

Impacts of COVID-19 on the Cultural and Creative Industries

Arts and cultural audiences, organisations, artists and creative workers

August 2022

Overview

This paper draws on research and sector intelligence on the impacts of COVID-19 on the cultural and creative industries. It outlines the impacts of disruptions on arts and creativity for Australian audiences, arts and cultural organisations, and artists and creative workers. It highlights successes and learnings, where we now find ourselves, and underscores the sector's needs should Australia experience similar disruptions in the future.

Contents

Overview	1
Introduction	2
Contents	1
Summary points	3
Timeline	5
Impacts: Audiences	10
Audiences	10
Impacts: Cultural and creative industries	16
Arts and cultural organisations	16
Independent artists	22

Introduction

With arts and creativity at their core, our cultural and creative industries are diverse and complex. Our cultural and creative industries play a vital role in education, supporting the development of skills, and driving innovation and technology. They can help us make sense of change, connect us – both locally and globally – and inspire us to transform our ways of living and working.

But, for two years, cultural and creative industries around the world have experienced unparalleled disruption from the immediate and lasting impacts of COVID-19.

Australia's own cultural and creative industries have faced tremendous challenges. As new variants have emerged, our creative sector has been impacted by the forced closures of live performance venues, museums and galleries for long or indefinite periods.

The loss of income, markets, skills and wellbeing has impacted artists and creative workers, exacerbating many existing – and identifying new – challenges for our creative sector. Those employed in industries driven or supported strongly by arts and creativity – such as education, tourism, hospitality, and regional and community businesses – have also felt these effects.

However, our creative sector has been resilient and agile in the face of uncertainty. Artists, creative workers and arts and cultural organisations have continued to innovate and re-generate, building digital capabilities and finding new ways to engage with local and global audiences.

After two years of disruptions from COVID-19, audiences are increasingly enthusiastic to return to attending arts and cultural events in person. However, as audience sentiment towards attending in person events has fluctuated with transmission rates, many in the creative sector have been left reliant on low levels of transmissions.

Many studies have examined the extent and varying impacts of COVID-19 on Australia's arts and creativity. It is clear that, while our arts and cultural sector has been resilient, COVID-19 has weakened our sector and many organisations, artists and creative workers are vulnerable to future disruptions. This has impacted the immediate and future viability of our broader cultural and creative industries.

The cultural and creative industries, along with all Australians and communities around the world, have experienced unparalleled disruption from the immediate and lasting impacts of COVID-19. As we deal with the evolving nature of COVID-19, we must take stock of what we have learnt along the way and where we now find ourselves.

This paper consolidates research and sector intelligence to provide an overview on the impacts of COVID-19 on arts and creativity for Australian audiences, arts and cultural organisations, and artists and creative workers.

Summary points

- **Audience** behavior and sentiment towards attending in person events has varied throughout the pandemic, depending on location and level of risk of transmission.
- Disruptions from COVID-19 pushed many **arts and cultural organisations** to expand their reach and connect with Australian **audiences** online. However, many **organisations** experienced 'digital exclusion' as larger state and national institutions tended to have far greater investment and resourcing than **smaller organisations** to create and share digital cultural content. **Smaller arts and cultural organisations** need digital skills training and resourcing support in order to continue to engage digitally in an effective and meaningful way.
- **Audiences** initially preferred digital and outdoor events to in person engagement as these had low risk of transmission. However, while some **audiences** have become 'digital devotees', some experienced 'digital fatigue' by 2021 and were no longer interested in digital programs.
- While **audiences** have been increasingly ready to engage in live attendance in recent months, it is clear levels of comfort on attending public events depends on location and rates of community transmission. This leaves **artists, creative workers** and **arts and cultural organisations** reliant on low levels of transmissions in order to have broad audience confidence. There is a need to remain responsive to audience needs to restore confidence.
- Although **arts and cultural organisations** were resilient and creative in their response to COVID-19, they are still recovering from the fallout of cancelled programs and events. The impacts of loss of revenue, including sponsorship, private giving and government investment, will be long lasting.
- Before COVID-19, **artists** already earned below the Australian workforce average and often received income from multiple sources. COVID-19 has exacerbated **artist** vulnerability as many have lost multiple sources of income.
- Across Australia, the cancellation of festivals, literary events, live performances and art fairs had a devastating effect on job stability, and many highly skilled **creative workers** left the **arts and cultural sector**. Many **artists** have also considered giving up their artistic practice. The Council's next professional artists survey in 2023 will explore these trends and provide more information on the impacts of the pandemic on artists' lives and working conditions.
- The unexpected and then recurring loss of employment and social interaction, and the impacts of sudden, localised lockdowns to prevent further outbreaks have seen many **artists** report suffering or exacerbated mental health since the pandemic began.
- The Australian Government's COVID-19 response supported **artists, creative workers** and **arts and cultural organisations** through a range of additional, targeted investment. Combined with economy-wide support – such as JobKeeper – these packages had a material and positive impact for the sector.
- It has been estimated that up to around 90% of the **cultural and creative workforce** was potentially eligible for JobKeeper.¹ However, accessing whole of government payments such as JobKeeper and the COVID-19 Disaster Payment scheme required proof of a range of factors, including evidencing lost hours or future income decline. Council research, together with various sector surveys,

¹ Bureau of Communications and Arts Research (BCAR) 2020, [Characteristics of Employment and Business Activity in Cultural and Creative Sectors](#).

shows that due to the specific working conditions of **artists and creative workers** – many derive income from various sources and are commonly freelancers or self-employed – some **artists** faced, and will continue to face, structural barriers to accessing general economy-wide income support.

- Since November 2021, the Omicron wave has caused further disruptions within the cultural and creative industries. Due to its rapid spread, not only have many live performances had to be cancelled or postponed due to **cast, crew and staff** contracting the virus, but **audiences** have cancelled tickets due to hesitancy about attending events.² Vaccination alone has been insufficient to prevent transmission, and additional measures such as capacity limits, masks and outdoor events have been identified as potentially helpful in assisting **audiences** to feel safer returning to live arts and cultural engagement.
- Research also shows **arts and cultural attendance** levels are increasing.³ Sentiment among those who are 'ready to attend' suggests that **audiences** are becoming more comfortable with the prospect of 'living with virus' and attending arts and cultural events while taking necessary precautions.
- As the virus continues to impact **arts and cultural organisations, artists and creative workers** well into 2022, many remain depleted in resources and are in a weakened state from the disruptions of COVID-19.

² Lei C 2022, [Audience Hesitancy is Omicron's New Curse](#), *ArtsHub*.

³ Patternmakers 2022, [Audience Outlook Monitor: Australia snapshot report, March 2022](#). The March 2022 phase of data collection for the Audience Outlook Monitor showed, nationally, 7 in 10 (70%) audience members are attending in person events 'right now', compared to November 2021 where 29% (Delta-outbreak affected states) and 74% (rest of the country) were attending. This figure is the highest national rate of attendance seen since March 2021 (71%), prior to 2021 Delta outbreaks in the eastern states.

Timeline

- COVID-19 dates
- Audience impacts
- Event cancellations
- Grant announcements
- Economic impacts
- Other impacts

- 11 March 2020** – The World Health Organisation (WHO) **declares COVID-19 a pandemic.**
- 13 March 2020** – The Australian Government **bans all ‘non-essential’ mass gatherings, with events of 500 people or more banned indefinitely.**
- 17 March 2020** – **Organisations, artists, and festivals begin announcing cancellations for 2020**, including Vivid, Groovin the Moo and Splendour in the Grass.
- 18 March 2020** – The government **bans indoor public gatherings of more than 100 people.**
- 23 March 2020** – **The government implements a nationwide lockdown** – national borders are closed to all non-residents, distancing rules are introduced, and all non-essential services are closed. States and territories close their borders.
- 27 March 2020** – **Arts and cultural organisations go digital** with the launch of online events and initiatives, including the Melbourne Digital Concert Hall and the Sydney Dance Theatre’s virtual studio.⁴
- 30 March 2020** – The Australian Government announces the **JobKeeper payment.**
- 31 March 2020** – **The Council launches** its first response package: the **Resilience Fund.**
- March 2020** – ABS data shows **over half of arts and recreation business had stopped operating** in the month prior (53%).⁵
- 1 April 2020** – **Results from sector surveys** launched in mid-March begin evidencing **large scale income loss** for artists, organisations and venues.⁶

⁴ Miller N 2021, [‘You Saved Our Lives’: Digital concert hall celebrates its extraordinary year](#), *The Age*.

