

Financial Snapshot of Art Centres

2004/05 > 2022/23

Data analysed: March 2024



Culture First.

Supporting Aboriginal Art Centres
of Central Australia

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> 22/23, March 2024.

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Introduction

Culture first and industry best practice is the foundation of Desart's mission in supporting art centres to continue important cultural practice and to share their art with the world. As part of this support, Desart also advocates for the 'business of art' – the important work art centres do in running a social enterprise and providing culturally appropriate and locally-owned economic opportunities. This report is one expression of this support.

Aboriginal and Torres Strait Islander art centres

Central to the work of art centres is their role in linking artists with the art market and promoting and selling works of art to national and international audiences. These commercial activities provide independent income and employment for artists and art centre workers, with any profits re-invested into operations. This cooperative model enables art centres to support the long-term work of developing artists' careers and contributing to the cultural and social wellbeing of their communities. While this report focusses on analysing financial performance, it is acknowledged that cultural practices are critical to the success of art centres.

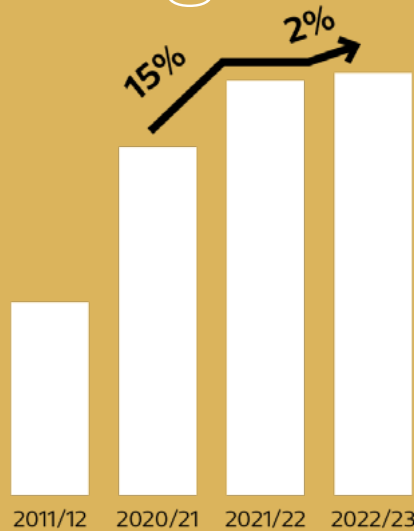
This snapshot summarises the long-term financial and production trends of Aboriginal and Torres Strait Islander art centres and is intended for use by art centres, peak bodies and other stakeholders. Desart commissions this financial snapshot of art centres to provide financial transparency of, and accessibility to, the sector, with the aim of enabling informed decision-making.

This update adds two years of new results (2021/22 and 2022/23) to the long-term data, enabling trends and changes to be tracked and contextualised.

Key Findings

SALES GROWTH

Average art centre sales continue to grow. 2021/22 sales were 15% higher than the previous year, and 2022/23 sales grew a further 2%. Average art centre sales are now more than double their 2011/12 low point.



SALES SINCE 2020

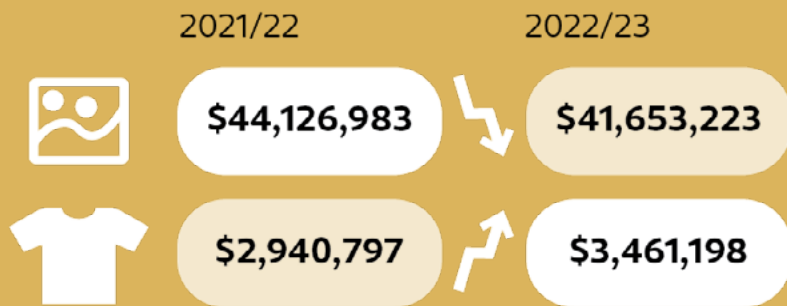
In this two-year reporting period, the art centres in the Northern Territory and Western Australia have seen average sales increase, with 15% and 22% growth, respectively. South Australian art centres have recorded consecutive years of falling sales, declining around 20% since 2020/21. Average sales at Queensland art centres have now lost most of the gains of recent years.



ARTWORK & PRODUCT SALES

Total artwork sales in 2021/22 were \$44,126,983 and in 2022/23 they were \$41,653,223. Total product sales in 2021/22 were \$2,940,797 and in 2022/23 they were \$3,461,198¹.

After accounting for inflation, average art centre sales in 2022/23 have almost returned to the sales peaks recorded in the four years prior to the 2008 Global Financial Crisis.



ART CENTRE FUNDING

Art centres' funding is not keeping pace with art centre growth in sales and revenue. Over the last two years, around 33% of art centres' average income has come from grants, which is the lowest ratio of grants to total income since around 2008. However, the static level of grant income suggests a plateau in the amount of funding available to the sector.



PRICE OF ARTWORKS SOLD

While almost six out of 10 artworks sell for less than \$250, this has fallen to its lowest level. Less than 2% of artworks sell for more than \$5,000.



¹ However, a smaller number of art centres reported in 2022/23. See the methodology section for details.



Female >75%



Female aged 50 40%



Aged 60+ 25%



NT 67%



WA 18%



SA 10%



QLD 5%



ARTWORK PRODUCTION

Production data shows that:

- More than three quarters of artworks were produced by female artists.
- Female artists over 50 years old produce nearly four out of 10 artworks.
- More than one quarter of all artworks are produced by artists aged 60 or more.
- Over the nine years to 2022/23 (the period for which comparable data is available), 65% of all artworks were produced in the NT; 19% in WA, 10% in SA and 7% in QLD.

CORE ARTISTS

A small proportion of artists continue to generate the majority of sales, with core artists – those who produce and sell more than 10 artworks in a year – accounting for more than 8 out of 10 sales.



ARTWORKS PRODUCED PER ART CENTRE

Over the last two years, very similar numbers of artworks have been produced: 73,549 in 2021/22, and 73,939 2022/23, a return to pre-pandemic levels, after significant falls in 2019 and 2020. This is an average of around 800 artworks for each of the 90+ art centres included in the data, the highest average recorded.



Sales

Sales have continued to grow, extending a run of growth for ten of the past 12 years. In 2022/23, average art centre sales were \$706,568, as seen in Figure 1. After several years of falling sales around 2008, average art centre sales have seen consistent growth; in the ten years between 2013/14 and 2022/23, sales growth has averaged around 8% per year, with average art centre sales in 2022/23 more than double the 2011/12 low point of \$322,601.

Art centres returned an average of 69% to artists from 2022/23 sales, slightly higher than in 2021/22 – and both years are the highest proportions of artists income recorded. This translates to average artist payments per art centre of \$482,611, the highest level recorded.

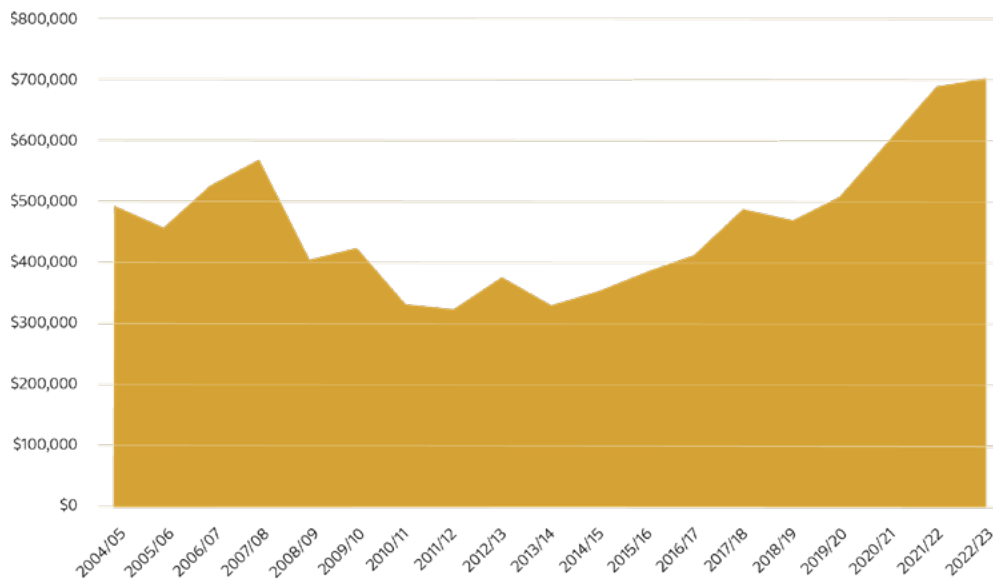


Figure 1: Average annual sales for art centres, 2004/05 to 2022/23.

