Art Centres and COVID-19

Impact Statement

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Introduction

While Aboriginal and Torres Strait Islander art centres have a unique place in Australia's art market, acting as studio, agent, wholesaler and retailer, they rely on the health of the overall art market, as well as wider economic circumstances. The disruption caused by the Coronavirus pandemic, which arrived in Australia in early March 2020, has triggered profound changes to all aspects of Australian society, and particularly to the creative industries.

To track and understand the scale of change occurring at art centres, this report is analysing available sales and production data from art centres. This report aims to inform the art centre sector and provide information and evidence to support possible interventions and assistance.

Summary

Australia's response to COVID-19, which included national lockdowns, was in place by 16 March. The end of the 2019/20 financial year on 30 June provided a data-collection point. By comparing this period in 2019 with 2020 the immediate and significant impacts felt by art centres nationally can be seen, including a:

- 30.0% fall in average sales.
- 59.7% fall in the average number of artworks produced.
- 46.0% fall in the average number of artworks sold by art centres.
- 31.1% fall in the average number of artists active at each art centre.

While art centres in Queensland have seen falls in sales, participation and production, these falls have been less severe than at art centres in the Northern Territory, South Australia and Western Australia. For example, average sales at Queensland art centres have fallen 23.0%; the other three States/Territory have seen average sales fall between 42.6% to 52.2%.

Sales: 16 March > 30 June 2020

Recent years have seen art centres continue to financially rebuild, with steady increases over the previous eight years. However, the impact of the pandemic on art centre sales was substantial and immediate. Figure 1 shows average sales of art centres between 16 March and 30 June, over five years to 2019/20.

In 2018/19, each art centre had average sales of $131,336; for 2019/20, it was $91,876 – a 30.0% fall.

Total art centre sales for 2018/19 were $10,506,905; for 2019/20 it was $7,258,186. Based on the industry standard 60% artist commission, this decline resulted in $1.94m less income for artists in the 107 days of lockdown between 16 March and 30 June.

Figure 1 also shows the average number of artworks sold by art centres between 16 March and 30 June, over the last five years. In 2018/19, 19,337 artworks were sold, or an average of 242 per art centre. In 2019/20, total artworks sold fell 46.0% to 9,487, or an average of 130 per art centre.