⁵ ABS 2020, [Business Conditions and Sentiments March](#). Note, ABS’s classification of the ‘arts and recreation’ services is extremely diverse and expands beyond the cultural and creative industries. This activity includes heritage activities, creative and performing arts activities, sports and recreation activities and gambling activities. Any mention in this report to ‘arts and recreation businesses’ or ‘arts and recreation services’ refers to this broad group of activity.

⁶ See Australia Council 2020, [Summary of COVID-19 Impact Surveys \(Last Updated 6 April 2020\)](#).

30 April 2020 – ABS data shows **arts and recreation services are the most severely affected** industry division (94% compared to 53% of other industries).⁷

May 2020 – **AOM Phase 1 Snapshot Report** shows that while audiences are overwhelmingly planning to return to arts and culture in the future, two thirds (67%) will only attend when risk of transmission is low.⁸

1 June 2020 – **Restrictions begin to be lifted** across the country.

30 June 2020 – Desart data shows between March and June 2020, art centres saw a **30% decrease in average art centre sales**.⁹

June 2020 – Surveys show **participation in the arts was particularly vital for Australians during the lockdown**, including to improve mood and quality of life.¹⁰

July 2020 – **AOM Phase 2 Snapshot Report** shows audience comfort to participate in public events is increasing across Australia, except in VIC due to the rising case numbers.¹¹

8 July 2020 – **Restrictions are reinstated in the state of Victoria** as new COVID-19 clusters begin to be recorded (the 'second wave' of infection).

2 August 2020 – A state of disaster is declared in **Victoria**.

6 August 2020 – The **Darwin Aboriginal Art Fair (DAAF)** moves to an online only event (also in 2021).

11 August 2020 – The Australian Government releases guidelines **for the RISE fund**, an industry specific support package for the cultural and creative industries.¹²

30 September 2020 – ABS data shows **arts and recreation businesses** are still the **most likely to be operating under modified conditions** (86% compared to the average of 64%).¹³

⁷ ABS 2020, [Business Conditions and Sentiments April](#).

⁸ Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, May 2020](#)

⁹ Desart Inc 2020, [Art Centres and COVID-19](#).

¹⁰ Australia Council 2020, [Arts Engagement During the COVID-19 Pandemic](#), based on Lonergan Research's Omnibus; The Australia Institute 2020, [Polling – Lockdown and the Arts May 2020](#).

¹¹ Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, July, 2020](#).

¹² Paul Fletcher MP 2020, [RISE Fund and Sustainability Fund Guidelines Released](#) [Media release].

¹³ ABS 2020, [Business Conditions and Sentiments September](#).

- September 2020 – AOM Phase 3 Snapshot Report** shows audience comfort to participate in public events varies across Australia, based on rates of community transmission.¹⁴
- 18 October 2020 – Restrictions are significantly eased** in **Victoria**, with further easing on 28 October as case numbers decline.
- 1 November 2020 – Australia records zero locally acquired COVID-19 cases** for the first time since 9 June.
- 19 December 2020 –** The **Northern Beaches** of Sydney is declared a COVID-19 hotspot. This resulted in **new restrictions and border controls** for people living in this area and **eventually Greater Sydney**.
- 31 December 2020 –** ABS data shows **half of arts and recreation businesses are expecting difficulty** in meeting their financial commitments over the upcoming three months.¹⁵
- 2 January 2021 –** **Facemasks become mandatory** in many enclosed places in Greater Sydney, including performance venues. **Events which are ‘seated, ticketed and enclosed’ are reduced** back to 2,000 maximum. **Outdoor performances are reduced** from 1,000 to 500 patrons.
- 12 February 2021–** Victoria goes into a **five-day lockdown**.
- 22 February 2021 –** Australia’s **vaccination program begins** to be rolled out.
- 26 February 2021 –** Restrictions eased in **Greater Sydney**.
- 25 March 2021 –** The Australian Government announces **an additional \$135m** support for the creative sector via the **RISE fund**.
- March 2021 – AOM Phase 4 Snapshot Report** shows a **resurgence of arts and cultural attendance across the country**. Thanks to increasing numbers of events and outdoor programming over summer, most audiences had recently attended a cultural venue or event of some kind or were making plans to attend in future.¹⁶
- 27 May 2021 –** **Victoria** goes into another lockdown until 3 June.

¹⁴ Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, September, 2020](#).

¹⁵ ABS 2020, [Business Conditions and Sentiments December](#).

¹⁶ Patternmakers 2021, [Audience Outlook Monitor: Australia snapshot report, March 2021](#).

- 2 June 2021** – **Splendour in the Grass** announces **Splendour XR**, a virtual edition of the annual festival on 24–25 July.
- 3 June 2021** – The Australian Government announces the **COVID-19 Disaster Payment**, a lump sum to help workers who were unable to earn income due to a state or territory public health order.
- 25 June 2021** – **Greater Sydney goes into lockdown**, with Victoria, parts of Queensland, SA and the NT all responding to **Delta outbreaks**.
- 30 June 2021** – ABS data shows **arts and recreation businesses were the most likely to be expecting difficulty** in meeting their financial commitments over the upcoming three months.¹⁷
- 15 July 2021** – **Victoria** enters a snap lockdown for five days. This is then extended until 27 July.
- 19 July 2021** – The Australian Government opens applications for the **COVID-19 small business grants** in NSW, this is followed by other states and territories. Closes on 1 October 2021.
- 26 July 2021** – The Australian Government opens applications for the **COVID-19 Micro-Business grant** in NSW.
- July 2021** – **AOM Phase 5 Snapshot Report** shows half of audiences feel the risk of future lockdowns and cancellations is inhibiting their attendance. Yet, **audiences are committed to engaging with culture** and most are confident the vaccination roll out will help a return to normal.¹⁸
- Early August 2021** – **Festivals and performing arts events are cancelled or postponed**, including Bluesfest, Sydney Fringe Festival, Vivid Sydney, West Set Festival in Victoria.
- 5 August 2021** – **Victoria** enters its sixth lockdown.
- 11 October 2021** – Restrictions begin easing in **NSW** for people who are vaccinated.
- 19 October 2021** – Restrictions begin easing in **Victoria**.
- 28 November 2021** – The first case of **Omicron variant** is detected in Australia. This surge signals a new stage of the pandemic, with daily case **numbers skyrocketing in most states and territories**.

¹⁷ ABS 2021, [Business Conditions and Sentiments June](#).

¹⁸ Patternmakers 2021, [Audience Outlook Monitor: Australia snapshot report, July 2021](#).

- November 2021 –** **AOM Phase 6 Snapshot Report** shows audiences are less likely to be inhibited from attending cultural events by the risk of lockdowns and more likely to be concerned with risks of transmission or being a close contact.¹⁹
- 13 December 2021** New research is published highlighting the devastating impacts of COVID-19 on artists' mental health.²⁰
- 15 December 2021 –** The **NSW Government lifts most public health restrictions** after vaccinating 90% of the population. Most states and territories (except for WA) open their borders.
- 16 December 2021 –** Due to the **rising cases of Omicron**, OzTix reveals over **300 events have been rescheduled, postponed or cancelled** over the Christmas period.²¹
- 10 January 2022 –** The reported total number of **COVID-19 cases** in Australia surpasses **one million**.
- 31 January 2022 –** ABS data shows over **half of arts and recreation business reported that the current cash on hand is lower** compared to what is usual for this time of year.²²
- 21 February 2022 –** **Australia opens its borders** to fully vaccinated visa holders, welcoming the return of tourists, business travellers, and other visitors.
- 3 March 2022 –** **Western Australia opens its borders** to domestic and international visitors.
- March 2022 –** **AOM Phase 7 Snapshot Report** shows **most audiences are back at cultural events**, but half are still concerned about risks.²³
- 27 June 2022 –** The reported total number of **COVID-19 cases** in Australia surpasses **eight million**.
- 6 July 2022 –** People entering or leaving Australia are **no longer required to provide evidence of their vaccination status**. Unvaccinated visa holders no longer need a travel exemption to enter Australia.

¹⁹ Patternmakers 2021, [Audience Outlook Monitor: Australia snapshot report, November 2021](#).

²⁰ Rusak H et al 2021, *Breathing Through the Pandemic: Performing arts challenges and responses to the mental health implications of COVID-19*, WAAPA.

²¹ Burke K 2021, ['Absolutely Heartbroken': Event cancellations return to devastate Australia's music industry](#), *The Guardian*.

²² ABS 2022, [Business Conditions and Sentiments January](#).

²³ Patternmakers 2022, [Audience Outlook Monitor: Australia snapshot report, March 2022](#).

