City of Gold Coast
Music Economic Impact Assessment

November 2024

1. Introduction

The City of Gold Coast is in a period of growth. Positioned as "Australia's fastest growing economy",[1] Gold Coast has 2.5 million people within an hour's drive, and in 2032 will be the co-host of the Olympic Games. Screen and tourism are two of the city's nine high growth sectors, both of which have existing links to the music sector, which has the potential to become a growth sector in its own right.[2]

Reporting from Goldman Sachs showed the global music industry grew faster than expected in 2023, with 15% year on year growth , and the live music sector in particular grew by 25% (6% greater than estimated), and is predicted to continue to surpass expected growth in 2024, with continued demand for live entertainment.[3] These data insights demonstrate the significant role that the music sector plays economically on a global scale, which filters down into local economies in cities, especially cities such as Gold Coast, where music is gaining traction as a strategic focus, in this case led by the City and Invest GC. Furthermore, the economic impact assessment conducted by Sound Diplomacy reveals that the local music industry in Gold Coast is growing at a faster rate than the rest of the local economy, with a year-on-year growth of 5.5% compared to the rest of the local economy (3.57% year-on-year growth). However, there remains

[1] City of Gold Coast, "Gold Coast Economic Outlook", accessed October 28, 2024, https://www.goldcoast.qld.gov.au/Council/City-news/2024-Gold-Coast-Economic-Outlook
[2] Invest Gold Coast, "Nine Key Sectors", accessed September 23, 2024, https://invest.goldcoast.qld.gov.au/why-gold-coast/our-sectors
[3] Goldman Sachs, "Music in the Air. Focus on Monetisation, Emerging Markets and AI; Updating Global Music Industry Forecasts", accessed October 15, 2024, https://www.goldmansachs.com/pdfs/insights/pages/music-in-the-air--focus-on-monetisation,-emerging-markets-and-ai--updating-global-music-industry-forecasts-f/music-redaction.pdf

considerable potential for the sector to play an even more significant role in the city's overall economic landscape.

The whole music ecosystem in Gold Coast currently contributes $845.25 million in total output and $388.72 million in Gross Value Added (GVA), supporting 3,706 local jobs, which represents 1.1% of total local employment.When looking at the wider geographical impact, the Gold Coast music ecosystem additionally creates 614 jobs and $83.82 million in GVA in Queensland outside Gold Coast, and 643 jobs and $104.19 million in GVA in the rest of Australia.

The City has invested $3.2 million into the music industry in recent years, starting with the Music Action Plan in 2021 which led to 23 music merchandise projects funded, the creation of a live Music Digital Toolkit, 110 artists being mentored, and $3 million worth of projects.[4]

With new music-related projects planned in the city, including an arena and a theatre for musicals, now is the time to position Gold Coast as a cultivator of economic growth and a destination for business and visitors alike with music at its core. Music can be the driver to attract investment and support intentional strategic planning for a future that recognises the value of this industry and its role in the economic, social and cultural fabric of the city and surrounding region.

Sound Diplomacy presents the first economic impact analysis of the music industry in Gold Coast, providing the baseline for future measurements and acknowledgment of the current position of the sector within the local and regional economy. From there, we have utilised research, conversations with leaders in international music cities, and our expertise to demonstrate the opportunities for the City of Gold Coast, looking at other cities around the world, before setting out initial recommended next steps.

Economic Impact Methodology:

The economic impact analysis is based on official secondary sources and statistics, complemented by primary research conducted by Sound Diplomacy. It provides a reliable measure of the economic importance of the music ecosystem in Gold Coast City on three scales: direct, indirect, and induced impact.

The results in this report correspond with data from 2022 and 2023.

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[4] City of Gold Coast, "Music Action Plan Outcome Report 2022", accessed October 16, 2024 https://www.goldcoast.qld.gov.au/files/sharedassets/public/v/1/pdfs/policies-plans-amp-strategies/music-action-plan-outcome-report-2022.pdf

Economic Impact Dimensions

ECONOMIC IMPACT	DEFINITION
Direct Economic Impact	The direct impact is the economic value and employment directly generated by the economic activity of the music ecosystem.
Indirect Economic Impact	The indirect economic impact measures the ripple effects on the economy, focusing on value and job creation in sectors that form part of the music ecosystem's supply chain. It encapsulates the demand-driven benefits for supporting industries, such as advertising, legal services, and food and beverage suppliers, which are integral to the music ecosystem's operations.
Induced Economic Impact	Induced impact refers to the economic effects generated when the ecosystem's direct and indirect employees spend their wages on goods and services such as food, transportation, and entertainment in their daily lives. This spending stimulates further economic activity within the broader community.

Multiplier Effects

Multipliers quantify the overall economic ripple effects generated by a specific expenditure or activity within an economy. They capture the direct, indirect, and induced effects of spending, providing a measure of how much total economic activity is stimulated for every unit of initial expenditure.

There are two types of multipliers: Type I and Type II. Type I multipliers capture the direct and indirect economic impacts, while Type II multipliers also include the induced economic impacts. For this report, Sound Diplomacy exclusively refers to Type II multipliers as multipliers. They can be calculated for each of the variables considered in the economic impact assessment (see following paragraphs).

$$Total\ Multiplier\ = \frac{Total\ Economic\ Impact\ (Direct+Indirect+Induced\ Effects)}{Direct\ Effects}$$

The variables evaluated as part of the economic impact assessment include the ecosystem's output, employment and GVA. Definitions of each measure are outlined below.

Variables Evaluated in the Economic Impact

VARIABLE	DEFINITION
Output	The economic value is produced by the sales of goods and services in the ecosystem. For example, concert ticket sales, broadcasting services, etc.
Gross value added (GVA)	The output minus intermediate consumption (the costs of all inputs – food and beverage suppliers, legal services, transportation, equipment, etc.).
Employment	The number of active jobs producing goods and services in the ecosystem.
Full-Time Equivalent Employment (FTE)	Full-Time Equivalent (FTE) is a unit that measures the workload of an employee in terms of a full-time schedule, with 1.0 FTE representing a full-time worker and values below 1.0 indicating part-time contributions proportionally.

2. City of Gold Coast – Economic Impact Assessment

Exploring the Economics of a Music Ecosystem

An economic impact assessment of the music ecosystem entails a comprehensive evaluation of the economic effects generated by the music industry and its associated actors and organisations within a specific area or region. The primary objective is to analyse and quantify the diverse economic contributions and consequences associated with the various facets of the music sector, including music creation, production, distribution, live performances, and related businesses. By examining factors such as employment levels and gross value added linked to the music ecosystem, this assessment provides valuable insights into the economic significance and impact of the music ecosystem. Ultimately, such assessments assist policymakers, industry stakeholders, and communities to understand the music ecosystem's broader economic implications, facilitating informed decision-making, strategic planning, and investment initiatives to support its growth and sustainability.

Key terminology is explained in the Appendix section.

The Music Industry

The music industry is defined as the group of actors and industries that have as their main purpose either/or the creation, production, reproduction, promotion, distribution, and commercialisation of goods, services, and activities related to all aspects of music in a particular place.

Music Industry Economic Impact Key Findings

- **Economic Impact**: The music ecosystem in Gold Coast contributes $845.25 million in total output and $388.72 million in Gross Value Added (GVA), supporting 3,706 local jobs, which represents 1.1% of total local employment.[5]
- **Multiplier Effects:**[6] For every $1 of GVA generated by the music ecosystem, an additional $1.22 is created through indirect and induced effects (GVA multiplier of 2.22). The job multiplier is 2.09, indicating significant spillover effects.
- **Direct Contribution**: The direct impact of the music ecosystem includes $376.09 million in output, $175.1 million in GVA, and 1,770 jobs (0.53% of the local workforce). Workers in the music ecosystem in Gold Coast generate a GVA to the local economy of $98,873 annually, below the $110,486 average in the Gold Coast economy.
- **Impact of Gold Coast's Music on the Region**: The music ecosystem additionally creates 614 jobs and $83.82 million in GVA in Queensland outside Gold Coast, 643 jobs, and $104.19 million in GVA in the rest of Australia.
- **Trends**: The music ecosystem employment growth rate over the last ten years is 1.01%, which is below the city average of 3.22%; however, the value added growth rate of 5.5% exceeds the city's growth rate of 3.57%.
- **Sector Comparison**: The music ecosystem's employment surpasses other cultural sectors like Publishing, and Heritage Activities but remains smaller than more prominent industries like Finance, and Accommodation.
- **Sales and Exports**: The music ecosystem relies more on external markets than the overall economy in Gold Coast City, with exports accounting for 28.4% of revenue, notably higher than the 18.8% across all industries.
- **Turnover Size**: The majority (60.7%) of music-related businesses have turnovers under $200k, indicating a prevalence of small enterprises in the sector.
- **Employment Size**: The music ecosystem has a higher proportion of non-employing businesses (61.2%) than the broader economy (59.3%), but also a relatively stronger presence of larger SMEs (20–199 employees).

[5] For further clarification on variables and dimensions of the economic impact assessment please refer to section "Economic Impact Methodology" in the Introduction.
[6] Please refer to the "Economic Impact Methodology" section in the Introduction for a definition of the multiplier effects.

- **Demographics**: The music sector attracts a younger workforce, with a significant presence of employees aged 15–24 years, and has a slight female majority (53.0%).
- **Educational Attainment**: Compared to the overall economy, the music ecosystem has a higher proportion of workers with a Bachelor's degree or Advanced Diploma/Diploma but fewer with postgraduate qualifications.
- **Working Hours**: The music sector shows more significant variability in employment, with a higher percentage of employees not working any hours during the reference week of data collection, reflecting the gig-based nature of the industry.

2.1 Total Economic Impact

Table 1 summarises the total economic impact (direct, indirect, and induced) of the music ecosystem in Gold Coast for 2022/23.[7] Overall, the **music ecosystem creates and supports 3,706 local jobs (1.1% of the local employment), a total output of $845.25 million, and a total GVA of $388.72 million.**

The **total GVA multiplier equals 2.22**, which means that for every $1 of GVA generated by the music ecosystem, an additional $1.22 is generated through indirect and induced effects. The **job multiplier** of the music ecosystem in Gold Coast City equals **2.09.**[8]

Table 1: Direct, Indirect, and Induced Effects of the Music Ecosystem*

	Output (in million)	GVA (in million)	Jobs
Direct	376.09	175.10	1,770
Indirect	229.96	98.05	859
Induced	239.20	115.57	1,077
TOTAL	**$845.25**	**$388.72**	**3,706**

Sources: National Institute of Economic and Industry Research (NIEIR); Sound Diplomacy. *Numbers may not add up due to rounding.

When looking at the wider geographical impact,the local music ecosystem additionally generates 614 total jobs and $83.82 million of total GVA in Queensland outside of Gold

[7] For further clarification on variables and dimensions of the economic impact assessment please refer to section "Economic Impact Methodology" in the Introduction.
[8] Please refer to the "Economic Impact Methodology" section in the Introduction for a definition of the multiplier effects.

Coast City, and another $104.19 million of GVA and 643 jobs in Australia outside of Queensland.

