciate you making yourselves available to speak with us today. We might have asked you to take some things on notice, but we also might send through some supplementary questions, which the secretariat will get in touch with you about.

(The witnesses withdrew.)

(Short adjournment)

Mr JAMES STEENDAM, Musicians Federal President, Media, Entertainment and Arts Alliance, affirmed and examined

Mr ALEXANDER POIRIER, Musicians New South Wales President, Media, Entertainment and Arts Alliance, affirmed and examined

Mr PAUL DAVIES, Campaigns Director, Media, Entertainment and Arts Alliance, affirmed and examined

Ms ELISE CHIDIAC, Organiser, Media, Entertainment and Arts Alliance, affirmed and examined

The CHAIR: Welcome, and thank you for coming to our inquiry today. I should probably declare and put on record before we begin that back in the late '90s or early 2000s, I did spend some time at the MEAA. Now, would any of you like to make a statement?

PAUL DAVIES: We certainly welcome the opportunity to participate in this inquiry and also, up-front, recognise the progress the Government has made. From our point of view, recognition of a minimum fee for musicians is an essential feature of any reform to the music industry and fundamentally goes to the most important people in the music industry by ensuring they can't be undercut or exploited. We want to recognise that up-front and also your efforts to improve leveraging touring for overseas artists in New South Wales—the so-called "Michael's rule" method of trying to ensure work.

There are, no doubt, other elements of the work over the last couple of years which have supported the industry. Nevertheless, our members face enormous job insecurity and other consequential problems as musicians. Some 44 per cent of them don't receive a minimum fee for their gigs. That has turned around, I think largely because of the greater role that governments are playing in the sector since COVID. But it is still unacceptable that 40 per cent or more of gigs are not paid. We then have a huge proportion of gigs that might be paid but the contractual relationship arrangements aren't enforced and are often breached—huge health and safety problems.

The average income of a musician—and we're talking about musicians who derive their primary income from music; it's not casual or amateur players—is about \$15,000 a year. It's quite amazing when you think of the enormous profits the music industry makes. I'm sure it's still among the most profitable in the entertainment industry. We're concerned of the persistent market failure, if you like, when we have large global corporations like Live Nation who, as you would no doubt have seen out of the United States, have been brought before the courts to deal with their dominance and the antisocial or corrosive impacts of that. We're subject to that same problem here. There are huge structural problems in the music industry that persist. James and Alex will give you their experience of this, but I can give you the overview and the recommendations, if it pleases the Chair, that we would like to see progressed.

The CHAIR: Mr Davies, might I make a suggestion? I'm really conscious that I think we've only given you half an hour, and we do have your recommendations. We will come back to you should we need to, but I'm conscious that we have also got our musicians here. So if you don't mind—

PAUL DAVIES: That's fine. However you want to proceed, of course.

The CHAIR: Thank you, I appreciate that.

JAMES STEENDAM: I'll talk a little bit about my experience as a violinist and a violist living and working here in Sydney. I'm a freelancer, so I don't have any permanent position. I ply my trade with organisations like Opera Australia in Sydney and Orchestra Victoria in Melbourne too. I perform movie, TV and video game recording sessions, and musical theatre. I've also worked over the years with some of Australia's biggest known names like Chrissy Amphlett and Lior, and some world-renowned musicians like tenor Jonas Kaufmann and Burt Bacharach. Most recently, I performed almost 1,000 shows with the Australian production of *Hamilton*, performing Sydney, Melbourne, Brisbane, Auckland and Singapore.

I now find myself largely unemployed, in some part due to Disney's decision to cut all four string parts from this season of *The Lion King*. Those parts have been replaced by an automated keyboard program named KeyComp. The music team doing Disney is the same music team doing *Hamilton*, so it's very likely that I would have been working on this production and, of course, this production runs for eight months, meaning that theatre is locked up for eight months; there's no other musicals coming in.

In my work with Opera Australia, I've noticed an increase in corporatisation of the governance there. In a small examination of the board of Opera Australia and the Sydney Symphony Orchestra, I found that over 50 per cent of the board are people with financial backgrounds. Meanwhile, only 18 per cent of these boards are made up of musicians. So there's a disconnect there between the needs of the musicians and the concertgoing public, and the economic forces that are coming from within the board. There's also not much transparency as to

who's on the board, how the board gets elected and all those kinds of things, despite drawing significant public funding through this body and the Federal Government.

Further to this, as musicians start to disappear from our orchestra pits in music theatre—Opera Australia recently fired 16 musicians during the COVID lockdowns—there's an ongoing casualisation and disappearance of our jobs. It makes it difficult to continue, and a lot of musicians down tools, retrain or go into the teaching sector. I have a master of horticulture, and I'm considering my future in this business despite my successes in my career. These disappearing jobs and insecure work serves only to dilute the culture and the artistic output of our great city and our great State. There will be downstream implications of that too. The music industry is an ecosystem. It doesn't exist in a bubble; one thing will always affect another thing. Economies that rely on live music will also be affected. There's no music industry without musicians.

ALEXANDER POIRIER: I should have said earlier: Ngyinari ngalawangun mari budjari Gadinurada, or "we are meeting on very beautiful Gadi country". I am an ethnomusicologist at the Sydney Conservatorium of Music. I study and research the relationship of music within societies and cultures and how they influence the other, particularly looking at how that's happened throughout Australian history in diverse groups. I was born and I live in Penrith, at the far west of the city. I commute nearly a quarter of every day to the city and back just to do my music stuff, so I really understand the impact of urban planning on public transport, venue, places and all of those kinds of things.

I'm a flautist. I play the yangqin, a Chinese dulcimer, and I play the dizi, a Chinese flute. I am a trainee conductor. I perform in all sorts of jazz groups, Aboriginal choirs, Western folk stuff, a lot of European classical symphony stuff, Chinese traditional and orchestral music, and a little bit of indie rock. My first year of study was in COVID, in 2020. I had three weeks of normal classes and then the world happened. During that time, I was the president and secretary, later, of the students' association at the Con. Through that, I started the Australian Music Students' Association to bring together all of the conservatoria and our music schools, and their organisations, for students to collaborate on ideas and discuss the common issues that are facing all of us.

You noted that we only have 30 minutes of time, so I want to emphasise that out of all of the witnesses you will hear today, this is the sole chance you will have to hear from actual working professional musicians and those who represent them.

We are the primary producers of the music industry. There are a lot of secondary groups: managers, labels, venues, festivals et cetera. They cannot exist without musicians, despite many of them claiming that they are critical to our existence. I'm not a musician because I earn money and because I have a manager organising my gigs—I don't have one of those. I am a musician because of the years of practice I have spent, the thousands of dollars paid by my parents for lessons and instruments, and because I believe in the role that music has in telling our histories, creating our identity and bringing people together. Music exists as a cultural force. It is one of the expressions of who we are. Everything else is secondary to that. The financial benefits, the recording, the venues and the pub nights are all things that are less significant to society than the cultural benefits that it has. I just want to emphasise that.

The CHAIR: Ms Chidiac, have you got a statement or are you taking questions?

ELISE CHIDIAC: No, I'm happy to take questions.

The CHAIR: I wondered if I could start then. In reading the submission, there was lots in it, but I was particularly perturbed by what I think, Mr Steendam, you were talking about with regards to the AI replacement—Disney replacing live musicians with, essentially, AI. While that's not exactly what we have been looking at and thinking about, I want to ask you about this intersection of the technology. I'm also very practical, so what is it that a New South Wales government—and I note we want an inquiry that would be Federal, I'm presuming—grappling with the issues of technology and the impact on musicians should consider?

JAMES STEENDAM: All these major musicals draw funding through tourism New South Wales. That should come with the priority that they support local jobs. To be clear, these AI technologies are developed overseas. Disney is licensing it from a German company in Hamburg. Basically, our work is being displaced by musicians in Germany. Disney is more than happy to send money over there. I would suggest that any funding that comes from this body should be contingent on retaining local jobs and employing local musicians, especially a company like Disney. *The Lion King* is the highest grossing musical of all time. Despite that, they're still deciding to cut jobs. Further to that, musicians are earning around 25 per cent less now than they were, adjusted for inflation, when Disney first brought *The Lion King* here in 2003. We are not the reason for any expenses that are blowing out. It's not us, but we're the ones who are paying for it.

The CHAIR: Does anyone else have any comments?

ALEXANDER POIRIER: I had the opportunity, when I was 12, to go see *The Lion King* on Broadway. For my six-year-old brother, that was his first ever musical. He's 18 now. He just graduated high school. He still tells us about how much of an impact that had on him, just randomly to our mum. That was because of the singing, the dancing and the live music. We can see with all of the reviews of *The Lion King* and from other AI stuff that it's not well regarded by audiences. People don't go. They don't want to go. That has a bad return on investment if the Government is putting money into these companies and no-one's going back. Why should the Government be paying for that, ultimately? These companies are benefiting from the warm happy feelings that people have with live music, but they're not willing to put in the actual money. Ticket prices haven't changed. They're just profiting more from it because they're not having to hire musicians.

The CHAIR: I wondered if I could quickly ask one more and then, I know we haven't got a lot of time, I will pass on. In your submission, you talk about the Michael's Rule initiative and advocate for its extension. Can you explain what you see the merits of that initiative are and what your members are saying about it so far? What's the advocacy about? What would you like to see it applied to?

PAUL DAVIES: There's very little secure work for musicians, as you've just heard. It's being undermined by technology. Probably about 10 per cent of musicians have employment. Most of them are gigging musicians, so anything that can be done to secure their incomes through leveraging hugely profitable overseas acts, which are dominating live music more than they ever have, would be a positive step. The mechanisms for doing it? It's quite difficult. It used to be done in the '80s and the '90s through immigration arrangements. I'm not sure that that's feasible anymore. It may well be, but I know it's not in your purview. We recognise the mechanism that was developed here to advance that. All we're saying is, if that can be extended, if it can be strengthened, that would be a positive.

ELISE CHIDIAC: I can add a little bit to that as well. I think overwhelmingly the feedback we've gotten from our membership with regard to how the policy is currently being implemented is that, because it's restricted to the really, really large-scale venues that are part of the Venues NSW network, the proportion of musicians that it actually impacts, the ones that are getting booked for the really successful international touring acts, is very, very minor. It's not necessarily trickling down to the local domestic community and grassroots musicians.

ALEXANDER POIRIER: And that connects into a larger structural problem where people can't get to the level of fame or prestige or whatever to be booked. We have pubs; everyone performs at pubs. We have massive stadia. Those medium-sized venues, we have a dearth of those, and so people don't have the opportunity to go from a small pub with maybe 100 people to, say, the Enmore Theatre type venue where it has thousands of people, and then to a stadium. There's just that missing bridge to allow people to actually grow into that. And so, it's all well and good to have a policy like that, but we can't actually help our musicians to get to that level.

Ms CATE FAEHRMANN: I just wondered, firstly, are you aware, as individual musicians, of any grants or funding available to you through Create NSW? I think you're probably aware of the contemporary music definition for Sound NSW, which precludes, even if it's new and original, any classical or orchestral musicians, community groups, or what have you. I assume Sound NSW isn't open to you, Mr Steendam. Are you aware of any funding opportunities from Create NSW? When I looked, it seems as though there aren't that many to come across.

PAUL DAVIES: We're aware that probably the weight of policy has gone into supporting industry by a range of things—changing regulatory and planning and opening things up, leveraging local government initiatives et cetera. We support that. I think we agree with you that there may not be a huge number of programs that our members can access directly. However, I want to stress the fact that the \$250 minimum, which we've been campaigning for for three or four years, is endorsed, and that's a major benefit that perhaps James—

Ms CATE FAEHRMANN: With the \$250, the submissions are saying that, frustratingly, sometimes all of that isn't given directly to the musician and fees go elsewhere. Is that right, sometimes? Mr Poirier was nodding.

ALEXANDER POIRIER: Okay. I was just agreeing. Sorry.

Ms CATE FAEHRMANN: Hansard doesn't get the nod.

ALEXANDER POIRIER: Sure.

PAUL DAVIES: You would know that the nature of that policy doesn't—it's not heavy handed. We don't have a lot of say over how—we're working in an area that's completely unregulated, or mostly unregulated in terms of work. So we're normalising a process, a standard, and how that plays out can be very various. One of the things about the \$250, which is important, is that it enables the superannuation guarantee to

be paid. Without the \$250—without a minimum and without a floor—that guarantee, which is payable to gigging musicians and performers, is effectively not payable because there is nothing to base it on. That is a benefit. We would say that anything the Government can do to help us extend the application of the \$250, including to other parts of government and other programs, would be a step in the right direction.

Ms CATE FAEHRMANN: I think at this point probably an increase in the \$250 as well, don't you think? Considering it has been in place for—

PAUL DAVIES: That's something we're looking at. That is something we would advocate for.

ALEXANDER POIRIER: There are a lot of examples of particularly young musicians with venues and companies saying, "You'll get this amount of money if you sell enough tickets." There are so many examples of young musicians paying to perform. And then with the grants, even if we do apply we aren't going to be competitive in comparison to major companies. I am a musician; I am not a finance bro. I know how to write a grant because I was taught how to do it at the Con, but they have entire teams behind them. I am just one person.

Ms CATE FAEHRMANN: I have a final question. I did want to get something on the record. You made a big point in your submission around ticketing, Live Nation and the commercialisation of the industry. Your recommendation is asking the Government to pressure the Federal Government to try and get this ACCC investigation into Live Nation. Why is it so important that this is examined? How much is this impacting musicians in their career and income-earning potential?

ALEXANDER POIRIER: They're forced to go with them. There are monopolies, even on a micro scale, in Sydney. Century venues owns all of the medium-sized venues. They have a management arm. In order for someone to have that middle step—that pub, medium and stadium—they have to engage Century, because Century will give preference to the people they manage. That is a way for them to take as much money as they can from the musician. The musicians are so desperate to get ahead and to have their name out there that they will sign onto those. That means that they usually would take quite poor contracts. Live Nation does that as well. They have the Fortitude hall thing in Queensland and stuff like that.

The Hon. ANTHONY D'ADAM: I might also place on record that I am a member of the MEAA and a former employee of the union. I want to go to the issue that was raised about the composition of the boards of those major companies like the SSO and Opera Australia. My understanding is that they're both private companies. What would be the mechanism for shifting the balance? I understand that one of the reasons why they are very heavy with people from the finance sector is that they're looking for people who can access donations and philanthropic contributions. How do we get that balance right, in terms of the composition of the board?

PAUL DAVIES: I am mindful of the scope of your inquiry. Thanks for considering this. Our argument is that this needs to be dealt with through the performing partnership framework with the Commonwealth. The principle is that funding for all of these organisations needs to have a sound footing in a social licence. Without having boards that are properly representative of the community and of all the interests involved in the generation of music, particularly in our publicly funded companies like the ones you mentioned, that social licence is questionable. We argue that there is a matter of real necessity to address how those boards are constituted simply to represent our nation and who those companies are meant to serve. The mechanism would be through the performing arts partnership framework and the National Cultural Policy. Of course, the State Government has a role to play there, and that is an advocacy that we would be putting to the Minister.

The Hon. SARAH MITCHELL: I just wanted to go back to the issue of AI. Thank you for sharing your story, Mr Steendam. It must be very difficult for you and others like you. I wanted to call out that in your submission you also talk about the decline in revenue from recorded music and the impact that that is having on sustainability for musicians such as yourself when you can't rely just on live performance but also money coming from those recorded performances as well. Can you just talk to us a little bit more about the impact that is having and if there is anything at a State level that we could make recommendations about to improve that space for artists like yourself?

JAMES STEENDAM: I can speak to my experience recording orchestral music here in Sydney. One of the best sound stages in Australia is at Trackdown at Moore Park. Over the years, we've been doing large-scale Hollywood films, Marvel films and some of the biggest video games and TV shows. That is starting to slowly dry up a little bit. When we go there, we sign our rights away. We have no recourse after that. We get our fee, and that is the end of our engagement. We're not sure what our recordings are being used for. We don't know if they're being sold on to AI tech.

The CHAIR: So there are no residuals?

JAMES STEENDAM: No residuals.

PAUL DAVIES: Could I address that point? It's part of our advocacy, policy and campaign on AI to recommend the Government reform copyright to bring in a concept called equitable remuneration, which is an inalienable right for all those who contribute to works that are used for a secondary use—recordings and anything that can be scraped up by AI. It is an inalienable right for people to be paid. You can't simply sell out your rights. They can't be bought out, because you don't have effective bargaining power. You retain those rights. That would be a significant step forward. It would bring Australia into line with the rest of the world where this concept applies. Thanks for the question.

The Hon. SARAH MITCHELL: That was going to be my next one: How do other jurisdictions do this? What happens overseas that is different to here?

PAUL DAVIES: In the EU and the UK, for example, the concept of equitable remuneration applies in intellectual property and copyright law. It means that musicians, performers and others whose work is being exploited in broadcasts and streaming—streaming is a bit contentious, but certainly in broadcasting—and, we would say, in AI. That is the innovation that needs to be made. It's totally fit for purpose. ER, equitable remuneration, means that those workers get paid. They get a proportion, and it doesn't all go to the record companies.

The CHAIR: We've got time for one more. One of the key foci of our inquiry has been around the reforms that we've brought in. You started off by referencing those, Mr Davies. I just wondered, have you seen any changes on the ground as performers? I know one of you is in jazz and the other is a bit more classical, but have you noticed any change in the live music scene—or maybe you, Ms Chidiac, as the organiser—through those reforms and changes?

ELISE CHIDIAC: I can speak to this to start off with if you guys want to jump in after. As a bit of history to the minimum fee campaign, it started about three years ago targeting publicly funded gigs. The New South Wales Government has gotten on board in addition to five other State and Territory governments and also the Federal Government through Revive Live funding supporting the recognition of the minimum fee as well. We do a yearly survey with our membership, and I've got some stats that I can refer to. We've actually seen an increase from 53 per cent in 2020 up to 68 per cent of musicians being paid for every gig that they play—a decline in the proportion of gigs that are not paid at all. Sixty-six per cent of musicians are now earning the minimum fee or more from a gig, which is up from 40 per cent in 2023. We are seeing on the ground that there is a change in musicians being paid a living wage for their work. Of course, that has been supported by the Government recognition.

The CHAIR: My final question might be what other bits of information might you be able to provide from your survey of changes over time? Is there anything that comes to mind that would be useful for us that you could provide on notice?

ELISE CHIDIAC: Yes, definitely. We survey most issues with regard to recordings, AI, payment of minimum wages, the cost that musicians expend in an average week from the gigs that they play.

The CHAIR: That would be really useful, I think.

PAUL DAVIES: We can provide that to you.

The CHAIR: On notice, that would be great. Thank you very much. We've got one very quick question over here from Ms Merton.

The Hon. RACHEL MERTON: If I could just pick up the earlier question about the Opera House being cited. There were some concerns about possibly the governance or the structure of that. In terms of viability for the industry, what would your response be? For example, it's reported that the New South Wales Government provides, in the case of the Opera House, 10 to 15 per cent of the funding. The balance is coming from corporate sponsorship—the non-government sector. How critical is it that that's recognised and that continues for the viability of the industry?

ALEXANDER POIRIER: The Opera House is a State cultural institution, which means that its board is decided by the Governor, on advice of the Minister.

PAUL DAVIES: I think we were referring to Opera Australia, rather than the Opera House. So it was a different organisation.

ALEXANDER POIRIER: Still on both, the State and the Commonwealth have a duty to create a national identity. For these significant organisations, regardless of corporate sponsors, the State has to ensure that it is enabling them to do the cultural creation. The corporate sponsors are significant. They pay the money. Music

and arts are not a financial thing. They provide some financial benefit, but that's because they provide a cultural benefit. I think I just said that in a circle, but yes.