Impacts: Audiences

Audiences

Arts and culture connected us during the early stages of the pandemic

Participation in cultural and creative life was particularly vital for Australians during COVID-19 lockdowns.²⁴ While necessary distancing measures kept audiences away from theatres, galleries and venues, many Australians increased their online engagement.²⁵

Most Australians (73%) said that the arts improved their mood and quality of life during the early stages of the pandemic,²⁶ and many online audiences even reported achieving a sense of connection during lockdowns.²⁷

Three of the five most popular activities Australians did to stay connected and support their wellbeing during the April 2020 lockdown relied on the cultural and creative industries and the skills of artists: 'watching films/television programs or listening to the radio/podcasts' (72%), 'listening to music' (55%) and 'reading for pleasure or relaxation' (54%).²⁸

Audiences were hesitant to attend live events

Between March and May 2020, although audiences wanted to return to live arts and cultural events, most only planned to attend live events when the risk of transmission was minimal.

Findings from the Audience Outlook Monitor showed that in May 2020 most audiences planned to return to arts and cultural events in the future (85%). However, just 22% of audiences were comfortable attending as soon as restrictions were lifted. Over two-thirds of audiences said they would attend when they deemed the risk of transmission was minimal (67%).²⁹

Outdoor and digital engagement were initially preferred across the nation

As COVID-19 restrictions eased, most Australian audiences preferred to participate in arts and creativity through attending outdoor events and engaging in digital content.

By July 2020, while nationally audiences were comfortable to participate in public events (61%, up from 51% in May), most audiences preferred live-streamed digital programs that they could watch from home (39%) or an outdoor venue with enough lawn space to spread out (34%).³⁰

²⁴ Australia Council 2020, [Arts Engagement During the COVID-19 Pandemic](#), based on Lonergan Research's Omnibus Survey, April 2020. Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, May 2020](#).

²⁵ As above.

²⁶ The Australia Institute 2020, [Polling – Lockdown and the Arts May 2020](#).

²⁷ Patternmakers 2020, [Fact Sheet: Online engagement, COVID-19 Audience Outlook Monitor](#).

²⁸ The other two most popular activities were 'keeping in touch with family and friends via phone or videoconferencing' and 'exercise/backyard activities'. Australia Council 2020, [Arts Engagement During the COVID-19 Pandemic](#), based on Lonergan Research's Omnibus Survey, April 2020.

²⁹ Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, May 2020](#).

³⁰ Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, July 2020](#).

Some audiences mentioned crowds and venue safety as the key factor driving their attendance decisions during this time. Others expressed desire to support 'local', 'homegrown', independent and grassroots community events.³¹

Audiences were ready to attend arts events where transmission rates were low, but sentiment varied across the nation

Although audiences initially preferred outdoor events and digital streaming, in states where transmission rates had dropped, audiences were more comfortable to attend in person events.

Nationally, the proportion of audiences who were ready to attend as soon as permitted increased to 28% in July 2020 (up from 22% in March).³²

However, in September, where cases were increasing, audiences felt less comfortable to attend in person. Sentiment towards attending events varied state-to-state in line with transmission rates.

In Victoria, a high rate of virus transmissions led to the imposing of stage 3 restrictions across the state. From July to October 2020, Victorians were restricted to their homes unless shopping for essentials, medical care, or to exercise. The proportion of Victorian audiences who were ready to attend, as soon as permitted, was just 20%, compared to 39% in NT, for example.³³ Similarly, where cases of the virus had begun rising again during this time in ACT, only 19% of audiences were ready to attend events.³⁴

At a national level 29% of audiences were ready to attend as soon as permitted (similar to July, 28%). Confidence was increasing in WA, NT and TAS, with 40% of audiences saying they were ready to attend as soon as permitted. In QLD and SA 33% were ready to attend as soon as permitted. However, in NSW, VIC and the ACT, around 25% were ready to attend as soon as permitted.³⁵

These figures confirm that confidence to attend events in person is closely linked with localised rates of community transmission.

In late 2020, audiences were typically more comfortable to attend in person events

By September 2020, audiences were more comfortable to attend live performance venues of all sizes, assuming they were open and following safety procedures, including face masks and social distancing guidelines.³⁶

More than a quarter of audience members had attended an arts or cultural event in the previous fortnight (29%, up from 24% in July), with museums and galleries the most common venues attended (13%).³⁷

As audiences felt more comfortable to attend live events, the proportion of Australians who put live-streaming as their first choice dropped back slightly across Australia (35% in September 2020, down from 39% in July).³⁸

³¹ Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, September 2020](#).

³² However, the proportion is lower in the ACT (19%) and VIC (20%) where cases of the virus had begun rising again during this time. See Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, July 2020](#).

³³ Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, September 2020](#).

³⁴ As above.

³⁵ As above.

³⁶ As above.

³⁷ As above.

³⁸ Patternmakers 2020, [Audience Outlook Monitor: Australia snapshot report, September 2020](#).

Audiences increasingly attended cultural and creative activities in person in late 2020 and early 2021

Between late 2020 and early 2021, live attendance rates more than doubled.

In March 2021, 71% of audiences attended a cultural activity in person within the fortnight before data collection, compared with 29% in September 2020. Two-fifths (41%) of audiences said they recently attended a live performance — a significant increase since September when most performance venues were still closed (8%).³⁹

COVID-safety measures were critical to audience confidence during this time. Along with check-in procedures and disinfection, social distancing and venue capacity restrictions were key to audiences' perceptions of safety.⁴⁰ When asked about barriers to attending, the number one thing inhibiting attendance was the risk of lockdowns and cancelled events (37%) rather than the risk of contracting or transmitting the virus (26%).

A year into the pandemic, some audiences experienced 'digital fatigue'

By 2021, while some audiences became 'digital devotees', others were growing 'tired of tech'.⁴¹

Findings from the March 2021 Audience Outlook Monitor showed some audiences had grown fatigued of 'screen-time' or weren't interested in digital programs (27%). Just 1 in 10 said a digital program would be their first choice at this time (9%) and overall participation in online arts experiences had fallen to 47%, down from 70% in September 2020).

These findings coincided with a resurgence of live arts and cultural attendance across the country, with 80% making plans to attend a cultural venue or event in person.

Fluctuation in transmissions affected audience confidence throughout 2021 and vaccination and safety measures seen as key

Surges in transmission in late 2020 and throughout 2021 saw much of the nation experience changes to the public health order. This state of flux impacted how audiences were able – or chose – to attend live events.

From late-February 2021, Australia started rolling out its vaccination campaign. The program was seen as key to enabling Australians to return to a new 'COVID normal'.

The July 2021 results of the Audience Outlook Monitor indicated a setback in audience attendance, as cancellations affected events around the country. Nationally, slightly more than half of past attendees had recently attended an event (53%, down from 71% in March 2021).⁴²

³⁹ Patternmakers 2021, [Audience Outlook Monitor: Australia snapshot report, March 2021](#).

⁴⁰ As above.

⁴¹ Patternmakers 2021, [Fact Sheet: Reaching Audiences at Home](#).

⁴² Patternmakers 2021, [Audience Outlook Monitor: Australia snapshot report, July 2021](#).

Three-quarters of audiences said their plans were affected by lockdowns/restrictions in the past four months (76%). Reasons included being in lockdown (60%), the event being in an area affected (59%), or the event being cancelled due to an artist not being able to appear (62%).

In July 2021, around half of audiences said the risk of future lockdowns and cancellations was inhibiting their attendance (52%), while 38% were concerned about virus transmission.

However, during this time, audiences remained committed to engaging with culture, with 86% feeling at least somewhat confident that the vaccination roll-out would be successful in helping things return to normal within 12 months.⁴³

High transmission rates due to the Delta variant saw Victoria and New South Wales experience more extended lockdowns in mid-2021.

Findings from an Audience Outlook Monitor pulse survey in October 2021 showed confidence in outbreak-affected states had been affected by the Delta variant. On average, confidence in outbreak-affected states decreased since July 2021. When asked how they felt about attending cultural events right now, 43% of audiences in outbreak-affected states were ready to attend 'now or as soon as permitted' (down from 57% in July). Another 52% (up from 39%) would attend when reasonably confident the risk of transmission is minimal.

By contrast, the majority of audience members in the rest of the country remained ready and willing to attend events (74%, up from 69% in July 2021) – with border closures keeping flow-on impacts from outbreaks in other states at bay.

Among the 43% who were 'ready to attend' in outbreak-affected states, vaccination was key. For a sizeable group, receiving the vaccine had made them feel ready to attend cultural events – and they were generally happy to put their trust in venues and public health measures to keep them and the community safe.

For 52% of audiences who were more cautious about going out in outbreak affected states, COVID-19 safety measures were vital – and vaccine passports appeared high on their list of priorities. As of 1 October 2021, the majority of audience members across all risk profiles said they would be encouraged (81%) by proof of vaccination requirements at venues.