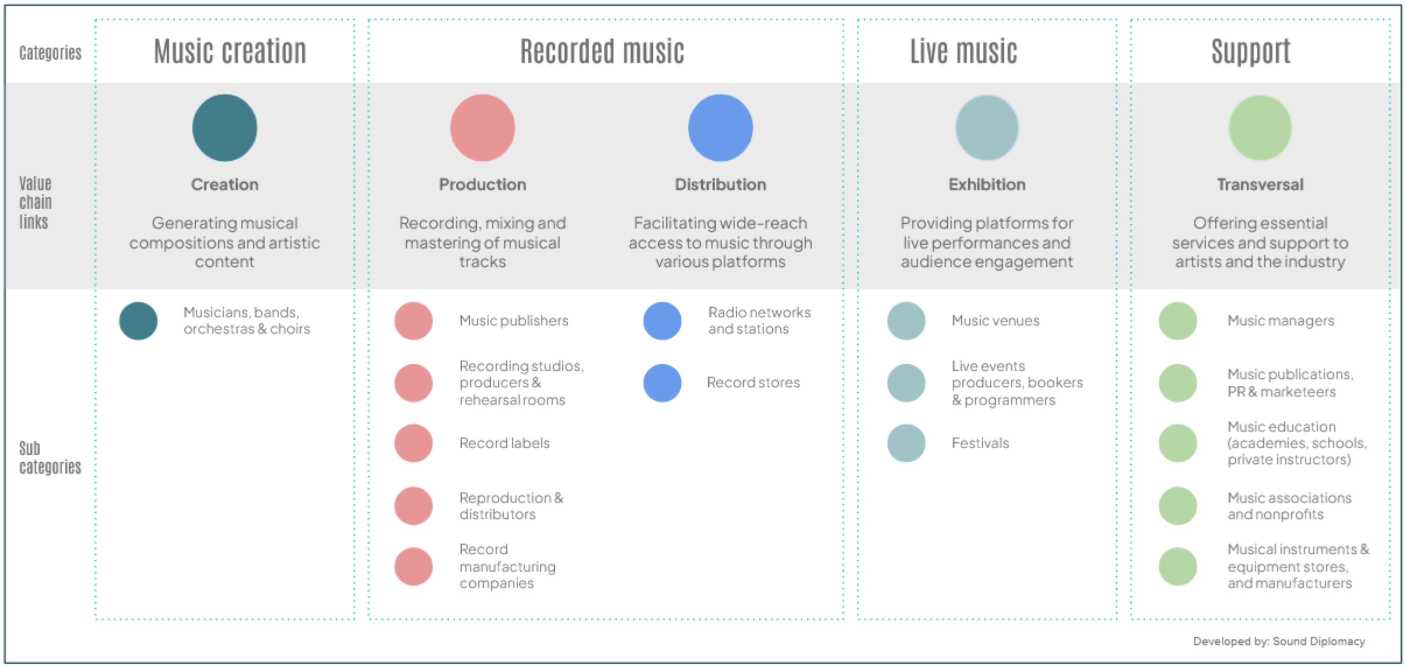
Table 2: Economic Impacts for Gold Coast City, Queensland and Australia*

Total Impacts	Output (in million)	GVA (in million)	Jobs
Gold Coast City	845.25	388.72	3,706
Queensland	188.69	83.82	614
Australia	221.66	104.19	643
TOTAL	**$1,255.62**	**$576.72**	**4,963**

Sources: National Institute of Economic and Industry Research (NIEIR); Sound Diplomacy; *Numbers may not add up due to rounding

2.2 Direct Impact

Figure 1. Music Ecosystem value chain

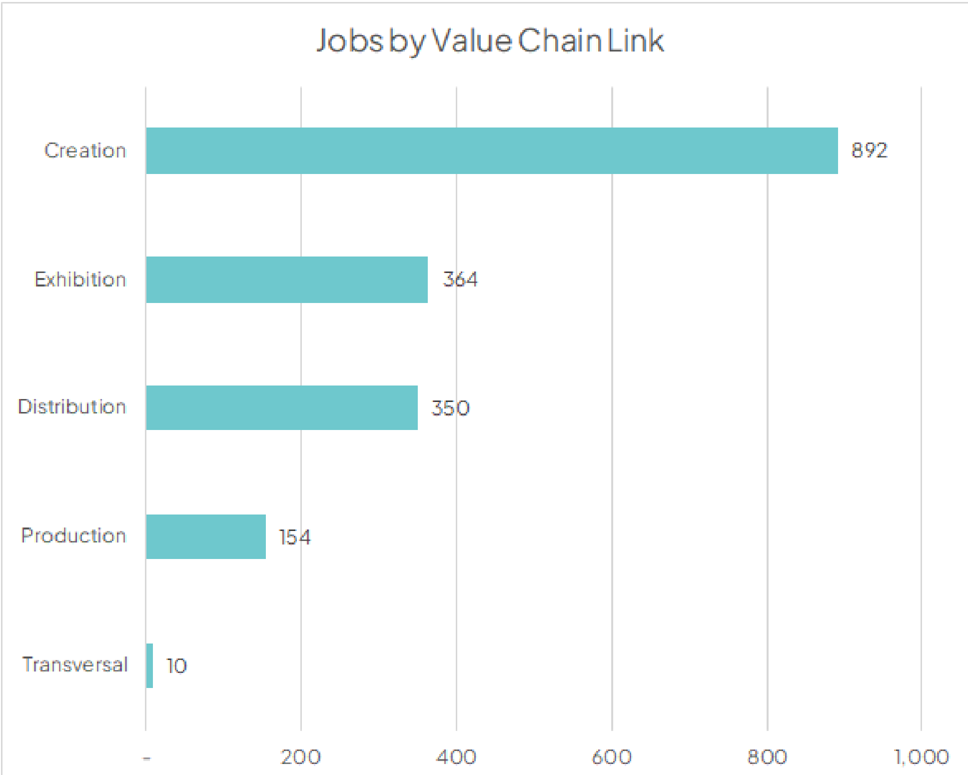


The direct impact reflects the economic value created directly by the activities of the music ecosystem. In the city of Gold Coast, this impact equates to an **output of $376.09 million, a GVA of $175.1 million, and 1,770 jobs**.

The 1,770 jobs equal 0.53% of the local workforce and are equal to **1,460 full-time equivalent (FTE) jobs.** On average, a Gold Coast music ecosystem worker generates a GVA to the local economy of **$98,873 annually, below the $110,486 average in Gold Coast's economy.**[9] The music industry contributes **0.47% of the GVA generated** locally.

[9] Source: National Economics (NIEIR) - Modelled series, https://economy.id.com.au/gold-coast/worker-productivity-by-industry.

Figure 2. Jobs per Value Chain Link in the Music Ecosystem[10]



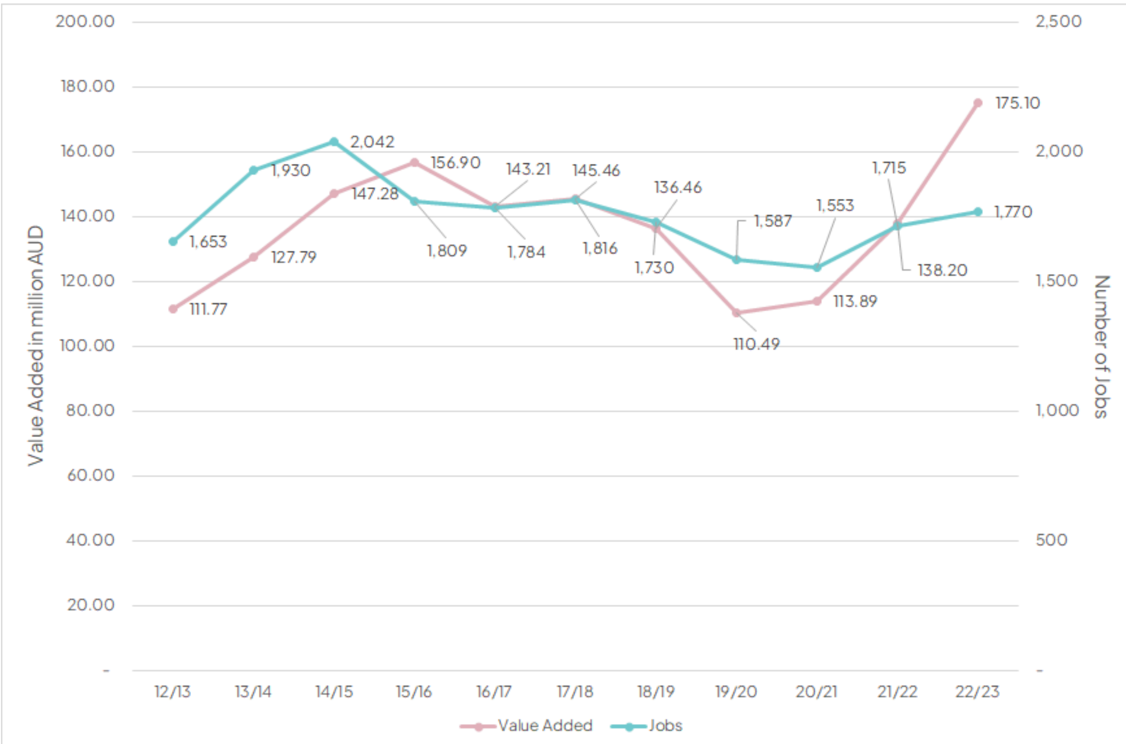
Sources: economy.id: Employment (total) by industry; Sound Diplomacy.

Most jobs in the local music ecosystem are located in the creation value chain link with 892, followed by exhibition with 364 jobs and distribution with 350 jobs. While there are 154 jobs located in the production value chain link only 10 jobs are located in transversal activities. These activities include music managers or PRs, among others. These findings suggest a local focus on artists, which can be underscored by the findings in chapter 2.4 Location Quotients, while the low number of jobs in transversal services suggests a gap in the local ecosystem.

[10] Please refer to Appendix C for a detailed disaggregation of the music ecosystem into the value chain links.

2.2.1 GVA and Number of Jobs since 2012/13

Figure 3. Music GVA and Number of Jobs since 2012/13 Gold Coast



Sources: economy.id: Employment (total) by industry, GVA by industry sector; Sound Diplomacy.

Between 2012/13 and 2022/23, the number of jobs in the music ecosystem in Gold Coast fluctuated. Starting at 1,653 jobs in 2012/13, the sector saw an increase to 2,042 jobs in 2014/15 (its peak during this 10-year period), marking a growth of 23.5%. Due to the effects of the COVID-19 pandemic, jobs decreased by 22.3% by 2019/20 (to 1,587). A partial recovery occurred in the following years, reaching 1,770 jobs by 2022/23, reflecting a 3.3% growth since the previous year and a 14.4% increase from the low in 2019/20. **The annual growth rate in jobs is 1.01%, which is below the rate in Gold Coast City (3.22%) or Australia as a whole (1.95%).**[11] It also lags behind the annual growth rate of the Gold Coast

[11] Source: National Economics (NIEIR) - Modelled series, https://economy.id.com.au/gold-coast/employment-by-industry.

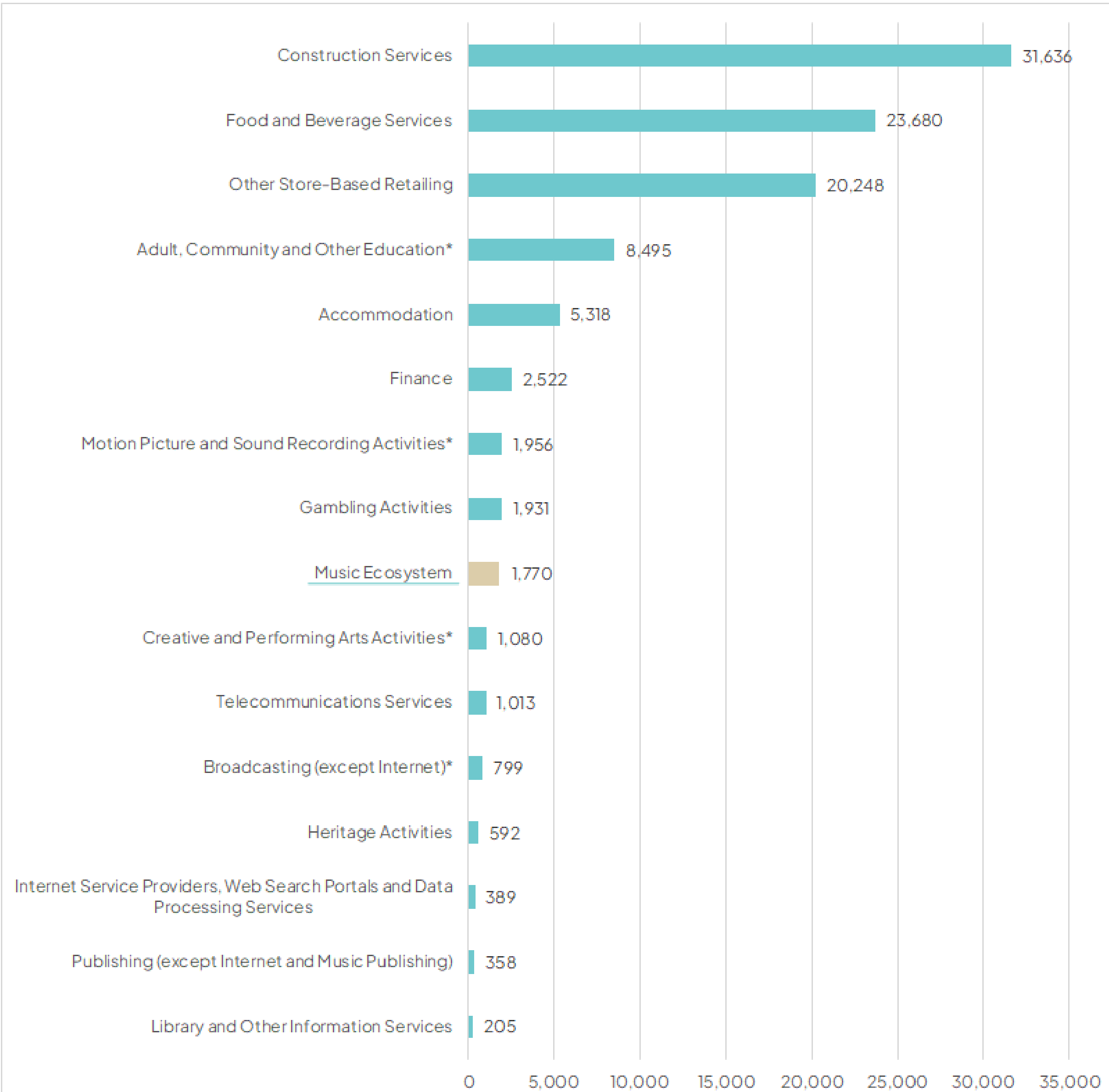
Sport sector, which exhibits a 5.2%[12] annual growth rate and the Gold Coast Screen sector, whose annual growth rate equals 5.7%[13].