JAMES STEENDAM: I'll add to that. Opera has never been a money-making enterprise throughout its history. Funders have always had to be patrons throughout history.

ALEXANDER POIRIER: They used to have aristocrats.

JAMES STEENDAM: No one has expected it to make money. But now, these days, with the corporatisation of it, there's a push to make a profit on a model that has never been a profitable enterprise. So then the question is, why do we do it? We have the Sydney Opera House. That is the most iconic building in all of music in the world. Everyone knows what it looks like. Can you imagine the Opera House with no opera? I mean, you couldn't call it the Opera House anymore, could you? There is a cultural responsibility that we have to continue doing what we do and draw the audiences that we draw, which are great and love what they do. I hope that answers somewhat.

ALEXANDER POIRIER: The Government is the mechanism to allow the shows that the people want, not the profitable shows. If we want to see the stuff that people are actually going to attend that might not make money, this is the way for people to exert our influence, essentially. We don't have the billions of dollars to provide in corporate sponsorships.

The CHAIR: Thank you all very much. That's the end of our time here today. I think you agreed to take some things on notice, and we might have supplementary questions for you. But we very much appreciate your time here today.

(The witnesses withdrew.)

Mr MARK GERBER, Deputy, Live Music Venues Alliance and Chief Executive Officer, Founder and Licensee, Oxford Art Factory, affirmed and examined

Ms TAM BOAKES, Chief Executive Officer, Australian Music Venue Foundation, affirmed and examined

The CHAIR: Welcome. Thank you for being here today at our inquiry. Would either of you like to begin by making a short opening statement?

MARK GERBER: Yes, thank you. Chair, Committee members and distinguished guests, I would first like to acknowledge the traditional custodians of the land on which we meet today and pay my respects to Elders past and present. I also acknowledge First Nations peoples across New South Wales and recognise their enduring connection to music, storytelling, culture and community, which has existed on this continent for tens of thousands of years. My name is Mark Gerber. I am the deputy chair of the Live Music Venues Alliance and CEO, founder and licensee of the Oxford Art Factory.

Thank you for the opportunity to speak today on behalf of the LMVA and the independent venues that form part of the cultural backbone of New South Wales. Since its formal launch in 2025, the LMVA has grown rapidly and is approaching 50 members, including 29 metropolitan venues and 17 regional venues across New South Wales. Before I continue, I would also like to acknowledge and thank the New South Wales State Government for the significant work undertaken in recent years to support live music venues and the broader New South Wales music industry. Initiatives delivered through Sound NSW, venue infrastructure funding, licensing reforms and broader support for the night-time economy have provided meaningful assistance to many operators across the sector and are genuinely appreciated by our members.

The Live Music Venues Alliance was founded by independent venue operators across New South Wales because many of us are facing the same challenges—rising operating costs, changing audience behaviour, increased regulatory pressure and an economic environment that is making it harder for dedicated live music venues to survive. Our venues are not simply pubs with bands in the corner. They are specialised cultural spaces. They are places where Australian artists begin their careers, where young people discover community and identity, and where workers across sound, lighting, hospitality, production, security and promotion build sustainable careers. Importantly, live music is not only culturally valuable; it is economically significant.

New South Wales Government research has found that live music contributes approximately \$5.5 billion annually to the New South Wales economy and supports around 25,000 jobs across the State. Small- and medium-sized independent venues are the foundation of that ecosystem. They are the talent pipeline that develops artists before they progress into theatres, festivals and stadiums. If these venues disappear, New South Wales risks losing not only critical infrastructure but also a substantial share of the economic activity, employment pathways, tourism value and night-life vibrancy that the broader music industry relies upon.

We believe dedicated live music venues should be recognised similarly to galleries, libraries and theatres as essential cultural infrastructure that provides ongoing public and community benefit. Like those institutions, live music venues create cultural participation, artistic development, social connection and economic activity. The difference is that independent live music venues are often expected to sustain that public cultural function almost entirely through commercial trade, while carrying significant year-round potential risk. New South Wales also needs to continue building a music industry that it can be proud of for decades to come—one that develops and exports Australian artists to the world rather than becoming entirely reliant on overseas touring acts. We should not become renters within the global music industry. We should strive to be landlords, developing our own artists, creating our own cultural identity and producing international success stories that help promote both New South Wales and Australian music globally.

The inquiry's focus on growing the live music sector is welcomed, but growth cannot come at the expense of sustainability. Before New South Wales doubles the number of dedicated live music venues, we must ensure the existing venues are able to survive. Right now, many are absorbing enormous costs—including insurance, security, energy, rent, payroll tax and compliance costs—while trying to keep the ticket price accessible for audiences already under cost-of-living pressure. We support public investment into the arts and culture, and we recognise the importance of government support for the sector. However, we want to ensure that the funding grows overall ecosystems, builds audiences and creates a new activity rather than simply redistributing existing commercial activity away from independent operators already carrying a significant risk.

Our submission does not ask for handouts. It asks for recognition that live music venues are cultural infrastructure deserving of policy settings that reflect the public benefit that we provide. That includes targeted rebates, fairer operating conditions, support for audience development and recognition that the grassroots sector underpins the entire music industry ecosystem. Importantly, this is not just a Sydney issue. Our alliance includes

metropolitan and regional venues alike, all experiencing similar pressures and all contributing to local economies, tourism, employment and cultural identity. If New South Wales wants a thriving night-time economy, if it wants Australian artists to succeed and if it wants vibrant communities and cultural participation, then the survival of independent live music venues must be treated as a priority. Thank you, and I look forward to your questions.

TAM BOAKES: I would concur with everything Mark has just said. I represent venues nationally, but they are all facing the exact same crises right now. There's nothing really different. The costs are just going up and up. Post-pandemic, the way social culture has changed, I think it's really outstanding. The focus that Sydney has had, having a Minister for music, has been a real game changer. We're just watching this very closely and hoping that other States can follow in the footsteps. We really welcome this inquiry and the opportunity to speak and be involved in it.

The CHAIR: I might start there, Ms Boakes. You mentioned the different approach and the developments in New South Wales over the past couple of years. I think you might have also referred to it in different ways, Mr Gerber. I want to understand a bit more how things have changed. We're looking at what has changed and what still needs to change. I'm aware there are things that still need to change. I wondered if you could maybe talk to what has changed with regards to how the sector interacts with government, government agencies, funding and that kind of thing? Maybe we could start there. That is to both of you.

TAM BOAKES: I think having Sound NSW is really great, when you've got an actual body focused on music—and MusicNSW—with just a lot of actual music practitioners. It really makes a difference having people that are working in the industry and quite engaged. I came over a few weeks ago for the live music round table, and it's quite a common remark that everyone is talking to each other and at the table and actually sharing the issues and the wins, which I think is also really important. You don't ever want to say that it's enough, but the fact that it is happening and people are working together, and the forming of alliances like the LMVA—we had a similar one in South Australia, which kind of led to me moving into the AMVF. I think the music industry, particularly, is very, very good at banding together when there's a crisis, and it's now keeping it afloat and keeping that communication open. That's really important. The funding obviously has been absolutely—we wouldn't be sitting here if that funding hadn't come through, I wouldn't think.

Ms CATE FAEHRMANN: Which funding, to clarify?

TAM BOAKES: All of the funding into music. Was it \$119 million? Am I getting that number right?

MARK GERBER: I think Tam's referring to the rounds of available funding specifically to venues like ours in New South Wales, and the LMVA members. It has to be said that I think the last couple of years have felt very positive from the reaction that the Government has given towards the industry—and specifically in New South Wales, obviously. It is protecting and working towards ensuring that it is a sustainable industry in New South Wales. I think it's absolutely essential that we continue this discussion with the industry. It's really important that we are here for you and that we work together, because I think the insight that the industry can provide to government is something that's invaluable.

I think a lot of the mistakes that the previous governments might have made are not consulting enough with the industry and not giving the industry enough chance to sit at round tables and give feedback. This direct feedback has actually funnelled a lot of the information into the grants that are being provided. We are seeing grants that deal with infrastructure improvements, that deal with audience development, that deal with all-ages programs. All these things are all necessary in order to build and sustain and create a prosperous music industry in New South Wales.

I think the only thing that I would comment on is that we can still assist the Government by suggesting that some of the means by which these grants are delivered to us can be a bit, shall we say, at short notice. Sometimes getting grants in December and expecting to come back with a result or a submission application et cetera in January is quite difficult when you're talking about infrastructure, dealing with building and builders, BCA consultants, all that sort of thing—that pretty much shuts down. That's one thing that we ask—whether that could be taken into consideration?

The CHAIR: I did note that from your submission. Further to that, for example, Oxford Art Factory is a bigger venue among the smaller venues, but your organisation must cover everything from small bars to much bigger places. Is there a difference in the challenges faced by the different tiers, and could you outline those?

MARK GERBER: I think the challenges that are faced are pretty similar in terms of staff costs, security costs from compliance and licensing—those sorts of costs you can't avoid. They're all the same, pretty much. Those are the kinds of things that we would like to discuss and maybe look at with the Government—whether it's a possibility to have another look at how things are perceived in terms of regulation. From the perspective of the Hordern Pavilion, which is one of our members, compared to myself, there's 4½ thousand to 5,000 people there

and there's 500 at the Oxford Art Factory. There's a big difference in terms of the possible revenue, but there are a lot of similarities in terms of how things need to operate and how they must operate according to regulation.

Maybe if some of that regulation can be reviewed so that it benefits not only the community and the safety of the community but also the sector itself, so that we can see that a small venue doesn't pose as much of a risk in terms of putting on a show like Courtney Barnett as opposed to something where there are 5,000 people. But in terms of the overall similarities that we all face, I think they're all the same: electricity, energy costs, security costs, insurance—insurance is a big one. These are the things that affect us all across the board. It doesn't really matter what size you are, there is a risk associated with live music. That's still an interpretation in New South Wales compared to some other States, where it's regarded as more of a high risk than other industries.

The CHAIR: Both of your submissions spoke about the potential of a ticket levy. Ms Boakes, I think your submission also provided some information about international examples. I wonder if you could both talk to that and why you think it's necessary and how you would see it working. I don't know if you think it's the same version or if there's a different version that you prefer, but if you could both address that, that would be great.

TAM BOAKES: We were watching in the UK with the Music Venues Trust. They started this conversation about seven years ago, quietly. In the last couple of years it has really taken speed. I think it's about 39 per cent voluntary uptake now, which is quite large, and it's getting bigger and bigger. Their government is close to mandating it if the industry won't take it on voluntarily. It was already an issue pre-pandemic but, certainly once the pandemic hit and venues couldn't operate for a long time, when everything started reopening, the whole culture changed. People will go see a big Katy Perry show, but they're not going to go to their local pub or their local music venue. With the cost of living and all the crises, they're picking the big show that they know, yet they're paying exorbitant amounts for it. Some of those tickets are \$200, \$300 or \$500, whereas your local gig is 15 or 20 bucks. We've just seen this completely striking difference between the two.

The conversation started coming up, "We are the pipeline that feeds those big arena shows. Those bands can't become successful without starting in small venues or pubs. That's where they learn their craft." It's also not just artists. The sound techs learn to do sound, and the lighting techs—it's such a whole ecosystem that is literally struggling to keep its doors open. The pipeline feeds into that so much that those big shows would actually stop happening. We'll keep getting the aged shows, but the younger ones, they're just not going to—they might get discovered on TikTok, but they're not honing their live craft, which is what's so important to a live show. It just seems that a dollar a ticket, when someone is paying \$200 or \$300, isn't a huge ask to be feeding back into a whole ecosystem that will continue to thrive.

MARK GERBER: Further to what Tam was saying, from our perspective, the LMVA perspective, we would want to see a levy that everybody contributes to, not just the patron, the punter, the people buying the ticket. This has to be shared by the stadium, by the promoter, by the artist and by the ticket buyer as well. Everybody that has got a stake in that revenue needs to contribute to towards it. It also needs to be said that this kind of levy, from our perspective, has to be regarded as separate—independent of government funding and government support and government initiatives. That needs to be regarded more as a self-managed means of contributing towards funding the bottom end or the smaller, grassroots end, if you want to call it that. The grassroots is essential to providing the stadium with the artists. You wouldn't have AC/DC if it wasn't for the small pubs on the corner and dedicated venue spaces like ours. That's an interesting analogy as well. We're losing a lot of pubs that play live music. We're seeing more dedicated spaces coming around. It's even more inherent and more essential that we protect the dedicated spaces, because the days of the pub on the corner with music are pretty well gone. A lot of it is now generated towards a drink-and-dine kind of existence when it comes to the night-time economy. If we want to protect venues like Oxford Art Factory and the Metro and the Enmore et cetera, we really need to protect them from a legislative point of view.

The Hon. SARAH MITCHELL: There was an article in *The Sydney Morning Herald* about this today as well. In terms of practice, with what happens in the UK and what might happen here, the dollar extra levy on the ticket—I think you, Mr Gerber, said that should be spread across everybody. But I think there was an example of Olivia Dean, who is coming this year. Can you just talk to us a little more about that? I was interested in that. The artist can say, "Yes, I'm happy to forgo a dollar per ticket sale to put it into this fund." That would be another way that it would work.

TAM BOAKES: Yes, artist led, I think, is the way it's going to start. That's certainly how it started in the UK, where the artist says, "I would like this to happen", and then they're working with the promoter and the venue and the ticketing agency to ensure that it is included. We agree we want to see everyone pitching into it, but they're just working that out as to how they add that into the cost. But with Olivia, yes, she was a recipient of the Music Venue Trust five years ago when she was nothing and she was coming up. So when she knew about us—that we're like a sister organisation—she was like, "Right, I want to give back." That's the system working.

That was just decided and she could do that through her promoters. She's done it with a charity organisation, Plus1, but it is embedded in there. It's not an option to take it out. She has a note there when you go to buy the ticket saying \$1 from every ticket purchase goes to the AMVF. In the UK, with her tours over there, which are now huge, she has that in-built and then she also has another add-on where it says, "If you want to, you could give another dollar or \$5 or \$10." I think the conversation starts artist led, but it's definitely—we want to see the promoters and the venues kicking in.

The Hon. SARAH MITCHELL: Could it be optional for—"I'm buying tickets to a concert. I can afford to pay another \$5 for five tickets I've got and help support the industry." That's another pathway you could take, as well, where it's an optional add-on for people.

TAM BOAKES: Yes, there are so many ways we're looking at how to implement it. First up, we just need to get people understanding the importance of it.

The CHAIR: The thing about a voluntary scheme is it's voluntary. There are places, though—I can't imagine the French letting it be a voluntary scheme.

TAM BOAKES: The French is a tax, yes. That's 3.5 per cent. That's been there for a long time. That is just a tax on all art and culture, and it's huge. It makes so much that it has an actual cap that then feeds back into government. That is just them supporting their whole system, and it's on everything—sports, art.

The CHAIR: Is there an international example which is a more bespoke levy but is not voluntary currently?

TAM BOAKES: That is where they are getting to now with the promoters and the artists. They are pretty much choosing to do it on all the big shows and they just have that discussion. Generally, the promoter is the one tasked with driving it, because they set the ticketing and they set up the ticketing. I think we see it here also that once the industry has agreed that this should happen, it's then relying on ticketing companies when they're building the events to make sure and say, "Oh, hang on, it's not there. Why is it not there?" But when we say artist led, we just mean we want the artist to be bringing it to the people, which is what happened with Coldplay in the UK. Mark Davyd, who is the CEO of the MVT, just wrote him an email because he'd made a comment about playing in a pub when he was young and he said, "Hey, we run this", and suddenly Chris Martin called a meeting with his team and said, "Right, I want this to happen; make it happen by"—and they batted it out for five hours and came up with a system for how it would work. That came out of Coldplay and the promoter and the ticketing agency and the venues—all contributed to that.

The CHAIR: But the idea being that if there was an actual system devised, it could be less ad hoc, less subject to—I don't know—the whim of whoever, and also directed, as Mr Gerber said, to very particular—

TAM BOAKES: Yes, that's how we would like to see it.

Ms CATE FAEHRMANN: I'm just trying to get a sense of how any funding raised would be distributed to grassroots music organisations. Ms Boakes, you say in your submission—which has a lot of detail, thank you—that the UK music trust distributed £500,000. How is that decided? I think there's, potentially, maybe cynicism around the fact of who has formed the foundation, one of them being the CEO of Australian Moshtix, who is accused of—well, not accused of—with Live Nation, the Amazonification—which I think MEAA has used—of the music industry. The question is this: Firstly, with the foundation, how are you going to assure that it genuinely is grassroots in terms of supporting venues?

TAM BOAKES: We are working on doing some grassroots music venue definitions, which will determine a lot of what that is and going out to consult the industry to have an agreeance on what that is. It would be almost like a very simple grant process where once anyone is deemed that they meet that definition, they can apply for funding. It can be anyone who is actually a grassroots music venue, who is doing original music for—there's a whole criteria that we're working on and trying to nut it down to be a little bit more simple at the moment, and that would also have another completely separate peer assessment panel to do it; it wouldn't be us.

Whilst we want to set up the infrastructure—and what you've seen in the UK, the Music Venue Trust did start it, but it has become so big now, which is why LIVE Trust has been set up. Now all the organisations can just apply to LIVE Trust for that money, including the Music Venue Trust—it has to apply to them for money; they don't just get it anymore. I think they got 200,000 in the last round. The Music Managers Forum can apply; promoters and small festivals can apply. It is feeding into the entire ecosystem that supports venues. The more artists that get funding to tour through venues, it helps venues. Moshtix and Live Nation are one of the biggest promoters. We need them at the table for this conversation to progress.

Ms CATE FAEHRMANN: What about the criticism around the fees in the tickets that are already going to the ticketing companies that control so much in terms of vertical integration and what have you? What

about that criticism? How do you respond to that? Why should another dollar or whatever be imposed on audiences, given how much these companies are making?

TAM BOAKES: I think we'd all like to see that be laid out as to what they are, because everyone presumes that it's ticketing, and I don't know that it always is. Sometimes the promoter is taking a rebate, and the venues sometimes take a small rebate. So I think, yes, they should be disclosed as to what they all are, and the important part of the levy is that it would absolutely be displayed that the \$1 is going to this. I'd love to see ticketing fees explaining what they're for and what the admin is; they're not always. But I'm not personally in a ticketing agency. I couldn't answer fully to that.

Ms CATE FAEHRMANN: I think there was a *Four Corners* investigation that pretty much did lay it out in terms of how much was—so that has been via an investigation. I think it had to be—

TAM BOAKES: I'm sorry, but I'm from venues, not a ticketing agency. I'm not sure.

Ms CATE FAEHRMANN: Sure. Mr Evans was supposed to appear today—

TAM BOAKES: He was, yes, hoping to. He couldn't make it.

Ms CATE FAEHRMANN: Mr Gerber, I want to ask you a little bit about the security costs. I think in your submission it mentions the five security guards for a live music show. We often make the point about unannounced police visits sometimes as well. Could you expand on that for the Committee in terms of the costs of security to begin with on your venue and any others that you know about?

MARK GERBER: The reason why that was brought up is because, as I mentioned before, the ratios are determined, or pre-determined. From a perspective of needing to have a certain number of security guards, you have to have those people there for a certain number. Now, you could say Courtney Barnett—I use Courtney Barnett a lot because I really like her. Courtney Barnett probably displays a very low-risk audience, or a jazz audience, something like that. But if I have a full capacity house, then I need to have five security guards. The same goes with any other venue that's a one to 100 ratio.