In late-2021, audiences wanted to attend events with minimal transmission risk again

Following long lockdowns in Australia's eastern states, confidence in the outbreak-affected states of NSW, VIC and ACT was beginning to recover, but many Australians still had safety concerns about attending in person events.

In November 2021, audiences were more likely to be concerned with risks of transmission (51%) or being a close contact (43%) compared to mid-year results. They were also less likely to be inhibited from attending cultural events by the risk of lockdowns (now 38%).⁴⁴

Audiences grew accustomed to 'living with the virus': 50% said they were 'ready to attend', however only 29% had done so in practice, suggesting it would take some time to rebuild attendance activity in all areas.⁴⁵

⁴³ Patternmakers 2021, [Audience Outlook Monitor: Australia snapshot report, July 2021](#).

⁴⁴ Patternmakers 2021, [Audience Outlook Monitor: Australia snapshot report, November 2021](#).

⁴⁵ As above.

As COVID-19 cases trended downwards in late October and early November 2021, most audience members appeared cautiously optimistic about attending over summer.⁴⁶ Seven in 10 (67%) audience members in the outbreak-affected states and territories made plans to attend a cultural event of some kind. This increased to 8 in 10 audience members (82%) in the rest of the country.⁴⁷

Omicron variant brought back hesitancy to return to events

Over the summer of 2021–2022, very high transmission rates due to the Omicron variant disrupted how audiences engaged with arts and culture yet again.

Due to its rapid spread, not only were live performances cancelled or postponed due to cast, crew and staff contracting the virus, but audiences cancelled their tickets as they were hesitant to attend events.⁴⁸

In December 2021, OzTix revealed over 300 events had been rescheduled, postponed or cancelled over the Christmas period.⁴⁹

With Omicron, vaccination alone has been insufficient to prevent transmission, and additional measures such as capacity limits, masks and outdoor events were identified as potentially helpful in assisting audiences to feel safer returning to live arts and cultural engagement.

Ticket buying data trends across arts and sport⁵⁰ show the overall number of ticket buyers in Australia was much lower in 2019–20 and 2021–22 than previous years, with many more people buying no tickets at all during COVID-19. However, avid arts goers continued to attend live events and continued to travel to attend events.

Attendance levels are increasing as audiences ‘live with the virus’

Following the January 2022 peak of the Omicron variant, Australians continued to grow accustomed to ‘living with the virus’, with data suggesting that arts and cultural attendance levels are increasing.

The March 2022 phase of data collection for the Audience Outlook Monitor showed, nationally, 7 in 10 (70%) audience members were attending in person events ‘right now’, compared to November 2021 where 29% (Delta-outbreak affected states) and 74% (rest of the country) were attending. This figure is the highest national rate of attendance seen since March 2021 (71%), prior to 2021 Delta outbreaks in the eastern states.⁵¹

Confidence levels across the country are gradually aligning as COVID-19 policies nationalise. States such as NSW, ACT and VIC have seen confidence levels rise, whilst states with newly-opened borders, like WA, experienced a decline in confidence.

Nationally, 7 in 10 (70%) audiences members said they attended an in person event recently, compared to November 2021 where 29% (Delta-outbreak affected states) and 74% (rest of the country) were attending. Nationally, the March 2022 figure is the highest rate of attendance seen since March 2021 (71%) prior to 2021 Delta outbreaks in the eastern states.⁵²

⁴⁶ As above.

⁴⁷ As above.

⁴⁸ Lei, C 2022, [Audience Hesitancy is Omicron's New Curse](#), *ArtsHub*.

⁴⁹ Burke K 2021, [‘Absolutely Heartbroken’: Event cancellations return to devastate Australia's music industry](#), *The Guardian*.

⁵⁰ Australia Council 2022, [Electorate Profiles](#).

⁵¹ Patternmakers 2022, [Audience Outlook Monitor: Australia snapshot report, March 2022](#).

⁵² As above.

However, while the majority of audiences have received three shots of a COVID-19 vaccine (87%), attendance continues to be inhibited for many by the risks of transmission (52%) or being a close contact (43%).⁵³

Audiences expressed concern about transmitting the virus to those at-risk in their community – and 49% identified as being vulnerable to COVID-19 themselves or having someone in their household or network who is. Some audience segments remain especially cautious, particularly those at risk of a serious health outcome (39% ready to attend) and those with a disability (43% ready to attend).⁵⁴

But, while 4 in 10 (38%) have some level of risk-aversion to attending in person events,⁵⁵ this is down from November 2021. Findings from November 2021 showed 47% of audiences in outbreak-affected states were waiting to attend cultural events until ‘reasonably confident that the risk of transmission is minimal.’⁵⁶

Sentiment among those who are ‘ready to attend’ suggests that audiences are becoming more comfortable with the prospect of ‘living with virus’ and attending arts and cultural events while taking necessary precautions.

The mid-year 2022 phase of data collection for the Audience Outlook Monitor will provide further insight into the sentiments and behaviours of audiences in the third year of the pandemic,⁵⁷ particularly as transmission rates rise but restrictions are eased.

⁵³ As above.

⁵⁴ As above.

⁵⁵ Patternmakers 2022, *Audience Outlook Monitor: Australia snapshot report, March 2022*.

⁵⁶ Patternmakers 2021, *Audience Outlook Monitor: Australia snapshot report, November 2021*.

⁵⁷ The Audience Outlook Monitor is continuing in 2022. Two full rounds of data collection and one shorter ‘pulse check’ will be delivered flexibly during the year to respond to changing conditions.

Impacts: Cultural and creative industries

Prior to COVID-19, Australia's cultural and creative industries were strong and growing

Australia's cultural and creative industries are substantial in size and, before the pandemic, cultural and creative activity in Australia contributed \$115.8 billion, or 6.3% of GDP.⁵⁸ It is 93% higher than agriculture, forestry and fishing; and more than double the contribution of accommodation and food services.⁵⁹

Arts and creativity drive many other industries including tourism and hospitality, and benefits an enormous number of businesses: from cafes and restaurants to accommodation and travel operators. The value the cultural and creative industries provide to the economy is similar to education and training.

Prior to border closures, arts and cultural tourism had become a substantial – and growing – driver for domestic tourism. More domestic tourists attended the arts than organised sport, amusement parks or wineries. Arts and cultural activity drew 'high-value' travellers (likely to spend more, go further and stay longer) to cities and regions across the country to discover new experiences, great traditions and unique cultural forms from festivals to regional galleries, studio tours to site-specific concerts.⁶⁰ The arts were also increasingly on the itinerary for international visitors.⁶¹

Our cultural and creative industries are also rich in human capital. Before the pandemic, in 2016, more than 645,000 people (6% of the workforce) worked in the cultural and creative industries in Australia as their main industry of employment.⁶² This is over three times the mining industry and more than 15 times aviation.⁶³

A further 205,200 people worked in cultural and creative roles in other industries.⁶⁴ 170,200 businesses were operating within Australia's cultural and creative industries in 2020.⁶⁵

Arts and cultural organisations

Immediate closures and cancellations of live events impacted organisations

The cultural and creative industries were among the first to be severely impacted by the pandemic in early 2020. Gatherings of over 500 people were banned on 13 March 2020 and were subsequently limited to 100, ten and then two people over the second half of March.

In March 2020, arts and recreation businesses⁶⁶ were the hardest hit by the pandemic, with more than half (53%) ceasing to operate in the month prior. This compares with the two other industry groups most

⁵⁸ Based on 2017–18 data. Bureau of Communications, Arts and Regional Research (BCARR) 2020, [Cultural and creative activity in Australia: 2008–09 to 2017–18](#).

⁵⁹ Based on Gross Value Added (GVA), a measure that enables cross-industry comparisons by removing the distortion caused by taxes and subsidies. BCARR 2020, [Cultural and creative activity in Australia: 2008–09 to 2017–18](#).

⁶⁰ Australia Council 2020, [Creating Our Future: Spotlight on economic value and future success](#).

⁶¹ Australia Council 2018, [International Arts Tourism: Connecting Cultures](#).

⁶² Meeting of Culture Ministers 2019, [Cultural Funding and Participation Australia 2019, Employment in Culture](#).

⁶³ ABS 2019, [Australian Industry, 2017–18](#).

⁶⁴ Meeting of Culture Ministers 2019, [Cultural Funding and Participation Australia 2019, Employment in Culture](#). Based on Census data, this measurement captures 'main jobs', missing multiple jobholders who are a prominent feature of creative work: see Australia Council 2017, [Making Art Work: A summary and response by the Australia Council for the Arts](#).

⁶⁵ BCAR 2020, [Characteristics of Employment and Business Activity in Cultural and Creative Sectors](#).