GVA in the music ecosystem showed a general upward trend despite volatility. From $111.77 million in 2012/13, it grew steadily to $156.90 million by 2015/16, representing a 40.4% increase. After a decline to $110.49 million in 2019/20 (a 29.6% decrease from the peak in 2015/16), GVA rebounded significantly, reaching $175.04 million in 2022/23, 26.7% above the year before, a 58.4% increase from 2019/20 and the highest value in the decade. **This translates to an average annual growth rate in GVA of 5.5%, which exceeds the average annual growth rate in Gold Coast City (3.57%) and Australia (2.56%).**[14]

[12] Source: Gold Coast Economic Development, "Gold Coast Sport Sector Economic Report", accessed 25th November, 2024, https://www.goldcoast.qld.gov.au/files/sharedassets/public/v/1/pdfs/brochures-amp-factsheets/gold-coast-sport-sector-report.pdf.
[13] Source: Gold Coast Economic Development, "Gold Coast Screen Sector Economic Report", accessed 25th November, 2024, https://www.goldcoast.qld.gov.au/files/sharedassets/public/v/2/pdfs/brochures-amp-factsheets/gold-coast-screen-sector-report.pdf.
[14] Source: National Economics (NIEIR) - Modelled series, https://economy.id.com.au/gold-coast/value-add-by-industry.

2.2.2 Direct Employment Comparisons

Figure 4. Direct Employment by Industry, Gold Coast City 2022/2023



Source: economy.id: Employment (total) by industry, Sound Diplomacy Research

*Industries partially include jobs pertaining to the music ecosystem

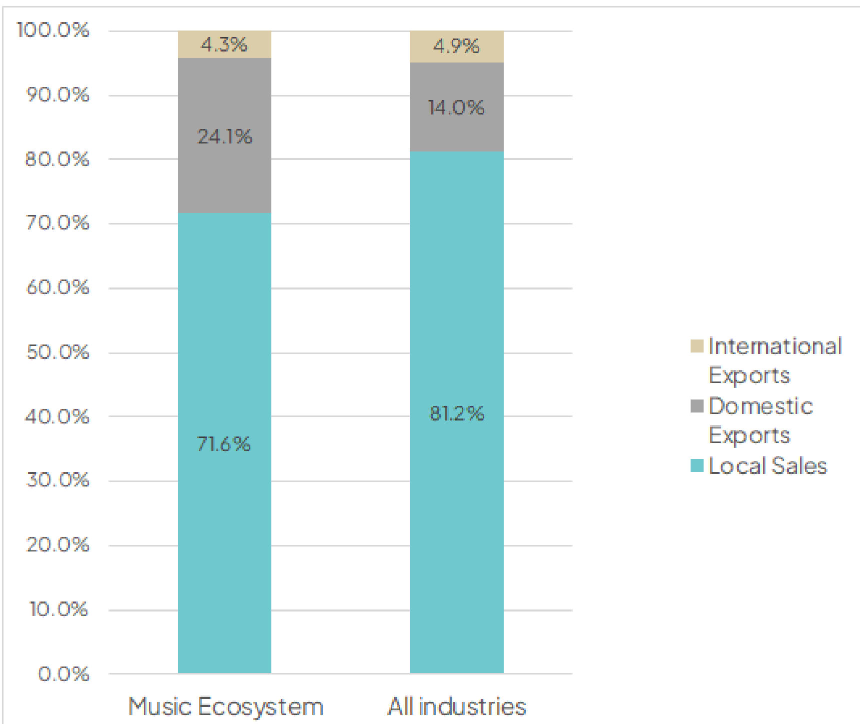
The music ecosystem in Gold Coast **supports 1,770 jobs, 0.53% of the local employment**. This figure is **higher than employment in some other cultural and creative industries, such**

as Publishing (358 jobs) or Heritage Activities (592 jobs), and is just short of the number of jobs in Gambling Activities (1,931 jobs).

While the music ecosystem provides many jobs, it is dwarfed by larger sectors such as Finance (2,522 jobs) or Accommodation (5,318 jobs). The largest employment sectors include Other Store-Based Retailing and Food and Beverage Services, with 20,248 and 23,680 jobs respectively. These industries provide a significantly larger share of employment, reflecting their broader economic roles in the city.

2.2.3 Local Sales and Exports

Figure 5. Local Sales and Exports in the Music Ecosystem and All Industries (Gold Coast)



Sources: economy.id; Sound Diplomacy

Local sales[15] dominate both in the overall economy and the music ecosystem but are relatively less significant in the music ecosystem, accounting for 71.6% of total sales

[15] Local sales includes the gross economic output (sales) which are purchased by local consumers, businesses and government. Local sales is equal to total output minus total exports. (Source: https://economy.id.com.au/gold-coast/topic-notes?#local-sales-by-industry)

($269.2 million), compared to 81.2% across all industries. This suggests that the music sector relies more on external markets than the broader economy.

Table 3: Music Industry Local Sales and Exports

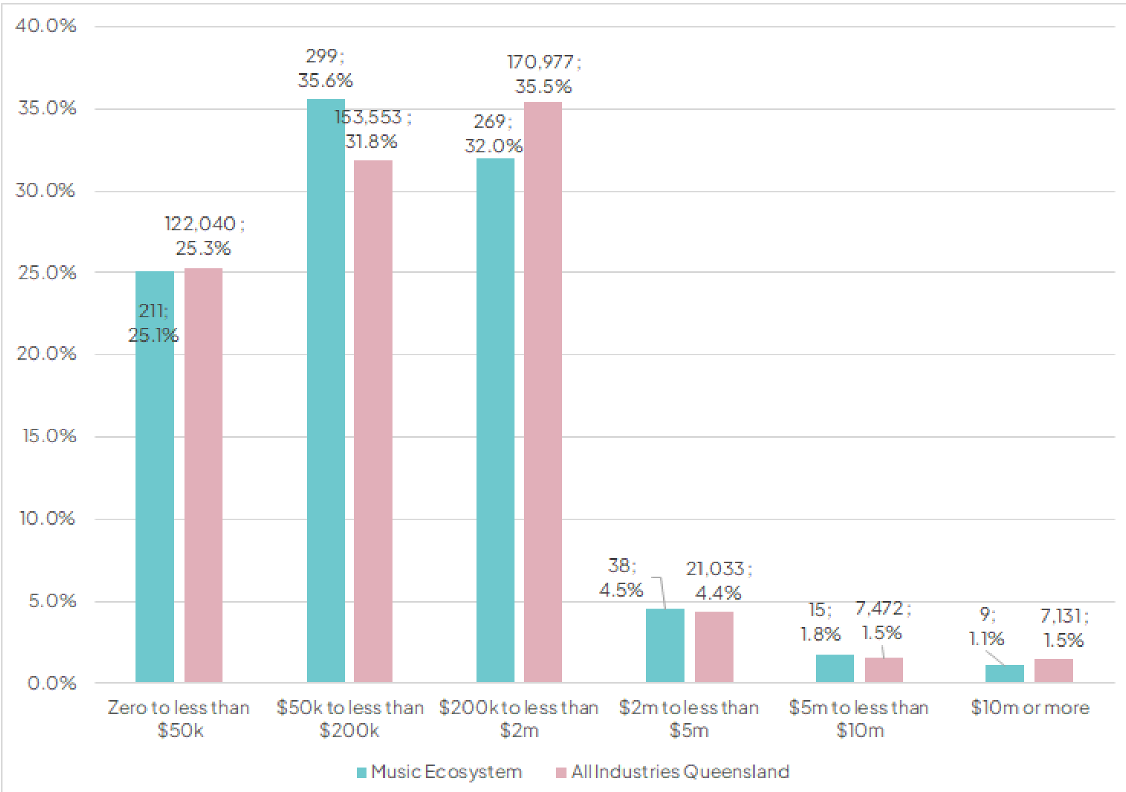
<table>
<tr><th></th><th>Local Sales</th><th colspan="2">Total Exports</th></tr>
<tr><td rowspan="3">Music Ecosystem</td><td rowspan="3">269.2</td><td colspan="2">106.8</td></tr>
<tr><td>Domestic Exports</td><td>International Exports</td></tr>
<tr><td>90.7</td><td>16.1</td></tr>
</table>

Sources: National Institute of Economic and Industry Research (NIEIR); Sound Diplomacy. Numbers may not add up due to rounding.

Total exports form a larger portion of the music ecosystem's revenue (28.4%) compared to all industries (18.8%). Notably, domestic exports are a significant contributor, representing 24.1% of the music ecosystem's revenue ($90.7 million), much higher than the 14.0% observed across all industries. In contrast, international exports are relatively comparable, making up 4.3% of the music ecosystem ($16.1 million) versus 4.9% for all industries. This indicates a robust reliance on domestic markets with a notable export presence, particularly within Australia.

2.2.4 Turnover Size Ranges

Figure 6. Turnover Size Ranges in the Music Ecosystem (Gold Coast) and Overall Industry (Queensland)



Sources: ABS Businesses by Main State by Industry Class by Turnover Size Ranges, June 2023; Sound Diplomacy

The data highlights the distribution of businesses within Gold Coast's music ecosystem across various turnover size ranges and compares it to the distribution across all industries in Queensland.

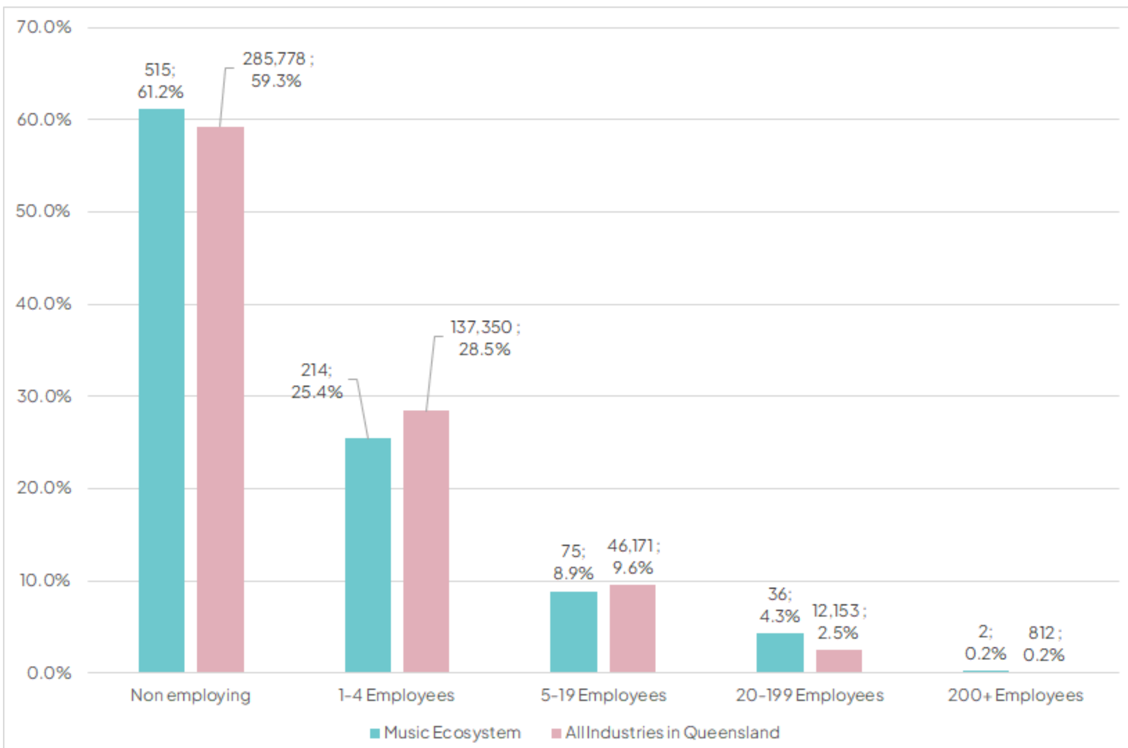
- **Smaller Enterprises (Less than $200k)**: The majority of businesses (60.7%) in the music ecosystem fall within the lower turnover ranges, with an annual turnover of less than $200k. This is slightly higher than the 57.1% observed across all industries in Queensland, indicating a larger proportion of smaller enterprises within the music sector.
- **Medium Enterprises ($200k to less than $5m)**: Around 36.5% of music businesses fall within the $200k to $5m turnover range, closely aligning with the 39.9% for all

industries. This suggests that the music ecosystem has a comparable representation of medium-sized enterprises relative to the broader economy.