Accounting for Inflation

The sales in Figure 1 are actual amounts – the ‘raw’ dollar figures reported by art centres in their audit each year. However, costs increase over time; this inflationary trend means that \$1 in 2004/05 (the first year of art centre data) would now be worth nearly \$1.70; by reporting only the dollar amounts shown in Figure 1, this trend is not accounted for.

To account for this inflation, adjustments can be made to the raw figures reported by art centres. These adjusted figures enable accurate comparisons over time.

Figure 2 shows both actual and adjusted sales. This allows a direct comparison between average art centre sales over 19 years. It is clear that pre-GFC sales – the four years to 2008 – remain a high point for art centre sales. In 2007/08, average (adjusted) sales were \$856,908, 16% higher than average sales in 2022/23. Interestingly, artist payments in 2022/23 are close to the highest levels recorded, \$513,638 in 2005/06, as seen in Figure 3.

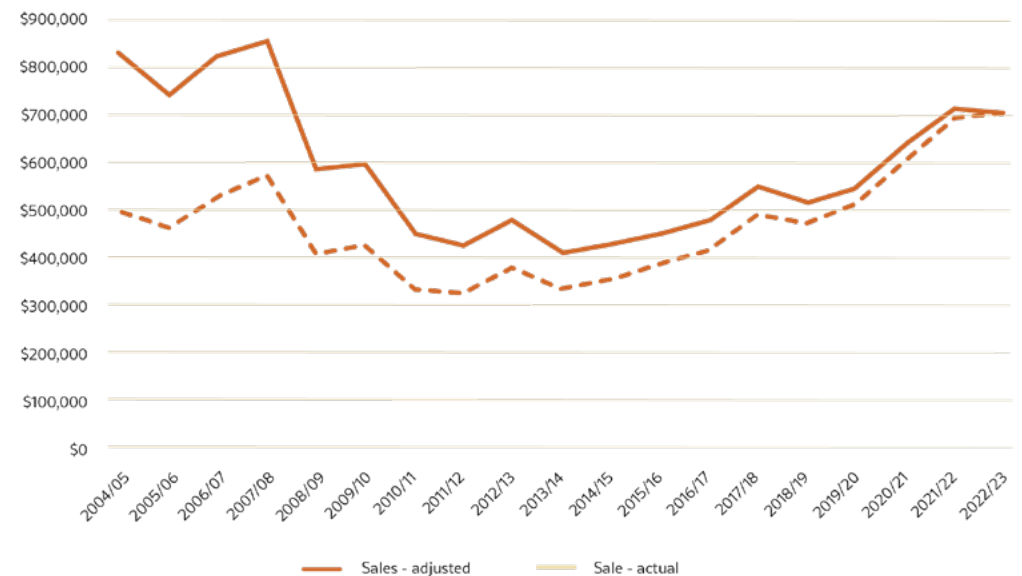


Figure 2: actual and adjusted average annual sales for art centres, 2004/05 > 2022/23.

Average total income (sales, grants and other revenue) for art centres in 2022/23 was \$1,347,302 – the highest recorded (both adjusted and non-adjusted). This indicates that art centres have become larger enterprises over time. The proportion of total income generated by sales has changed over time; in early years, around 70% of income was from sales. Over the last decade, this has fallen to between 42% and 55%.

Average sales generated by art centres are different across the Northern Territory, Queensland, South Australia and Western Australia, the states/Territory that are home to nearly all art centres, as seen in Figure 4.

Art centres in the Northern Territory and Western Australia have seen sales continue to increase (adjusted figures), extending a 10-year trend. South Australian art centres has seen a steep, two-year fall in average sales, down nearly 20% over the 2020/21 highs.

Figure 3: adjusted average annual sales and average annual artist payments for art centres, 2004/05 to 2022/23.