⁶⁶ Note, ABS's classification of the 'arts and recreation' businesses/services is extremely diverse and expands beyond the cultural and creative industries. Any mention to 'arts and recreation businesses' or 'arts and recreation services' refers to this broad group of activity. This activity includes heritage activities, creative and performing arts activities, sports and recreation activities and gambling activities.

impacted at that point – accommodation and food services (35% closures) and information media and telecommunications (31% closures).⁶⁷

In April 2020, arts and recreation services were the most severely affected industry division, with 94% of businesses affected by the restrictions, compared to the average of 53%.⁶⁸ Respondents to a survey of cultural sector event producers, presenters, supporters and venue managers reported that by April 2020, 96% had cancelled programs or events and 88% had lost revenue, including sponsorship, private giving and government funding.⁶⁹

Arts and recreation businesses reported further anticipated adverse impacts due to COVID-19 with 83% reporting reduced demand for goods and services; 84% reporting reduced cash flow; and 71% reporting reduced ability to pay operating expenses.⁷⁰

Between 14 March and 2 May 2020, arts and recreation services saw a decrease in jobs by 19%, second only to accommodation and food services (27%).⁷¹

A range of sector surveys launched in the immediate wake of restrictions on public gathering and travel in March 2020 indicated the amounts of income lost within organisations and businesses across many art forms.⁷² Some of these surveys are still ongoing, such as *I Lost My Gig*, which has been tracking the impact of the COVID-19 pandemic on Australia's live event and entertainment industries weekly since March 2020.⁷³ For more detail on impacts to income, see 'The ongoing impacts of disruption have affected income flow' on page 18.

Creative organisations pivoted to digital to support Australians and financially survive

Although Australia's cultural and creative industries were among the immediately hardest hit by COVID-19, arts and cultural organisations, workers and artists adapted rapidly to the disruptions of the pandemic, responding in creative ways to increase online engagement and support Australian audiences.

For instance, Australian Ballet delivered a free cinema-quality digital season of full-length performances and Musica Viva shifted their schools program online, providing alternative resources for Australian teachers. Sydney Dance Company offered accessible online dance classes in their Virtual Studio, supporting health and wellbeing.

Although Australia's First Nations arts and cultural sector faced particularly devastating impacts,⁷⁴ First Nations arts and cultural organisations also took advantage of the digital disruptions from COVID-19 and innovated in a changing environment. Anecdotal information suggests that art centres who maximised their online presence and pivoted to an ecommerce model saw improved sales, including during the traditionally quieter summer months.⁷⁵

For example, in 2020 Cairns Indigenous Art Fair was forced online due to COVID-19. The fair generated \$330k in overall art purchases.⁷⁶ Likewise in 2020 the Darwin Aboriginal Art Fair (DAAF) delivered an

⁶⁷ Monthly cross-industry surveys conducted by the ABS throughout 2020 and 2021.

⁶⁸ ABS 2020, [Business Conditions and Sentiments April](#).

⁶⁹ Culture Counts 2020, [COVID-19 Impact on Cultural Industries: April snapshot](#).

⁷⁰ ABS 2020, [Business Indicators, Business Impacts of COVID-19, Week Commencing 19 April 2020](#).

⁷¹ ABS 2020, [Weekly Payroll Jobs and Wages in Australia, Week ending 2 May 2020](#).

⁷² See Australia Council 2020, [Summary of Covid-19 Impact Surveys \(Last Updated 6 April 2020\)](#).

⁷³ See [I Lost My Gig Australia](#).

⁷⁴ The Australia Council will soon publish an updated dedicated paper on the impacts of COVID-19 on First Nations arts and culture.

⁷⁵ Desart 2020, [Art Centres and COVID19 Impact Statement. 16 March – 30 June 2020](#). Desart 2020, [Art Centres and COVID-19: An update on the pandemic's ongoing impact. 1 July – 31 December 2020](#).

⁷⁶ Cairns Indigenous Art Fair 2020, [2020 Report](#).

online fair. The fair generated over \$2.6m in sales, which went directly to art centres and communities.⁷⁷ In 2021, DAAF was once again a completely digital fair and sales totalled \$3.12m.⁷⁸

However, while the move to digital allowed many organisations to expand their reach and connect with Australian audiences, making content available online did not necessarily mean cultural collections and creative experiences were ‘unlocked’ for all.

The Council’s *In Real Life* report summarised a number of important considerations about this, including the uneven distribution of connectivity across socio-economic groups, ages and geographic locations. The report also found that access to an internet connection does not automatically equal participation (low digital literacy also needs to be addressed) and biases can be replicated or even worsened online if no action is taken to address them (eg minority groups tend to be underrepresented in the art world).⁷⁹

Research conducted with 73 Australian cultural organisations in the wake of COVID-19 also found some organisations experienced digital exclusion.⁸⁰ State and national institutions tended to have far greater capacity to create digital cultural content than council-run, public, and university galleries, and artist run initiatives. This was as some organisations found it difficult to access appropriate devices and platforms and discovered that creating and sharing digital cultural content requires specialised abilities that are not always evenly distributed to all institutions. Many organisations were worried about funding and resourcing these digital activities, especially as they were to remain part of everyday operations for many institutions.

The ongoing impacts of disruption have affected income flow

The closures and cancellation of gigs throughout 2020 and 2021 has had ongoing impacts on the finances of creative organisations. The capacity of the sector has been impacted by the circumstances created by pandemic restrictions and transmission rates, leaving them vulnerable in a volatile state.

Monthly cross-industry surveys conducted by the ABS throughout 2020 and 2021 clearly show the economic impacts have been significant, and disproportionately high within the arts and recreation businesses compared to other industries.

In June 2020, 78% of arts and recreation businesses reported decreased revenue compared to the same time in the previous year, and 60% of these reported that the decrease was 50% or more.⁸¹ By September 2020, arts and recreation services businesses were still the most likely to be operating under modified conditions (86%, compared to the average of 64%).⁸²

In December 2020, 49% were expecting difficulty in meeting their financial commitments over the upcoming three months.⁸³ And, by June 2021, arts and recreation businesses were still the most likely to be expecting difficulty in meeting their financial commitments over the upcoming three months (37%, compared to the average of 16%).⁸⁴

In 2021, a national survey of over 3,000 professionals in the music and wider performing arts sector found that over 32,000 gigs and events were cancelled, equating to nearly \$94m of lost income between 1 July

⁷⁷ Darwin Aboriginal Art Fair 2021, [Digital DAAF a Roaring Success!](#)

⁷⁸ As above.

⁷⁹ Australia Council 2021, [In Real Life: Mapping digital cultural engagement in the first decades of the 21st century](#).

⁸⁰ Holcombe-James I 2019, ‘Barriers to Digital Participation Within the Australian Cultural Sector: Mediating distance, unlocking collections’, RMIT University.

⁸¹ Monthly cross-industry surveys conducted by the ABS throughout 2020 and 2021.

⁸² Monthly cross-industry surveys conducted by the ABS throughout 2020 and 2021.

⁸³ ABS 2020, [Business Conditions and Sentiments December](#).

⁸⁴ Monthly cross-industry surveys conducted by the ABS throughout 2020 and 2021.

2021 to 31 August 2021. Of those who lost revenue, nearly all had no income protection or event cancellation insurance (99%).⁸⁵

A series of Council-conducted surveys of arts organisations⁸⁶ showed that following the lockdown in Victoria in May and June 2021, seven organisations reported a total of 150 events cancelled and \$6.2m in box office income lost.

In July 2021, following the lockdowns in New South Wales, South Australia and Victoria, 63 organisations reported a total of 1,048 events cancelled or postponed, and \$10.3m in lost income.

And following the national lockdowns in July and August 2021, organisations across Australia reported a total of 2,067 events cancelled or postponed and \$14.8m in gross income lost. In addition, they pointed to total projected net losses of \$17.4m in September to December 2021.

Overall, the surveys estimated that music, theatre and dance multi-year investment organisations were most impacted by the lockdowns. In terms of the jurisdictions, organisations based in NSW and Victoria were most impacted. The least impacted organisations were based in NT, Tasmania and ACT. The ABS's figures from January 2022 show just over half of arts and recreation business had reported that the current cash on hand was lower compared to what is usual for that time of year (52%).⁸⁷ In addition, the latest ABS figures from June 2022 show that many arts and recreation businesses are still struggling – 27% of arts and recreation businesses say it will be 'difficult' or 'very difficult' to meet financial commitments over the next three months.⁸⁸

As COVID-19 has disproportionally impacted arts and recreation businesses across the country, these impacts have been varied state-to-state. See the timeline for more detail on state lockdowns on page 5.