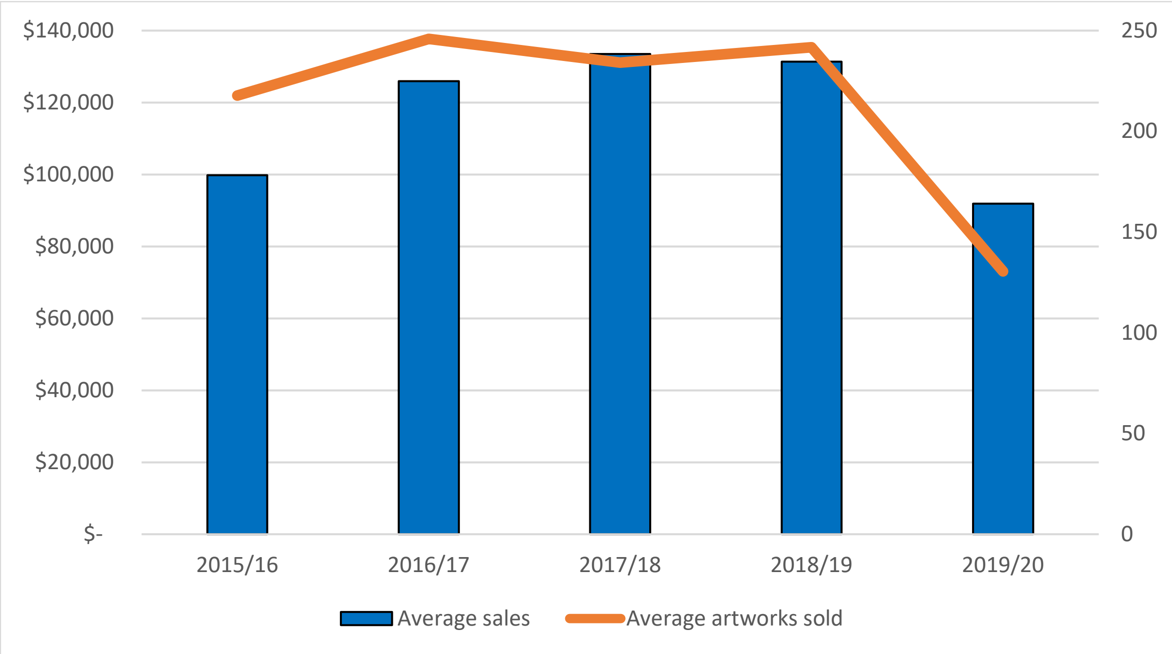

Figure 1: Average art centre sales and average number of artworks sold by art centres, 2015/16 to 2019/20.

Figure 2 shows artwork production between 16 March and 30 June. In 2018/19, 23,842 artworks were produced, an average of 298 per art centre. In 2019/20, total artworks produced fell 59.7% to 9,487, an average of 120 per art centre. This is the first and only time in this five-year period where the number of artworks sold (10,307) has been greater than the number of artworks produced.

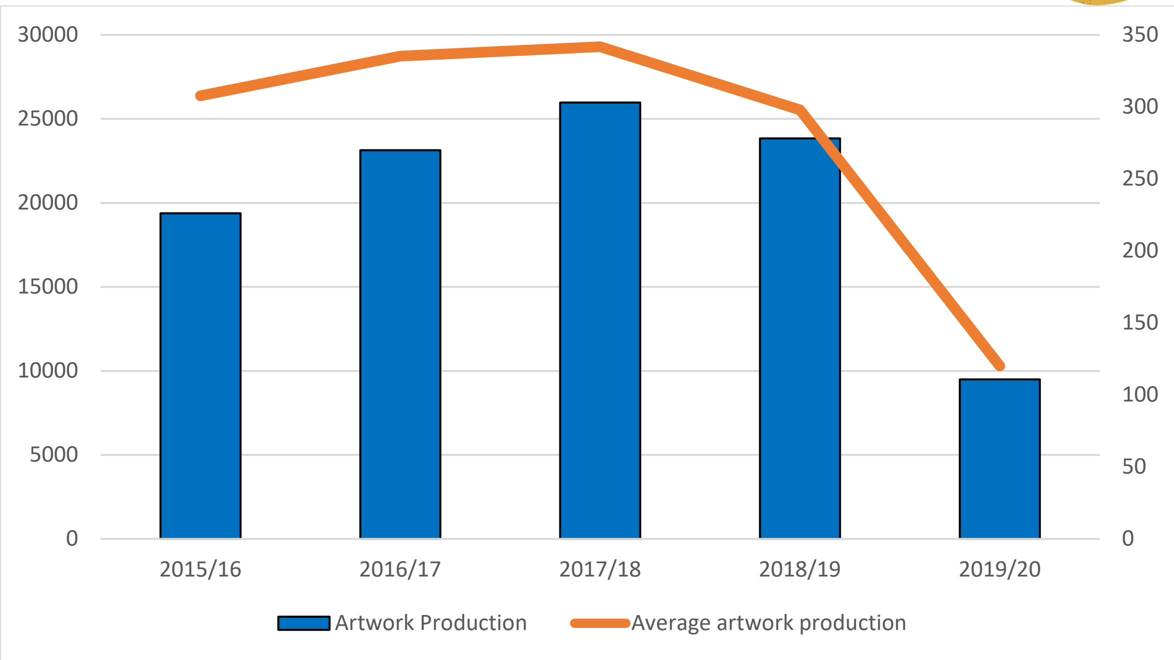

Figure 2: Average artwork production per art centre and total artwork production, 2015/16 to 2019/20.

Artists

The COVID-19 pandemic also triggered a decline in the number of artists active at art centres. In 2018/19, there were 6,147 active artists, or an average of 77 per art centre. In 2019/20, the number of active artists fell 31.1% to 4,185, or an average of 53 per art centre, as shown in Figure 3.