We would ask if we could maybe look at that risk assessment and have more of an agenda of looking into that together with the various stakeholders. It's not something where we insist on it being wrong. I think a sensible approach towards it could be that it's a management skill that needs to come from the venues as well and the onus is then on the venues to provide that safety and security for the people. It's all about providing a safe environment for the patrons, for the people coming to see the show, but also for the artists and everyone involved. But we need everyone at the table to be able to work together towards a solution that can provide a sustainable means of running venues, because from the perspective of a venue like the Oxford Art Factory, as I said in the submission, it's in the hundreds of thousands of dollars when the turnover and the profit margins for a venue like the Oxford Art factory are very slim.

Ms CATE FAEHRMANN: Can I pick that apart a little bit more? At the moment when you do your various events, for each individual one you don't have to put in a separate risk assessment form or whatever.

MARK GERBER: No.

Ms CATE FAEHRMANN: Your licence says one for every 100.

MARK GERBER: Yes.

Ms CATE FAEHRMANN: At this point, that's what you're arguing. There's no ability to apply for music that attracts a "nicer people" exemption—music that attracts a peaceful, female-dominated crowd.

The CHAIR: I think I could argue with you about that one. My son's punk band had nice fans.

Ms CATE FAEHRMANN: You get my drift.

MARK GERBER: I would suggest that it's down to how it's categorised and how we actually view things. There are occurrences if we look at, say, the Sydney Opera House, I don't know what their ratio is, or there are hotels that might have a licence that doesn't predetermine that they have to have X number of guards. They might only have a couple of guards that manage the same number of people that I manage at the venue. So it's more about classification and how we view live music and entertainment in New South Wales that's maybe a possible way to view things. It's not to make it any less safe. It's more a case of working together and having all the stakeholders working together towards a common goal, and that is to have a sustainable, safe industry to see an increase in the night-time economy.

We could certainly do with that, because we've had years of lockdown laws. Coming out of COVID, we've had generations now that have been brought up with no identity in terms of knowing what is out there and what

is possible. They only know regulation and, potentially, the feeling of what you can't do. It's more about what we need to say to people, "This is what you can do." They need to be able to go out and be able to feel confident in the knowledge that their presence is wanted, that we want people to go out. Again, this is not a question about minimising or taking away any responsibilities from the venues. This is more a case of working together to maybe look at a new way of assessing how this risk management needs to be assessed.

Ms CATE FAEHRMANN: I think it makes sense. One to 100 seems very arbitrary, doesn't it?

The Hon. SARAH MITCHELL: I apologise for my ignorance in this space. With the allocation of security guards that you have to have for any sort of show at your venue, the number is set—this is sort of what Cate was talking about—you said at five. What sort of assessment is that based on?

MARK GERBER: That's a one to 100 ratio.

The Hon. SARAH MITCHELL: So there's no, as you were saying, risk based in terms of the likelihood of there going to be an issue or whatever. That's where you're saying maybe there's room or scope for change in.

MARK GERBER: That room is definitely on our part for the venues. We assess everything that comes to the door and comes into the venue. We quite often throw a lot more at it than we require in order to safeguard the community and safeguard the patrons and make sure that everything is handled correctly. From the perspective of the ratio, that is something that is across the board, pretty much.

The Hon. SARAH MITCHELL: So it's just arbitrary. It doesn't have a risk-based assessment saying that you definitely need five. For some of those performances, maybe two would be sufficient, but there's no room for you as a venue to move from that.

MARK GERBER: Currently, no.

Ms CATE FAEHRMANN: One of the criticisms that has come through in a few submissions is with the ticket price and how little sometimes goes back to artists or performers. Mr Gerber, how do you manage that within the Oxford Art Factory? Have you heard that? I'm assuming it's a common issue. I'd be keen to know, with the alliance as well as the foundation, what strategies or what you think could be put in place to reimburse artists more out of that final ticket price, recognising all the costs, as a venue, you are subjected to.

MARK GERBER: From my perspective and from the venue's perspective, we don't get involved. Dedicated live music spaces are dry for-hire spaces that are hired by the management of the artist or the touring promoter. What commercial agreements they have between each other, that's not something that we pry into. I would hazard a guess that the artist is certainly getting what they want, because otherwise they wouldn't be performing at the venue.

Ms CATE FAEHRMANN: No, they have to because they don't get many opportunities. We've heard from artists and musicians that basically say there's not that much choice. It's "Perform here. We're going to sell tickets for this much." There is quite a bit of criticism about that. I understand, from your perspective, it is that commercial arrangement.

MARK GERBER: That's what I was alluding to. I don't really have the inside knowledge. That's something I couldn't really answer in terms of what the commercial arrangements are.

Ms CATE FAEHRMANN: That's different from what it used to be, isn't it?

TAM BOAKES: With grassroots venues, most of us are just taking a tiny percentage, like \$3 a ticket. All the rest is going to that person that makes the booking, whether it's the artist directly or their promoter. Then they are dispersing it how they are. From our point of view, we feel that most of the money is going back to the person who has made the booking.

Ms CATE FAEHRMANN: Can I pick that apart a bit? Say there's something for 120 bucks.

TAM BOAKES: I'm talking small venues when I say this.

Ms CATE FAEHRMANN: How much are you saying that—

TAM BOAKES: I'm talking smaller venues, so we're not charging that.

Ms CATE FAEHRMANN: Okay, 30 bucks.

TAM BOAKES: Yes, 20 or 30 bucks. My venue that I own, it'd be \$3 a ticket is all we're reclaiming from that, and then the band or whoever has made that booking takes the entire rest of that money and they divvy it up how they divvy it up.

Ms CATE FAEHRMANN: At Oxford Art Factory, let's say it's \$65 for some event.

MARK GERBER: We don't charge any more than \$3.85 including GST per ticket. But we even don't charge people. I don't charge people a lot. I've been around for 19 years. We have a policy of looking at each case and each event on merit, and the smaller grassroots bands that come to the venue, we don't charge them at all.

Ms CATE FAEHRMANN: Also, there are bigger venues that you're here representing, as part of the foundation, and bigger companies. Maybe I'll put it on notice to see if—

TAM BOAKES: I would still say that for the Australian Music Venue Foundation, we largely are representing grassroots music venues—not that we won't be asking other people to be members, but we don't really dabble in the 10,000. We're more wanting to take some money from large arenas to go back into grassroots music venues.

Ms CATE FAEHRMANN: I'm just thinking in terms of getting some clarity around some of the submissions that are saying that out of the ticket price, the artist doesn't get much.

TAM BOAKES: Just speculating, I think that's very much the larger end of the scale where that's happening.

MARK GERBER: Yes.

The Hon. SARAH MITCHELL: It was remiss of me not to thank you both for the submissions. They are really extensive and they're appreciated by the Committee. I wanted to go to you, Mr Gerber. In your submission, you talk about driving audience demand and the MyGigPass initiative that has been set up. I wondered if you could talk to us a bit more about what you're seeing. You mentioned it a bit earlier in terms of coming out of COVID and trying to connect with a younger audience again, because without audiences, there is no live music. How is that changing trends in the last couple of years as lockdown laws have changed?

The MyGigPass initiative—how is that tracking in terms of audience engagement?

TAM BOAKES: Coming out of COVID, what we discovered, from our perspective—from small-to-medium venues—is that there is an appetite in young people to go to the larger arenas and larger stadiums and engage with the Taylor Swifts and the bigger end, so to speak, of the industry and engage with that a lot more. Obviously, it's an attractive proposition to go and see a big spectacle. What we are trying to do with MyGigPass is to remind people that the smaller grassroots venues like ours is where everything begins. You don't have AC/DC, you don't have Taylor Swift and you don't have any artist without the small grassroots venues.

It's a generational thing. Music is something that is in you when you're born, and you want to bring it to the people. On the rare occasion you can find people coming to music and becoming a performer in their later years of life, but it is generally something that happens in their teen years et cetera, when they are coming into young adulthood—an 18-plus kind of thing. It becomes an observation of ours also where the younger generations want to come and be a part of it.

How do we get them to be a part of it? We recognise the fact that the economic hardships that we all face at the moment, especially younger people and especially students—it's impossible for them to afford multiple shows. That is another indicator as well. These larger-end shows and stadium shows, as Tam alluded to before, they take up a lot of people's disposable income. They don't have enough money to go and see a show at the Oxford Art Factory or another small venue because they have spent all their money on the big shows.

We want to make it possible for the younger generation—18- to 25-year-olds—to have access to discounted tickets and free tickets, to get them involved and to get them into the venues and be amongst it, so to speak, and engaged with the incredible performances and the incredible feeling that you get from walking into a smaller space rather than sitting in a large stadium. The effects of sitting in a large stadium and standing in front of a small stage in a small venue with a few hundred people around you are significant. There is no comparison between the two. When you stand in front of a small stage and you're right in front of them—I can speak to it myself. I used to go and see Mental As Anything and The Birthday Party at the Civic, and those things will stay with you forever. They inspired me to start my own band back in the day.

What we need to do here is actually look at what social benefits and what cultural benefits we have by retaining and protecting small-to-medium venues, because they are the source of everything. From our perspective, what we're saying is it's absolutely heartening to see a government that is willing to sit down with us. For me to be present here today with Tam is incredible. I think it needs to be said that, from an all-ages point of view, that's where it all begins. As I said before, it's young people that need to get into the industry. We need to start at schools. We need schools to educate people that there is a future in music. There is a career for you. There is potential for you to have a lifelong career in music. That starts young. MyGigPass—we're already getting some really good results from it.

The Hon. SARAH MITCHELL: It only started earlier this year, didn't it? It's relatively new.

MARK GERBER: Yes, it's relatively new. We've had great results already. I think we're nearing 1,000, maybe.

The CHAIR: Can I ask you a follow-up question? I think it's really important what you are saying about making sure that young people have exposure to live gigs. It occurs to me that those of us who are a little bit older and who have the cash—are we attracting or re-attracting the generation that is a bit more comfortable and does have a bit more disposable income? Are there things that we could be thinking about for that demographic? I know we have to focus on the future audience, but there is an audience that does have more to offer.

MARK GERBER: We already are, though. That's the thing. Like I said, AC/DC is still touring. You Am I are still touring. The Church is still touring. There's very much a very strong support from the boomers, so to speak. There's strong support in the industry.

The CHAIR: I'm not a boomer.

MARK GERBER: It goes without saying that that certainly provides the ability to have more than one show per year for that person because they've got that disposable income. But I think what we need to recognise here is it's an ecosystem. Without the young ones, you're not going to have a future Courtney Barnett or AC/DC coming up the ranks. We've got some incredible talent out there that needs to be nurtured. It needs to have venues to play. It needs to have the ability to travel between States. We need to have a focus of a national policy as well, where we can then afford to travel so it's no longer a HiAce bus like I used to do down the Hume Highway, where we make it possible for that band to get support so that they can show their art to the people in Melbourne and vice versa. That's a big problem.

The touring question is becoming a real issue because of the costs of freight and flights and accommodation. There's less of that that I'm seeing from an Australian point of view. Again, we're seeing more from the international market because they have the funds to do that. Big corporations can afford to bring out artists time and time again. I don't know if you noticed, but March was awash with major international stars. So we need to be conscious of the fact that we need to develop our own industry and develop our own artists. As I said before, we don't want to be renting. We want to be landlords. Because otherwise, if you're a renter, then you're beholden to what that person bringing it to you does. I think a lot of the discussions that we've had are around keeping the resources and the outcomes in Australia and driving an ecosystem that's sustainable.

The Hon. RACHEL MERTON: We value the detailed submissions. They are very helpful. Mr Gerber, in your submission, I think on page 3, you talk about co-contribution requirements and equity. I'm wondering if you might be able to elucidate a little bit more on that.

MARK GERBER: Are you referring to the grants?

The Hon. RACHEL MERTON: Yes, the 30 per cent.

MARK GERBER: It's just one of those things, where small-to-medium venues run on the slimmest of margins of profit. We don't have cash banks. We don't have the ability to generate a lot of funds at the flick of a wrist. Even though the grants are absolutely welcomed and they're fantastic and it's great, you can imagine a small venue of 100 capacity applying to improve their infrastructure and looking at a 30 per cent injection. They'd probably have to go off and borrow that money, potentially, in order to make that a reality. So it's more a case of maybe it's a merit-based assessment that we need to look at in terms of how percentage is decided. I think from our perspective alone at the Oxford Art Factory, a lot of this ends up obviously on the depreciation scale table and it affects our turnover for years to come.

We're able to do it because of our size, but I just worry that the smaller venues are not able to do that. Then again, if you're not careful, you end up with the big end and the bigger capacities being a reality and the smaller venues not being a reality in the future. It's that really important stepping stone that artists need to take from playing in front of 25 people or 30 people—I can attest to that because Tame Impala played at the Oxford Art Factory in front of 25 people; no kidding—to all the way up the ladder. But if you make it harder for the people from that end, from the lower end of capacity, to play a part in this ecosystem, then they're going to pack up and leave town, so to speak. So we need to be conscious of the fact that not everyone's got the available cash in order to be able to provide that 30 per cent injection into that grant.

The Hon. RACHEL MERTON: Are we seeing any sort of flexibility or agreements being put in place for some of the smaller—

MARK GERBER: That's something I can't comment on. I would hazard a guess that maybe there are negotiations that are made, but I couldn't comment on that.

The Hon. RACHEL MERTON: No worries. If I could just move to the comments on competitive neutrality, you make the point here that government-owned or publicly funded venues do not receive structural commercial advantages over independent operators. I'm wondering if you might be able to elucidate a little bit on that for us to get a greater understanding.

MARK GERBER: Yes. Basically what we're describing there is the fact that—for instance, let's just talk about Vivid Festival—a lot of money is given to public amenities and public institutions like the Opera House or the Recital Hall or Carriageworks. A lot of those shows that are incorporated into those festivals are actually part of a national touring exercise. If those festivals weren't there, those artists would be playing at venues like ours and Enmore and Metro and so on. What we're suggesting here is not something to diminish or denigrate anything to do with the festivals of Sydney or Vivid. We think they're incredibly important for the culture of Sydney and New South Wales. We're asking that we actually play a bigger role in those, so that when those festivals come to town and when they happen each year, dedicated live music spaces such as ours and the Metro and Enmore and other venues play a role in those festivals as well.

One of the things that I suggested at previous round tables is that if the Opera House is curating the contemporary music element of the Vivid Music festival, then why don't we empower the curators from the Opera House to get more funding and more abilities to suggest that now the lay of the land includes six or seven other venues that are key venues like ours and others that play a role in the ecosystem so now we're actually recognising the ecosystem and we're actually providing those venues with an inclusion. A lot of the people that are involved in putting on festivals are people that we work with. It's just about recognising the importance of the grassroots and independent venues to play a role. It's almost like having a sporting competition happening and it all happens in one arena and not anywhere else.

I point towards our southern partners in Melbourne and Victoria. The Rising festival there is across the whole city. It's not only just in Federation Square; it's everywhere. It's in small to big venues. It's just one of those things where we suggest that maybe that would be helpful in maintaining the ecosystem and providing some much-needed inclusion into those programs because a lot of the times when those programs occur, the independent operators like us and others suffer because the attention is drawn into those other public-owned places like the Opera House and the Recital Hall.

The CHAIR: As we conclude today—and maybe it's something you could take on notice; it's not specific to our terms of reference, but I've been thinking about it a bit—are there things we could be doing in terms of assisting venues to become more accessible for a wider range of people? The reason I wanted to raise that is I actually wanted to say thank you to Mr Gerber because there's someone in our family who uses a wheelchair and we attended a gig at the Oxford Art Factory, and your staff were excellent and you have excellent facilities to get us there, but that's not at every venue. I wondered if perhaps on notice you could think about what types of things might assist and what are the sort of high-priority things, or the low-hanging fruit that could assist in this area for those who don't find it as easy to access venues. But I did want to thank you for that, Mr Gerber. It was really important to us that she be there. Thank you both for being here today.

(The witnesses withdrew.)

(Luncheon adjournment)

Mr CHRIS GATFIELD, Director of Policy, Australian Hotels Association NSW, affirmed and examined

Mr SIMON SAWDAY, Director of Government Affairs, ClubsNSW, affirmed and examined

Mr DANIEL MITCHELL, Chief Strategy and Advocacy Officer, ClubsNSW, affirmed and examined

The CHAIR: Welcome and thanks for joining us at our hearing today. We appreciate your time. Would you like to begin by making an opening statement?

CHRIS GATFIELD: Chair and members of the Committee, thank you for the opportunity to appear before you today. I'm the Director of Policy for AHA NSW. Our association represents around 2,000 licensed venues across the State. We employ more than 72,000 people, contribute just shy of \$7 billion to the New South Wales economy and, more importantly, host over 100,000 live music and DJ performances every year. Hotels have long been central to live music in New South Wales, from regional pubs showcasing local acts to iconic venues that help shape Australia's pub rock culture or venues in Kings Cross—RIP—launching the careers of Sneaky Sound System and Alison Wonderland, among others.

Today, hotels remain the backbone of live music in this State. In fact, we make up three in every five approved live music venues across New South Wales. Importantly, post-COVID, we're seeing a renewed confidence within the sector—a confidence to invest and a confidence to program more live music regularly. A lot of that is down to the Government's Vibrancy Reforms. In particular, reforms to sound regulation, including the move to a single lead regulator in Liquor and Gaming NSW, as well as clearer complaints thresholds have given operators a real shot in the arm. Equally significant have been the financial and operational incentives for venues to program more live music. We've seen really encouraging outcomes from the establishment of special entertainment precincts, particularly Enmore Road.

While these reforms have established a really strong foundation for more live music in more pubs more often in this State, we do require a continued partnership with government in order to get the best outcomes. Hotels are uniquely placed to generate those outcomes. We have the infrastructure, the compliance systems, the staff and strong community connections in order to facilitate more live music. Ultimately, that is a cultural asset, a social asset and an economic asset to the State. We appreciate the Committee's consideration of these issues. We look forward to contributing constructively, although I do note that this hearing could have been held at a more appropriate time and place, which would have been 9.00 p.m. at the Burdekin Hotel with a margarita in hand.

The CHAIR: We have been discussing field trips.

The Hon. SARAH MITCHELL: We're open to invitations. We would quite like a site visit in Sydney.

DANIEL MITCHELL: Thank you, Chair and Committee members, for the opportunity to participate in this inquiry. Live music is obviously a fundamental part of the hospitality industry in New South Wales, and ClubsNSW is the peak industry body, representing more than 1,200 clubs across the State that support over 75,000 jobs and make a social and economic contribution to the State of over \$9 billion per annum. I really appreciate the opportunity to participate in this inquiry. Clubs are not-for-profit, community-owned institutions and they bring people together across diverse generations and backgrounds through socialising, sport, volunteering and other activities. When it comes to live music, clubs often play a really strong role as social hubs. Entertainment to the community and their members is at the core of what they do.

Clubs range in size. We have clubs that obviously offer multipurpose entertainment facilities—in some cases, some of the biggest theatres and entertainment facilities in the State. But we also have other, smaller facilities, right down to the humble bowling green, which is often the place where a lot of acts get their first opportunity to perform in front of a live crowd. Clubs have a long history of supporting the live music industry. Today, clubs deliver more than 7,300 live performances every month. Most of those are offered free of charge to their members. A recent report by Urbis found that the contribution of that free entertainment valued more than \$167 million per annum.

We host a range of a range of different entertainers in our venues, from international superstars to people who are starting out their journey in the music industry. Also, probably fairly uniquely, we offer that opportunity for entertainers in the twilight of their career to continue to extend their work in the live music industry and continue to perform where perhaps other opportunities have since dried up. There's been a range of challenges that clubs have faced over the years when it comes to hosting live music. That includes a noise complaints system that was stacked in favour of complainants to the detriment of live music venues and entertainers, and a complex and administratively burdensome DA system that required clubs often to go through their local councils simply to have a person play a guitar on a bowling green to entertain some members.