Government support for arts and cultural organisations

In response to the COVID-19 pandemic, the Australian Government has supported the nation's cultural and creative industries with a range of additional, targeted support.

The Council launched its first grant package, the Resilience fund, 31 March 2020 with more than \$5m directed to provide emergency relief to individuals, groups and organisations.⁸⁹

From August 2020 to December 2021, the Australian Government invested over \$200m over two years in Australian arts and cultural organisations and events. The Restart Investment to Sustain and Expand (RISE) Fund targeted investment to assist in the presentation of cultural and creative projects, activities and events to rebuild confidence amongst investors, producers and consumers.

Throughout COVID-19, the Australian Government, state and territory, and local governments have administered a variety of other income support packages including Regional Arts Fund, Playing Australia: Regional Performing Arts Touring Fund and Create NSW Small Projects Grant.

⁸⁵ I Lost My Gig Australia 2021, [Survey Results from 1 July 2021 to 31 August 2021](#).

⁸⁶ The Council conducted three sector surveys with our multi-year investment organisations to evaluate and advise the Office for the Arts on the detrimental impacts of the extended lockdowns on the arts and cultural sector.

⁸⁷ ABS 2022, [Business Conditions and Sentiments January](#).

⁸⁸ ABS 2022, [Business Conditions and Sentiments June](#).

⁸⁹ See Australia Council 2020, [2020 Resilience Fund](#). This package involved three streams: Survive (Small grants for individuals, groups and organisations to offset or recoup money lost due to cancelled activity); Adapt (Grants for individuals, groups and organisations to adapt their arts practice and explore new ways of working); and Create (Grants for individuals, groups and organisations to continue to create artistic work and/or develop creative responses in this time of disruption).

The Council and other creative sector bodies also administered grants, including Theatre Network Australia's Crisis Cash for Artists, Support Act's COVID-19 Crisis Relief grant, and APRA's Creative Recovery Fund grant, Performing Lines WA.

The cultural and creative industries also had access to whole of government, economy-wide programs, including the JobKeeper scheme from 30 March 2020 to 28 March 2021 and the COVID-19 Disaster Payment scheme in late 2021. In addition, small business grants and micro business grants supported small to medium arts organisations and independent artists to get by.

JobKeeper was a welcomed subsidy which enabled organisations to continue paying their employees. It is estimated that around two-thirds of creative workers were supported through the JobKeeper scheme throughout the early stages of the pandemic, based on data from Treasury and the tax office.⁹⁰ Australia Council modelling estimated that the beneficial impact of JobKeeper for the multi-year investment organisations that the Australia Council supports was \$128m.

The COVID-19 Disaster Payment was a lump sum payment for those who had lost work or income as a result of a COVID-19 lockdown. The Council's surveys of multi-year investment organisations estimated that over half could not access any state or territory government support packages to assist with the impacts of the lockdowns in July and August 2021.

However, as the arts and cultural sector is typically characterised by high levels of casualisation and freelancing, some creative workers were unable to benefit from this form of government support.⁹¹ For more detail on government support and artists and creative workers see page 23.

For a full list of all income support packages for Australia's arts and cultural sector, see the Sharpe Guide.⁹²

'Expertise' leaving the sector

Prior to COVID-19, it was clear that the creative skills which are essential to the arts are embedded across the economy and are vital to our nation's success.

There has been a significant increase in the number of artists applying their artistic skills in other industries. In 2016, just over half of all artists were using their artistic skills outside the arts (51%, up from 36% in 2009), with more than four in five of these artists generating income from that work (83%). Of those artists who applied artistic skills in other industries, four in ten were working in education (including teaching) and research (39%).⁹³

Across Australia, the cancellation of festivals, literary events, live performances and art fairs had a devastating effect on job security, and many highly skilled workers left the arts and cultural sector.

The ABS Labour Survey in March–May 2020 highlighted the long-term impact of job losses and how large numbers of people were leaving the arts and recreation services industries:

In arts and recreation services and accommodation and food services, the two industries most heavily impacted by COVID-19, a relatively large proportion (around one-third) of people employed in these

⁹⁰ Data released exclusively to the Sydney Morning Herald showed that creative and performing arts companies were paid more than \$76m in JobKeeper payments in April, which flowed through to more than 25,000 workers. See Miller N 2020, [Two-Thirds of Arts Workers Relied on JobKeeper Payments, New Data Shows](#), *Sydney Morning Herald*.

⁹¹ Pennington A and Eltham B 2021, [Creativity in Crisis: Rebooting Australia's Arts and Entertainment Sector](#), Centre for Future Work at the Australia Institute.

⁹² Sharpe Advisory 2021, [Guide to Government COVID-19 Assistance for the Arts 2021](#).

⁹³ Australia Council 2017, [Making Art Work: A summary and response by the Australia Council for the Arts](#).

industries in February were no longer employed in May. Interestingly, of those remaining in employment in May, there was a noticeably higher proportion of people from the arts and recreation services industry who had changed industries, compared to accommodation and food services.⁹⁴

Ongoing uncertainty

Globally, cultural and creative industries generally performed worse than their national economies, thereby sustaining more damage than during any previous crisis.⁹⁵ 10 million jobs were lost in the creative industries in 2020 alone because of the pandemic.⁹⁶ The global Gross Value Added (GVA) in the cultural and creative industries reduced by US\$750b in 2020.⁹⁷

COVID-19 continued to impact Australia's arts and cultural organisations into 2022. Due to Omicron's rapid spread, not only did many live performances have to be cancelled or postponed due to cast, crew and staff contracting the virus, but audiences were cancelling their tickets due to hesitancy about attending events.⁹⁸

For example, a survey of visual artists by the National Association for the Visual Arts (NAVA)⁹⁹ found that since the Omicron variant arrived in Australia 53% of working artists reported declines in their art making. The survey also found artwork sales have declined by 49%; 67% of visual arts organisations were significantly or extremely impacted by closures on arts organisations; and 49% of operations and staff have been impacted by Omicron wave infections or close contact furloughs.

In addition, analysis of the Council's Multi Year Investment Organisations' 2022 KPI reports (for 2021 activity) show that this ongoing uncertainty has impacted, and continues to impact, many organisations. First, it has made it increasingly difficult for organisations to prepare for future activities or programs:

'COVID had a significant impact, not only affecting our creative output, but forward planning and the ability of the organisation to deliver on our goals and make adequate preparation for future activities. It's likely this will continue long into 2022, before we're able to make the lasting changes we need to the company's operations and outlook.'

Audience uncertainty has also impacted organisations as fewer people have been attending events and performances:

'Multiple performances, workshops and events were subject to rolling cancellations and subsequent reboots. Even once the possibility of planning events with certainty began to return, we faced the challenge of convincing audiences and participants to venture out again.'

Another challenge for multi year investment organisations has been the loss of staff and, in turn, the loss of industry knowledge and skills:

'Our organisation experienced a high turnover of staff due to the increased challenges about by the pandemic, higher workloads and low salaries... The rapid turned over staff and loss of corporate knowledge has destabilised the team and represents losses in productivity.'

One organisation mentioned the lack of newly trained people joining the sector:

⁹⁴ ABS 2020, [Insights Into Industry and Occupation](#).

⁹⁵ BOP Consulting 2021, *Cultural and Creative Industries in the Face of COVID-19: An Economic Impact Outlook*, UNESCO.

⁹⁶ UNESCO 2022, [ReShaping Policies For Creativity: Addressing culture as a public good](#).

⁹⁷ UNESCO 2022, [ReShaping Policies For Creativity: Addressing culture as a public good](#).

⁹⁸ Lei, C 2022, [Audience hesitancy is Omicron's new curse](#), ArtsHub.

⁹⁹ NAVA, 2022, [Pulse Survey: Omicron struggle for visual arts](#).

'With postponements, recruiting appropriately skilled technical staff has been difficult for new dates, due to a high level of demand, and not enough newly trained people joining the sector.'

Independent artists

Artists were already low-income earners

Before COVID-19, artists already earned below the Australian workforce average and often received income from multiple sources, including teaching, arts administration, community arts development and writing.¹⁰⁰

In 2014–15, average total incomes for artists were 21% below the Australian workforce average. In that same period, Australian practising professional artists earned average gross incomes of \$48,400, which consisted of \$18,800 in creative income, \$13,900 in arts-related income, and \$15,700 in non-arts income.¹⁰¹

The way artists work

Artists typically derive income from various sources and are commonly freelancers or self-employed. Even before the pandemic began, it was increasingly difficult for artists to make a living from their creative work as this income had decreased by 19% between 2009 and 2015.¹⁰²

As the original 'gig' workers, the vast majority of artists work as freelance or self-employed in their art form (81%), relying most commonly on contracts for fixed amounts (43%) followed by royalties and advances (35%).¹⁰³

In industries such as film, TV and the performing arts, it is common for cast and crew to be treated as short-term employees by production companies. As they are treated as employees for the short amount of time they work on a production, they often don't have or need ABNs. While they may work full time hours, they would rarely be employed for longer than 12 months by the same company.¹⁰⁴

For musicians, less than a fifth of all work being paid between 2016 and 2020 was paid on a continuing salaried basis.¹⁰⁵

Artists were immediately impacted by cancellations and closures

Due to the way artists work, the impacts of COVID-19 were immediately felt by artists and creative workers as many live events and cultural spaces were the first to close.