- **Larger Enterprises ($5m or more)**: The data shows that only 2.9% of music-related businesses report turnovers exceeding $5m, slightly lower than the 3.0% observed across all industries. This indicates a marginally lower presence of large enterprises within the music ecosystem.

2.2.5 Employment Size Ranges

Figure 7. Employment Size Ranges in the Music Ecosystem (Gold Coast) and Overall Industry (Queensland)



Sources: ABS Businesses by Main State by Industry Class by Employment Size Ranges, June 2023; Sound Diplomacy

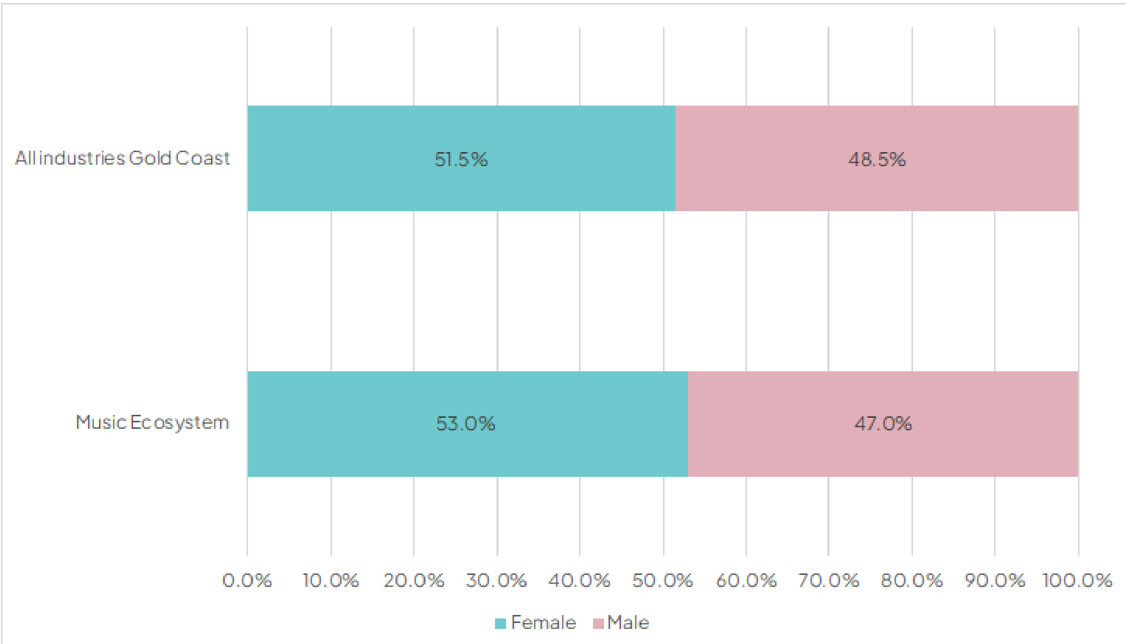
The data outlines the distribution of businesses within the music ecosystem in Gold Coast according to employment size ranges, and compares it with the distribution across all other industries in Queensland.

- **Non-Employing Businesses:**[16] A significant proportion of businesses within the music ecosystem are non-employing, accounting for 61.2% of the total. This is slightly higher than the 59.3% seen across all industries in Queensland. This indicates that the music sector has a slightly higher proportion of sole proprietors or businesses without employees than the broader economy.
- **Small Enterprises (1-4 Employees)**: 25.4% of businesses employ between 1 and 4 people within the music ecosystem. This is marginally lower than for all other industries; 28.5%. This suggests that while small enterprises are typical in the music sector, their prevalence is slightly less compared to the general business landscape.
- **Medium Enterprises (5-19 Employees)**: 8.9% of businesses in the music ecosystem fall within the 5-19 employee range, slightly lower than the 9.6% observed across all industries. This indicates a similar but slightly reduced presence of medium-sized businesses within the music sector.
- **Larger Enterprises (20-199 Employees)**: The music ecosystem shows a higher proportion of businesses with 20-199 employees at 4.3%, compared to 2.5% across all other industries. This suggests a relatively stronger representation of larger SMEs (Small and Medium Enterprises) in the music sector compared to the broader economy.
- **Very Large Enterprises (200+ Employees)**: Only 0.2% of businesses in the music ecosystem have over 200 employees, which aligns with the proportion seen across all industries.

[16] The Australian Bureau of Statistics (ABS) defines non-employing businesses as sole proprietorships and partnerships without employees. Source: https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp1516/Quick_Guides/Data#:~:text=The%20Australian%20Bureau%20of%20Statistics,proprietorships%20and%20partnerships%20without%20employees).

2.2.6 Gender Distribution

Figure 8. Gender Distribution in the Music Ecosystem (Gold Coast) and Overall Industries (Gold Coast)

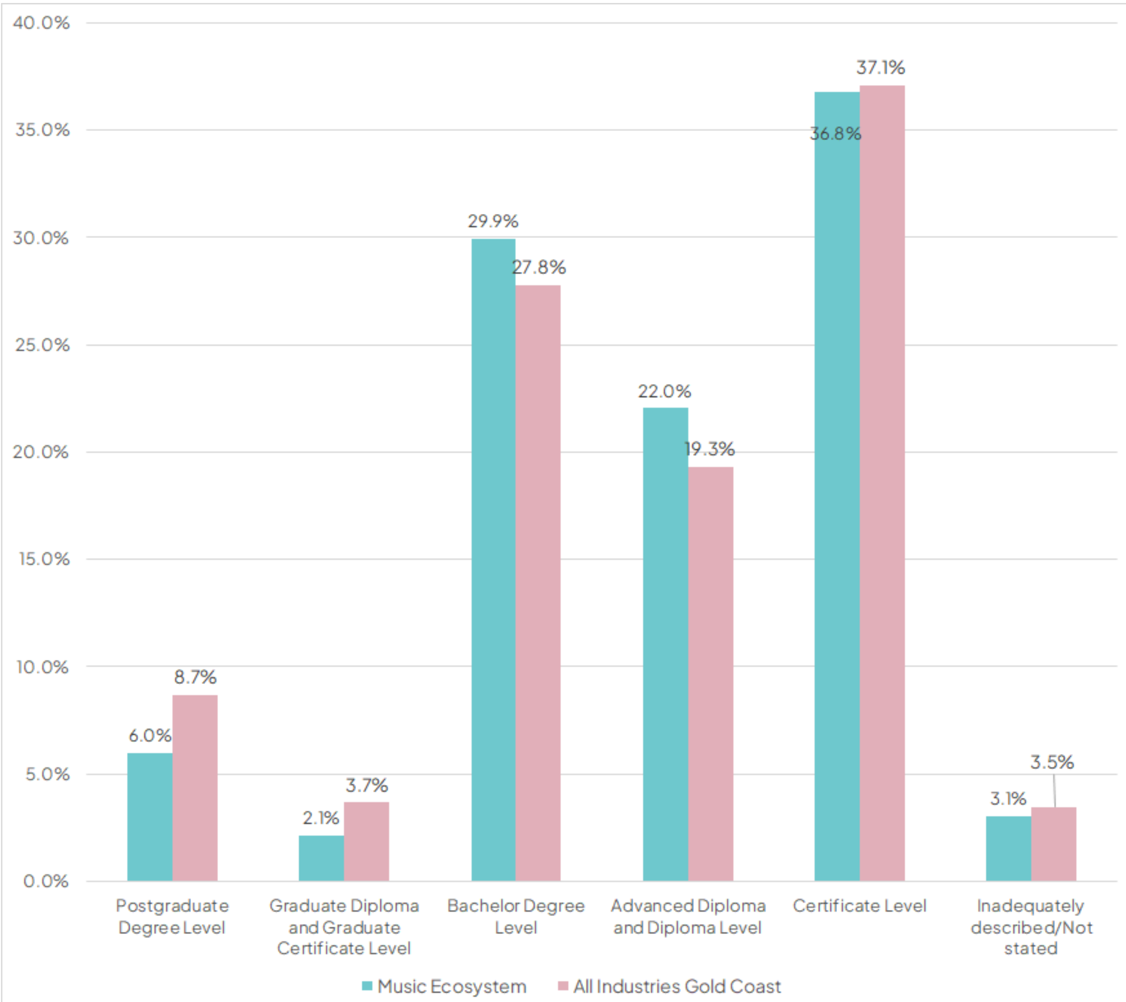


Sources: ABS 2021 Census of Population and Housing, Industry of Employment by Sex; Sound Diplomacy.

The gender distribution shows a slight female majority, with 53.0% of workers being female, compared to 51.5% across all other industries. Male workers comprise 47.0% of the music workforce, 1.5% less than observed in the broader economy.

2.2.7 Educational Attainment

Figure 9. Educational Attainments in the Music Ecosystem (Gold Coast) and Overall Industries (Gold Coast)



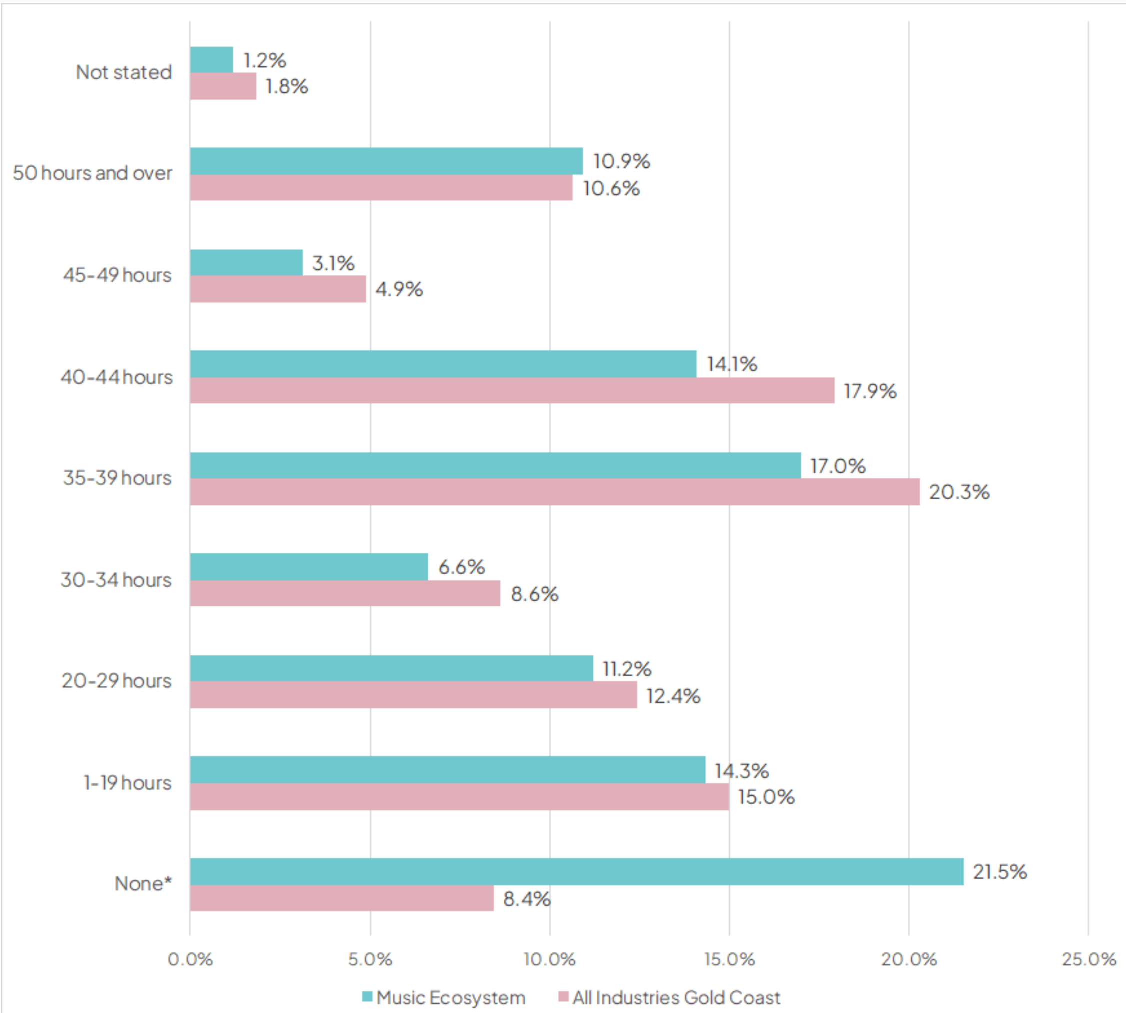
Sources: ABS 2021 Census of Population and Housing, Highest Non-School Qualification: Level of Education by Industry of Employment by Sex; Sound Diplomacy.