There were some definitely archaic licensing conditions that were put on clubs over the years, including things like bans on having mirror balls in the club and the types of entertainment that people could play in their venues being limited to, say, jazz music rather than other forms. Probably one of the biggest challenges was the excessive costs that clubs typically faced, trying to deal with often very strict regulations that were imposed upon them in response to vexatious noise complaints. I would say, until recently, the industry was probably suffocating under the burden of the red tape, and it really was making it difficult for clubs right across the State to put on live music.

A great example of that is Moorefield Bowling and Sports Club. They have been a key asset in their local community since 1957. They decided to have some music. They had live music as part of their entertainment mix, and they had a concert on New Year's Eve, which resulted in a noise complaint that saw their lease with council changed such that they were banned from providing outdoor live music since December 2022. This resulted in them having a significant loss of patronage. But, fortunately, we're starting to see how things are changing. That club is now in the process of renewing that lease with their council. Consistent with the collaborative approach that has been taken by Minister Graham, Minister Harris, Liquor and Gaming NSW and the Office of the 24-Hour Economy Commissioner through the three rounds of Vibrancy Reforms, we're really starting to see a change right across the industry in the way that live music and vibrancy is seen.

We've got a fairer, more balanced noise complaint system. We've seen the streamlining—the process for removing some of those archaic licensing conditions. We've got a new cultural State environmental planning policy that now makes it so much easier for clubs that want to use their outdoor areas, like bowling greens and the like, to put on live entertainment and live performances without having to go through the cost and time of those overly bureaucratic DA processes. We're really starting to see the green shoots. We're seeing venues like Coledale RSL, which was a club that was struggling to stay open and vibrant—they have been a real beneficiary of these new changes. They now put on over 150 annual live performances, which is a 200 per cent increase on their previous performances. The club has gone from strength to strength. It has become a pillar of their local community and a place where everybody comes together.

In summary, we think the work that has been done throughout the Vibrancy Reforms, in partnership with venues, entertainers and performers, has been amazing in its attempt to lift and remove some of the red tape that was really holding the industry back. We're starting to see some really promising signs. Similar to Chris's remarks, we'd like to see that continue into the future and continue to partner with government on how we can grow a more vibrant live music industry in New South Wales.

The CHAIR: Before I get into some substantive questions, I just want to understand a bit more about your membership. Mr Gatfield, is the AHA solely hotels? You're not small bars or any other, because you mentioned Enmore Road and, to me, Enmore Road is more the small—I know there are some big, important hotels there, but it's more the bars and things. Are you just in the hotel space?

CHRIS GATFIELD: We represent primarily hotels—and there are some cracking pubs along Enmore Road; I don't disagree with you, Chair—but we do have a number of members who are small bars or they have got general bar licences, so they're slightly different to the traditional full hotel licence. The majority of our members are what you'd think of as a traditional pub, for example. Notwithstanding a couple of members who obviously take advantage of our services, primarily we're an industrial relations organisation. Particularly for those smaller operators, sometimes what we do for them is actually really useful because they don't have an HR department.

The CHAIR: If I could ask a similar question, your coverage of clubs—you were saying that there are a range of sizes. You would have clubs like Petersham Bowlo or Marrickville Bowlo. They're the types of clubs that would be captured by you as well?

DANIEL MITCHELL: Yes. Roughly 95 per cent of all clubs in New South Wales are members of ours. About just shy of 80 per cent of our members are small businesses. So while we do have the larger clubs that people often think about, like Penrith Panthers, the majority of our members are small business.

The CHAIR: Small businesses but not-for-profits?

DANIEL MITCHELL: Not-for-profits.

The CHAIR: Both AHA and Clubs have spoken about the changing environment and the reforms that have been brought in—largely positive changes. I wondered if you could be a bit more specific, though. Have you had any feedback about how the Vibrancy Reforms have helped your members stage more music and if they've picked out anything in particular that's the case? You spoke about sound restrictions as being an issue. Is there anything else that has been brought up?

CHRIS GATFIELD: Probably the most meaningful of all of the Vibrancy Reforms has been the consolidation of sound regulation under one regulator, to be honest, because the number one inhibitor previously to people programming more live entertainment was generally the idea that you're going to have—it's the oldest sport in New South Wales, right? You are a new resident to an area. You move next door to a pub or perhaps a club that programs live music and previously you could regulate a shop among seven or eight different regulators until you got the answer you wanted, which is the venue either turns the music off or the venue gets shut down. It was a significant inhibitor to people putting on live entertainment if they were in anything other than a densely built-up commercial area like the Sydney CBD. If you had a couple of residents, it would put the fear of God into you because, if that ability to program live entertainment was previously taken away, you'd never get it back.

Consolidating all of those different regulatory agencies who used to have a finger in this particular pie, be it Liquor and Gaming NSW, the police, the EPA, local government—the list can and did go on. Consolidating that into one primary regulator, being Liquor and Gaming, has actually given people a lot of confidence to invest in the physical infrastructure that you need to put on live entertainment. Similarly, the ability to understand that, if you have one vexatious neighbour who is determined to shut down live music, that's no longer enough—you need five different neighbours from five different households in order to progress a formal noise complaint against a venue, which probably does indicate that the amenity of the neighbourhood is being somewhat impacted by whatever is being programmed. That is the one where we have had a lot of feedback, and venues say, "You know what? In the past we wouldn't have touched it because it was just too acrimonious once you got into that noise complaint system." Whereas now the regulations are clear, and the thresholds are very clear in terms of where a complaint can be made, how it can be made and who it can be made by. That has genuinely put a real shot in the arm into the industry.

The CHAIR: Can I just follow up on that before I get an answer from Clubs as well. You mentioned some figures in your opening statement. I know live music is not the only thing you guys deal with, but have you tracked an increase in venues putting on live music—also with the incentives regarding licensing fees et cetera as well?

CHRIS GATFIELD: You absolutely can. The New South Wales Government maintains a public register of approved live music venues, so you can literally track it from day dot of the Vibrancy Reforms coming in. I think that was at a point where we had lost, as a result of the lockdown laws, around 176 venues over the course of nearly a decade. You can literally track how many venues are starting to take advantage of these incentives month by month as people sign up and they start putting live music or entertainment on. I think there are around 350-odd hotels out of the 550-odd venues in the State who have taken up these incentives.

Generally, pubs are probably bigger than most other licensed venues. They've probably got more spatial capacity to program full bands rather than just a soloist, that kind of thing. It doesn't surprise me at all that the majority of the venues that have taken up this offer are pubs—and clubs, I should say, to a lesser extent. Yes, you absolutely can track it, and I know that the New South Wales Government and the Office of the 24-Hour Economy Commissioner have been. The fact that that number continues to go up rather than down is, I think, reflective of just how impactful the Vibrancy Reforms have been.

SIMON SAWDAY: I can call out a few other examples. Through the Vibrancy Reforms, the five-kilometre rule for clubs was removed—

The CHAIR: Yes, I wanted to ask you about that.

SIMON SAWDAY: —which has been a game changer for us, particularly with respect to live music, because before the removal of the five-kilometre rule, if a club hosted live entertainment and local residents wanted to come, they would be required to sign in, become a member and pay the membership fee. What we were seeing was that that was a barrier for local residents to come and enjoy the live music, vibrancy and amenity that that provided. That's something we've definitely got feedback from our members that has really supported clubs to host and promote live music.

The Cultural SEPP through the Vibrancy Reforms has also given clubs the opportunity to have music on their bowling greens, particularly, without the need to go through the whole DA process. Once again, for a lot of clubs, not needing to go through that DA process and the costs and the uncertainty with those outcomes, has given clubs a more streamlined opportunity to do something different and to use their bowling green for outdoor entertainment. It's something that we've seen with the Randwick bowling club particularly.

To add to Chris's point regarding noise restrictions, we do find that if one of our clubs wants to invest in live entertainment, if they want to dedicate a certain room or space to live entertainment—and that's costly—because the noise restriction process was so convoluted, uncertain and stacked in favour of the complainant, it was a key disincentive for the club to make that investment. Now, with a more streamlined system, that's fairer

on both sides. With the single regulator, clubs do have the confidence to invest and dedicate a core part of their business to live entertainment.

The CHAIR: I probably should know this off the top of my head, but I don't, so you'll have to educate me. Were your members eligible for any of the infrastructure or venue upgrade-type grants? Did you see an uptake of those, if so?

DANIEL MITCHELL: We certainly did, and we certainly saw a demand for it. In fact, as part of our advocacy with the Office of the 24-Hour Economy Commissioner, we really had a demand for regional venues to want to participate in that. They felt that the perhaps the grant scheme was centred around metropolitan Sydney, even though it wasn't and there was nothing preventing them from applying for the original grants. Certainly part of our feedback was a view that regional venues were really interested in participating in that scheme, and setting up the Regional Night-Time Economy Program really helped them see that that was for them, and there has certainly been a take-up.

If you look at some of the venues that are now live performance venues, of which we have approximately 100 that are putting on those 150 live performances a year to meet the threshold, they go all the way from Yamba in the north of the State all the way down to Albury in the south. It really has been something that venues have embraced right across the State. I think for some of those small not-for-profits, that opportunity to take that reduction in the liquor licence fee and reinvest that back into artists and performers has really helped them be able to do that.

The CHAIR: Mr Gatfield, the same question to you, but maybe also thinking about the regional with the particular things you saw out of your regional membership as well.

CHRIS GATFIELD: At the risk of sounding very much like Dan and replacing the word "club" with "hotel", we saw something very similar across New South Wales. A number of our members were absolutely eligible for those grant programs. A number of them took it up, combined with the incentives that Dan was talking about. We had a lot of feedback from our regional members that was along the same lines. As with their feelings around a lot of grant programs, to be honest, they felt it was very city-centric—that the regions were missing out. I think one of the most important things out of the last round of Vibrancy Reforms was changing the parameters of how regional venues in particular could access those incentives—recognising that they probably don't trade as late as metropolitan venues or they probably don't have the financial capacity to put on the same number of live performances that a large metropolitan venue might be able to do, for example.

The feedback that we got through rounds two and three of the Vibrancy Reforms was they might have felt a little bit left behind, but that has absolutely been rectified through the last round, where there was a lot of focus on regional venues. From the numbers that I've seen over the last couple of months, you can start to see that feed through into the stats around who's putting on live gigs and who's starting to take up those incentives; the growth in regional venues is starting to come through. The last time I checked, there were around 95 hotels in regional, non-metropolitan New South Wales—and that excludes Newcastle and Wollongong as well—who have taken up those incentives. We keep talking about it because we think they're fantastic. We're going to continue to push that out through our membership. In our view, the more live music in pubs, the better.

The Hon. SARAH MITCHELL: Thank you all for being here. Mr Gatfield, in your submission and in your opening remarks, you talked about the pub rock culture and its importance. I have little aside. It reminds me of a story that a former boss of mine told us about his early days of dating his wife, of taking her to a pub in Port Macquarie and seeing a great Aussie band he called "Inxs", and we should all look them up—they being INXS. He tells the story about going back to his regional community and saying, "There's this really good band; I think they're going to be successful", and he was right.

That story goes to the point, as we had some evidence about from witnesses earlier today, of needing to have that grassroots space for people to go to perform, but also the impact on the local community if you can have a good live music scene. I was interested that in your submission you talked about incentivising regional and suburban activation and looking at additional incentives or funding weightings for venues outside of CBDs. You guys have talked a bit about some of the grants and things that are available now, but are there any gaps that you see coming from your membership? Are there any further incentives that government could look to help with? I'm particularly interested in the rural and regional aspect. Do you have any views on that?

CHRIS GATFIELD: To be honest, a lot of it is a knowledge gap at this point. Full credit to the publican in Port Macquarie who discovered "Inxs" and gave them a bit of a crack; realistically, a lot of that sort of old, traditional pub rock tour schedule took in a lot of those kinds of towns. It took in a lot of Western Sydney as well, quite famously. If you have a look at the venues who are starting to access the grant programs, the incentive programs, they are starting to—initially, I have to say, it was very city-centric. I think that's a knowledge thing

and a capacity thing as well. A lot of our big hotel groups are plugged into the CBD more than they are the suburbs. What we've seen is the more we've started to talk about it and explain to our members what the benefits are, how they can use these things—we've got a fantastic operator up in Port Macquarie, Flower Hotels. They operate a number of pubs, Alistair's pubs, in that town and really are putting on a lot more live music than they used to, which is a testament to his dedication to live music, as well as recognising the fact that it does bring people in who might not ordinarily visit the pub.

In terms of what government could do more in regional New South Wales, I genuinely think the last round of Vibrancy Reforms have reflected on the fact that regional New South Wales is different to the Sydney CBD and have started to account for that, which I think is good. Now it's really a knowledge-plugging exercise, making sure that people are aware of these various programs, what they can actually do—to not just look at their hotel and say, "We're a tiny pub in a two-blink town. We don't have the capacity."

Most people do. If you have a look at the guidelines for what constitutes a live performance or entertainment event, it can be a soloist or it can be a duo. It doesn't have to be INXS. It could be various forms of artistic or cultural performance as well. It doesn't have to be live music or a DJ per se. As those parameters get wider and we start to educate our members around what they can and can't do, I think what you'll find is there'll be more and more hotels, particularly in regional New South Wales, that start to take those up.

The Hon. SARAH MITCHELL: Would that be the same from the Clubs perspective as well? You touched on it a bit earlier, Mr Mitchell.

DANIEL MITCHELL: It certainly is. It's a process of educating clubs. Clubs are often quite traditional and set in their ways of the way they've always done things. It's letting them know about the new opportunities that are out there. A lot of them are watching to see what some of the leaders in the space do and are looking to follow suit. Certainly, to Chris's earlier point, one of the big things in the last round of Vibrancy Reforms that really helped was also recognising that, in some towns, it's really seasonal and having that flexibility. The previous regime really did require a certain number of events every month with no change. Recognising that seasonality has been really important for some of those towns that are in tourist areas in particular.

The Hon. SARAH MITCHELL: If I could stay with you guys, in your submission you talked about simplifying the process for clubs to use rooftops, including the provision of live music. I asked Mr Barakat from Liquor and Gaming about this when he was here earlier. That one stood out to me. Where is the issue there that you're coming against at the moment with using rooftops, including for the provision of live music? Is it a noise thing? What's the challenge?

DANIEL MITCHELL: It's predominantly that they're not part of the Cultural SEPP at the moment. You still have to go through that for the development application process. There are some challenges with rooftops. Obviously safety is really paramount in that type of environment. Noise is also a concern. It's just the fact that rooftops specifically are excluded from that Cultural SEPP and, therefore, can't be accessed.

The Hon. SARAH MITCHELL: How would that get fixed, from your perspective? Is it just a change to the SEPP? How do you do that?

DANIEL MITCHELL: I think you'd need both a change to the SEPP and then probably some guidelines to ensure that you meet the other criteria that you might have, particularly in and around safety, so that those areas definitely are going to be safe areas to be used for a live performance.

The Hon. SARAH MITCHELL: You talk about the amalgamation cap and talk about diverse programming in live music, cultural celebrations and community events. Can you explain a bit more about that and what it actually means? It's not something I'm particularly familiar with. I was curious about that.

DANIEL MITCHELL: One of the key challenges for the club industry is that smaller clubs—typically, a lot of them are ethnic clubs and the like—are struggling. We're seeing a number of them close. The moment they close, that's a live performance venue that's shut and probably will never open again. Those assets are lost to the community. Currently there's a cap on the number of amalgamations that clubs can undertake. If you think of a club like Wyong Leagues, they're close to their cap. They have a large number of venues in their area that they picked up and supported—venues that would've otherwise closed. They're not able to do so. Clubs are becoming really selective with who they amalgamate with, which is sort of unfortunate because some of these smaller clubs that really are the heart of their local community are missing out on that opportunity because the club is saying, "I only get to do this 10 times. If I don't pick the right partners, I'm going to miss out."

The Hon. SARAH MITCHELL: That makes sense. If you had either an increase in the cap or flexibility with where it's applied, that would be the solution to that.

DANIEL MITCHELL: Yes, absolutely.

Ms CATE FAEHRMANN: I just want to continue on the recommendations in the submission by ClubsNSW that Sarah started on. I want to go to one of them that says, "Introducing financial incentives for clubs and venues promoting live music". You give the example of a live music tax offset. Can you expand on that?

DANIEL MITCHELL: Yes, sure. The idea is similar to the incentives that have been provided around the liquor licence fee reduction. It's to look at a tax offset for those venues that are involved in live music, probably typically not applied to our sporting clubs. Our RSL clubs and other clubs often do provide tax in terms of payroll tax and other things. We just think there is an opportunity to look at the tax system and see what opportunities are there to incentivise venues that do provide live entertainment in that space.

Ms CATE FAEHRMANN: Do you have any data showing how many more venues have put on live music as a result of, for example, the changes to the liquor licence discount—the 80 per cent—or as a result of the recent Vibrancy Reforms, as opposed to what was happening before the Vibrancy Reforms? In other words, how much is it incentivised? How many of the clubs would have had performers or live music anyway? Do you have that data?

DANIEL MITCHELL: Similar to what Chris said, you can see the number of venues that have applied for the liquor licence fee reduction. You can see the number of venues that have done that. What we've seen as well is venues have had to increase the number of live performances. A lot of venues—yes, they were providing live performance, but to meet that threshold they've had to increase the number of performances they are offering. We don't have actual data on that. Anecdotally, a number of the venues that we're speaking to are really looking at how they increase that. How do they have those midweek performances, perhaps, when they were only having a Saturday or Sunday performance?

To Chris's point earlier around communication and change—and some level of inertia, if you will, in our industry around change—it's certainly something that we're only starting to see the beginnings of. I like to say we're starting to see the green shoots from these reforms start to emerge. We think that there is a lot more untapped opportunity out there with venues who are just realising, for example, that they can use their bowling green as a live music space without having to go through the council DA processes, and starting to think, "Well, hang on—that's actually a really great opportunity that I wasn't aware of."

SIMON SAWDAY: I would just add to that that we do see some anecdotes from individual clubs, Ms Faehrmann. For instance, the Coledale RSL Club that Dan mentioned earlier is accessing the live performance incentive. They've reported to us that they have increased their live music and annual gigs from 72 to 150 in that time, which is a 208 per cent increase.

Ms CATE FAEHRMANN: I think I'm getting some data on this in the form of questions taken on notice, but it's difficult to work out how much the venue has received, for example, in the licence fee that they would have been paying and then the real uptick in those performances. As you said, that's one thing for Coledale. There is criticism that has come through a couple of the submissions that, in fact, in some regional towns it's the clubs with the poker machines that have really impacted the local economy and are putting money—in fact, I was in Moree the other day. I spent two nights there and the entire town was dead. I'm thinking, "Where is everybody?" There is this light at the top of the hill and all the cars are there. The pub we went to for dinner—nobody was in the pub. Everybody was at the club. So the question is, in terms of vibrancy, do you think that clubs and poker machines are actually also threatening some local economies?

DANIEL MITCHELL: Certainly, it's not been my experience talking to clubs. What I tend to find with clubs is they have quite a large physical footprint typically, relative to other licensed venues. So they really do have that opportunity to have multiple activities occurring simultaneously and that critical mass that they can get from having those multiple activities.

Ms CATE FAEHRMANN: That's the clubs. I'm talking about the rest of the town, though that isn't part of the club. You don't know?

DANIEL MITCHELL: I'm not sure about that.