By 16 March 2020 – only 5 days after a pandemic was declared – an estimated 20,000 work opportunities had been cancelled, impacting 190,000 people.¹⁰⁶ This equated to over \$47m of lost income due to COVID-19 by small to medium businesses and independent contractors.¹⁰⁷

¹⁰⁰ Throsby D and Peteskaya K 2017, [Making Art Work: An Economic Study of Professional Artists in Australia](#), Australia Council.

¹⁰¹ As above.

¹⁰² As above.

¹⁰³ Australia Council 2017, [Making Art Work: A summary and response by the Australia Council for the Arts](#).

¹⁰⁴ Sharpe Advisory 2020, [COVID-19: Creative industries freelancers, non-permanent residents and JobKeeper](#), April 12.

¹⁰⁵ ARC linkage 2020, [Making Music Work: Sustainable portfolio careers for Australian musicians](#). Administering organisation: Griffith University.

¹⁰⁶ I Lost My Gig Australia 2020, ['Wide-scale Job Cancellations and Nearly \\$50m in Lost Income'](#) [Media release], 16 March.

¹⁰⁷ As above.

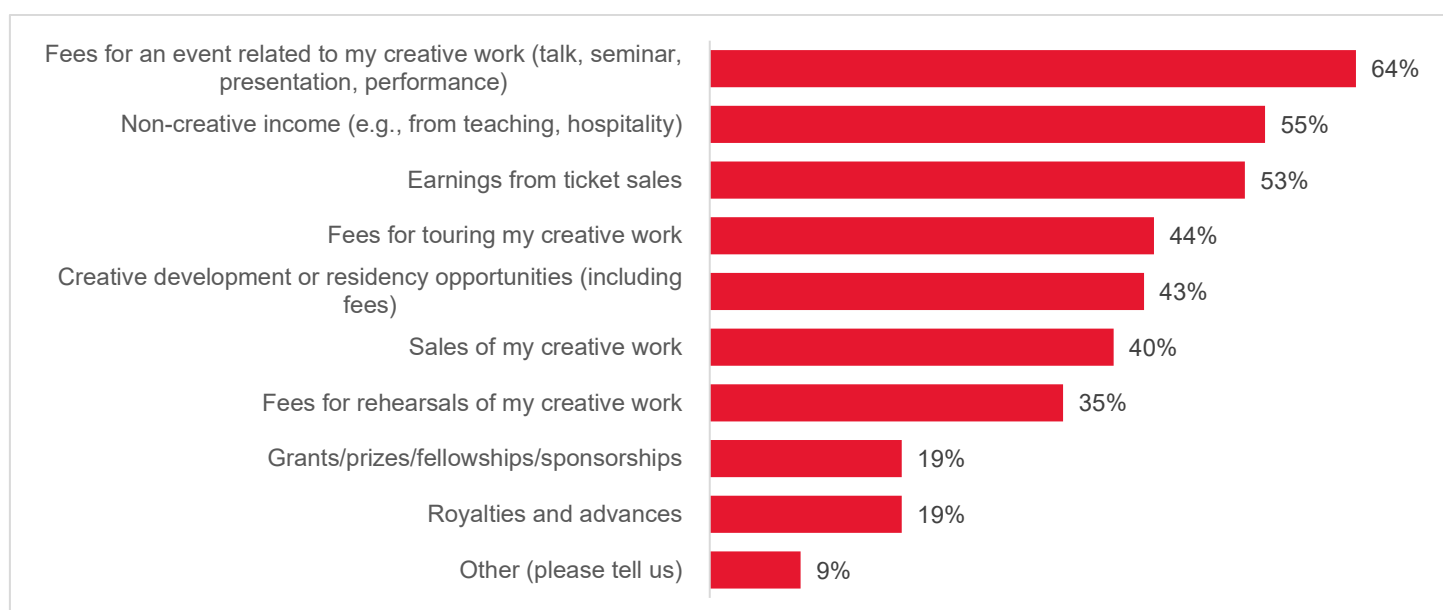
Surges in COVID-19 transmissions and the imposing of necessary public health orders since March 2020, has seen artists' incomes continue to suffer throughout the pandemic.

Lost income

There have been various sector surveys analysing the amount of income lost by artists and creative workers since the beginning of the pandemic.¹⁰⁸

An Australia Council survey conducted in September 2021 highlighted that independent artists lost myriad sources of income when the 2021 restrictions were introduced, with two thirds having lost fees for an event related to creative work, including a talk, seminar, presentation (64%). Over half lost non-creative income, for example from teaching or hospitality (55%).

Figure 1. Since the 2021 restrictions were introduced, what types of income have you lost? (Select all that apply)



Loss of income and work can have a profound impact on mental health as 'occupational identity and the ability to earn an income are fundamental to individuality, sense of purpose, and autonomy in adults; their loss is a profound one, leading to demoralisation and depression.'¹⁰⁹ In this way, financial hardship has severely impacted the mental health of artists in Australia during the COVID-19 pandemic (see page 26 for more detail).¹¹⁰

¹⁰⁸ See Australia Council 2020, [Summary of COVID-19 impact surveys](#).

¹⁰⁹ Fisher J R et al 2020, 'Mental Health of People in Australia in the First Month of COVID-19 Restrictions: A national survey', *Medical Journal of Australia* 213:10.

¹¹⁰ Flore J et al 2021, 'Creative Arts Workers During the Covid-19 Pandemic: Social imaginaries in lockdown', *Journal of Sociology* 0:00. Rusak H et al 2021, *Breathing Through the Pandemic: Performing arts challenges and responses to the mental health implications of COVID-19*. WAAPA.

Government support for artists and creative workers

Targeted government support packages (such as Restart Investment to Sustain and Expand Fund [RISE] and the Regional Arts Fund), as well as whole of government schemes (such as JobKeeper, the COVID-19 Disaster Payment and small business grants) have helped many artists and creative workers stay afloat.

State-based small business grants helped small- and micro-businesses through hardship. The COVID-19 Small Business Support grants, available in NSW, QLD, ACT and SA, were one-off tax-free grants of varying amounts to help impacted businesses, sole traders, and not-for-profits. The COVID-19 Micro-Business grant was a fortnightly tax-free grant of \$1,500 to help impacted micro-businesses, sole traders, and not-for-profits in NSW.

Similarly, the COVID-19 Disaster Payment, announced in May 2021, provided those who had lost work or income as a result of COVID-19 with a lump sum payment. The type of payment received depended on whether an individual received any other Centrelink payments.

The Council's survey of independent artists found that of the artists who applied for the COVID-19 Disaster Payment (50%), eight in ten were successful (82%). The survey also showed two in five artists applied for a small business grant during the 2021 restrictions (37%) – of these, six in ten were successful (61%).

The Council also administered a variety of targeted support for artists, arts practitioners, arts groups and arts organisations coping with the impact of COVID-19. The Council's first response package, the Resilience Fund, provided emergency relief to individuals, groups and organisations.¹¹¹ Our other responses included reporting and other grant condition relief, including: suspending current investment programs and introducing new ones focused on immediate relief; First Nations support; sector roundtables; digital support and industry development initiatives; and research and analysis of COVID-19 impacts.¹¹²

JobKeeper was particularly welcomed with an estimated two-thirds of creative workers supported through the scheme throughout the early stages of the pandemic, based on data from Treasury and the tax office.¹¹³ Australia Council modelling also indicated that many of the multi-year investment organisations that the Council supports were able to access JobKeeper to continue to pay workers.

A report released by Bureau of Communications and Arts Research (BCAR) in 2020 estimated the potential proportion of employees and small businesses in the sector who may have been eligible for government assistance, particularly the JobKeeper wage subsidy. It found that up to around 90% of the cultural and creative sector workforce may be eligible for JobKeeper, subject to their employer meeting further eligibility criteria.¹¹⁴

BCAR estimated those employed full or part time, or casuals employed on a regular and systematic basis for more than 12 months, may have been eligible, depending on meeting other criteria, including age, visa, citizen/residency status for tax purposes, not already in receipt of a JobKeeper payment from another employer, and their employer meeting certain turnover requirements. The report also outlined self-employed individuals may also be able to qualify for JobKeeper payments.