The educational attainment data for the Gold Coast's music ecosystem reveals both notable similarities and differences compared to all other industries. A higher proportion of individuals in the music sector hold a Bachelor's degree as the highest non-school qualification (29.9%) compared to the broader economy (27.8%), indicating a slightly greater emphasis on this level of education within the music industry. Similarly, the percentage of individuals with Advanced Diplomas and Diplomas is higher in the music ecosystem (22.0%) than in all other industries (19.3%).

However, the music ecosystem has a lower proportion of individuals with Postgraduate degrees (6.0% vs. 8.7%) and Graduate Diplomas/Certificates (2.1% vs. 3.7%), suggesting that higher postgraduate education levels are less prevalent in this sector. The distribution of individuals with Certificate level qualifications is nearly identical between the two groups (36.8% in music vs. 37.1% in all industries). Finally, the percentage of inadequately described or unstated educational levels is slightly lower in the music ecosystem (3.1%) compared to all industries (3.5%), indicating marginally clearer reporting in the music sector.

2.2.8 Weekly Hours Worked

Figure 10. Hours worked by employed Persons in the Music Ecosystem (Gold Coast) and Overall Industries (Gold Coast)



Sources: ABS 2021 Census of Population and Housing, Industry of Employment by Hours worked by sex; Sound Diplomacy.

* Comprises employed persons who did not work any hours during the week prior to Census Night.

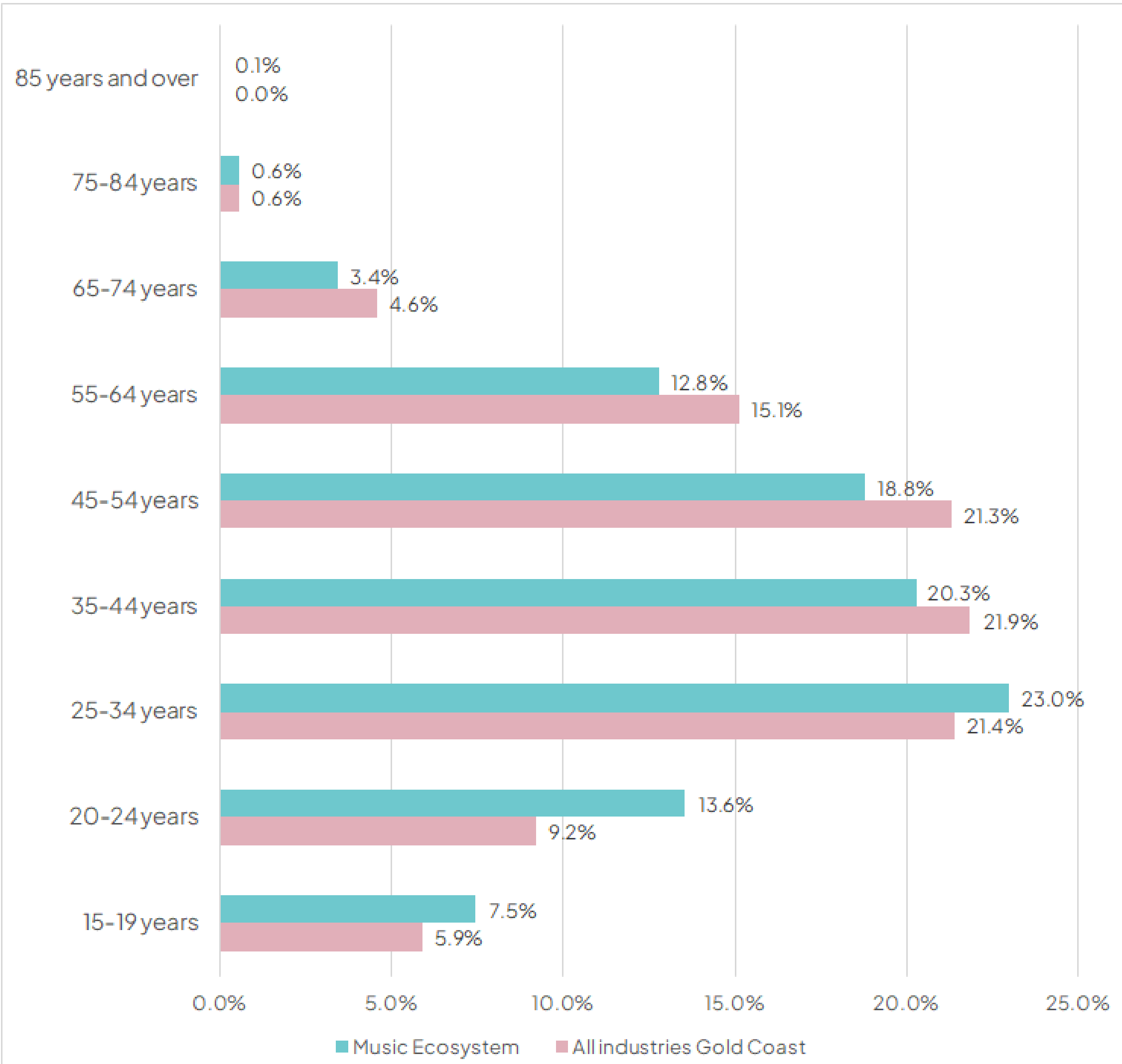
When looking at the number of hours worked, a significant difference is seen in the proportion of employees who did not work any hours during the week before Census Night, with 21.5% in the music ecosystem compared to 8.4% across all industries. This suggests more significant variability in employment within the music sector, likely due to its gig-based nature. It is important to note that the results of the Census may be impacted by the time of year it is taken (August) and therefore the seasonal patterns of the music workforce may have played a role in fewer people working at that time.

There are comparable part-time work (1–19 hours) employment levels in the music ecosystem (14.3%) and all other industries (15.0%). However, for those working 20–29 and 30–34 hours per week, the music sector shows lower proportions (11.2% and 6.6%) than all industries (12.4% and 8.6%), suggesting less commonality of part-time work in this range.

Full-time work (35–39 hours) is less prevalent in the music ecosystem (17.0%) than across all other industries (20.3%), reflecting the sector's inclination towards flexible or non-traditional work arrangements. This trend continues in the 40–44 hour range, where 14.1% of music workers sit compared to 17.9% in all industries. While the music sector also has employees working longer hours (45 hours and over), these proportions are generally lower than in the broader economy. This variability highlights workers' precarious working conditions in the music industry, making them more vulnerable to changes in the local economy.

2.2.9 Age Of Employed Persons

Figure 11. Age of employed Persons in the Music Ecosystem (Gold Coast) and Overall Industries (Gold Coast)



Sources: ABS 2021 Census of Population and Housing, Industry of Employment by Hours worked by sex; Sound Diplomacy.

Younger age groups, mainly those aged 15–24, are more prevalent in the music ecosystem. Employees aged 15–19 years make up 7.5% of the music workforce compared to 5.9% in all industries. Similarly, those aged 20–24 represent 13.6% in the music sector, significantly higher than the 9.2% seen across all industries. This indicates that the music industry attracts a younger workforce, likely due to entry-level opportunities and the appeal of creative careers.

The largest age group within the music ecosystem is 25–34 years, comprising 23.0% of the workforce, slightly higher than the 21.4% seen in all industries. However, from age 35 onwards, there is a noticeable shift. The proportion of employees aged 35–54 years in the music ecosystem (39.1%) is lower than in all industries (43.2%). This suggests that while the music sector is still significant among mid-career professionals, it might not retain them as effectively as other industries or could reflect a career transition out of the sector as individuals age.

Older age groups, particularly those aged 55 and above, are underrepresented in the music ecosystem. The percentage of workers aged 55–64 years in the music industry is 12.8%, compared to 15.1% across all industries, and this trend continues with even lower representation in the 65–74 age bracket (3.4% in music, compared to 4.6% in all industries). This pattern suggests that the music industry may offer fewer opportunities for older workers or involve more early retirement or career changes.

2.3 Total Impacts of the Music Industry to All Industries, Per Industry

The following tables show the total jobs and the total GVA[17] created and supported in all industries by the music industry per industry sector on a 1-digit ANZSIC level. Tables 4 and 5, therefore include the direct, indirect, and induced effects of the music ecosystem. Since the music ecosystem, to a large extent, consists of businesses from the “Information Media and Telecommunications” sector (through Radio broadcasting and Sound Recording Activities) and the “Arts and Recreation Services” sector (through Creative and Performing Arts Activities), those sectors experience the highest total effects due to the extent of the direct economic effects of the music ecosystem. Other industries' job creation and GVA are affected either because of indirect effects as suppliers of the music ecosystem or because of induced effects due to consumption effects of direct and indirect workers of the music ecosystem. Particularly the Retail Trade, Accommodation and Food Services sectors are affected by the activities from the local music industry.

[17] Total jobs and total GVA include direct, indirect and induced effects.

Table 4: Total Jobs impact per Industry Sector

Sector (1-digit ANZSIC)	Jobs created in Gold Coast City	Jobs created outside of Gold Coast City by the Gold Coast music industry	Jobs created for Gold Coast City Residents
Agriculture, Forestry and Fishing	6.6	45.4	4.9
Mining	1.3	9.3	1
Manufacturing	99.9	80.6	78.3
Electricity, Gas, Water and Waste Services	19.9	25.3	14.6
Construction	70.2	34.5	56.3
Wholesale Trade	56.1	49.1	44.9
Retail Trade	244.5	125	221.5
Accommodation and Food Services	204.9	118	187.1
Transport, Postal and Warehousing	57	89.5	48.9
Information Media and Telecommunications	702.7	61.3	579.2
Financial and Insurance Services	57.9	88	53.3
Rental, Hiring and Real Estate Services	54.1	21.3	49.1
Professional, Scientific and Technical Services	197.2	158.3	176.9
Administrative and Support Services	95.4	51.4	84.4
Public Administration and Safety	39.8	48.6	34.4
Education and Training	129	46.5	114.7
Health Care and Social Assistance	166.5	85	146.7
Arts and Recreation Services	1,382.3	61	1,280.9

Other Services	120.9	58.6	108.9
Total industries	**3,706**	**1,256**	**3,286**

Sources: National Institute of Economic and Industry Research (NIEIR); Sound Diplomacy. Numbers may not add up due to rounding.

The music ecosystem created a total of 3,706 jobs for the economy of Gold Coast City and an additional 1,256 jobs outside. Of the 3,706 local jobs, 3,286 workers are Gold Coast residents.