Ms CATE FAEHRMANN: With the financial incentives for clubs and venues promoting live music, there's the liquor licence fee reduction of 80 per cent and there's the very generous tax arrangements for clubs, which are less than pubs in terms of your poker machine tax. What other financial incentives do you think the Government should be giving clubs? It's a genuine question. What else do you need?

SIMON SAWDAY: When clubs offer live music to their communities, what we do see is because clubs are not for profit, they regularly don't charge for that live music. They offer 7,300 entertainment events per month, which provides significant value to the community.

Ms CATE FAEHRMANN: Is that 7,300 across the State?

SIMON SAWDAY: Across the industry. So when clubs offer those live music events to their community, it provides amenity, it makes the community a better place to live and it gives residents a place to come.

Ms CATE FAEHRMANN: Have you got the data of how much more live music performances are now happening as a result of the changes? What's the impact been on gambling revenue in that time? Has it also gone up or are people coming and just watching a band and going home?

SIMON SAWDAY: What we do see is that clubs contribute significantly to their communities through live entertainment. We have seen that the number of live music venues has increased in our sector. We see that clubs across the State contribute \$202 million. There's a significant value add to the live music sector as well, more than \$111 million in value add. It also creates employment of more than 2,500 people. Certainly, what we can say is that clubs still offer live music at a significant scale. It's growing, it's employing people and it's making their communities a better place to live, which is what clubs exist to do.

Ms CATE FAEHRMANN: Do you think any clubs would have closed if, for example, the incentive around the liquor licence reduction wasn't in place? Because a lot of these Vibrancy Reforms have been, in some ways, around making sure venues don't close and making places more vibrant. Was there a threat to any clubs that you know of that they were going to close if they weren't given this helping hand by government?

SIMON SAWDAY: It's important that clubs evolve to the needs of their communities, and many clubs are trying to diversify their revenue streams. There are many clubs that didn't used to offer live entertainment. When clubs want to make the investment to diversify their revenue and start doing something different, it's important for them that they have an incentive and, as I discussed earlier with the noise restrictions, a predictable system for investing and understanding the goalposts. These incentives provide, particularly for smaller clubs, that confidence to make the investment and start diversifying their revenue.

Ms CATE FAEHRMANN: You're saying diversifying their income stream. For most of the clubs that I have a look at in terms of annual reports, poker machines are maybe 90 per cent or 85 per cent of their income.

DANIEL MITCHELL: It's less than 50 per cent across the entire industry.

Ms CATE FAEHRMANN: That's the average, I assume, taking in some of the clubs that don't have them. Are there any of the smaller clubs that don't have them?

DANIEL MITCHELL: Yes, there are a number of clubs that don't have gaming machines, but by and large the number is less than 50 per cent across the entire industry.

Ms CATE FAEHRMANN: I'll finish on this. I could go on for ages on this. It's just that this dot point which was recommending for the Government to introduce financial incentives for clubs and venues promoting live music—because you say they also deliver positive externalities on town centres, cities and suburbs. Have you been speaking with the Government or the Minister around what the next financial incentives could be for clubs that the Government should consider?

DANIEL MITCHELL: No, we haven't had those discussions since that submission has gone in.

The Hon. RACHEL MERTON: To the three of you, thank you very much. If I could pick up an issue relating to the AHA—if I could direct that to Mr Gatfield. It's the incentivising regional and suburban activation. If I could just have a look at possibly that suburban activation. You mentioned incentives and funding weightings. Could you elaborate more on the funding weighting?

CHRIS GATFIELD: Yes, sure. A lot of the incentives that are on the table at the moment for potential live music venues are weighted exactly the same across country and metropolitan New South Wales. If you have a full hotel licence and, let's say off the top of my head, you have a 500-person capacity and you trade till 3.00 a.m., currently you're looking at paying around \$7,800 in liquor licence fees every year, and that really doesn't matter whether you're located in Coonabarabran or you're located in Mosman. What we see as potentially a huge help, particularly for regional venues, is recognising that the economics of Mosman and Coonabarabran are going to be very, very different, potentially weighting more heavily towards those regional areas in terms of the incentives or the discounts that they might receive.

Suburban areas, again, are probably a little different. You can see reflected in a lot of the data that's currently being collected by Liquor and Gaming NSW and the Office of the 24-Hour Economy Commissioner that a lot of those suburban venues—in the '80s when INXS were doing the rounds with Rose Tattoo and Cold Chisel, for example—are starting to program live music already again. The Coolibah Hotel in Merrylands, for example, is a really good example of that—formerly absolutely part of that pub rock Western Sydney tour that young bands cutting their teeth might do. When we say regional suburban activation, for mine if I had to choose

where the priority would be, it would be in the regions. Around half of our members are in regional New South Wales, but two thirds of the people who've taken up the incentives are in metropolitan. There's clearly a gap there that needs to be plugged.

The Hon. RACHEL MERTON: Mr Gatfield, in terms of live music participation at your members and their premises, in terms of commercial return or activity or importance, what are they reporting to you?

CHRIS GATFIELD: Live music is typically a "nice to have", to be honest, and it's often a loss leader. Unless you're charging a pretty substantial door price—I'm thinking maybe Selina's down in Coogee Bay on a Friday and a Saturday night with a big international touring act—typically you're not making a huge amount of money out of live music. Hopefully, if done and programmed the right way, it'll generate some bar sales. It'll get people through the door. You might sell certainly a few meals to go along with it. Generally, it is an opportunity for you to kind of broaden your audience, particularly in the context of the realities of New South Wales at the moment where young people in particular are far less likely to drink alcohol. I'm of an age where I find that kind of hard to believe. But there's a substantial number of young people who are still looking to get out of the house. They want to go and socialise with their friends, but they're not content to go to the pub and drink five schooners and then go home. They want something a little bit more vibrant than that, and live music absolutely fills that need.

The Hon. RACHEL MERTON: In terms of ClubsNSW, Mr Sawday or Mr Mitchell, in terms of your last dot point—fostering continued engagement with the New South Wales Government, Liquor and Gaming NSW and the Office of the 24-Hour Economy Commissioner to continue to progress the reform—could I just get an insight in terms of what the current engagement is like for you with those bodies?

DANIEL MITCHELL: Yes, the engagement has been fantastic. I've worked for both the New South Wales Government and also on industry bodies for the last 30 years. This engagement around the 24-hour economy has been one of the best. The 24-Hour Economy Advisory Council, of which I'm a member, really comes together. It's been a really collaborative process, looking at where the opportunities are that are going to actually drive the biggest impacts and really drive an uplift in the sector. I've found the engagement to be really great. They've got everybody in the room together. A lot of consultations often have a separate consultation with each different stakeholder. Each different stakeholder has their own ambitions and ideas, and it's very difficult to find a common ground. This process has been really great, through Michael Rodrigues and the team at the Office of the 24-Hour Economy Commissioner, and Tarek at Liquor and Gaming. They have really brought all the stakeholders together with a common purpose to have a safe and vibrant night-time economy, which has been fantastic.

The CHAIR: Could I jump back in here? We've heard—which is a good thing, as far as I'm concerned—about a lot of the good developments around the Vibrancy Reforms and around the 24-hour economy. I just wondered, what are the key pinch points, if you like, that you're still hearing about or that are still the niggles of your members? What are the key ones you would list? As membership organisations, I'm sure your members come to you all the time.

CHRIS GATFIELD: There are 2,000 publicans who have this phone number, and they're not shy of a chat. I think one thing that comes through pretty clearly is all the incentives in the world are fantastic—and they're very much appreciated—but it's still trying to forge that connection between the creative industries and our industry. If you are a pub, particularly in regional New South Wales, particularly if you're in a very, very small town, your ability to actually find musicians, entertainers or cultural performers is extremely limited. I'm aware that the Neon Marketplace, which is an initiative of the Office of the 24-Hour Economy Commissioner, is trying to fill that gap. They're putting basically a link between the actual venue operators and potentially some people who can program live music for them. But that is probably an appropriate solution for a lot of metropolitan New South Wales, which doesn't really translate when you get over the hill.

I think maybe trying to look to other jurisdictions in terms of facilitating direct connections with individual artists from not necessarily a certain local government area but certainly within a bull's roar of wherever the venue might be in regional New South Wales would be a real shot in the arm. The ACT Government currently operates basically a register of performers within Canberra and facilitates that direct connection between performer and venue. That might be something to have a look at. Whether that's integrated into the Neon Marketplace or not is entirely a matter for the commissioner. Certainly, from my experience, having spent a bit of time down in Canberra recently, it's something that might be worth considering.

The CHAIR: Thank you. That's a really good suggestion. From Clubs' point of view?

DANIEL MITCHELL: From our side, I think the real opportunity that still hasn't been capitalised on yet is just informing the industry about the current reforms that have been put in place and really giving an

opportunity for them to understand those opportunities in more depth and an opportunity to really embed those current reforms and utilise them to their fullest. We're still just seeing what I think is the tip of the iceberg in terms of the opportunity for clubs to make use of some of the unique spaces they've got for live music and live performance.

The CHAIR: Could I just ask a follow-up to that. We will hear from local councils shortly, and one of the things in their submissions echoes what you've just said. There has been a lot of change and people aren't necessarily across all of it yet. Is there an aspect in particular or a method of delivery that you think works the best to get the information through to your members?

DANIEL MITCHELL: I think it's one of those things where you've got to come at it from a lot of different angles. We certainly find that different communication methods for our industry are necessary. There's no sort of one size fits all. You'll have a webinar and get certain people tune in, and other people, the only way you can get to them is to go out and visit them face to face, particularly those smaller regional clubs. A real challenge for us is that they're often—the smaller ones—run by volunteers and time is a real challenge for them. They're so busy just keeping the existing venue running and operating that having the time to sit down and understand what are those other opportunities to do things differently is really hard. You've really got to make it simple, as well.

Certainly, that's our approach. We take often what is quite a complicated reform package with a lot of elements to it and try to distil it into some really simple opportunities for a regional club to pick up and utilise. I think that's an opportunity. That's certainly something we have been working on with the Office of the 24-Hour Economy Commissioner now. Certainly, the pace of reform over the last few years has been very rapid, so that's made that education process a bit challenging. You start talking about a particular reform and there has been another two or three reforms stacked on top of that. I think that'll just take a little bit of time to seep through.

The Hon. SARAH MITCHELL: My question relates to that. The Australian Hotels Association talked about having better data on live music activity and how that would lead to better policy, but also understanding things like participation metrics. You could say to a small club that might be a bit limited in their ability to tap into some of these reforms, "Data shows that if you do X then you can get Y back in return." Who is best placed to do that sort of data analysis? Is it through the department with feed-in from organisations like yours? How would it be best collected and then passed back to your members to learn from?

CHRIS GATFIELD: Obviously, we support evidence-based policy, and the vibes of the Vibrancy Reforms have always been good. But having baseline data and trying to figure out exactly what works and what doesn't is obviously crucial. I would argue—and I don't want to put any more work onto the office of the commish, but I would have thought the Office of the 24-Hour Economy Commissioner would be best placed to do that, in collaboration with Liquor and Gaming NSW, probably our organisations and a range of others who you either have already spoken to or you're about to.

We are strongly in favour of having more data to figure out exactly what reforms are working and which can be improved. At the end of the day, I think everyone wants the same thing out of the Vibrancy Reforms: We want better outcomes for creative industries, better outcomes for our members who program the live music and better outcomes for patrons. I say that as a patron as well. I would have thought that more hands and more eyes on that data are probably better than fewer. If we as an organisation are in a position to feed into that then you'd have our support, absolutely.

The CHAIR: That brings us to the end of our time. Thank you very much for your submissions and for taking the time to appear. I'm not sure if you took anything on notice, but we might have supplementary questions once we've had a bit of time to think about it. The secretariat will liaise with you about time frames for that.

(The witnesses withdrew.)

Mr DAVID REYNOLDS, Chief Executive Officer, Local Government NSW, sworn and examined

Mayor DARCY BYRNE, President, Local Government NSW; Mayor, Inner West Council, affirmed and examined

Mr LEX LINDSAY DAVIDSON, Manager, Cultural Strategy, City of Sydney, affirmed and examined

Ms MIRIAM WASSEF, Director of People and Performance, Burwood Council, sworn and examined

Ms BROOKE ENDYCOTT, Director of Community Life, Burwood Council, affirmed and examined

Ms STEPHANIE KELLY, Director of Community and Culture, Lane Cove Council, affirmed and examined

Mr COLIN HO, Cultural Programs Coordinator, Lane Cove Council, affirmed and examined

The CHAIR: Welcome, and thank you for joining us at our first day of hearings for this inquiry. We appreciate you making the time, on quite a large panel about local councils, to come and talk with us. If we have opening statements, we might start with Mr Davidson.

LEX DAVIDSON: Thank you very much for inviting us to be a part of the inquiry. Live music in Sydney has had it rough for quite some time now. Back in 2013 the City of Sydney identified key issues and adopted a live music action plan, just a few months before the unexpected arrival of lockdown laws. Those lockdown laws did have a detrimental impact on live music in our city, but there were other issues in play, largely driven by property market pressures and the changing residential character of the city. These issues endure beyond the lockdowns and lockdowns of the COVID-19 pandemic and are now escalated by chronic housing unaffordability.

A thriving hospitality sector and late-night experience is just one part of the context that supports live music. We need to correct the damage done to the hospitality sector, but it is important not to simply conflate a vibrant night-life with a healthy music ecosystem. They are very different things, and we need to decouple them in our policy response. For example, a pub that hires a DJ or a cover band once a week in order to access extended trading hours and liquor licence discounts will make our night-life a little more vibrant, but they are not delivering the essential creative spaces, the vital curatorial resources, the sector development work and the community building that genuine, dedicated grassroots music venues achieve.

In our research, we've tried to demonstrate the difference between occasional programming and dedicated live music venues. What we are seeing is that ad hoc programming is rebounding from a mid-pandemic low, although quite inconsistently, while the number of dedicated music venues in the city of Sydney has flatlined at a scale that will barely sustain our local sector, let alone support growth.

If we are serious about restoring live music in Sydney, then we need to sharpen the focus of investment. We need definitions of what a music venue is and minimum expectations for a venue to be eligible for incentives and support. We need a replicable methodology for counting music venues so that all levels of government and stakeholders can use the same approach and understand with consistency the supply of venues right across the region. We also need to understand that music spaces are changing, just like our music makers, and to invest in the types of spaces and platforms they need now. For example, it is possible that a decline in bands playing in pubs is at least in part due to our artists making different kinds of music for different kinds of spaces and increasingly for an audience who are less interested in alcohol.

Live music is part of a greater creative industries ecosystem that is under incredible strain in Sydney. We have lost tens of thousands of square metres worth of rehearsal spaces and recording studios, and we are the first Australian capital city to record a decline in our artist population. With that comes a fracturing of networks and supply chains, collaborators and support crews that bring music experiences to life. The Sound NSW Contemporary Music Strategy is filled with excellent ideas for industry development, but it needs to be supported by the rest of government. In particular, we need to see creative industries prioritised in the planning system, with considered approaches to protecting venues, building new spaces through precincts and enterprise zones, and incentives, offsets and every other lever available to achieve affordability and security for venues operating in the private market.

And local councils—if we are to play a role in protecting and growing our music spaces, we need the New South Wales Government to provide us with the tools. The Sydney Plan is that opportunity to do this. Based on the exhibited draft, it looks to be a missed opportunity. It contains no priorities to protect and grow creative land uses, or to mitigate the impacts of residential density on creative industries. As well as delivering planning reform, local councils can also be a useful partner in creating places for music. We do hold quite a bit of civic infrastructure and facilities across all of our councils' portfolios. With the right kinds of investment, this could make for great new performance spaces. Thank you for your time.

The CHAIR: Thank you. Mr Reynolds, do you have an opening statement?

DAVID REYNOLDS: I'll defer to Mayor Byrne for ours.

DARCY BYRNE: Thanks very much, Chair. I just wanted to begin by—I'm sure you've heard this from many of the people who've given evidence previously—an acknowledgement of where we've come from, which is that Sydney was one of the great rock'n'roll cities of the world and, through over-regulation and a bias towards pandering to complaint and a range of other government policies, we managed to kill the ecosystem off. Really, coming out of COVID, I think you could say that Sydney's live music scene was on life support. I want to commend the work that has been undertaken by the Government and the sector in the intervening years, which I think has been excellent.

I do want to recognise Minister Graham for his commitment to the cause and excellent policy work. I also want to acknowledge the relatively new CEO of Create NSW, Kerri Glasscock, who is someone who has come from the music sector and is widely respected within the sector and who has undertaken decades of work about how we can improve regulation and support for live music and live performance venues. I fully expect that that will lead to a real dividend down the line after she has had some more time in the role. Local government in New South Wales is broadly in support of the Government's Vibrancy Reforms and policy agenda. It has actually been quite impressive about how much has been rolled out, but I do want to concur with some statements that I heard from the previous speakers about the need for education and information campaigns for councils and for venues about how the changes that have been enacted can be made use of to provide practical assistance to venues.

To speak briefly with my Inner West Council hat on, in the inner west we had the first special entertainment precinct in New South Wales, at Enmore Road. It has been a good example of where there is already, organically, a strong local music scene, night-life and hospitality sector that a special entertainment precinct can help to take to the next level. But it would be wrong to assume that such a precinct can just be a magic wand which will take a moribund precinct and turn it into a thriving night-time economy. We've rolled out six more special entertainment precincts across the inner west in different locations and with varying levels of success. The six new ones have been in place for six to 12 months now, so we're still waiting to see how that will work.

One obstacle that we are definitely encountering is that there needs to be education of our venue operators about how they can make use of it. They do often report that they find the intersection between liquor and gaming regulations and the council's controls confusing. Frankly, I find it a bit confusing as well. I often find that I'm stuck and not able to answer questions that they have about how the two things interact. Don't forget that, by definition, all of these things are being written in strategic-planning language or jargon. It's just so confusing. So I think plain English language information for venues and councils about how they can take advantage of improved regulations is something simple and wise to do.

I want to take a moment as well to talk about our town halls program in the inner west. To put it simply, we've opened seven of our town halls as artistic venues available for free use by artists for exhibition, performance and rehearsal. It has been a really successful program, and I think you could certainly consider whether you would make a recommendation for that to be promoted in other local government areas. Not every council has quite as many town halls as us, but every single council has at least one civic institution, like a town hall, and often they're sitting dormant 90 per cent of the time. The principle behind it is you've got to spend a lot of money to maintain your town hall. Why not make sure that there's a public benefit coming from that in terms of artistic usage? We're finding so far that the predominant benefit from that is in terms of rehearsal space as opposed to performance, and we want to look at how we can improve that.

I did also just briefly want to state—I'm sure you will have heard this from other people—that obviously policies are very differently applicable in the city as opposed to the bush. Our member councils at Local Government NSW in regional, remote and rural areas are passionate about their live music scene. In many cases, they have committed resources over a long period of time to build up their festivals and events. It's a big part of their local culture, but we do need ongoing guaranteed support, both for direct financial support for festivals and events as well as grants to improve ageing facilities, and direct support with touring to ensure that bands and performers are able to get to regional communities when they're planning to go on tour.

I also want to encourage you all to consider whether there is more that the Government can do. Whilst it has been a comprehensive range of reforms in regard to the vibrancy regulations and legislation, the fact is that our music scene is still not doing that well. There's still a long, long way to go. I think it would be a mistake to assume that we can just rest on our laurels and hope that the changes that have been made work. It may be that we need to experiment more and try different pilots in different places, but there needs to be that ongoing commitment and culture from the New South Wales Parliament to improving the regulation and the support until we actually get the whole sector properly back up on its feet.