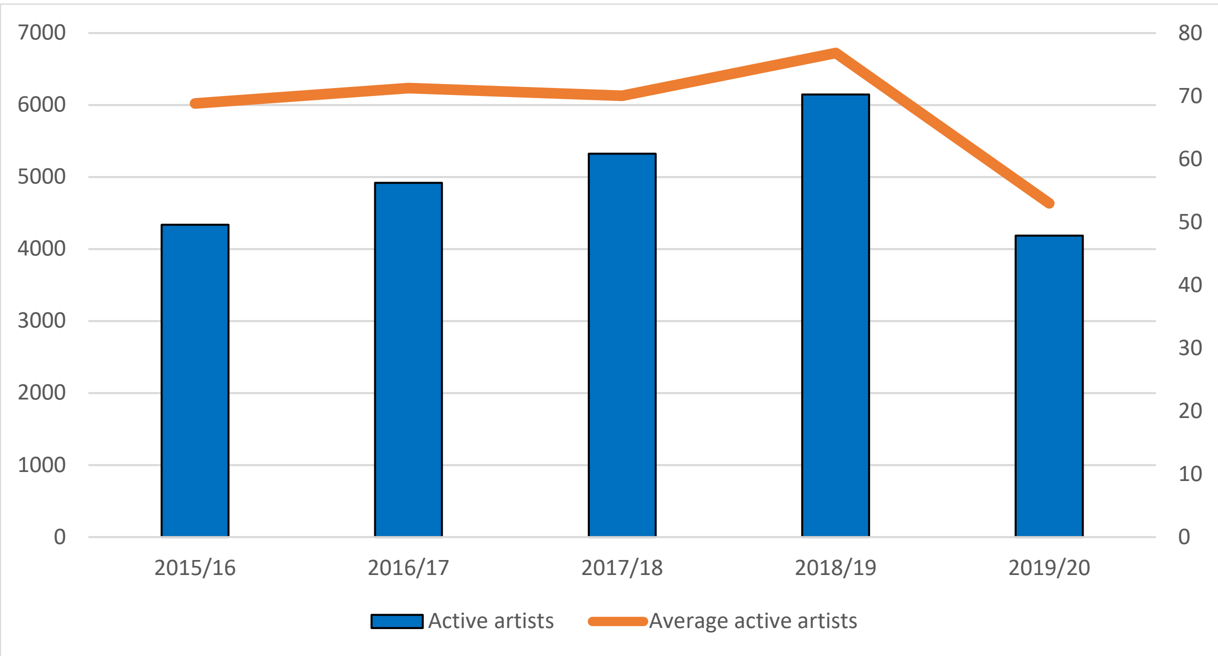

Figure 3: Total numbers of active artists and average number of active artists per art centre, 2015/16 to 2019/20.

Location

There have always been clear variations in the production and sales of art centres from different jurisdictions. The COVID-19 pandemic has generally replicated these differences; broadly, more established regions are recording a greater impact on sales, production and participation than new and smaller areas, though there are significant variation between categories.

Figure 4 shows the change to art centres across four key metrics – total sales, active artists, number of artworks sold, and number of artworks produced between 16 March and 30 June. Queensland based art centres, who have always had smaller artist numbers and lower production and sales, while still recording significant falls in artwork production, have seen less dramatic declines in sales and participation. Northern Territory art centres have