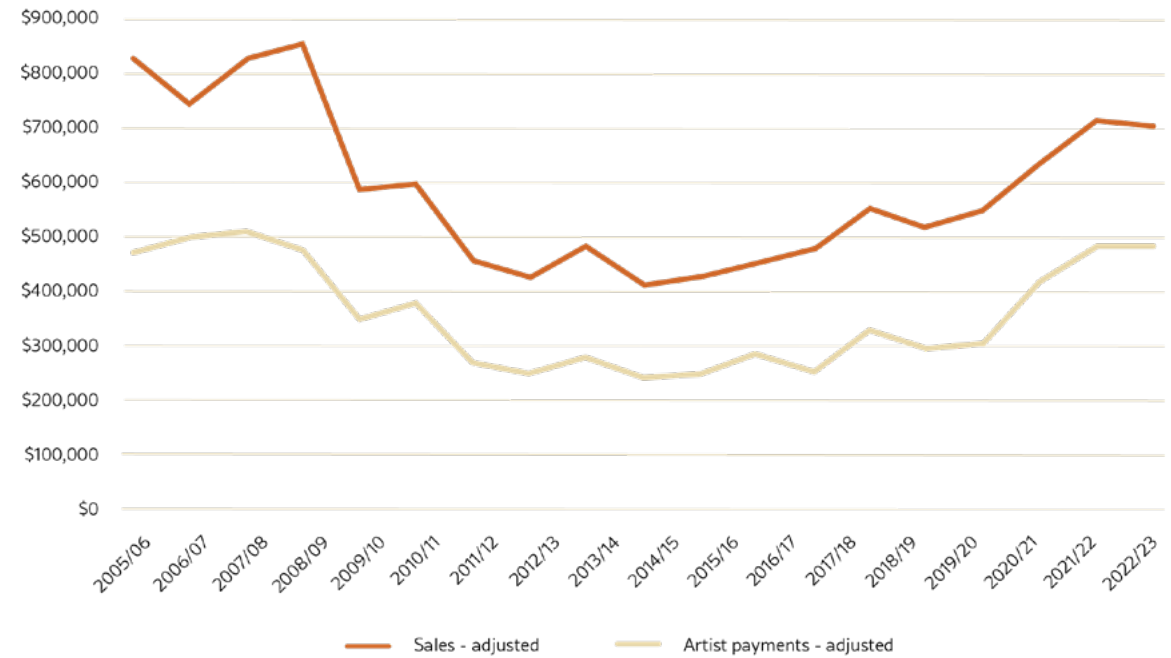
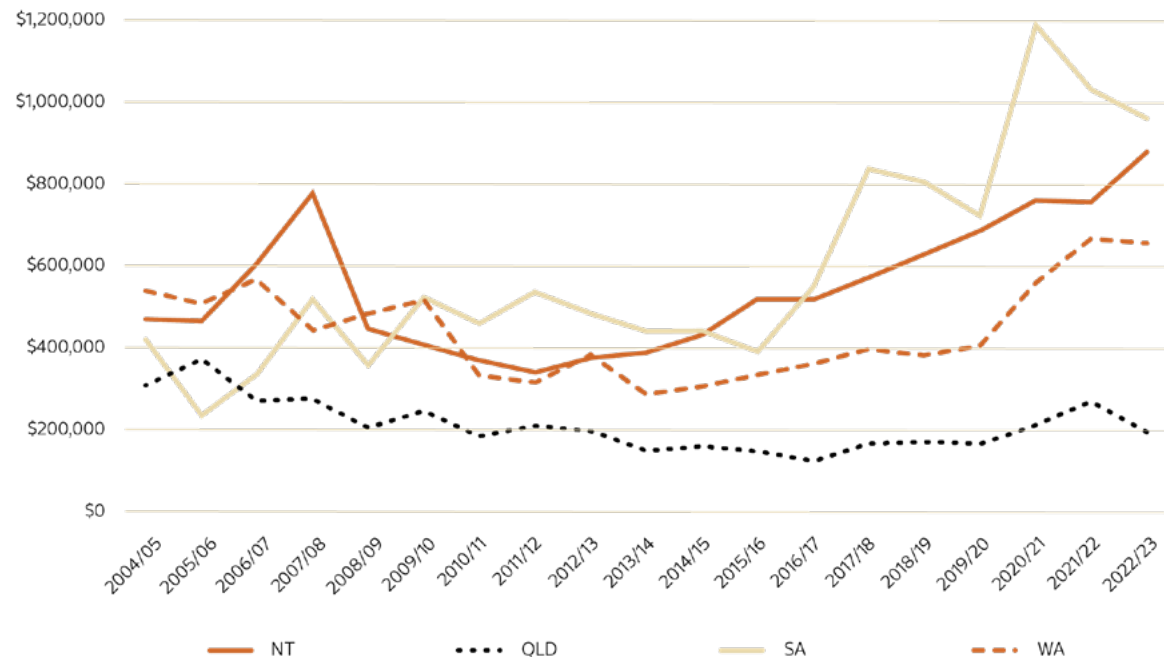


Figure 4: Average annual sales by art centres in each state/Territory, 2004/05 to 2022/23 – adjusted.

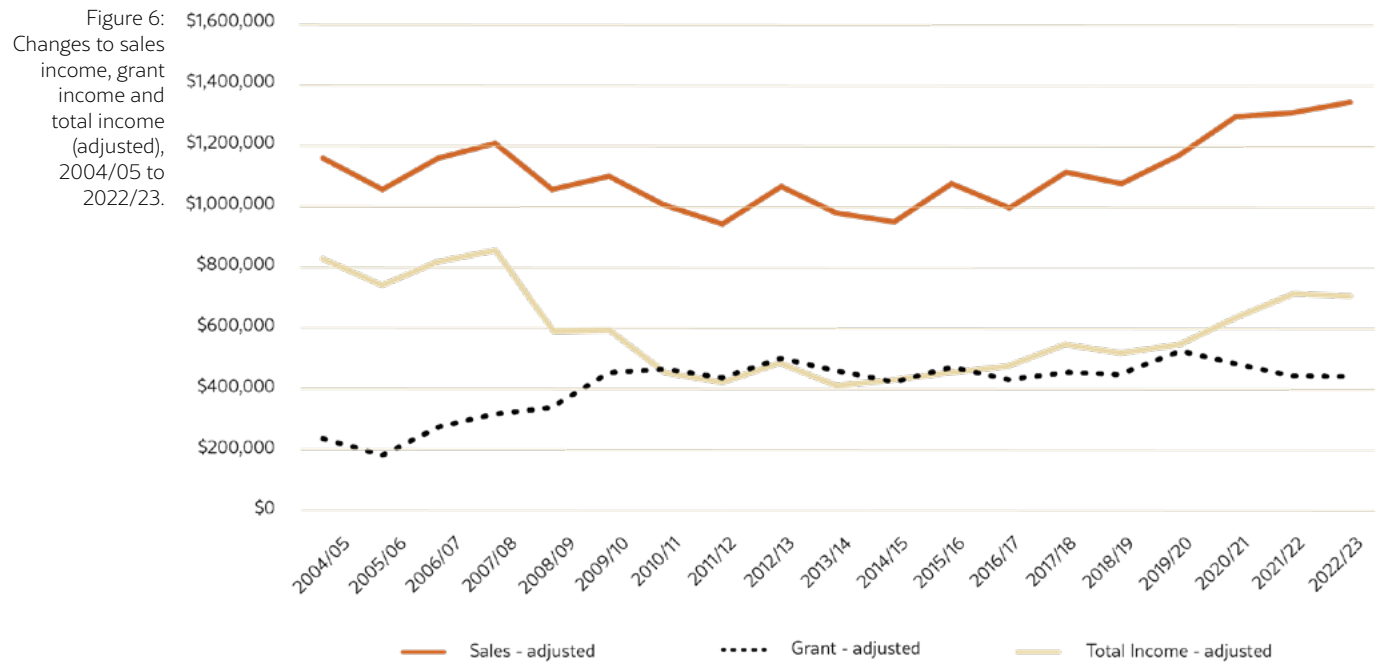
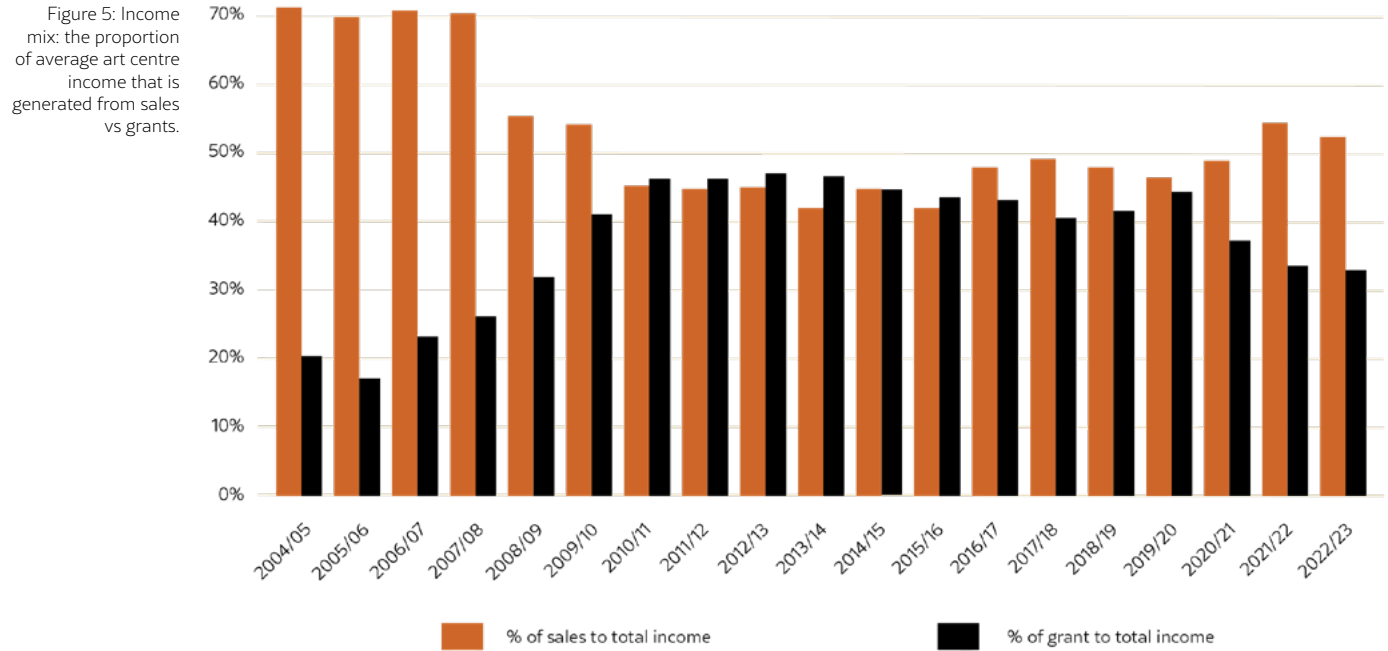