Just one negative note in closing. It is my experience generally that the licensing police are not necessarily on board with the agenda of improving vibrancy and supporting the rehabilitation of our night-life. I don't say that in an accusatory way; obviously, all of our councils have strong relationships with their local area police commands. That's incredibly important. But it is confusing and difficult both for councils and for venue operators when the thrust of the Vibrancy Reforms is often counteracted by the targeted actions of licensing police. For example, in many communities, any application that comes in for a venue to open or to expand its operating hours will be met automatically with a submission of opposition from the licensing police, which suggests that there needs to be greater coordination between other government agencies and the police to ensure that we're all working together to support the re-enlivening of the music sector in New South Wales.

MIRIAM WASSEF: I'll start by saying I think, as one of Sydney's most culturally diverse and rapidly evolving local government areas, Burwood has experienced firsthand the social, cultural and economic value that music, arts, night-life and creative activation bring to communities. We equally have a very deep connection to music, and it helps that we have a connection to Australian rock-and-roll legends AC/DC, with Burwood being the birthplace of that incredible band.

The CHAIR: But Jeremy's not here!

MIRIAM WASSEF: Beyond these incredible connections to place, we do also acknowledge that governments, local and State, have a critical role to play in nurturing and enabling some of the incredible outcomes that we're seeing on the ground. For us at Burwood, we've increasingly positioned culture and creativity in the night-time economy as central pillars of our city-shaping agenda. They're underpinned by a desire to see incredible social, cultural and economic outcomes for our communities and businesses. Burwood, much like the State's approach, has been underpinned by a very deliberate shift towards enabling policy, streamlining regulation, public domain activation and, as Mayor Byrne said earlier, it's really about strong collaboration between local government, industry and our partners to realise this joint vision.

Through some incredible initiatives that have been heralded by the State Government, like the special entertainment precinct, we've been able to set a stronger agenda that's aligned across State and local governments. It's opened the door for some incredible local experimentation on the ground, like a policy that we have at the moment called Licence to Play. It set the agenda for us to be ambitious in experimenting, cutting red tape and thinking about the experience for users and our community, over and above regulation and bureaucracy being the thing that drives how we go about activating our sense of place. Equally, our public domain transformation projects have moved from looking at places as great physical spaces to walk through to being places to spend time in, day and night.

A fantastic example of that is Ford Lane in Burwood. Local laneways that were once just service laneways for cars are actually live music venues and stages for people to enjoy differently, day and night. We strongly support the continued implementation and expansion of the New South Wales Government's 24-Hour Economy Strategy, the broader Vibrancy Reforms and the NSW Contemporary Music Strategy. For us, they've played an incredibly important role in changing the conversation around night-life, arts and cultural participation in New South Wales. We see the value that it contributes, with over \$100 billion already annually supporting over a million workers across New South Wales, which is an incredible testament to the State Government. It also highlights the significant economic and social impact that it has on the sector.

Thanks to the reforms, we can now see our evolution at Burwood, transforming from experimentation to actually strengthening an entire live music and night-time ecosystem that goes beyond activation to fundamentally supporting night-time workers, ensuring safety in our local precinct and, of course, a safe, activated place. A really important example to highlight is the event Luna Lanes. For us in Burwood, it started as the shutting down of the main street, which was almost unheard of in years past. That has now evolved beyond one street to multiple streets and laneways, and a whole precinct changing, with incredible community and business support for these activations, but also over \$3 million in economic impact generated in one day and over 50,000 people coming to one place for an event that celebrates culture and night-life.

We want to acknowledge the substantial progress that's been made by the New South Wales Government. We share the same sentiment in that music, arts and night-life are fundamental components of healthy and inclusive economically resilient cities. The future success of the New South Wales music and arts economy will depend on the State's ability to continue reducing barriers, empowering local communities and supporting experimentation, but also, importantly, investing and continuing to invest in the cultural infrastructure and public spaces that we take care of. Councils play a critical role in delivering these outcomes at a local level and should continue to be supported by key delivery partners in the implementation of the broader strategy at a State level.

We welcome continued collaboration with the Government, industry and our cultural stakeholders to shape that vibrant, inclusive and globally competitive music and night-time scene for New South Wales. We see

this as just the beginning. We have incredible momentum. Councils share that great ambition to see Burwood, Sydney and New South Wales on the global stage. For us now, the transformation is underway, but we have to continue to commit to that collaboration. I'd like to end by acknowledging Minister Graham and the 24-Hour Economy Commissioner, Michael Rodrigues, for the fantastic work they do. We look forward to continuing that work.

COLIN HO: I'll defer to our Director of Community and Culture, Stephanie Kelly.

STEPHANIE KELLY: We don't have a long opening statement. Lane Cove is here because the council and the community are very committed to culture—music and performance in particular. Council, over the last decade, has created four new cultural infrastructure centres that allow people to rehearse every day of the week, perform and present their creative pastimes, but it's increasingly a struggle for a small council like Lane Cove to continue to fund that almost independently, really, without grants or the private sector. We are a small, non-cultural hub. We're not known for that. But we work really hard with volunteers and being creative with our economy. Our hope from this is that we continue to benefit from changes in policy that make it easier, but, also, that there's a recognition of the support needed to grow the ecosystem. As the learned colleague from the City of Sydney said, I think music is an ecosystem. It's about young people having opportunities to create, learn and perform together to create an industry that benefits the State.

The CHAIR: Thank you, all, very much for those opening statements. There's a lot to take in and a lot of you to ask questions of. I might start with Burwood. First of all, congratulations. I understand that Burwood was recently named by *Time Out* as the coolest neighbourhood in Australia—there might be some opposition from others at the table!

DARCY BYRNE: We concur.

The CHAIR: I like how specific it is. Apparently, it's sixteenth coolest in the world. Congratulations on that. You did speak a little bit about some of the key events. You spoke about Lunar Lanes et cetera. With no offence to Burwood, it hasn't always been the coolest suburb. Could you speak to what have been the very practical changes, particularly through the Vibrancy Reforms and Sound NSW et cetera, that have assisted? Let's start with that.

MIRIAM WASSEF: Thank you, first of all. I did miss that in my opening remarks.

The Hon. SARAH MITCHELL: I'd be leading with that.

MIRIAM WASSEF: Absolutely. I absolutely agree; it did not happen overnight. It hasn't always been the case. We could see very clearly, when the Vibrancy Reforms were first birthed, that we really benefited from the policy levers first and foremost. The challenge for most governments, particularly local government, is that we've got planning policies and policies in place that speak to our local place, but there's an overarching State agenda that can help pull levers and enable that control to be relinquished a little bit. One example would be special entertainment precincts—an appetite to allow increased sound in public spaces, again, with a strong methodology and an evidence base.

The brilliant thing for a council like us in Burwood, being a smaller council, is the toolkits and support that come from the Government and the funding. Burwood is an example of one council that received funding for the SEP Kickstart program. That enabled us to get our first off the ground, which means now we have a precinct management plan and we have the right acoustic research studies undertaken—all funded through the State Government. The great thing is once you build that benchmark you're able to actually continue to build on that and see it flourish. Equally, the State Government encourages a culture of engagement and participation across governments.

I remember one of the first things we did was reach out to our neighbours, Inner West included, to ask, "How was the experience of setting your first special entertainment precinct? What were the lessons learned?" We took those in. I know the State Government equally made changes to their policy and their activities as a result of those early enabling experiences. Definitely pulling the policy levers—as a result of that, we've been able to develop policies like Licence to Play. That is 10 provisions that enable quick, fast and cheaper public space activations without having to go through several forms and without having to submit rigorous DAs. It is council again creating a permission-based approach for businesses and community so they can activate places quicker.

The CHAIR: To get very specific about it, is that things like traffic plans and that kind of thing?

MIRIAM WASSEF: Absolutely—global traffic management plans. We have things like bookable streets now at very minimal cost. Council will close the road for you and provide you with a global traffic management plan. Particularly for a very dense and small suburb, our public spaces have to work a lot harder than others. Equally, we know that people don't want to just be in closed venues. We do need to use our public realm.

It also creates accessible culture. People can just bump into live events and participate in them without everything having to be ticketed events. For us, it's about changing the nature of the public realm and what it is used for. Equally, it has allowed us to look at things like outdoor dining. That is a big focus for us at the moment. If you have maximised your outdoor dining space, there is a quick pathway to operate your neighbour's outdoor dining space, who may not be using it, for free. Again, it's about maximising the public realm for social and cultural activities.

The CHAIR: Are those policies public?

MIRIAM WASSEF: Yes.

The CHAIR: If we wanted to access them, we could just—

MIRIAM WASSEF: Yes, absolutely.

DARCY BYRNE: I don't want to speak for Burwood, but I just wanted to add one thing—firstly, to say how impressive it is, the suite of policies that have been implemented. Another big component of the success of Burwood is their housing policies. It is one of the few places in Sydney where significant increases in residential density have been implemented over more than a decade. That means there is a much larger number of younger people living on the main street. The ethnic diversity of the population has been further enhanced. It's always been a very multicultural place, but now when you walk down Burwood Road the sheer number of young people—and it's obvious that they're from a vast array of backgrounds—is creating the buzz. That is also something that the council chose to do.

The CHAIR: Thank you both for that. In contrast, Ms Kelly, Lane Cove is quite a different place and, from what you were saying, a smaller council. Have you accessed any of the kick-starter funds for special entertainment, or you haven't—

STEPHANIE KELLY: Lane Cove benefited, if you like, from development and an increased population. We've gone from a local government area that had mostly houses with gardens and that kind of private space to enjoy to being the majority of our residents now live in units. With that development, we've used developer contributions to invest in cultural infrastructure—things like the Canopy, which was converting the car park into a park, playground, restaurant quarter and shopping centre with a really great stage where we can have outdoor events for 1,000 people without bringing in infrastructure, essentially. It's a plug-and-play venue, although a bit more complicated than most.

We regularly host civic and cultural events there. We've become one of Sydney's favourite cover band venues. I know we keep hearing a lot about cover bands, but they are popular and bring people together. We try and diversify that. We've had a jazz day which has been organised by volunteers. They don't have to pay anything. They come and they perform and they can create in a really professional space because we've got the infrastructure there to do that.

The CHAIR: Are you seeing a change in demand for night-time spaces and live-music-type venues because of the increase in population and because of the change in the housing mix? Is that what you're seeing?

STEPHANIE KELLY: I think once people know what they can experience they want more of it. We've got an insatiable appetite now for events, not only within the Lane Cove centre but also in parks and other areas. I think the driver has definitely come from younger families moving into Lane Cove and young people moving into Lane Cove and wanting a different experience in that area. That certainly resonates with our councillors. But we've always had a really strong group of cultural practitioners in Lane Cove. We've got Lane Cove Concert Band, which has got over 100 bands under one umbrella. They perform in our newly built Waterview Community Centre, which was purposefully designed so it could be their rehearsal space. They use that every day of the week. In return, council gets free performances at all our civic ceremonies—citizenship, Anzac Day, anything. They will perform for free with the symphony orchestra or some of the smaller bands. I think that kind of artistry also drives performance. The Lane Cove Festival is going into its twenty-eighth year this year, which is to showcase performance and art within the Lane Cove community.

The CHAIR: Mayor Byrne, I want to pick up on two things that you spoke about in your opening statement. One was the extension of special entertainment precincts in the inner west; I think you said there were six others. The other was encouraging us to keep thinking of other things that might help, and pilots, but I wondered if I could put that back on you. Maybe in relation to the other six areas and what you're seeing coming out of there—because they're all very different to Enmore, I presume, and you might speak about that—you're suggesting to us that we might think about other things and maybe pilots. Is there anything informing that, from the varied experience of these seven special entertainment precincts?

DARCY BYRNE: Thank you for the question. The additional six precincts have only been in place for a limited time, so I think we need a little bit longer to be able to draw any lessons from it.

The CHAIR: So it's Dulwich Hill?

DARCY BYRNE: There are two on Marrickville Road, Darling Street in Balmain and Rozelle, Norton Street in Leichhardt up to Parramatta Road, and Dulwich Hill and Ashfield on the way. In short, if your night-time economy is already stagnant or is not particularly lively, just introducing a special entertainment precinct is not a silver bullet. It may well be that over time it can help, in collaboration with other initiatives, programs and policies. Darling Street, Balmain, in terms of its night-time activity, has declined for a long period of time. When I was a kid, you could walk down Darling Street at two o'clock in the morning and there'd be hundreds of people out on the street. Now sometimes you walk down the street in Balmain on a Friday night and you could shoot a cannon down the middle of the road.

The CHAIR: Norton Street?

DARCY BYRNE: Norton Street is doing a little bit better. Just introducing an entertainment precinct, in and of itself, does not solve that problem. It does really help where you have places like Enmore Road or Marrickville Road that are already really taking off—I think Burwood Road is another example—and already doing very well with a great mix of offerings. Introducing the additional elements of incentives to host music and later trading can really help to take those precincts to the next level. We're finding it difficult communicating to our venue operators what they're able to do under the special entertainment precincts. I think we need plain English language communication with venues because, essentially, these reforms are meant to make it easy for them to do things without the permission of the government. Many of them are under the pump, very busy and operating on small profit margins. They don't have the time to go and take a strategic planning lesson. They also don't have the time to spend 45 minutes on the phone trying to get through to Liquor and Gaming. They're just not going to do that.

Brochures and information packs are provided to them, preferably walked in by someone who has expertise—and not just once but again in a few months time, to have an ongoing program of education about "Hey, just letting you know these provisions are available to you. Do you know that you could be trading longer? Do you know that if you hosted live music, you would be entitled to the following dispensation?" But that's an education process. Because there has been a lot rolled out both in terms of the entertainment precincts and the Vibrancy Reforms, there's a big education piece that needs to take place, and it can't be done in planner lingo. That's one thing.

In terms of other reforms that we could consider further, I think there should be not just a relaxation of prohibition on people drinking outside but actually actively encouraging the use of public spaces by venues in the way that Sydney used to do for many, many decades quite successfully, in which people are encouraged to be out on the street in a way that is safe but that creates that buzz on main streets. When I was a kid in Balmain, there were hundreds of people outside every pub most days of the week, and it wasn't something that led to wholesale violence. It was part of the local culture. We all know when you travel around the world—you go to just about any city in Europe—you see it being done much better where the public is encouraged to make use of venues and the public are encouraged to make use of public spaces and to spend time on the street. We've gone in the opposite direction and for years and years have introduced ever greater levels of regulation basically designed to kill that off. I'd like to see us reverse course and go a lot further to encourage people to be out on the street whilst they're at a venue.

The Hon. SARAH MITCHELL: I might direct my questions to you, Mayor Byrne, but I'm happy if Mr Reynolds wants to answer as well. I was interested in the part of your submission where you talked about more support for rural and regional councils for establishing the special entertainment precincts and I guess what you're hearing from your members around what some of the challenges are, noting that it's sort of early on. I think we had some of the departmental representatives today talk about, I think, Parkes and Tamworth being two. I'm just interested in some feedback around what you're hearing from local councils about the challenges with that process.

DARCY BYRNE: I might just address that briefly and then ask David to raise specific examples that have been raised by our member councils. I think it's fair to say that there's a perception amongst those councils that the policies that are being rolled out are city-centric, and that's understandable given the decline that we've seen in Sydney over time, but the issues are very different in regional communities. For example, a special entertainment precinct that focuses on later trading and late-night activity may not be relevant to a venue in a regional town. The festivals that have been built up by these communities over decades—and many of them are very famous—are such an important part of their local identity and their local economies. The influx of money that comes in when they host a major festival is something that benefits the community all year round. We need

to provide direct, ongoing support for those events and guarantee it over the long term, so that those councils can afford to plan around that.

We're talking about some of the same councils who are facing the most constrained financial conditions imaginable, shrinking population bases, enormous infrastructure assets that they're responsible for—I know you know this already—thousands and thousands of kilometres of roads, and increasing cost shifting where they have to step in to provide State or Federal government services. Without the guaranteed support for their live music events, obviously when they don't have sufficient revenue to run basic services, those events are imperilled and there's a danger that they'll be cut. That would be a really important recommendation to consider—rather than it being annual or even triennial, whether it could be a decade-long commitment to some of these proven events that are very successful and should continue into the future. I might just ask David to outline a bit more detail about the submissions that have been made.

DAVID REYNOLDS: For context for the Committee, there's about 22 councils across New South Wales that have passed resolutions to explore the entertainment precinct method, and there are several of those outside of the metro region. You've heard about Tamworth and Parkes. Goulburn Mulwaree is in there as well. Also, Byron Shire is one of those councils that's exploring that. The feedback that we're getting from members of that type is that they're, again, broadly supportive of the outcome. They want to activate their spaces and their places in this way.

What they're running into really is a funded capacity to do the work required to properly designate the space and then to properly do the community consultation. In that respect, there's a strategic planning layer that needs to be undertaken. There's acoustic assessment that needs to be undertaken. There's community engagement or consultation that needs to be undertaken. Then, of course, there's the educational component around actually getting the businesses and the musicians or the creative types to come into these spaces and activate them in the way required. Programs like Kickstart aren't quite getting there for some of these regional councils. That's their particular feedback about that. I'd also pick up the point around the special entertainment precinct principles not always suiting the differences that occur in the regions in terms of operating hours, travelling patterns, venue opening hours and having them not based as centrally on the—bonus provisions is not quite the right term. Things being based off licences as opposed to just function is a bit of a point of difference in some places too. They're some of the nuances, but some of the financial challenges for councils too.

The Hon. SARAH MITCHELL: Mr Davidson, I was interested in your submission where you talk about redoing the State of the Scene venue research and doing that every two years. We've talked with other witnesses today about having evidence-based policy and data driving the policy. I was wanting to better understand what you think the benefits are of doing that more frequently and how that could inform government decision-making in this space.

LEX DAVIDSON: Obviously, we don't know whether we're protecting or losing spaces unless we know that they're there. It's really important that we count our music spaces and do that consistently, and that we look at all the different kinds of places where music is made and presented, and include them all. At the City of Sydney, we're quite lucky in that we have the floor space and employment survey that we've been undertaking for more than 20 years. We undertake a count of all of the commercial floor space across our local government area. We've been able to track changes in the way that commercial property is used over that 20-something-year horizon. We've been able to see with real clarity the loss of spaces, especially around creative production spaces, rehearsal spaces and so forth.

Likewise, we look at APRA AMCOS reporting data to look at the venues in our area that are reporting to APRA a high degree of ticket takings or royalty payments that they're required to declare. We've been tracking that for quite some time. But it's inconsistent and it's not a foolproof way of seeing which venues we have. Different venues now report in different ways. The Opera House, for example, doesn't report in the same way as a small pub does. But it is a useful way of being able to see which pubs and clubs have got occasional ad hoc programming that they have to provide a small return to APRA for, and which venues are selling tickets in excess of \$100,000 a year, and that ticket revenue is driving the local music scene. We've been cobbling together that research as best as we can for the past 10 or 12 years.

We were very interested to see the State of the Scene research come through with the establishment of Sound NSW and their NSW Contemporary Music Strategy. The methodology is not clear, and we see real value in making that methodology transparent, providing that to councils and talking to councils about the other kinds of research data points that they have available to them. It's also making sure that we are actually tracking all spaces for music—not just those in licensed venues but also the kinds of cultural and community facilities that councils have in their portfolios where a lot of that local grassroots community music sharing takes place—just to make sure that we're capturing the whole ecosystem in that research.

Then, it's providing a replicable methodology that all councils can use so that we can see across all of our areas whether our live music spaces are indeed growing or whether they're continuing to retract. Is it that we've got a supply of more than 2,000-seat, large venues for big commercial touring operators but maybe nothing under 200 seats for a little local band to be playing in? Having that more nuanced understanding of the supply of venues across the whole of Greater Sydney will help us make sure that we've got that nose-to-tail set of spaces to support the industry moving forward.