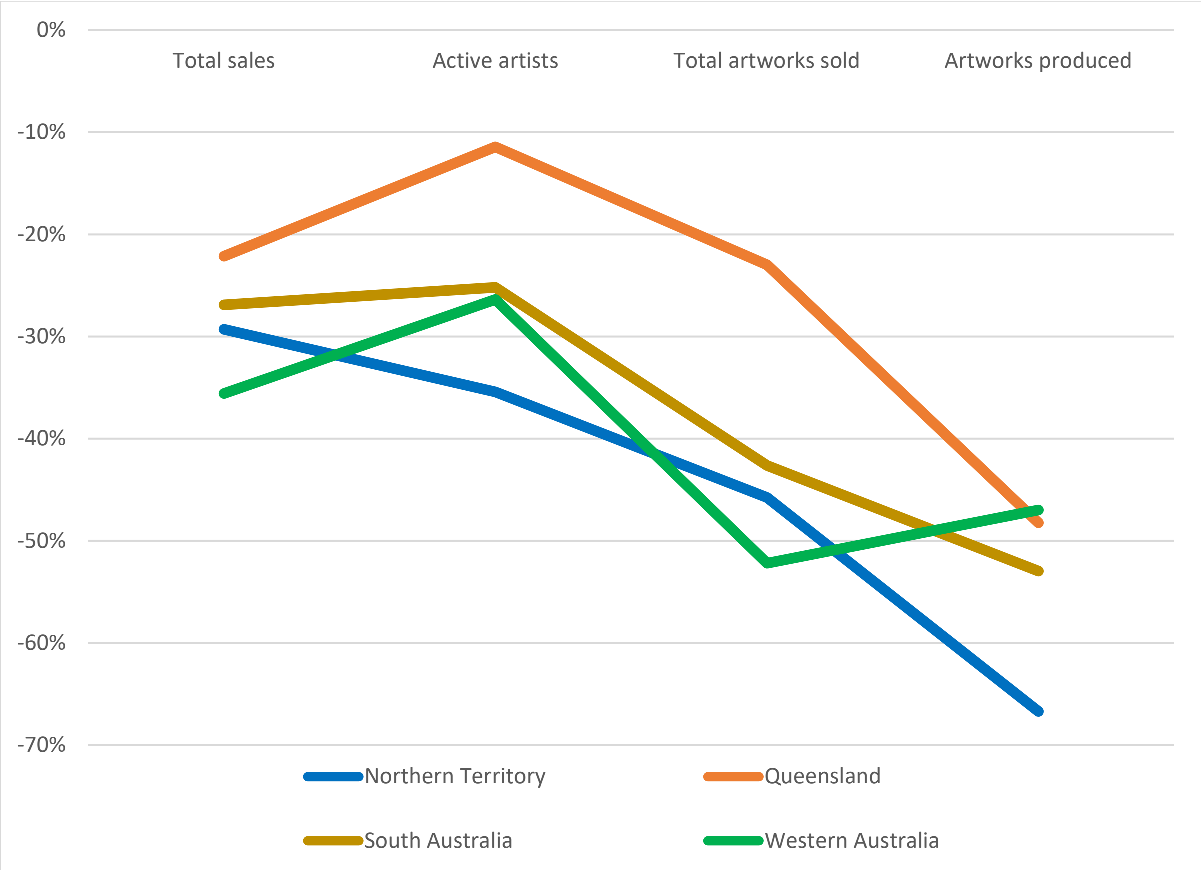

Figure 4: Art centres by jurisdiction, showing total sales, active artists, total artwork sales and artwork production.

Methodology

This report is based on information from art centres operational database, the SAM platform. While this data does not include every art centre, it covers a statistically significant sample and provides a reasonable picture of art centre performance. This data includes sales information that has not been audited and is therefore subject to change and refinements. Based on historical comparisons, the difference between database results and audit results is unlikely to be significant enough to change the overall findings and observations made in this report.

Art centre participation: the number of art centre datasets available varies from year to year. For this report, the number of art centre datasets available was:

2015/16: 68
2016/17: 73
2017/18: 77
2018/19: 80
2019/20: 84

The following terms are used in this report; their relevant definitions/inclusions are:

- Total sales: the total of all sales invoices/recepts created by art centres.
- Active artists: an active artist is any artist who produced a catalogued artwork, sold a catalogued artwork or received a payment from the sale of a catalogued artwork.
- Artworks sold: the number of catalogued artworks sold.
- Artwork production: the number of catalogued artworks produced.

Some data was available for art centres outside of the three states and the Northern Territory; however, this data only provided around 1% of results and was thus excluded in the analysis.

All data used for this update is fully de-identified. All figures are non-adjusted.

Disclaimer

This report is based on third party data representing a sample of the art centres in remote and regional Australia. While Desart is not in a position to verify the accuracy of that data or determine how representative it is, Desart has no reason to believe that the data on which this report is based is not accurate or broadly representative of the sector as at the date of publication. The information in this report is provided by Desart in good faith but is of a general nature and should not be relied on in lieu of appropriate professional advice. Desart does not warrant or guarantee its reliability, accuracy, completeness or fitness for purpose and accepts no liability whatsoever arising from, or connected to, the use of any material in this report.