Grants

While all art centres receive at least some grant funding, the levels of this funding have changed over the 19 years of records, as seen in Figure 5. Earlier years are characterized by grants making a relatively small contribution to art centres' total revenue, with around 70% of total income from sales. Around 2010 this situation changed significantly, triggered by new funding priorities (particularly around employment and training of arts workers) and new art centres starting up.

While the last ten years has seen grant funding average 41% of total income, this reliance on grants has generally been declining. Despite the disruptions caused by COVID-19 to arts funding and the art market, in 2022/23, 33% of art centres' average total income was from grants. This is the lowest proportion of income from grants since 2008/09. Similarly, in 2022/23, the proportion of art centres' average income generated by sales was at its second highest level since 2009/10, at 52%. Generating more independent income means art centres have greater financial discretion and autonomy from the requirements of grant funding.

However, as seen in Figure 6, falling levels of grant income may also be linked to the static level of funding available to the sector (and the arts more generally). Over the last ten years, total income has grown by 39% and sales income by 73%, while grant income fell by 1%. This finding could benefit from further analysis.



As with sales, the proportion of total revenue coming from grants varies across the three states and the Northern Territory, but all four states/territory have seen the level of grant funding generally fall over the last five years. Queensland art centres continue to have the highest proportion of their revenue coming from grants, at 64% in 2022/23. South Australian art centres have the lowest proportion, at 24% of in 2022/23. At 28% of total income from grants, the Northern Territory is close to the levels recorded by South Australian art centres.

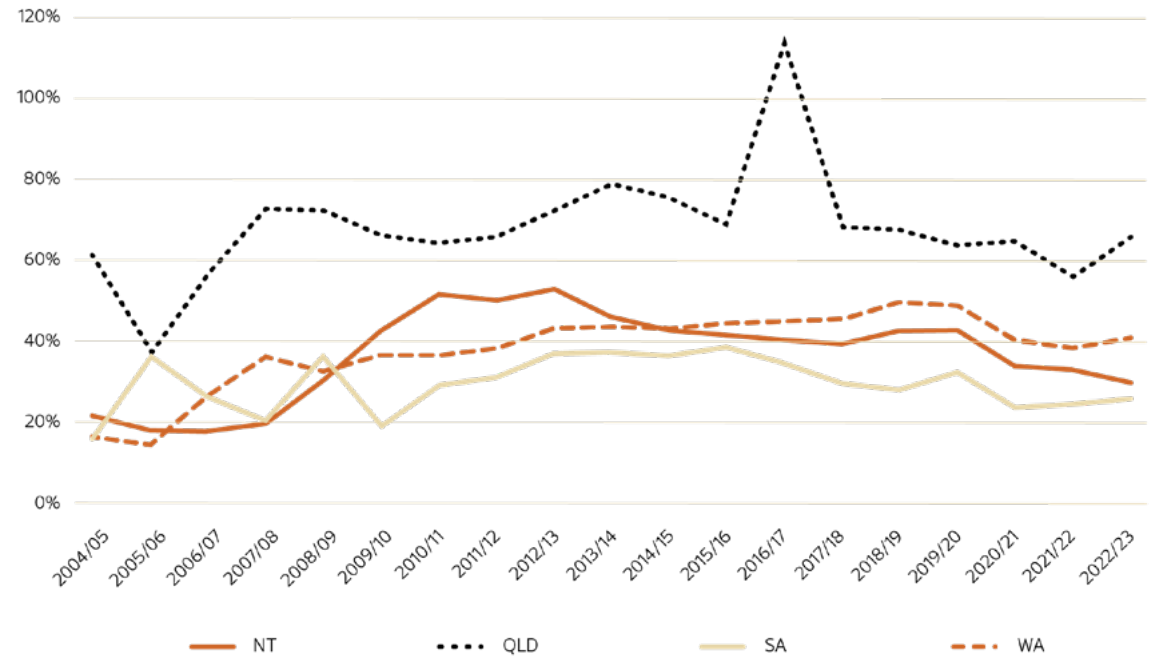


Figure 7: Proportion of an art centre's average total income from grants, by state/Territory, 2004/05 to 2022/23.

Artists

Over the 11 years between 2012/13 and 2022/23², female artists produced an average of 76% of all artworks. In 2022/23, 78% of all artworks were produced by female artists, a slight fall from the 2019/20 high of almost 82%.

The proportion of artworks produced by female artists over the last 11 years varies with location, with Queensland have a notably lower proportion of female artists.

| State/Territory | % of works produced by female artists |
|-----------------|---------------------------------------|
| NT | 75% |
| QLD | 68% |
| SA | 82% |
| WA | 81% |

The proportion of artworks produced by female and male artists also changes with age, as seen in Figure 8. In total, artists aged 60 or more produce 27% of all artworks, while female artists aged 50 or more produce 38% of all artworks.