Table 5: Total GVA impact of the music industry in all the industries per Industry Sector

Sector (1-digit ANZSIC)	GVA $m in Gold Coast City	GVA $m to the Australian economy
Agriculture, Forestry and Fishing	1.14	10.56
Mining	1.83	9.27
Manufacturing	11.85	23.24
Electricity, Gas, Water and Waste Services	5.21	12.22
Construction	5.99	10.07
Wholesale Trade	12.27	23.67
Retail Trade	18.51	28.13
Accommodation and Food Services	12.58	19.87
Transport, Postal and Warehousing	7.46	21.63
Information Media and Telecommunications	93.32	107.34
Financial and Insurance Services	17.04	45.12
Rental, Hiring and Real Estate Services	15.24	21.54
Professional, Scientific and Technical Services	24.53	47.33
Administrative and Support Services	15.89	26.05
Public Administration and Safety	4.18	9.91
Education and Training	7.97	11.61

Health Care and Social Assistance	13.2	20.42
Arts and Recreation Services	111.72	115.48
Other Services	8.77	13.24
Total industries	**388.72**	**576.64**

Sources: National Institute of Economic and Industry Research (NIEIR); Sound Diplomacy. Numbers may not add up due to rounding.

Outside of the total GVA of $388.72 million to Gold Coast City's economy, the music ecosystem generates another $187.92 million domestically of a total GVA to Australia's economy of $576.64 million.

2.4 Location Quotients

Location Quotients (LQs) are a measure used in economic analysis to compare the concentration of a particular industry, sector, or activity in a specific region to a more extensive reference area, such as a country or state[18]. An LQ is calculated by dividing the local share of a particular industry's employment or economic activity by the national or regional share of the same industry.

Higher LQs (>1) often indicate that the local economy has a strong presence or specialisation in that industry, which might be critical for regional employment and economic activity. Conversely, lower LQs (<1) suggest that the industry plays a smaller role in the local economy than the larger reference area. For more details, please refer to Appendix D.

Table 6: Location Quotients GVA and Jobs per Industry Sector

Sector (1-digit ANZSIC)	LQ GVA	LQ Jobs
Agriculture, Forestry and Fishing	0.21	0.20
Mining	0.17	0.14
Manufacturing	1.26	1.00
Electricity, Gas, Water and Waste Services	0.68	0.59
Construction	1.52	1.54

[18] For further information on Location Quotients, refer to Appendix D.

Wholesale Trade	1.06	0.84
Retail Trade	1.55	1.17
Accommodation and Food Services	1.75	1.24
Transport, Postal and Warehousing	0.73	0.64
Information Media and Telecommunications	1.47	1.37
Motion Picture and Sound Recording Activities[19]	4.64	3.03
Financial and Insurance Services	1.10	0.87
Rental, Hiring and Real Estate Services	1.92	1.45
Professional, Scientific and Technical Services	1.15	0.95
Administrative and Support Services	1.46	1.21
Public Administration and Safety	0.59	0.53
Education and Training	1.28	1.00
Health Care and Social Assistance	1.24	0.96
Arts and Recreation Services	**2.57**	**1.70**
Heritage Activities	0.95	0.70
Creative and Performing Arts Activities	2.05	1.17
Sports and Recreation Activities	2.81	1.96
Gambling Activities	2.92	2.37
Other Services	1.20	0.98

Sources: economy.id

[19] Unfortunately the data is not available to distinguish further between the Motion Picture Activities and the Sound Recording Activities. Also please refer to footnote below.

The data shows that the "Creative and Performing Arts Activities" sector in Gold Coast has high LQs of 2.05 for GVA and 1.17 for jobs, indicating a solid concentration compared to the national average. The "Motion Picture and Sound Recording Activities" sector has even higher LQs, with 4.64 for GVA and 3.03 for jobs, highlighting an exceptionally strong specialisation in this industry.[20]

When placed in the broader context of "Arts and Recreation Services", which also has high LQs of 2.57 for GVA and 1.7 for jobs, it's clear that the Gold Coast has a significant concentration of creative industries, especially in film and sound recording. Additionally, the highest LQs overall are observed in "Gambling Activities" (2.92 for GVA and 2.37 for Jobs) and "Sports and Recreation Activities" (2.81 for GVA and 1.96 for Jobs), which further emphasises the region's specialised economy in leisure and entertainment sectors.

3. Strategic Opportunities

Investing in music, by public and private entities, leads to multiple benefits for cities and their surrounding areas. Sound Diplomacy's economic impact analysis has demonstrated Gold Coast has a very strong creative sector, which alongside the prevalence of close sectors such as other entertainment and hospitality, place the city in the right position to develop a collaborative and unified approach to growing Queensland's music economy as one of the major players in the state alongside Brisbane. Furthermore, the city's unique and well known sound and music scene are in the right position to stand out in front of other known music and cultural scenes regionally and nationally. With plans for a new arena well underway, and evidence of growth in demand for Australian arena tours and ticket purchases that are expected to surpass existing numbers in 2025 according to IQ Magazine's 2024 Arena Guide,[21] Gold Coast has an opportunity to position itself as a significant player in the Australian live music market. Understanding the value of the sector is key to supporting and developing all opportunities the music ecosystem can provide the city to foster growth and sustainable development socially, economically and culturally.

The themes below explore some of the ways in which other cities based near major music hubs work with and for each other. These examples were selected based on their similarities with Gold Coast in terms of size, population, and proximity to a major music city (such as Brisbane in the case of Gold Coast); for being part of a music network supporting regional development; and/or for having infrastructure that has been developed in recent

[20] In interpreting the Location Quotient (LQ) for the "Motion Picture and Sound Recording Activities," it's important to recognize that these two sectors are aggregated and cannot be separated in the available data. The LQ values may therefore reflect the strong presence of the Motion Picture industry on the Gold Coast, as evidenced by its well-documented contribution to the local economy (Gold Coast Screen Industry Report, 2023). This likely inflates the joint LQ, particularly given the region's reputation as a hub for film production, which may overshadow the relative contribution of Sound Recording activities.
[21] IQ Magazine, "Global Arena Guide 2024"(2024)

years in response to new strategic focus within a city which reflects Gold Coast's plans for a new arena. They illustrate the value of investing in the music sector.

Music Tourism

Already a growth sector for Invest Gold Coast, tourism plays a major role in a city's music industry, and vice versa. In 2023, $7.8 billion was generated in visitor expenditure and 12.2 million visitors travelled to the city.[22] In May 2024, Gold Coast witnessed an influx of 30,000 interstate, intrastate and international visitors, a $50 million boost to the local economy, and the engagement of over 200 local businesses to help plan and deliver the Out 2 Lunch one-day music festival on Coolangatta Beach,[23] showing the impact that live music has –and can continue to have – in the city with the considered planning.

As the global music industry continues to recover and grow post-pandemic, music tourism can represent a significant opportunity to revitalize the tourism sector. In addition to enhancing local economic growth, music tourism promotes and preserves the local music scene and heritage, and emphasizes music as a critical element to both society and economy.[24] The economic growth generated by tourism and/or music tourism can also be strategically reinvested in the music industry. This can be achieved by allocating a portion of the revenue from tourism taxes such as the hotel tax to support music initiatives, as exemplified in cities such as San Francisco or Austin. Having a portion of hotel occupancy taxes contributing to local music entities is a way of ensuring that the music industry is rewarded for attracting visitors to the city.[25]

Data about music tourism in Manchester and in the North West of England illustrates the impact that music tourism can have on a local economy. The total economic impact of Greater Manchester's music ecosystem between 2019–2020 was £469 million in GVA and

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[22] Experience Gold Coast, "New Figures Signal Growth in Gold Coast Visitor Economy", accessed November 27, 2024,
https://corporate.experiencegoldcoast.com/about-us/news/new-figures-signal-growth-in-gold-coast-visitor-economy

[23] TEG , "TEG Live's 'Out 2 Lunch' Festival Delivers Massive $50m Boost to Gold Coast Economy", accessed November 22, 2024,
https://www.teg.com.au/teg-lives-out-2-lunch-festival-delivers-massive-50m-boost-to-gold-coast-economy/

[24] Nina Frazier, Recording Academy, "The American Music Tourism Act: Promoting the Music Economy", accessed November 26, 2024,
https://www.recordingacademy.com/advocacy/news/american-music-tourism-act

[25] San Francisco Art Commission, "New Arts Impact Endowment", accessed November 26, 2024,
https://www.sfartscommission.org/our-role-impact/press-room/press-release/new-arts-impact-endowment and
City of Austin, "What is the City of Austin's Hotel Occupancy Tax rate?" accessed November 26, 2024,
https://www.austintexas.gov/faq/what-city-austins-hotel-occupancy-tax-rate#:~:text=The%20city%20of%20Austin%

11,270 FTE jobs, including £63 million in GVA and 1,340 FTEs from music tourism.[26] During that same period, the city attracted 704,000 music tourists thanks to its rich and diverse music scene and nightlife.[27] Manchester is based near 3 significant live music hubs (Liverpool, Leeds and Sheffield). Feedback from Brighter Sound - a local music organisation undertaking local and international work to support young and emerging artists and professionals - stated that visitors extend their stays to travel to several places and venues across different locations in the region after their trip to Manchester, making use of the proximity and efficient transport options to explore other cities with an interest in music as the driving force.

In the US, Memphis, Nashville and New Orleans are part of the Americana Music Triangle. They have developed joint packages to encourage movement between the cities, celebrating shared music heritage whilst also promoting and showcasing unique aspects of the music scenes in each location once tourists have arrived. This network also represents an opportunity to harness the 35 million tourists who come to the region seeking the music heritage by guiding them to specific music attractions.[28] Similarly, the Mississippi Blues Trail is built around shared heritage, encouraging tourist mobility and joint promotion of multiple areas in the State of Mississippi with music as the driving force. The Mississippi Blues Trail provides a narrative the participating communities can use in defining and branding themselves, while promoting local artists and facilitating the rise of funds for the music sector.[29] Additionally, the trail promotes all the participating cities and encourages movement between them. Memphis Travel, the city's Tourism Board, note that visitation to other competitive music cities (namely Nashville) has shown a significant increase in tourists wanting to visit Memphis in the future, even if not during the same trip.

In each of these locations, regional cultural branding, and identity preservation, promotion and development are all part of partnership working amongst organisations and tourism associations so that each city benefits from visitor numbers. Much like Gold Coast, these cities recognized the significance of placemaking and planning from a regional opportunity standpoint. Music tourism branding and strategies have helped embed

[26] Manchester Music City, "Manchester Music Economy Report", accessed November 26, 2024, https://manchestermusiccity.com/industry/manchester-music-economy-report-2022/#:~:text=Commissioned%20by%20Manchester%20City%20Council,11%2C270%20FTE%20jobs%20(FTEs).
[27] Manchester City Council, "New report shows the value of Manchester's Music Economy to the city", accessed November 27, 2024, https://www.manchester.gov.uk/news/article/9032/new_report_shows_the_value_of_manchesters_music_economy_to_the_city
[28] Kevin Walters, "Americana Music Triangle to map home of roots music", accessed November 26, 2024, https://www.usatoday.com/story/life/music/2013/05/07/americana-roots-music-trail/2143001/
[29] Scott Baretta, University of Mississippi, "the Blues and Beyond", accessed November 26, 2024, https://changeagents.olemiss.edu/the-blues-and-beyond/#:~:text=%E2%80%9CThe%20Mississippi%20Blues%20Trail%20has%20aided%20a,some%20of%20Mississippi%27s%20most%20economically%20depressed%20areas

partnerships in the fabric of the local ecosystems, developed partnerships and a cohesive regional brand that is complementary not competitive.

Regional development

The success of Manchester and Liverpool, fueled by strong government support, has inspired Leeds and the broader West Yorkshire region to explore the creation of a West Yorkshire Music Board or a similar network, though this initiative is still in the planning stages.

Another example of collaborative regional development through music in the UK is the newly announced Music City partnership between two cities in northern England. Newcastle and Gateshead have developed the partnership to join forces on increasing investment in music in the region. Other expected outcomes include gaining the UNESCO City of Music status, joining an international network of cities which already includes Belfast, Glasgow and Liverpool, and improving talent retention, reducing the outflow of talent. The two cities already developed partnerships with brands like EMI North, part of Universal, and Warner, to provide opportunities such as internships and record deals for musicians who want to stay in the region. Additionally, the Newcastle Arena has been chosen as the host venue for the MOBO Awards in 2025 and it is hoped this initiative will draw more music events to the area.[30]

Liverpool and Leeds' partnership with the PRS Foundation Momentum Accelerator Fund has enabled the two cities "to support the development of outstanding artists and bands who are writing their own music, and future Industry Professionals, outside London and who face additional barriers in reaching a crucial career tipping point based on their location".[31] This includes Leeds based band, English Teacher, which won the Mercury Prize in 2024 following support from the fund.