Ms CATE FAEHRMANN: Mr Davidson, I'll keep going with you. Thank you for mentioning and continuing to mention the need for spaces and vibrancy being not just about alcohol and spaces that are open to continue consuming alcohol. On that note, I ask you to expand upon one of the recommendations in your submission. It is around the community spaces—the asset. What do you call it?

LEX DAVIDSON: Assets of community value?

Ms CATE FAEHRMANN: Thank you, yes. Have you spoken or raised this concept with Create NSW or Sound NSW, and would you like to expand upon it a bit more in terms of what the City of Sydney is thinking?

LEX DAVIDSON: The City of Sydney is in a partnership with Create NSW around making space for culture. That's the broad priority area that we describe it as. We're looking at the various levers available to the New South Wales Government and to local councils to grow creative space. Assets of community value is one of those levers that is on the list to look at, but I can't say we've looked at it in any detail yet collaboratively with Create NSW. We have just also convened our first meeting of the Local Government Network with Create NSW. Twenty-three—am I right in saying 23?—local councils attended our first meeting, sending staff who have responsibilities around creative industries and creative space to begin this working group to secure the supply of creative space across all of our councils in Greater Sydney.

That's just as an aside. Back to your point: assets of community value. It's a lever that's in place in the UK. The City of Sydney, in our research, working with partners in Greater London Authority and the World Cities Culture Forum—we've talked a bit about this particular lever. In the UK, it's mostly used when local community pubs are about to be sold. It forces the sale of an asset into a public process and gives the community a six-month right to bid first before it might be sold to a land banking or some other kind of development, or to residential redevelopment. It has worked. Our understanding, from what we've heard from colleagues in London, is that it's worked very well in regional areas where protecting that small local community pub—it's a true cultural asset. It's a true community asset. It's a meeting place for the community, and it's often the only cultural infrastructure that is available for bands and whatnot.

Ms CATE FAEHRMANN: In the submission you mentioned long-term shelved and deteriorating assets like the Hopetoun Hotel, for example, and also identifying key cultural assets eligible for a vacancy tax. I think these are really interesting.

LEX DAVIDSON: In that context, we refer to the assets of community value because it is a process by which the community can nominate assets of value to the community, and then the Government can make a decision to place a formal protection upon that venue. The next steps in how you would then interpret that protection or use that protection is what we're suggesting. They're open for some creative applications, such as you could apply a vacancy tax to the venues that have been left shuttered for too long. You could provide additional incentives—land tax exemptions and things like that—in order for those venues to be operated for cultural uses at an affordable rate. Really, it's about the mechanism to identify those venues that are of importance to the community and should be maintained.

Ms CATE FAEHRMANN: You also raised a couple of other interesting recommendations. One is an integrated permanent outdoor stage in terms of the master planning for Central Barangaroo—that is a very good idea and I'm keen to know where that has got to in terms of discussions—and/or a music business hub. Those are different things. Could you talk to both of those? They make a lot of sense. I lived in Melbourne for a couple of years, so I know what you mean by the Sidney Myer Music Bowl.

LEX DAVIDSON: Our submission to the master planning for that central Barangaroo development included consideration to be given for a permanent outdoor stage, much like that music bowl—and much like the Home of the Arts on the Gold Coast as well. There's a good permanent outdoor soundshell there that's integrated into a broader public domain outcome. Our understanding is that there is a cultural space that is being designed and delivered through that Central Barangaroo reserve, but it's not going to have a permanent concert facility in it. We have previously provided comment on a proposal for a sound shell at The Domain, which I believe had a 30,000-person capacity. There was a lot that was great about that proposal, but there were also obviously some considerations that the local community might have thoughts and feelings around it, but also for the sector to be

able to determine whether it's really going to deliver the kinds of infrastructure and that scale of performance and the kinds of limitations at that site.

Ms CATE FAEHRMANN: Mayor Byrne, you also raised in your opening statement I think the different ways in which the police approach licensing issues. Do you have a particular local area command? Are you saying that it's different according to the different LACs and it depends on the culture, in some ways, of the different offices and the team? I can see Burwood nodding.

DARCY BYRNE: Yes, it is a bit subjective. Although I would say, just generally, the culture within licensing police is not one that is fully supportive of the Vibrancy Reforms. That really does undermine the overall success of improving regulations, if the agency that's responsible for administering them or policing them is taking a different ethos or approach. It is a bit hit and miss. Venues often report that if they're unlucky enough to come across a particular officer who has a very strident attitude towards policing, it can then become a prolonged problem for them because that officer or that command can come in week after week on Saturday and pick out a problem, which then becomes, in some cases, an existential problem for the venue, because they do have a lot of powers to be able to issue fines and shut venues down.

Ms CATE FAEHRMANN: I'll go to others in a minute, but I think there was one submission—I can't remember which stakeholder it was—suggesting almost somebody like an independent body that could be the arbiter, if you like.

The CHAIR: I think it was the Festival Association.

Ms CATE FAEHRMANN: Yes, but in relation to licence conditions, there's very much a power imbalance between the police licensing officer and the venues. Do you see a need for some kind of honest broker, if you like, in that situation?

DARCY BYRNE: I think it would be better if there was a cultural change within licensing police generally.

Ms CATE FAEHRMANN: That's good if you've got that as a recommendation too.

DARCY BYRNE: Yes.

The CHAIR: We started on that this morning.

Ms CATE FAEHRMANN: Can I do that one?

DARCY BYRNE: Whatever the mechanism is, it's very difficult to bring the Vibrancy Reforms to their full fruition unless you have the police on board as well. In some places in the inner west, it's just automatic, as I mentioned before. In Newtown it has been the case for a long time that if an application comes in for an extension of trading hours by an hour, the police will make a submission against it, seemingly not based on its merits. It also devalues their submissions. For example, when we were implementing the Enmore Road Special Entertainment Precinct, we were required to continue to go back and negotiate with the police, and they were continually proposing conditions. For example, I think at one point they proposed that the new entertainment precinct should be declared an alcohol-free zone, which would counter the purpose of establishing the precinct. I'm not wanting to say this in any way in a disrespectful tone.

Ms CATE FAEHRMANN: Just the facts.

DARCY BYRNE: Yes, but we need all government agencies to be singing from the same song sheet.

MIRIAM WASSEF: I'll speak, and I'll defer to Brooke as well in a moment. But we come from a very privileged position in that we have a very supportive local area command at Burwood and very active licensing officers. I appreciate there will be very different challenges for different local government areas. What we've found is that obviously we are talking about a whole ecosystem. For local area commands, who have a lot of existing pressures, it can be a challenging concept to think about the what-ifs. I think, for us, really early conversations were around what would the state of play look like in an area that does have a special entertainment precinct. Data already tells us that we're not going to see a significant increase in violence or aggression, particularly in an area like Burwood where we don't have a big focus on alcohol in the night-time. There is a lot of safety and security, great lighting, but also a small precinct that is manageable and close to transport and other key connection nodes.

For us, we started very early working with licensing police. I defer to an email I have in front of me, actually, where we worked very closely with the lead educator in the licensing division, where they hold often advanced licensing officer workshops. What's critical is that the local area command start talking about things like special entertainment precincts early on in licensing officers' journeys so it doesn't become something that's

happening to our industries but something that's happening with us as a collective and it's a two-way street. Our conversation throughout this process of establishing a SEPP has been that we're going to work with you. If you see increased complaints, let's work through them together. Let's actually experience it before we put any roadblocks in place. They're involved equally at the table with our working groups. So when we talk to businesses and stakeholders, we have a representative from the local area command there listening, involved in the process. They're involved in the process of setting up our complaint management systems and processes as well so there is no guesswork or secrets around what's happening or why—a really clear pathway and process.

BROOKE ENDYCOTT: I'd probably add that our size at Burwood—we are the second smallest council in New South Wales, so it means that we can rapidly engage with the local area command. Us understanding what might be some of the pressures they're facing early on means that we can put in place new things. For example, we're now looking at providing direct access through an MOU to our CCTV network, because that's one of the things that the police have requested just to assist them. It's really understanding what is at the local level that is impacting policing. But, yes, our number one key point of difference is our drinking culture is about bubble tea, not alcohol. That means that people, though, are out on the street and accessing the food offering, which is really distinctly different to other places in Sydney.

It also means that we're very quick to sit down with the police and work through their concerns when it comes to major road closures. We've been doing some what would have traditionally been considered pretty radical shutting down of the whole town centre and doing that time and time again to the point that now all of our traffic management plans have been through the police. We know what their bugbears are. We know how they impact our traffic flows around the town centre. I think it's about understanding what at the local level are the mechanisms that we can work through in order to get that. It does rely—we have an amazing commander that is driving change at the local level. That's made a huge difference with us, because we can directly connect with her and work through those issues as they're happening, rather than waiting for a meeting.

The CHAIR: I saw Mr Ho and Ms Kelly also nodding at Ms Faehrmann's question. We might just get a response from you as well.

COLIN HO: Yes, I do remember when we were doing some more of our Open Streets Program or Food and Wine by the River, which both have very strong live music elements in them. We remembered that there was a new local commander coming in and so we were advised by some of our event producers that we probably needed to begin to develop a relationship with that local command again and then see what kind of risk appetite or culture—I think that was brought up by the other members here. That would really influence whether we would continue to run an event into the night. That would also influence the kind of live music that we'd be able to program as well. Already existing, we do have the Canopy, which I think Stephanie could talk about. We do feel like there is a lot of, like you said, sitting down, really talking to the local command. But sometimes there will be some points made that you will probably have to follow. Or they might strongly recommend that you need to pay for user pays police. That will really affect a small event budget, especially for a smaller council too.

STEPHANIE KELLY: I think it's the fact that it is personality dependent, quite often. Everything in life is about relationships. This is no different, but it can be the make or break of an event. It is a big part of our consideration of what events we run. There were events that involved alcohol that we're not running anymore because it's cost prohibitive. The risk is too great and we don't want to reduce the relationship or have a frictional relationship with them, because things like The Canopy, which is well established before those officers have arrived, can still continue and alcohol can be used. We don't have any alcohol-free zones. We allow people to BYO or to eat and drink at the restaurants and spill out into that public domain area. It has been designed for that, and we want to protect that more than we want to run certain events that the police are not happy about.

The CHAIR: We're out of time, but I want to follow up on one aspect of that. It sounds like there are events that you would like to hold that you can no longer hold because of an adverse risk assessment. Is that risk assessment conducted by the police?

STEPHANIE KELLY: No, the risk assessment is conducted by us. But when there's things like user pay, user pay has been a real challenge in the last—not just at Lane Cove but also at my previous council. The user pay experience in my former council trebled without any incident at a previous event. It just trebled. You can't actually argue. If the police say, "We think you need this much user pay," we don't have any ability to contain that, and it then impacts on the event.

The CHAIR: That was my next question—whether it was the same as festivals and the police got to decide what the appropriate policing was.

STEPHANIE KELLY: It's exactly the same as festivals.

Ms CATE FAEHRMANN: You can appeal the charge for music festivals, though, but it sounds like what you're talking about is not a music festival as such.

STEPHANIE KELLY: Councils are very risk-averse. If the police tell you that they think that this is it, they are the expert in risk. It is a challenge. You can do it, but it's difficult if anything happened. We're a government organisation.

The CHAIR: Fair enough. We're over time, but there was so much to ask you and to hear about. We do very much appreciate it. Your submissions were excellent, but your evidence here today has also been extremely helpful. We might have asked you to take things on notice. If we didn't, we may well ask you to answer some supplementary questions, and the secretariat will be in touch with you about how to do that. Thank you so much for your time today.

(The witnesses withdrew.)

(Short adjournment)

Miss OLLY ARKINS, Chief Executive Officer, Australian Festival Association, affirmed and examined

Ms ADELLE ROBINSON, Chair, Australian Festival Association, affirmed and examined

Mr ADAM SMITH, Board Member, Australian Festival Association, affirmed and examined

The CHAIR: Welcome and thank you for joining us. Would any of you like to begin by making any opening statement?

ADELLE ROBINSON: I'll add that I am also the CEO of Fuzzy Operations, which runs music festivals.

ADAM SMITH: I am the co-owner of Yours and Owls, a festival company in Wollongong.

OLLY ARKINS: We might give a short opening statement and then we're happy to answer any questions. The Australian Festival Association represents over 80 members nationally, including promoters, suppliers and contractors of music festivals—so the people who sell the tickets and also those who put up the fencing, bars, insurance, audiovisual equipment, toilets, security and a whole lot more. We want to reiterate the importance of festivals in the live music ecosystem. Particularly given the advent of AI and the move to streaming platforms, audience development is important—being able to build your audience and to have options to practice your craft on a stage at a festival. With streaming services prioritising US-based content and commercial radio not having the same platform that it used to, it just means that the opportunity for an up-and-coming Australian artist to perform at a festival is so much more powerful and worthwhile for them; it's really important.

Since the 2017 inquiry, we've seen a number of the recommendations and changes suggested by that inquiry report implemented, but not in the way that they were maybe initially recommended back then. Since the election we've seen a Minister dedicated to music and the night-time economy; an expansion of the role of the Office of the 24-Hour Economy Commissioner; the establishment and growth of Sound NSW, with four years of substantial funding; and a number of outdated restrictions on live performance in venues and the movement towards more supportive planning and noise settings, not just at venues but also at outdoor settings like Centennial Park and The Domain, which have been super helpful for our members.

I think we've seen, over the course of the last three years, a change in the approach from government to the music industry generally as one of partnership and working together. We've seen the release of the Contemporary Music Strategy. I think we've got four years of funding, but it's a 10-year strategy. We'd really love to see ongoing funding to implement that whole strategy and support the work of Sound NSW. The thing that is particularly affecting festivals at the moment is mainly around the change in approach that we've seen at the NSW Music Festival Roundtable, which, since 2019 has forced engagement between all of the agencies that regulate festivals and our industry—the likes of police, Liquor and Gaming, Health and the planning system. We're actually having a conversation about the challenges facing our industry. We've got a forum to now discuss those, raise concerns and see changes made, which just wasn't happening prior to 2019, when we saw a really adversarial approach and the advent of the Music Festivals Act.

Everyone is saying the right things at the government level and on the round table. The experience of our members on the ground sometimes is a bit of inconsistency, particularly from police, but also, in some cases, liquor licensing. They're some of the things that we're trying to work through. There's a general commitment on both sides to iron out a lot of these problems, and we've identified some things at an industry level, which Adam will go through, that we can do to address some of those. We have seen the legislative change. We've seen a change in the language. We've seen the introduction of pill testing. But sometimes we still see really increased user-pays police quotes and really high numbers and sometimes silly liquor licensing conditions that can be ironed out but sometimes become a bit more difficult. I might hand over to the other two to raise some additional points.

ADELLE ROBINSON: The other thing we wanted to note was the funding that festivals have received in the past year. That has been targeted at larger, established festivals. Moving forward, there isn't currently a fund for festivals. We'd like to see funding going to smaller events and up-and-coming promoters. Something that we think is super important is audience development. We think that all-ages events—not just 16 to 18 but shows that have kids from as young as three and four coming to music festivals—will be super important for the viability of our industry. We want to see ways that government can help with those aspects.

ADAM SMITH: I just wanted to add, probably back to Olly's points there, that the biggest change we've noticed and seen is a sort of philosophical shift from that adversarial pushing back on the risk side of things to a much more enabling approach from government. That has been really welcome. We're extremely pleased with that. I would say we're now in this position where we need to get down to the implementation. Again, to Olly's point, the reforms are all great, but we need to really carry them forward and make sure that's hitting the regions and hitting on the ground. On our side, on the industry side, we've been working with the Government. They've

been great in supporting the AFA in developing an industry-developed guide of best practice. The working title is the "festival blueprint". That'll eventually be a national guide but starting in New South Wales. That's about uplifting and upskilling the industry and working with those agencies. We've already seen a lot of progress there. We're just keen to see that continue and keen to see the changes that are happening, particularly at an agency level. The way that industry and government are working together, we want to see that continue as well.

The CHAIR: I wanted to pick up on a few things that you've mentioned across your introductory statements. Miss Arkins, you mentioned the Music Festival Roundtable. I wanted to understand a bit more about what the role of that has been in advocating for the festivals sector as a start. Could you explain that a bit?

OLLY ARKINS: Yes, totally. In 2019 we saw the introduction of the Act. It established the festival round table. Prior to the round table existing, there was no formal engagement from an industry-wide level on the festival industry and any State government agency. There were individual promoters having a relationship with their local police, their local hospital, the licensing cop and maybe Liquor and Gaming via email, but rarely getting in front of them, and arguing over the policy settings and the conditions that were being put on individual events at that localised level.

If the promoter had a good relationship with the local police or the local hospital or knew how to present their proposed liquor licence the right way, they could probably have a pretty good working relationship. The moment the local police changed or they wanted to do an event in a new part of the State, they had to start that relationship all over again. Sometimes you got someone who was super risk-averse and who either hadn't worked with major events before or just saw them as really risky and would put really over-the-top conditions and costs on promoters that would be a handbrake.

We were saying that New South Wales is the absolute most expensive jurisdiction in the country to do an event in when it comes to government-imposed charges. The round table facilitated a conversation between us—we were a fledgling, new industry association back then with a seat at the table, and sometimes in this room, actually—an assistant commissioner who had been given that role at the police end; and the head of Liquor and Gaming, who I co-chair the round table with. We've got a partnership between industry and government. We have a co-chair relationship, and we set the agenda together. We decide what the meetings will focus on, when the meetings are held onsite at a festival once a year, where we go and those types of things.

Also with Health and their increased role in managing safety management plans, originally—now they are called agreed health and medical plans. Having them at the table and being able to have a conversation about some of the challenges that members see on the ground removed away from the power imbalance between me as a promoter making an application, or needing that individual police officer or hospital or Liquor and Gaming application to be approved and not feeling like I can question that, to being able to have a conversation at the industry-wide level and saying, "Hey, this is happening across the State, and this is how it is showing up. Can we maybe come up with a different approach or have standardisation?" It's what we've been asking for.

There have been some pretty robust conversations around that table, particularly early on. Now, with it being quite collaborative, people are accepting that not everyone's agencies or even some of our members are doing things to the standards that we would all like to see. We're able to resolve some of those issues before they get to the crisis point that we saw in 2018 and 2019, where it became a highly politicised issue with political parties taking a side and trying to take a political point with a policy proposal to an election and not really being able to have a conversation about the detailed cost implications on the ground for an industry which broadly, I think, the community really values and loves. They want to see more live music and go to more festivals. The argument descended into one about young people dying from drug overdoses and was being framed as a festival problem when it just wasn't.

The CHAIR: You mentioned the Act a couple of times—the 2019 Act. I understand that there have been changes to the Act since then. Have these been positive? Have they made a difference? Is that part of the change that you are talking about now?

OLLY ARKINS: The Act was passed in 2019 after the upper House disallowed a liquor licence that was music festival specific. We had issues with the liquor licence. Adelle can probably speak to more details, but, essentially, we worked with the Parliament. The upper House disallowed it. The election occurred in 2019. The Government got re-elected. They still wanted to go down the path of some regulation, so they came up with the Music Festivals Act. It was a pretty blunt instrument, where you were either a subject festival or you weren't. By the end of it, we were seeing that when ILGA were making a determination about whether or not you're a subject festival, they were getting submissions from police saying that everyone that they had to consider should be a subject festival.

The CHAIR: For the benefit of Hansard, ILGA?

OLLY ARKINS: The Independent Liquor and Gaming Authority, which is obviously at arm's length. I don't want to get into too many details here.