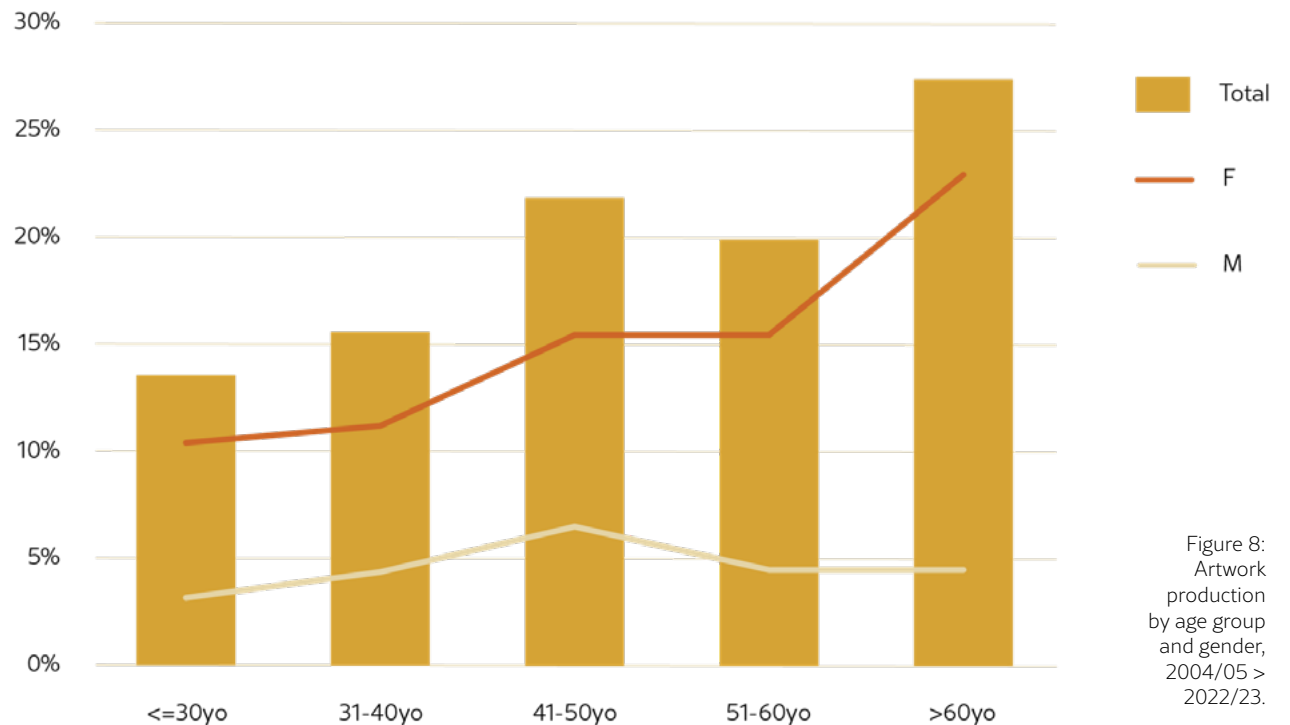


Figure 8: Artwork production by age group and gender, 2004/05 > 2022/23.

² This is the date range for which reliable gender, age and production data is available. This shorter date range is due to changes in the SAM database made in 2012/13.

The proportion of artworks produced by each age group and gender varies considerably between each State and Territory, as seen in Figures 9 > 12. Western Australian artists over 60 years of age produce 38% of all artworks in Western Australia, considerably higher than other regions. Except for artists over 60, Queensland also has the most even gender balance in the production of artworks; around two-thirds of Queensland artists are female, compared to 75-80% or more for WA, SA and the NT.

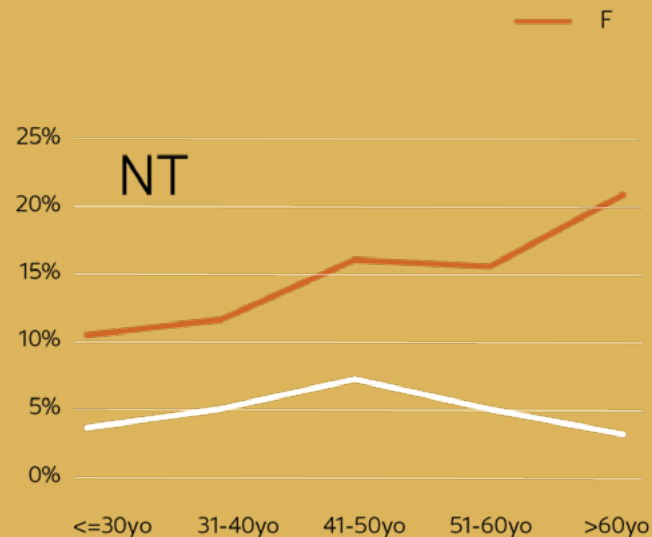


Figure 9: Artwork production by age group and gender in the Northern Territory, 2004/05 > 2022/23.

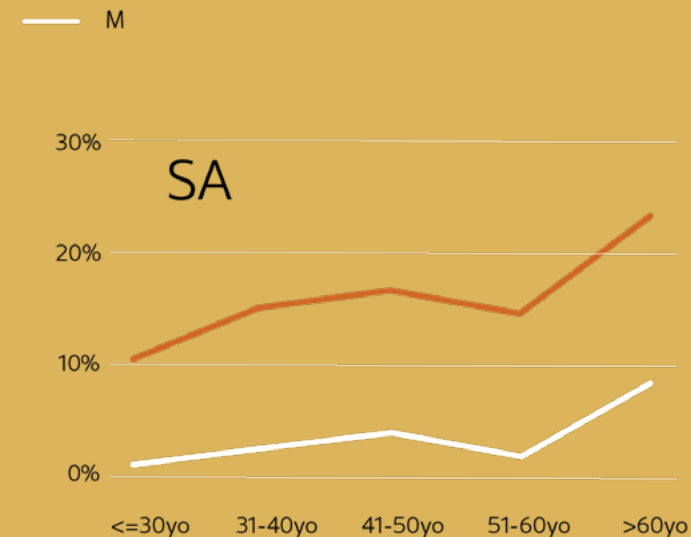


Figure 10: Artwork production by age group and gender in South Australia, 2004/05 > 2022/23.

Artists: Participation and Production

Understanding the participation and production of artists can help to understand the contribution different types of artists make to the overall viability of an art centre. In part, this recognises that all art centres rely on a small group of committed artists. These core artists produce around 80 % of an art centre’s sales and are thus central to an art centre’s commercial and creative success. However, accurately understanding the contribution of all artists is important if art centres (and other stakeholders) are to respond to changes within art centre demographics and productivity.

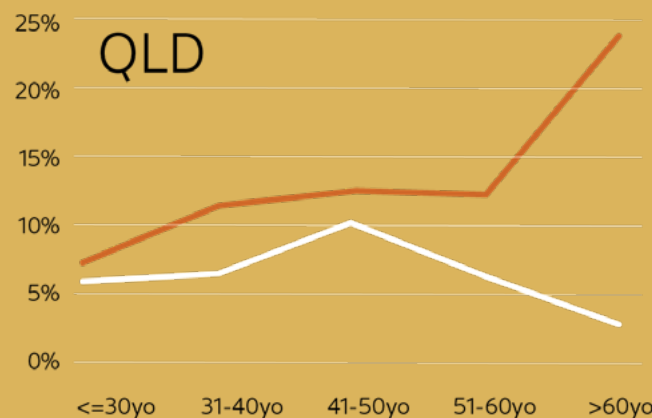


Figure 11: Artwork production by age group and gender in Queensland, 2004/05 > 2022/23.