¹¹¹ See Australia Council 2020, [2020 Resilience Fund](#).

¹¹² See Australia Council 2020, [Our response to COVID-19](#).

¹¹³ Data released exclusively to the Sydney Morning Herald showed that creative and performing arts companies were paid more than \$76m in JobKeeper payments in April, which flowed through to more than 25,000 workers. See Miller N 2020, ['Two-Thirds of Arts Workers Relied on JobKeeper Payments, New Data Shows'](#), *Sydney Morning Herald*.

¹¹⁴ Bureau of Communications and Arts Research (BCAR) 2020, [Characteristics of Employment and Business Activity in Cultural and Creative Sectors](#).

The Council's research, together with various sector surveys, found, however, that due to the specific nature of our industry – characterised by high levels of casualisation and freelancing – some artists and creative workers faced, and will continue to face, structural barriers to accessing general economy-wide support packages. A summary of these barriers is outlined below.

Barriers to accessing government support

Although much of the sector was potentially eligible for various government support packages, a number of artists experienced barriers to accessing payments – both in terms of barriers throughout the application process halting applications, and barriers to receiving a successful application result.

The Council interviewed ten industry representatives from all art forms and conducted a survey with 102 independent artists to gain insights into artists' experiences accessing the 2021 COVID-19 government assistance (see Appendix A for more information).

While 82% of Council-surveyed artists who applied for the COVID-19 Disaster Payment were successful, only 50% of all Council-surveyed artists applied for the grant. Similarly, almost two-thirds of respondents did not apply for a small business grant (63%).

Findings showed barriers to accessing funding included difficulties in evidencing lost hours or income decline, uncertainty surrounding eligibility, inaccessible language and long application processes. Independent artists pointed to a need for targeted information sessions to help them apply for government support in the future.

Difficulties in evidencing lost hours

Responses showed the most common barrier to receiving or applying for the COVID-19 Disaster Payment was being unable to evidence lost hours. One artist who was unsuccessful in receiving the payment explained:

'Application rejected since new employer was not recognised. They only compensated for lost hours/income from a current employer but did not recognise if you get income from multiple (one-off gig) sources.'

Around a quarter of respondents did not apply for the COVID-19 Disaster Payment because the period they wanted to claim for was in the future (eg a postponed gig or a cancelled exhibition) (24%) and/or they didn't meet the requirement of hours lost (22%). One artist shared their difficulties:

'In my casual job as a Festival Director, I lost significant hours, but they didn't line up to the same weeks in the previous year so I wasn't able to claim.'

Difficulties meeting turnover amounts and showing income decline

As artists are commonly freelancers or self-employed, some also had trouble meeting the required annual turnover/income amounts or demonstrating decline in turnover/income.

In terms of receiving small business grants, of the 13 respondents who weren't successful the three most common reasons were not meeting the required annual turnover/income amount; not being able to provide support documentation on decline in turnover/income; and the period they wanted to claim for is in the future (eg a postponed gig, a cancelled exhibition).

Almost two-thirds of respondents did not apply for a small business grant (63%), for similar reasons: they did not meet the required annual turnover/income amount (37%); the period they wanted to claim for was in the future (26%); they couldn't provide support documentation on decline in turnover/income (25%).

Some artists elaborated on the reasons they did not apply for these grants:

'I'm a creative freelancer ... it was too hard for me to put together a concrete spreadsheet of my turnover/income, this was very much on me.'

'I think these grants are intended for people earning a lot more money than me, not for independent artists. It is impossible to prove a decline in income because income is so variable depending on whether I am successful getting a grant or winning a prize and these things don't happen every year.'

One artist described this experience as 'very stressful' as it was impossible to provide support documentation:

'It was very stressful, I also spent hours working on this for my partner who is also an artist. As our incomes show irregular and bulk payments, rather than regular fortnightly income, it was impossible to show a loss of income by comparing fortnightly income between [financial years].'

Contemplation of giving up artistic practice

The many impacts of COVID-19 restrictions took a toll on Australia's artists and saw some consider giving up their practice.¹¹⁵

A qualitative study conducted in 2020 highlighted some of the impacts of the restrictions on creative arts workers' emotional and mental health in Victoria. Their findings showed how the pandemic made artists' work even more precarious; how online performances and connections were not always adequate; and ultimately, how many artists were seriously considering giving up their careers in the arts.¹¹⁶

Another report published in 2021 explored the challenges faced by the performing arts sector in Western Australia during the lockdowns.¹¹⁷ The report found that the disruption to performances during lockdown led performers to re-evaluate their artistic practice, whether through having a break or reassessing their career paths.

The next iteration of the Economic Study of Professional Artists in Australia, scheduled for publication in 2023, will provide more information on the impacts of the pandemic on artists' lives and working conditions.

Decline in mental health

The COVID-19 pandemic has undoubtedly placed financial pressure on many of Australia's independent artists, affecting their emotional psyche. Many artists have reported that their mental health has suffered or became exacerbated since the pandemic began.

¹¹⁵ Flore J et al 2021, 'Creative Arts Workers During the Covid-19 Pandemic: Social imaginaries in lockdown', *Journal of Sociology* 0:00.

¹¹⁶ As above.

¹¹⁷ Rusak H et al 2021, *Breathing Through the Pandemic: Performing arts challenges and responses to the mental health implications of COVID-19*, WAAPA.

Research is just beginning to uncover the mental health impacts of the pandemic on artists.

Information to date shows that loss of income and radical changes to normal life have gravely affected the mental health of many working in the arts.¹¹⁸ 64% of artists reported feeling their mental health worsened during the pandemic.¹¹⁹

Nine in ten (92%) performing artists experienced significant changes to their work during early stages of the pandemic – and at least half experienced depression. In line with these findings, almost half accessed mental health supports, such as psychologists and GPs (48%).¹²⁰

The most affected were early career artists, freelancers, and women, many of whom were excluded from government support such as JobKeeper.¹²¹ Women not only faced the difficulties of COVID-19 and related lockdowns, but also disproportionately faced the challenge of increased care responsibilities for elderly parents and children, and the distractions of working from home during lockdown.¹²²

Mental health impacts on First Nations and CALD artists

Artists from diverse backgrounds, including First Nations and culturally and linguistically diverse (CALD) artists, have experienced high rates of income loss and increased levels of negative mental health impacts.

In June 2020, a First Nations performing arts wellbeing survey found First Nations artists were profoundly concerned about the social and cultural impacts of COVID-19 on their lives, especially on gathering to practice culture (78%) and caring for elders (72%).¹²³ They were also concerned about their wellbeing and mental health, with many experiencing depression, anxiety, isolation, and stress.¹²⁴

A Diversity Arts Australia survey conducted in March 2021 showed First Nations and CALD creatives experienced heightened financial, mental and physical health strain due to increased racism, border closures and lost paid work from concurrent lockdowns.¹²⁵

Overall, most respondents said they have lost income due to the pandemic (79%), with First Nations respondents indicating higher rates of lost income (85%) than non-First Nations artists. Around half of respondents indicated that they had experienced problems paying their rent or mortgage, their bills and medical care. In addition, half of respondents reported they had experienced racism prior to the pandemic (53%) and most believe it has become worse in the COVID-19 context (72%).¹²⁶

The Australia Council will soon publish an updated dedicated paper on the impacts of COVID-19 on First Nations arts and culture.

¹¹⁸ ArtsHub 2020, [Support Act Wellbeing Helpline expands to include all artists and arts workers](#).

¹¹⁹ Rusak H et al 2021, *Breathing Through the Pandemic: Performing arts challenges and responses to the mental health implications of COVID-19*. WAAPA.

¹²⁰ As above.

¹²¹ As above.

¹²² As above.

¹²³ BlakDance et al 2020, [First Nations COVID-19 Performing Arts Wellbeing Survey: Summary of Findings](#).

¹²⁴ As above.

¹²⁵ Diversity Arts Australia 2022, [Lost Work 2.0 Report: The impacts of the pandemic on creatives of colour and First Nations creatives](#).

¹²⁶ As above.

Enduring vulnerability of artists

The impacts of the pandemic have been felt deeply by independent artists and they remain vulnerable to potential future disruptions. With many artists experiencing severe loss of income, decline in mental health and some stopping production of works or contemplating giving up their practice altogether, our artists are in a weakened state.

The next iteration of the Economic Study of Professional Artists in Australia, slated for release in 2023, will tell us more about how we may support our artists as we continue to deal with the impacts of the pandemic.