In Canada, West Anthem was established to stimulate growth in Alberta's music industry, with music recognised as a key economic driver in the province. With the two major cities in the province, Edmonton and Calgary, West Anthem commissioned the creation of a joint live music strategy, leveraging the power of a combined effort between the cities to build business capacity, diversification and economic profiles for the region with music at the centre. The results have been increased investment for music from the Alberta government ($2 million allocated in 2021 to support COVID-19 recovery), improved impact measurements of both cities, an increase in professionalisation within the music industry (in

[30] BBC News, "'Music City' Ambition for Newcastle and Gateshead", accessed October 23, 2024 https://www.bbc.co.uk/news/articles/cevyvk2gzy3o
[31] PRS Foundation, "PPL Momentum Accelerator", accessed October 29, 2024 https://prsfoundation.com/funding-support/funding-music-creators/next-steps/ppl-momentum-music-fund/ppl-momentum-accelerator-guidance/

Calgary there was a 24% increase in the number of industry members registered with the Society of Composers, Authors and Music Publishers of Canada - SOCAN),[32] and more live music activity (in both cities, there were more festivals held in 2023 than in previous years).[33] The intention behind the joint approach to music industry development is to position the Province of Alberta as a global leader in music.

As seen in the previous section, Gold Coast's music ecosystem has a wider impact on the state, supporting 614 jobs and generating $83.82 million in Queensland. Dedicated regional development initiatives such as those in the UK and Canada create an opportunity to increase this impact, which not only leads to further economic growth in the region, but would further position Gold Coast's role in contributing to this.

Industry expertise, collaboration and development

Manchester's main objective for music is around artist development, and work led by Brighter Sound (the city's nominated organisation to lead the work as part of the Music Cities Network) includes a regional network of partner organisations collaborating to support and amplify music in the region through the Northern Music Network. The Network's success and ethos is to benefit from each city's expertise, proximity and collective vision for their music scenes. They promote each other, working as a conduit for people who want to engage with an area of the region or an aspect of the music scene by recommending organisations from other cities.

Cultural exchange is also part of the meaningful work being undertaken across music cities within close proximity to each other all over the world, benefiting from that proximity for influence, innovation, trend development, diversification and complementary offerings. Manchester's influence on the regional music scene has motivated neighbouring cities to carve out and strengthen their own distinct musical identities, as seen in Leeds with the rise of its vibrant jazz scene. Cultural exchange is also a key aspect of the work between Calgary and Edmonton. In Spain, university students from Berklee Valencia's contemporary music programme and Madrid's Escuela Superior de Música Reina Sofía's classical school are brought together on an annual basis for a concert series that celebrates different musical styles and the diversity within music and culture.[34]

[32] West Anthem, "Resonant Energies, A Music City Strategy for Calgary", accessed October 22, 2024, https://www.westanthem.com/wp-content/uploads/2024/06/West-Anthem_Resonant-Energies_A-Music-City-Strategy-for-Calgary_FINAL-WEB.pdf pg. 7
[33] West Anthem, "Resonant Energies, A Music City Strategy for Edmonton", accessed October 22, 2024, https://www.westanthem.com/wp-content/uploads/2024/06/West-Anthem_Resonant-Energies_A-Music-City-Strategy-for-Edmonton_FINAL-WEB.pdf
[34] Berklee Valencia, "Collaboration with Escuela Superior de Musica Reina Sofia", accessed October 22, 2024, https://valencia.berklee.edu/campus-initiatives/collaboration-with-escuela-superior-de-musica-reina-sofia

Furthermore, being positioned near to other music cities allows for increased artist collaboration and mobility in either location, including networking, performance and recording opportunities. The aforementioned Northern Music Network hosts residencies in various member cities, offering valuable opportunities for artists to network, work in new places, and create artwork that fosters a lasting legacy and encourages meaningful dialogue between artists from different regions.

3.1 Scenario setting - why invest in music

As seen, Gold Coast's creative and performing arts activities, and motion picture and sound recording activities have a strong presence in the city compared to the national average. Although employment numbers show that Gold Coast's music industry has a slightly higher contribution to local employment than the State of South Australia[35] with 0.53% compared to 0.50%, when compared to some other music cities of a similar size around the world, employment levels are lower (1.04% in Memphis, US, and 0.86% in Munich, Germany, for instance). This shows there is room for growth, especially with the objective to become a leading music hub within the region and Australia.

Music, if adequately supported and planned for, has the potential to generate numerous social, economic and cultural impacts in a city. Music fosters economic development and creates jobs; attracts visitors, professionals and investments; retains talented, young and active populations; is a highly cost effective tool for urban development, regeneration and placemaking; generates social value across education, health, wellbeing, inclusion, among others; and has positive impacts on other sectors such as recreation, sports, tourism, technology and the other creative industries. But in order for music to generate these impacts and be seen as the economic driver that it is, strategic planning, policy development and investment are required to see the existing and future music industry grow and develop sustainably.

With intentional planning and focused investment on the music economy, Gold Coast has the potential to increase its existing impact both locally and regionally, with different options for levels of investment leading to varying outcomes for the city - as shown in the following examples. For this reason, some cities are rethinking and developing their music policies and investing in their infrastructural landscape. In this sense, in the case of Gold Coast, strategically planned expansion is important to meet the growing demand in order to retain those who moved to the city following the pandemic, and to support investment, new resident and visitor attraction. As explained in some examples below, to ensure that

[35] Southern Australia estimate based on results of the following report: https://www.musicsa.com.au/economic-contribution-22-23/. Results for all other data points according to economic impact assessments by Sound Diplomacy. It is important to note that methodological differences might apply, due to e.g. the different classifications of the local economies in Australia compared to the United States of America.

people don't have to leave to experience live music, some cities are building the structure to support sustainable development and match the growth taking place in the city around them.

Cardiff, Wales – UK

Known as the "Land of song", music is a major part of Wales's cultural identity. In a bid to protect and acknowledge the value of music in the capital of Wales, the City of Cardiff initiated a music strategy to explore the impact of the local industry and understand the opportunities for preservation, protection and development of the music ecosystem.

The City has continued to keep music as part of strategic planning, with the allocation of available budgets towards the music sector. This includes the creation of a paid Music Officer role in the Council, new music funds (£10,000 grants for grassroots music venue improvements),[36] the development of a Music Board, and a brand new major international festival - Cardiff Music City Festival - that took place in October 2024 as a three week-long event bringing together emerging local talent and established acts.

Additionally, a new 15,000-seat indoor arena has been confirmed for Cardiff, as part of a £250 million project located in Cardiff Bay's Atlantic Wharf. In addition to the arena, the masterplan includes 1,000 new homes, cultural attractions, visitor experiences, and mixed-use leisure and hospitality spaces.The project aims to enhance Cardiff's entertainment infrastructure and attract more visitors, benefiting local hospitality and increasing the city's potential to host major events.

The first flagship Cardiff Music City Festival has been well received and had coverage in major newspapers in the UK.[37] The City is continuing to explore ways to leverage this platform and expand and diversify its support of the local music industry.

Huntsville, Alabama – US

Huntsville, Alabama is a key example of a city that has and continues to benefit from high levels of investment and strategic planning around the music economy. Known as Rocket City, it has previously been solely associated with US Space Missions and industry connected to NASA. However, following a Music Audit in 2018, the City has continued to

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[36] Cardiff Music City, "New 'Cardiff Music City' Funding to Support Grassroots Music Venues", accessed October 22, 2024, https://cardiffmusiccity.wales/2024/09/24/new-cardiff-music-city-funding-to-support-grassroots-music-venues/

[37] The Guardian, "In 2017, Cardiff's Music Scene Was Collapsing. What's the Secret of its Amazing Revival?", accessed October 22, 2024, https://www.theguardian.com/music/2024/oct/01/cardiff-music-scene-revival-welsh

focus investment in the music industry which has led to a new music venue, The Orion, which was listed as number 12 on Pollstar's Mid-Year Top 50 Worldwide Amphitheatres list, [38]a dedicated Music Officer role within government, has become the largest city in Alabama (population growth surpassed Birmingham in 2020 and continues to grow), and has seen employment boom in the music and other industries.[39]

Talent and workforce retention and attraction were a major part of the City's intentional development of the music industry. Investment included $40 million to build The Orion amphitheatre, which has changed the landscape of live music in the city. In its first two years of operation, the amphitheatre hosted 238 local and regional artists, supporting local talent development.[40]

Investment in time, resources and money continues in Huntsville, with music now firmly part of the driving force behind innovation, policymaking, and business and talent attraction and retention.

4. Recommended Next Steps

1. Explore Funding, Investment and Development Opportunities for the Local and State-wide Music Industry

To work towards strengthening the Queensland music industry whilst positioning Gold Coast as a major hub for music, undertake research into existing funding streams, cultural exchanges, joint initiatives and opportunities for investment and collaboration. Explore budgets that are available from both a government level and institutions for music funding, identifying unique opportunities for Gold Coast, whilst also examining the potential for joint initiatives with other cities in the state. Based on activities happening in other cities worldwide, potential areas and projects to be funded could include:

- Artist and professional support programmes
- Infrastructural development
- Network development

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[38] City of Huntsville, "The Sound of Success: Celebrating 2 Years of The Orion in Huntsville", accessed October 15, 2024, https://www.huntsvilleal.gov/the-sound-of-success-celebrating-2-years-of-the-orion-in-huntsville/
[39] Commercial Observer, "When Music is the Economic Development Engine", accessed October 15, 2024, https://commercialobserver.com/2024/06/esg-music-development-engine/
[40] City of Huntsville, "The Sound of Success: Celebrating 2 Years of The Orion in Huntsville", accessed October 15, 2024, https://www.huntsvilleal.gov/the-sound-of-success-celebrating-2-years-of-the-orion-in-huntsville/

- Government positions connected to music development
- Marketing and tourism campaigns

Steps to undertake this work should include:

- Complete research into existing funding sources (grants, government funding, statewide initiatives and funds, etc.) both directly aimed at the music industry and those that can be applied to the music industry (e.g. capital funds, private investors, etc.).
- Undertake conversations with the music industry to identify areas that require support.
    - Create a list of needs of the music industry (e.g. a general development fund to support professional development, a touring fund for gigging musicians, etc.).
- Utillising all findings, create a list of funding resources and incentives and make them easily accessible online, including all opportunities, requirements, deadlines, contact information, application forms and any other relevant information.

2. Identify Policies and Incentives to Protect, Preserve and Grow the Local Music Ecosystem

Review the existing policy frameworks that impact the music ecosystem, identify areas for improvement, and set KPIs to measure and track changes/fluctuations, such as:

- Number of licences awarded to music-related organisations and event organisers
- Feedback and satisfaction ratings from grant and licence recipients regarding efficiency and clarity of application processes

With Gold Coast named as the co-host for the 2032 Olympic Games, there is a unique opportunity for the local music industry to be bolstered by international platforms. The City should explore ways in which the live music ecosystem can be protected and supported in advance of major events and developments, and future proofed for after they've ended. This could include replicating the State of Victoria's implementation of the Agent of Change policy,[41] applying for Purple Flag accreditation as Sydney has been the first to pilot

[41] The Agent of Change either requires the building that arrives the latest (be it a music venue or a residential development) to soundproof adequately to avoid nuisances and complaints and/or to inform the new residents that they are moving next to a music venue or within an entertainment area which permeates higher sound levels.https://www.musicvictoria.com.au/resource/how-to-agent-of-change/

this in Australia,[42] and exploring research and development tax credits to attract music and creative entrepreneurs which could be used to increase turnover in music-related businesses (see section on Turnover Size Ranges).