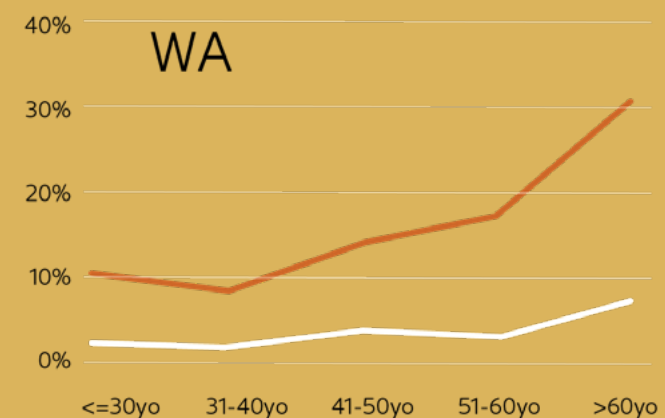


Figure 12: Artwork production by age group and gender Western Australia, 2004/05 > 2022/23.

For this analysis, five categories of artists are used, all based on the sale of a catalogued artwork:

- Core and new: first year with the art centre and sold more than 10 artworks in a year.
- New: first year with the art centre and sold 10 or fewer artworks in a year.
- Core: sold more than 10 artworks in a year.
- Active: produced artworks but sold 10 or fewer artworks in a year.
- Other: did not produce any artworks but sold 10 or fewer artworks in a year.

As seen in Figure 13, there was significant growth in the total number of artists producing and selling works between 2015 and 2019, peaking pre-pandemic (late 2019), with over 6,000 artists. The COVID years saw a drop of around 10% in the total number of artists; however, the last two years have seen a significant recovery in artist numbers, with the 6,574 in 2022/23, the highest on record.

The proportion of each artist category has also changed over time, as shown in Figure 14. The disruption caused by the pandemic to normal patterns of participation by artists can be seen, with the last two years seeing a reset to levels generally around those pre-pandemic. It is notable that since 2019/20 there has been a steady growth in the number of new artists, with the 818 recorded in 2022/23 nearly double that of the pandemic years (2020 and 2021).

Figure 13: the number of artists in each category, 2005/06 to 2022/23.

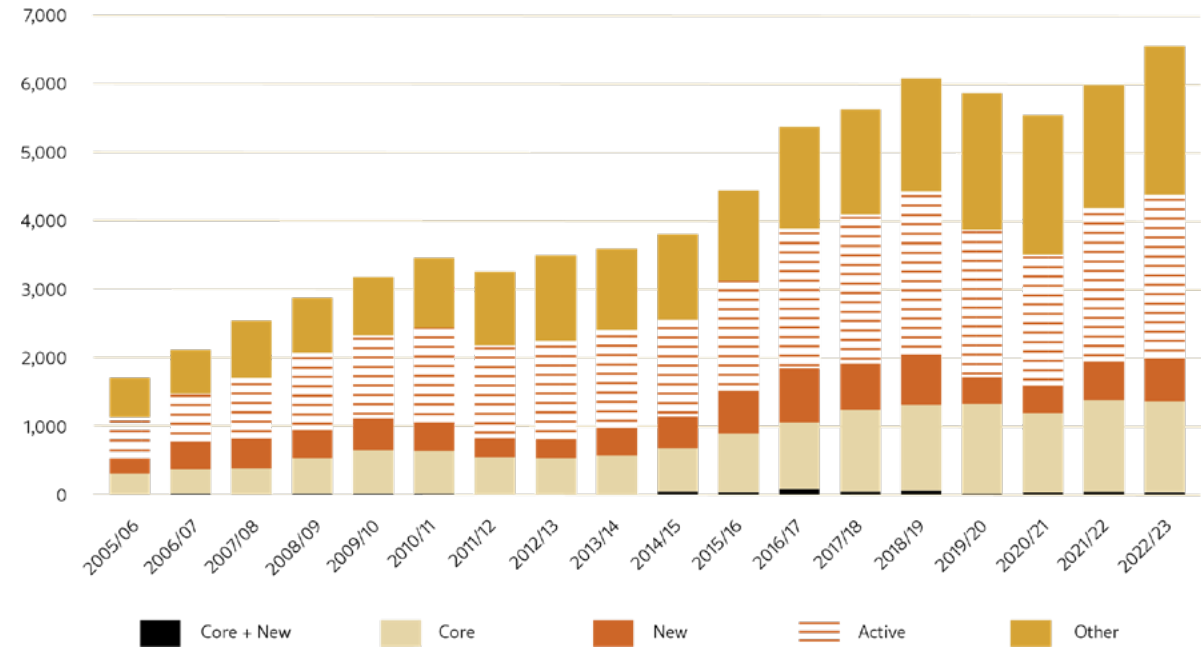
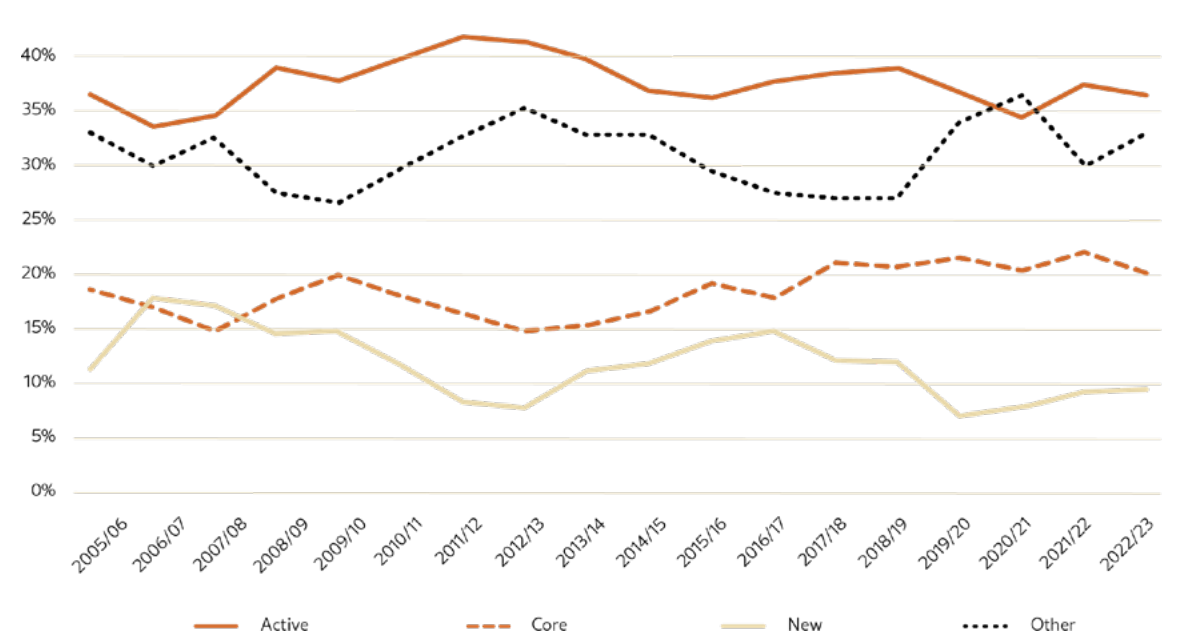
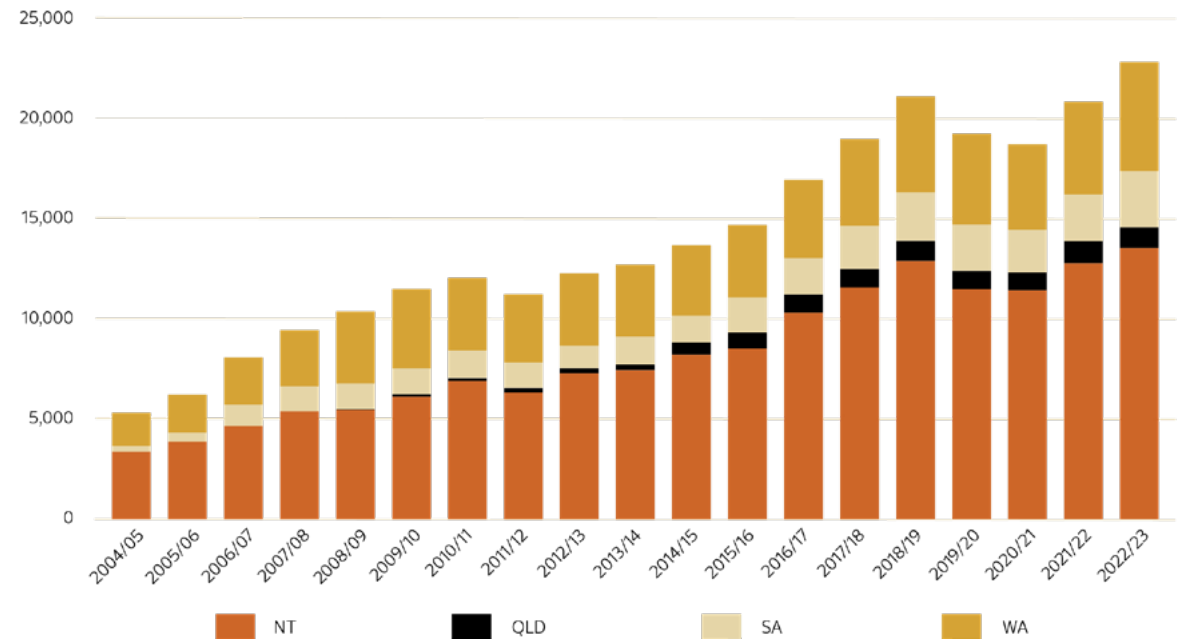