The CHAIR: Have there been subsequent changes that have been helpful? And if so, how?

OLLY ARKINS: ILGA is no longer the decision-making authority; the department is. The advice that they have to receive is from Health, police and Liquor and Gaming, or sometimes the round table.

ADELLE ROBINSON: And the promoter.

OLLY ARKINS: And the promoter's submission as well. We advocated for those changes to the Act because ILGA was making decisions that were opaque and we couldn't really get before them and we wanted to have some more clarity around that. The changes were that the decision-maker is now Liquor and Gaming, police advice isn't at a higher level than any other agency and there's a review mechanism that's been implemented to enable the promoter, if they disagree with the determination of Liquor and Gaming, to request a review internally at their end. But also, the same thing was happening with the setting of user-pays costs. Liquor and Gaming determinations have a review mechanism, but we've also got review mechanisms in the user-pay setting—so through police and through ambulance.

Ms CATE FAEHRMANN: I was going to ask you for an update in terms of user pays and the experience that you're all having. The police this morning, I don't know if you heard, seemed to suggest that—in fact, he said that the days of young people going to festivals and having to run the gauntlet are over, which is interesting. They will still have drug dogs and still have police, but the days of the gauntlet are over. When was the last time that you can recall seeing anything like that? Is that true?

ADAM SMITH: Just talking from my experience, having run a festival last year, we did notice some change. It's positive, but I think we've got a slightly different perspective there.

Ms CATE FAEHRMANN: The data is definitely less, from the data my office obtained.

ADAM SMITH: Definitely less and definitely more willingness to work with the industry. But I think there's still a mismatch. Because of the nature of the complexity of the LACs all being run by different commands, there's some variance on the ground. So we're getting there, but it's still not where we think it needs to be.

ADELLE ROBINSON: Also, because we just came to the end of the 12-event trial with the pill testing, I think there was probably a slightly different overlay with user-pays police last summer because there was pill testing.

Ms CATE FAEHRMANN: Of course.

ADELLE ROBINSON: So I think it would be interesting to see, moving forward, what that looks like and then, depending on what happens with pill testing going forward, if that changes things forever.

OLLY ARKINS: We've definitely seen fewer police at events, particularly when it comes to drug dogs too. But when you compare them to other interstate jurisdictions, there are still way more of them. They're fewer than five years ago or pre-COVID, but it's still not reduced to the level where I see young people going into an event in Melbourne or Brisbane and they're never running any gauntlet and they barely know the police presence is there. So I think Adam's point that there's more to do—

ADAM SMITH: It's better, but we've still got a way to go. I don't want to speak for them, but I feel like they possibly agree that we're working together and we all got to change. I'm saying that. That's from my perspective.

Ms CATE FAEHRMANN: With the amount being charged in terms of user pays and the panel, I know AFA has been collecting as much as possible from your members in terms of how much has been charged. Are we seeing a similar reduction, I assume, maybe because of the pill testing trial as well, but that's working too?

OLLY ARKINS: When it comes to pill testing, we were never charged for drug operations. It's only officers that they deem as the number appropriate for the level of risk at the event.

Ms CATE FAEHRMANN: But that's usually what happens, right?

OLLY ARKINS: Yes, but I'm just saying that because of that you've probably seen a reduced presence at the pill testing trial events. The costs have come down, but maybe not to the level that are comparable to interstate jurisdictions. On the review process though, I think we have communicated those processes, so the internal review at police and then the external review at the panel. I think we've still got a long way to go in terms of the times at which we're getting quotes and our membership across the board feeling comfortable enough to

still request those reviews. They exist. They have seen some use. The panel has only seen one application is my understanding.

Ms CATE FAEHRMANN: Yes, that's what I understood.

OLLY ARKINS: And that was quite late in the piece.

ADELLE ROBINSON: I've had experience with pushing back at that early stage and reminding them there is the panel and that I will be very comfortable going to the panel if there isn't a discussion about the numbers, and the numbers have reduced. It'd be interesting to get more data about promoters that have had less experience arguing with police than me to find out whether they've had a similar experience.

Ms CATE FAEHRMANN: I think it is just one, but this was data I got late last year, I think, from the police.

ADAM SMITH: I think it's still just one.

OLLY ARKINS: Yes, my understanding is nobody else.

Ms CATE FAEHRMANN: I'll put some on notice.

ADAM SMITH: That would be good to know.

OLLY ARKINS: Partly that is because of the time frame at which you can apply to the panel. Some people aren't getting their quotes in in time. I think police have a role to play to work with us to give us quotes and go through the internal process with enough time to also go to the panel if we need to.

Ms CATE FAEHRMANN: In terms of the support of smaller festivals, there's been quite a number of submissions that have made different recommendations. But it's fair to say that music festivals, in terms of numbers, are still folding overall. The recommendation around the funding available to music festivals and live music venues nationally is a maximum grant amount of \$250,000. Is this being fed through as well as suggestions for Sound NSW to take to the Minister? This is a recommendation now in this submission. Is that also being advocated, I hope, by—

ADAM SMITH: By AFA?

Ms CATE FAEHRMANN: Yes.

ADAM SMITH: Yes.

OLLY ARKINS: Yes, definitely. From our perspective, there isn't dedicated funding available for music festivals currently.

Ms CATE FAEHRMANN: No, there's not.

OLLY ARKINS: I think we accept that the Contemporary Music Festival Viability Fund played a significant role achieving kind of trying to support festivals at a time where there was increased costs and fewer people were buying tickets, but it was always going to be time limited. We had advocated even back then when we were talking about the viability fund that beyond that there needs to be an ongoing kind of fund available for promoters to access, not dissimilar to what we see with Revive Live from the Federal Government. That has been in existence since 2020. It has just been funded for one more year in the budget through the cultural policy. We're going to be advocating for that. But having a funding program available for festivals at a State and national level, ideally in every State, is what we've been advocating for. Now that the confidence is slowly coming back, we're actually seeing young promoters give it a go. Given the costs that they're facing, there's a desperate need for funding to be able to be accessible by them.

Ms CATE FAEHRMANN: Can you expand on "now that we see the confidence coming back"? What do you mean by that?

ADELLE ROBINSON: There are shows that have been doing well, where there were no shows doing well a while ago.

Ms CATE FAEHRMANN: It's a genuine question because we're hearing "bad, bad". Who's feeling the confidence? Is it the artists or the promoters or the audience?

OLLY ARKINS: I say that because we're seeing new festivals pop up—smaller festivals in regional New South Wales with 1,000 or 2,000 cap events. The fact that there's more of them now gives us the idea that they're taking a chance and they're willing to do it and they think that they can sell the tickets.

Ms CATE FAEHRMANN: What about recommendations around insurance in terms of the Government being able to assist? Has the AFA done work on that?

OLLY ARKINS: Lots. There have been multiple discussions, particularly at the national level, given it's a Federal issue. There was a good option that had a cancellation option run by the Victorian Managed Insurance Authority, which was kind of government led. We could access what I think was cancellation insurance through the VMIA back then. It's no longer available. There was a discussion and a study into public liability mutual arrangements funded by Creative Australia that we fed into. The problem is, for festivals, the drawdowns on insurance pools is much higher than the premiums we're putting in.

ADELLE ROBINSON: It's bad business.

OLLY ARKINS: To put it in a pool that's big enough, they need to bring in other industries so that the risk profile is lowered.

Ms CATE FAEHRMANN: Hence, the Government sharing some of that risk.

OLLY ARKINS: I think the Federal Government wasn't just being pestered by music festivals. There was a lot of industries, and I think it all went into the too-hard basket.

Ms CATE FAEHRMANN: In terms of the whole attractiveness of music festivals still, Listen Out changed to Listen Out Presents—and used the \$500,000 to do that. You must have done that based on what was a changing audience appetite for a different type of performance, whether it's shorter or more comfortable. Clearly, the AFA is doing a lot of research into this in terms of what people are wanting. You pivoted to that. Do you want to talk a bit about that?

ADELLE ROBINSON: Just on the viability grant, that was actually used to pay the costs of Listen Out when it happened as opposed to funding the following year. In my business, we have pivoted very much to trying to do shows where we're amortising costs using the same infrastructure at similar venues. That's a way of producing more live music in New South Wales but reducing the costs per show. We did that at Fleet Steps, where we had multiple shows using the same infrastructure. We did that at Bondi Beach with the Crowded House concert and Mighty Hoopla. In a lot of ways, we've actually pivoted to do more shows but trying to bring the costs down to make each show more viable. It's a few different things. I do agree that smaller shows in more unique venues seem to be easier to sell tickets but, in addition to that, reducing the overall costs means that it's more viable.

Ms CATE FAEHRMANN: It's the cost of the stage, I heard. It's crazy for festivals—absolutely crazy.

OLLY ARKINS: The cap at Centennial Park was increased because the feedback we were getting was if you can only have so many events a year—and they weren't even reaching the cap because they didn't want to annoy the local residents.

ADELLE ROBINSON: It was actually not just the cap; it was the fact that they couldn't have events one after the other. You couldn't do infrastructure sharing in Centennial Park. That changing—I don't think anyone has used it yet, but it's a big game changer.

OLLY ARKINS: It's kind of happening across the board.

The Hon. SARAH MITCHELL: This is more for my own knowledge or awareness. Obviously, we're talking about music festivals because this is an inquiry into the live music space. In terms of your organisation, do you do beyond music festivals as well, or is that your main focus?

ADELLE ROBINSON: It's a very good question.

The Hon. SARAH MITCHELL: I'm just trying to understand.

OLLY ARKINS: Adelle was one of the founding members. We were set up by five commercial music festival promoters. Since then, we've grown to over 80 members. The overwhelming majority are in New South Wales and Victoria. The national peaks that were maybe representing music festivals at the time, when the challenges came up in New South Wales, decided that they weren't going to focus at a State-based level, which is why the promoters got together and were like, "We need a voice. We need a collective association to be able to engage with government when those laws come up."

It just meant that we've focused more at a State and Territory jurisdictional level with relationships with all of the agencies. We've spoken about police, liquor licensing, planning, health—but we're a small team of just over two staff. We've got not even 2½. That's a long way of saying that we've got really good relationships with those agencies in New South Wales and Victoria. But then, to be able to do that nationally, you have to increase your engagement by 100 per cent every time you go into a new State, because you've got to start again with the

police and liquor licensing and all of that. It's a long way of saying that most of our members are in New South Wales and Victoria. We've got—

ADELLE ROBINSON: Were you more asking if there are different types of festivals?

ADAM SMITH: We've got different festivals.

The Hon. SARAH MITCHELL: Yes, because the other festivals—my mind automatically goes to music festivals, which would be the—

ADELLE ROBINSON: Sydney Festival is a member, for example.

OLLY ARKINS: So is the Comedy Festival.

ADELLE ROBINSON: I can't really talk for them, but I suspect they're mainly a member for their music programs that they're doing outside. We actually did a planning session last year to work out whether we should be expanding it to all types of festivals, because a lot of the work we do applies to food festivals.

The Hon. SARAH MITCHELL: I guess the reason for asking was—did you just say, Miss Arkins, that you do the Comedy Festival as well?

OLLY ARKINS: We've got the Sydney Comedy Festival, yes.

The Hon. SARAH MITCHELL: What I was trying to get to is whether, amongst your members and the different events that are on, there are particular handbrakes on the live music stuff that do not apply to other types of festivals. Are there things that we could do better for the music festivals that exist for, say, a comedy festival or something else? It was a broader question to that space.

ADELLE ROBINSON: I think the answer is music has generally been more targeted by agencies in a negative way, traditionally. In a lot of ways, the issues that we've been dealing with have been more extreme than things like food festivals or comedy festivals. But I think, when you're looking at large-scale events and all of the things that go into that, there is a lot of common ground with those other types of events.

The Hon. SARAH MITCHELL: That's useful. Following on from that, I think you said before, Miss Arkins, that you co-chair the round table. In your submission, there are a few comments that your members are hearing two different stories. Good things are said at the round table but then, in practice—and this picks up on some of Cate's questions—whether it's with health districts or elsewhere, what happens on the ground doesn't always align with what is discussed or agreed to at the round tables. I'm paraphrasing a little, but that was what I picked up from your submission. How did you fix that? Are there things that the Committee could recommend that would make that better in practice for your members and for the events that they hold?

OLLY ARKINS: We've asked police to provide more clarity around how they determine the level of user-pays policing at events. At the moment, if someone has done a festival in an area that we've got members that have done it before, and they're having a bad relationship, I can pick up the phone to the assistant commissioner and be like, "What's going on here? Can we work this out?" But it shouldn't have to rely on us having to have that conversation with the agency every time there's a different approach. These things should be embedded within government, and the only way we can advocate for that is if we understand how they're setting some of these determinations.

We've asked for clarity around the user-pays numbers and cost settings, which we're told is coming. We've also asked for—currently, when you submit to Liquor and Gaming about whether you should be an agreed health and medical plan festival, you put your submission in. Health puts a submission in, which is essentially a template. It's the same thing for every festival. It's very objective. The details are there. What we see in the submissions from police is that they're very different depending on who has written it, depending where in the State it has come from.

ADELLE ROBINSON: I've had some that have been 15 pages and have been super emotive and very personal and quite unprofessional, quite frankly. I personally think the thing that needs to be fixed is the way events are dealt with by the police. The way it's segregated at the moment regionally—obviously, there are important things about regions. There are things about traffic and local behaviour. All of that's really important, but when we're looking at large-scale events and all the things that happen with those, I think there needs to be a police expert that is overseeing that. That currently isn't happening. That's a structural issue, as opposed to the round table.

ADAM SMITH: This takes time, right? The first wave is repeal the legislation. We've seen those big reforms. The second step is agencies understanding and interpreting those new changes. Then it has got to be structural and organisational-led change on everyone that sits at that round table—police, health, industry,

everyone. We all have to go that extra step and go, "How do we all work together?" Because if that doesn't happen, one change in the law isn't going to make any difference. It's not going to be enough. It has made a difference, but it's not going to be enough. Now we're really advocating for that maturation phase on all sides and going, "We need to work together here and we need to change this, because if we don't see consistency across the board, all of this good work will be for nothing, really." That would be such a shame, because we have all worked so well together—government, industry, and police, as well, to their credit, are starting to come to the table. We need to see that carried forward and that consistency happening. Otherwise, it will just be a mixed result.

The Hon. RACHEL MERTON: Thank you to each of you for your time and work on this. If I could just look at recommendation 6. We've had quite a bit of discussion about this. Just in a nutshell, looking at the funding for music festivals at the moment, we've established that the current funding model does not support the specific festival model. Would that be correct?

OLLY ARKINS: There's not dedicated funding for festivals currently.

ADAM SMITH: It was only a matter of a few weeks of that really.

ADELLE ROBINSON: There's no planning.

ADAM SMITH: Technically, there's no future funding dedicated to festivals at the moment. There's intention, we believe, but that's just a timing issue. That's why we're advocating for it.

The Hon. RACHEL MERTON: To the other issue on funding—I think this might have been at the opening—the comment was made that there's four-year funding in place to support a published 10-year strategy and what that might mean to the industry in terms of sustainability and certainty.

OLLY ARKINS: We were just really pleased to see—when we're talking about the level of funding for music in New South Wales, the four-year commitment was a huge increase and has now taken us into the lead. Every other music industry around the country—if you speak to musicians and people that work in music—would love to see the level of support that New South Wales has. We are really happy to see that that four years worth of funding has made a transformation in our local industry, but there isn't funding committed beyond next financial year. It was a four-year commitment at the last election, but since then Sound NSW has developed a plan. They've released a 10-year contemporary music strategy, but there's no funding committed to implement the final six years—or maybe it's more than that, depending on when the plan came out. We just think that given the importance of, and the transformation we've seen in support for, our local industry, if we're going to continue seeing New South Wales as a leader and have musicians want to move here and live here and get supported by the Government, then the Government needs to put money into the rest of that plan.

The Hon. RACHEL MERTON: Would you be putting that case to the Government at the moment in terms of an ongoing commitment here? There is a big announcement and big money, but what is next?

OLLY ARKINS: We have. I would hope that this Committee is going to be making recommendations for further ongoing funding for music, noting the successes of the policy reforms implemented to date, and that the inquiry recommends ongoing funding given there's a plan in place. Hopefully the industry is coming and saying the same thing that we have. Because, having been around the music space during the lockout laws and then the impact from COVID—Sydney being vibrant and a place where there's support for our industry is huge. I can't express that enough.

The Hon. RACHEL MERTON: In today's discussion with witnesses we've seen a concentration of funding support around parts of Sydney—the inner west and Sydney itself. I'm wondering whether you would have anything further to share with us about the Sydney metropolitan area or further out there—what we might be seeing in terms of the uptake of this grant program for live music.

ADELLE ROBINSON: Both Adam and I run regional shows. I ran Groovin the Moo in Lismore two weekends ago, which was supported by Great Southern Nights. I wouldn't have been able to do that show without that support and also the support from Lismore City Council. That show was all ages. We had almost 2,000 kids under 12 at that show, which were free to get in. That's what we're kind of talking about with this funding, making it targeted for areas that need it and for shows that need it and for communities that need it.

ADAM SMITH: Yes, I'd say from a regional perspective, it's such a different world to the cities.

ADELLE ROBINSON: It's harder.

ADAM SMITH: Festivals play a different role there than they do in the cities. It's destination tourism. It's bringing jobs into the areas—all these things. It's really dropping that into a community. It can uplift them in a massive way. The other thing I'd say is that they create a secondary market for the touring circuit. Whilst artists might tour the capital cities, there needs to be a viable market for them to go outside of those cities. It is extremely

important to see those festivals and events happening in a non-capital city area or a non-urban area to get that ecosystem working, because it is ultimately all connected. It's a big ecosystem, right? It brings diversity to the events industry. That's what we want to see. That's me plugging the regional—

The CHAIR: So that's the regional versus metro dynamic. In terms of size, your smaller festivals versus your bigger ones, in terms of your membership and looking at your recommendations, are there priorities that are different for your smaller versus your bigger festivals? Are there things your members tell you that are different needs depending on size?

OLLY ARKINS: I think the regulatory issues affect everyone. I think the scale of the impact and how rapidly it came about post-COVID, with the increase in supply costs and the change in the audience ticket-buying levels—we just saw a bunch of 18- to 24-year-olds come out of COVID who had never been to music and just didn't buy any tickets for a few years, when pre-COVID they were our biggest ticket-buying cohort. It took a couple of summer festival seasons for that to rebuild. What members tell me is that they are the biggest ticket-buying cohort now again, but the challenging time through there was when it became existential. If we lost some of the bigger festivals at that moment, it would have had such a flow-on impact on the rest of the industry.

I think now we've seen that ticket buying recover and stabilise. We've saved as many of our festivals as we could. We obviously saw some iconic ones fall to the wayside. There is substantial contemporary music funding available, but the gap in our scene at the moment is, yes, support for those smaller festivals. A lot of them are in the regions. People love a destination-unique festival. I'm thinking of Soma. Strawberry Fields is getting bigger, but it has matured over that period of time. Those costs are still high, so they're still needing funding. We've seen a number of them access Revive Live funding, and the Victorians had a smaller funding round called the Live Music Festivals Fund, and that was the gap here. That's why we're advocating for them. It's less a regional-metro divide, but I'd say most of the smaller festivals aren't in Sydney because of the venue costs.

The CHAIR: It's more of a maturity thing. Okay. That's the end of our hearing for the day. Thank you so much for your submission and for appearing today and giving us evidence. I don't know if you took anything on notice—you might have—but we might also have supplementary questions for you. The secretariat will be in touch about when we need those back. Thank you once again for appearing.

(The witnesses withdrew.)

The Committee adjourned at 16:30.