Steps to undertake this work should include:

- Collate all regulations, licenses, policies related to music to identify those that are not music-friendly and assess their efficacy in supporting music activity.
- Undertake sector engagement to identify what challenges and barriers they encounter.
- Identify which processes required to conduct music activity (permit requests, etc.) are not user-friendly or are generating extra work and burdens to the sector.
- Propose ways in which the abovementioned regulations and licenses and their corresponding processes can be changed to protect and support the sector better and to promote more music activity in the city.
- Research best practices in other locations to benchmark Gold Coast against and understand gaps in local frameworks
- Identify areas of improvement and organise meetings with responsible entities and decision makers to evaluate how to make changes locally and advocate for implementation of missing policies (e.g. Agent of Change).

3. Examine and Expand Opportunities for Live Music Experience and Performance

Map the location, characteristics, programming, and specifications of existing live music venues, making them available publicly for music industry members and audiences to explore (local, national and international-based members/audiences). At the same time, assess whether there are ample opportunities for live music performance in Gold Coast, and explore ways in which existing venues can be supported or incentivised to increase programming, update equipment and infrastructure, or expand audience development initiatives.

Steps to undertake this work should include:

[42] Purple Flag is an international night time economy accreditation programme that aims to reward those who achieve this in their destinations after dark https://www.nsw.gov.au/business-and-economy/24-hour-economy/purple-flag#:~:text=When%20you%20see%20the%20Purple,Government's%2024%2DHour%20Economy%20Strategy.

- Utilise the mapping database created in partnership with Sound Diplomacy to understand the live music landscape.
- Plot the assets identified on an online map, creating an assessment of gaps and opportunities based on findings.
- Undertake stakeholder engagement with those working in the live music and entertainment sector to understand challenges they face in terms of quality of infrastructure and equipment, and where further support is required.
- Build a list of assets for meanwhile use in underutilised spaces and public spaces, that can be shared with industry members, alongside permanent spaces for live music. Basic information for each site should include:
    - Location
    - Size
    - Basic layout plans
    - Services available together with photographs for each site
    - Define landlord responsibilities (e.g. lease period, use of electrical grid/water system/internet, rent, etc.), tenant responsibilities and leasing conditions (e.g. prioritising events, meeting spaces, artist studios, galleries, rehearsal or performance spaces, independent retailers, etc.)

4. Undertake a Market Assessment for the New Arena

A market assessment should be conducted to determine the feasibility and supply and demand of a new arena. Tasks to complete within a market assessment include:

- Measure and assess venues in Gold Coast and within a determined range
- Analyse key markets and stakeholders
- Competitive analysis benchmarking (to position the arena against)
- Local and regional demand analysis and consumption patterns

The aim of this will be to determine viability, understand tour routes, define potential capacity and scale, and assess competition and key markets.

Steps to undertake this work should include:

- Work with stakeholders, partners and involved entities to determine the overall vision, goals and objectives for the arena.
- Identify an expert consultant/consultancy to undertake an assessment.
- Set out the goals and objectives for a market assessment.

- Collate relevant information ahead of the project for the consultant and coordinate with involved parties to determine the scope of work, including which cities to benchmark against, the radius for existing venues assessment and presentation of the vision for the arena.

5. Undertake an Impact Forecast Study for the Arena and Surrounding Area

To plan the direction going forward, and further understand the potential for the arena, commission and undertake an economic forecast using the planned capacity (or scenario setting with various capacity options) to determine the potential impact that a new arena with music at the core will have on the local and regional economy. Estimates and forecasts can also be determined for workforce development, talent attraction, visitor numbers, and any other metrics as determined within the vision and goals for the new arena.

The arena should be developed as part of a wider entertainment district, so the identified sites for development should also be assessed, looking at economic impact forecasts to determine the best location, examining nearby hotel occupancy and businesses, construction, etc. This can also support requests for funding and investment.

In addition to the economic aspects, there is an opportunity to create a social value impact framework to estimate the impact of a new arena in Gold Coast on talent generation, social inclusion, population retention and growth, and any other key topics connected to social value and the City's agenda linked to this.

Steps to undertake this work should include:

- Utilise the abovementioned vision and business plan for the arena to set out strategic intentions for the surrounding area and identify citywide goals for economic development and social value growth to ensure alignment with the arena.
- Identify an expert consultant/consultancy to undertake economic and social value forecasts against the defined strategic goals
- Collate relevant information ahead of the project for the consultant and coordinate with involved parties to determine the scope of work, including site boundaries, identification of existing businesses in the area (e.g. accommodation, retail, etc.).

Appendices

Appendix A. Methodology

The economic impact analysis is based on official secondary sources and statistics, complemented by primary research conducted by Sound Diplomacy. It provides a reliable measure of the economic importance of the music ecosystem in Gold Coast City on three scales: direct, indirect, and induced impact.

The results in this report correspond with data from 2022/23.

Methodology Insights[43]

Methodology: The economic impact calculation is based on the Input-Output Model (I-O), which explains how production is determined by the total amount of products and services consumers buy. The model shows which sectors need supplies from other industries to generate a chain reaction or a multiplier throughout the economy. Thus, intersectoral impacts are estimated, as are how respective sales and purchases are distributed through economic activity. For the direct impact, data on the workforce, number of assets, and average output per worker are used for calculations on output, Gross Value Added (GVA), and number of workers.

Sources and data:

- Australian Bureau of Statistics
  - Businesses by main state by industry class by annualised employment size ranges
  - Businesses by main state by industry class by turnover size ranges
  - Businesses by industry division by statistical area level 2 by annualised employment size ranges
  - Businesses by industry division by statistical area level 2 by turnover size ranges
  - Census of Population and Housing 2021 - Gold Coast Industry of employment by sex
  - Census of Population and Housing 2021 - Gold Coast Industry of employment by hours worked
  - Census of Population and Housing 2021 - Gold Coast Industry of employment by indigenous status
  - Census of Population and Housing 2021 - Gold Coast Industry of employment by age by sex
  - Census of Population and Housing 2021 - Gold Coast Industry of employment by occupation
- economy.id
  - Full-time equivalent employment by industry sector
  - Employment (total) by industry
  - Value added by industry sector

[43] See Appendix A for the detailed methodology.

    - Productivity per worker (annual) by industry
    - Output by industry sector
    - Local sales by industry sector
    - Employment capacity by industry
    - Total exports by industry sector
- Sound Diplomacy/City of Gold Coast:
    - Music ecosystem asset mapping
    - Gold Coast City Economic Impact Model

Classifications

To define and frame the creative ecosystem in accordance with available official data, Sound Diplomacy uses the **Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006,** which is the standard used by statistical agencies for use in the compilation and analysis of industry statistics in Australia and New Zealand. Sound Diplomacy uses this data to calculate the value of the economic activity in Gold Coast City that can be attributed to the music ecosystem. For more information, please see Appendix C.

Geographical Scope

This assessment's geographical scope is Gold Coast City.

Appendix B: Economic Impact Model

For the purposes of the economic impact calculation, Sound Diplomacy has used the economic impact model by NIEIR. Please find a detailed description below:

"Economic impact modelling is based on Input-Output tables, a component of the NIEIR microsimulation model derived from local differences between industries and Census journey to work data in the local economy. An input-output matrix describes how the different industries in an economy interrelate, and how supply chains operate in the local area. The microsimulation economic modelling reproduces the National Accounts data for local areas. Data sources in the model include:

- Census Journey to Work data
- ABS Labour Force Survey
- Centrelink employment estimates
- ABS building approvals – commercial floorspace estimates.
- Dun & Bradstreet Business Startups
- Australian Taxation Office worker income data
- Microsimulation of known large employers.

The modelling produces a factor [called a multiplier], which shows the flow-on effects of economic productivity in an industry sector, to other sectors and the total economy. The impact of local production on areas outside the local area is also modelled, based on Journey to Work information from the Census, updated for known more recent employment projects.

Please note that these results are theoretical only, and is meant to give a broad indication of the type of flow-on effects which may apply in the economy if certain industries are expanded or reduced. Where an industry currently has a very small number of jobs or output in the local economy, the results from this model should be treated with caution, as very little data is available. Where there is currently no employment or output in a particular industry, a result cannot be calculated[44].

While the model will accept any input, no checking is done to see how reasonable this input assumption is. It is also really intended only to model relatively minor changes in jobs and size of industries in the short term (less than 10% of total economy). Where economic impacts occur between industries it should not be assumed that any impact is immediate as it will take some time for the impact to be integrated into the existing economy."[45]

[44] The industries under consideration for this economic impact report are not subject to low or zero employment, therefore the NIEIR model is suited well for this economic impact analysis.
[45] .idcommunity, "Gold Coast City. Indicators" accessed September 19, 2024, https://economy.id.com.au/gold-coast/topic-notes#Economic-impact-model

Appendix C: Australian and New Zealand Standard Industrial Classification (ANZSIC) Activities for the Music Ecosystem

The research analysed a list of ANZSIC codes related to the music ecosystem, which can be found in the table below. It is important to note that some activities on the list were not exclusively related to the music sector and had to be adjusted.

Information from various sources was collected and cross-checked to ensure that the impact measured resulted from activities related to the music ecosystem, including the mapping database provided by Gold Coast City.

Music Ecosystem ANZSIC Codes[46]

Sector	Music Economy Sector		Value Chain Link
ANZSIC codes	5521	Music Publishing	Production
	5522	Music and Other Sound Recording Activities	Production
	5810	Radio Broadcasting	Distribution
	8212	Arts Education	Transversal
	9001	Performing Arts Operation	Exhibition
	9002	Creative Artists, Musicians, Writers and Performers	Creation
	9003	Performing Arts Venue Operation	Exhibition

[46] Australian Bureau of Statistics, Online at, https://www.abs.gov.au/statistics/classifications/australian-and-new-zealand-standard-industrial-classification-anzsic/2006-revision-2-0, accessed 27-08-2024.

Appendix D: Location Quotients

Location Quotients (LQs) are commonly used in economic impact studies, regional economic planning, and policy analysis. They provide insights into a region's economic strengths, weaknesses, and potential growth or investment areas by assessing the concentration of a specific industry in a region compared to the concentration in a larger reference region (here nationally). LQs can help to identify industries or sectors that are important to a particular area. They help our understanding of the economic structure and specialisation of a region.

The LQ compares the share of an industry (in this report) in terms of employment in a specific region to the share of the same industry in the nation. The resulting value indicates whether the occupation in an industry is overrepresented (LQ > 1), underrepresented (LQ < 1), or proportionally represented (LQ = 1) in the area being analysed.

- **LQ > 1:** Indicates that the industry is more concentrated in the region compared to the reference region. This suggests a specialisation in that industry within the area.
- **LQ < 1:** Suggests that the industry is less concentrated in the region compared to the reference region. This implies a relative lack of specialisation in that industry.
- **LQ = 1:** Implies that the industry's concentration is the same in the region as in the reference region. There is no significant specialisation or deviation from the average.

The formula for calculating the Location Quotient is (example ANZSIC code 9002 - Creative Artists, Musicians, Writers and Performers):

$$LQ_{EMP} = \frac{\frac{Local\ Number\ of\ Employees\ in\ ANZSIC\ Code\ 9002}{Local\ Number\ of\ Employees\ in\ All\ Industries}}{\frac{National\ Number\ of\ Employees\ in\ ANZSIC\ Code\ 9002}{National\ Number\ of\ Employees\ in\ All\ Industries}}$$

Appendix E: Proportion of the Music Ecosystem to the Total Economy by ANZSIC division

Industry	Total Gold Coast Value Added in $m	Music Ecosystem Value Added in $m	Music Ecosystem Proportion

Information Media and Telecommunications	825.9	72.0	8.71%
Education and Training	2,449.2	0.4	0.02%
Arts and Recreation Services	792.9	102.7	12.95%
All other Industries	33,093.2	0.0	0%
Total Industries	**37,161.2**	**175.1**	**0.47%**

Appendix F: Breakdown of the Music Ecosystem by 2-digit ANZSIC division

Industry	Proportion of Music Ecosystem	Gross Value Added in $m	Employment
Music Ecosystem	**100%**	**175.1**	**1,770**
Information Media and Telecommunications	**41.1%**	**72.0**	**504**
Motion Picture and Sound Recording Activities	6.6%	11.5	154
Broadcasting (except Internet)	34.5%	60.5	350
Education and Training	**0.2%**	**0.4**	**11**
Adult, Community and Other Education	0.2%	0.4	11
Arts and Recreation Services	**58.7%**	**102.7**	**1,256**
Creative and Performing Arts Activities	58.7%	102.7	1,256

*Numbers may not add up due to rounding