Figure 14: changing mix of artists across art centres, 2005/06 to 2022/23 (excludes core + new artists as it is less than 1%).



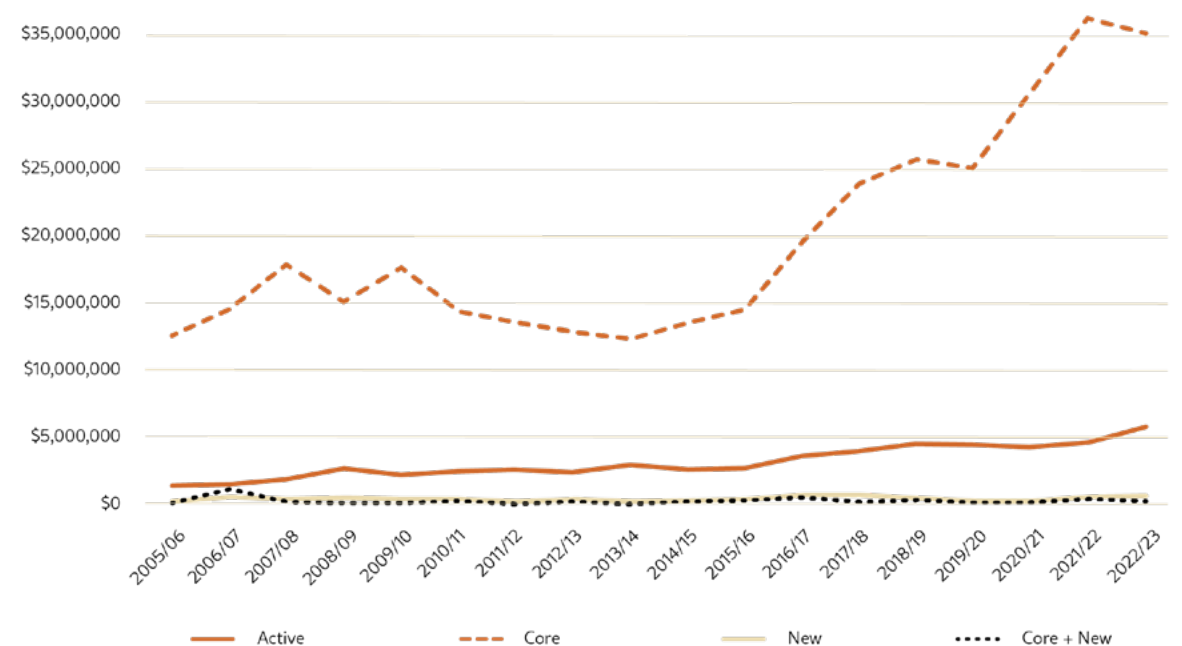
Also recorded in SAM is an additional artist category; this tallies all artists that recorded any transaction (sale, catalogued work, payment etc.) other than a consignment – a more general and inclusive way to measure artist participation or activity. The trends, shown in Figure 15 are broadly the same as for the categorised artists above, but the number of artists in this category is significantly higher, with the 22,804 artists recorded in 2022/23 the highest on record. Around six in ten artists are from the NT, two in ten from WA and one in ten from SA.

Figure 15: the number of artists with any activity, by state and territory, 2004/05 to 2022/23.



The importance of core artists to economic activity at art centres is shown in Figure 16. Of the \$41.9 million in sales generated by 4,403 categorised artists in 2022/23, 84%, or \$35.3 million was generated by 1,338 core artists (or 29% of all categorised artists).

Figure 16: average sales income by different artist categories, 2005/06 to 2022/23 - adjusted figures.



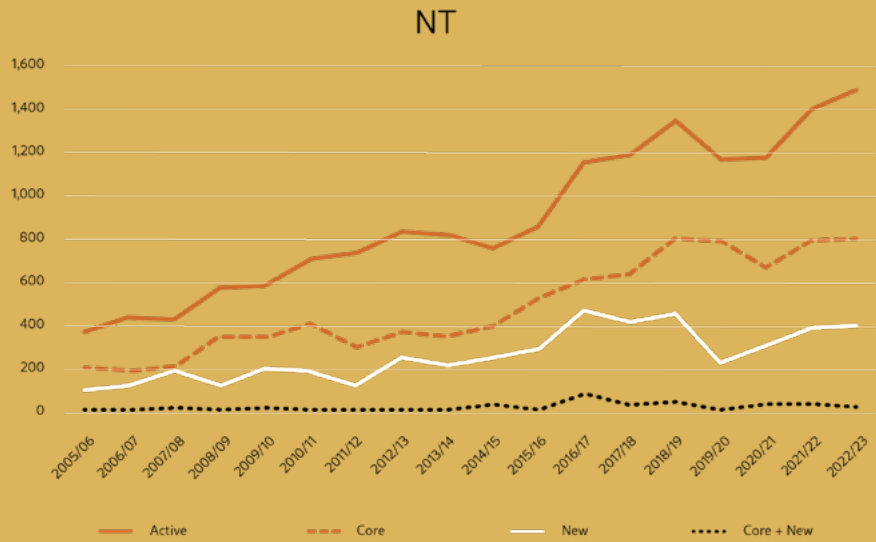


Figure 17: the number of categorised artists in the Northern Territory, 2005/06 to 2022/23.

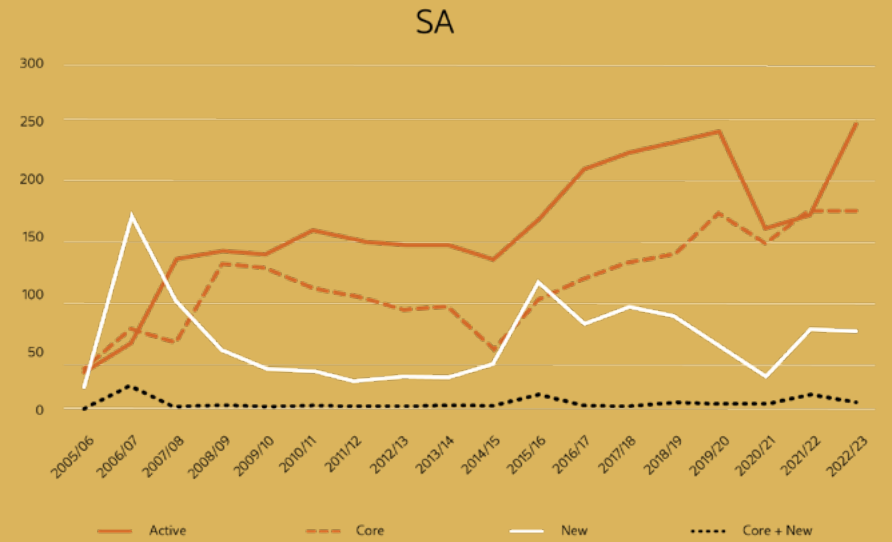


Figure 19: the number of categorised artists in South Australia, 2005/06 to 2022/23.

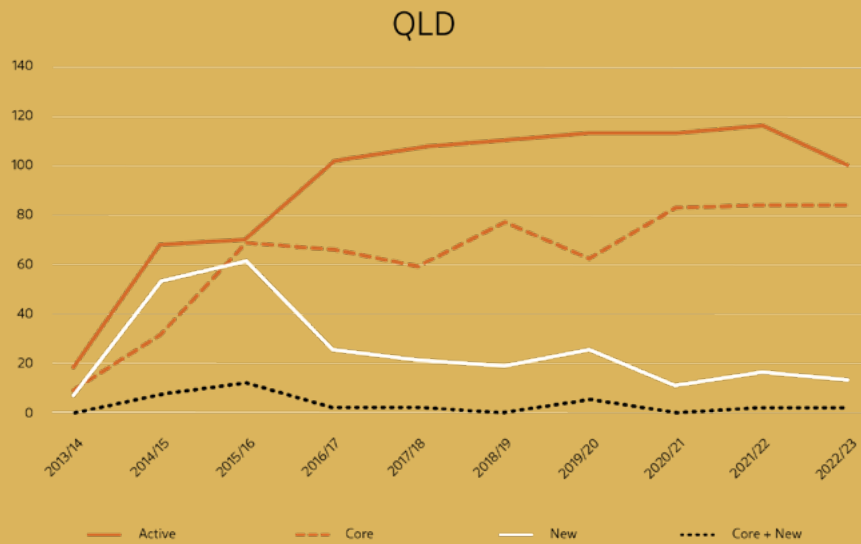


Figure 18: the number of categorised artists in Queensland, 2013/14 to 2022/23.

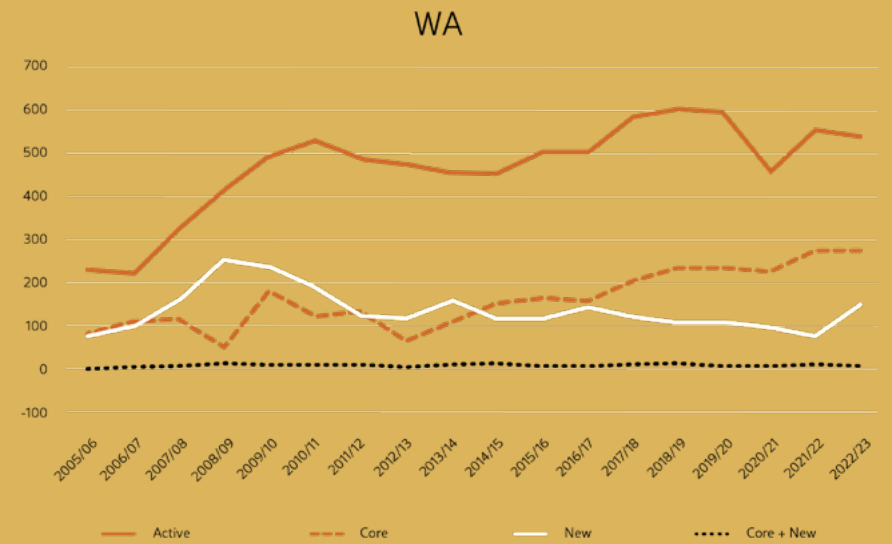


Figure 20: the number of categorised artists in Western Australia, 2005/06 to 2022/23.

Artworks

In 2022/23, 55% of all artworks sold for less than \$250 and fewer than 2% for \$5,000 or more. The proportion of artworks selling for different price points has remained relatively stable over time, with the exception of the under \$250 category, where a ten-year long decline has stabilised over the last two years, while artworks between \$250 and \$1,000 continue to grow their market share.

The changes noted in Figure 21 are also seen in Figure 22, which shows the volume of artworks sold at different price points. Sales of artworks under \$250, after falling during the pandemic years (likely due to the cancellation of art fairs and markets, a key market for this price point) have recovered, while sales volume for \$250 to \$1,000 artworks continue to grow strongly.

Another of the factors influencing artwork price points is the location of the art centres, as shown in Figure 23. Almost three quarters (72%) of all artworks sold by Northern Territory art centres are under \$250; at the other end of the spectrum, 31% all artworks sold by SA art centres are for under \$250. SA art centres also sell between two and six times as many artworks over \$5,000 as other states and the Northern Territory.

Figure 21: percentage of artworks sold at different price points, 2004/05 to 2022/23.

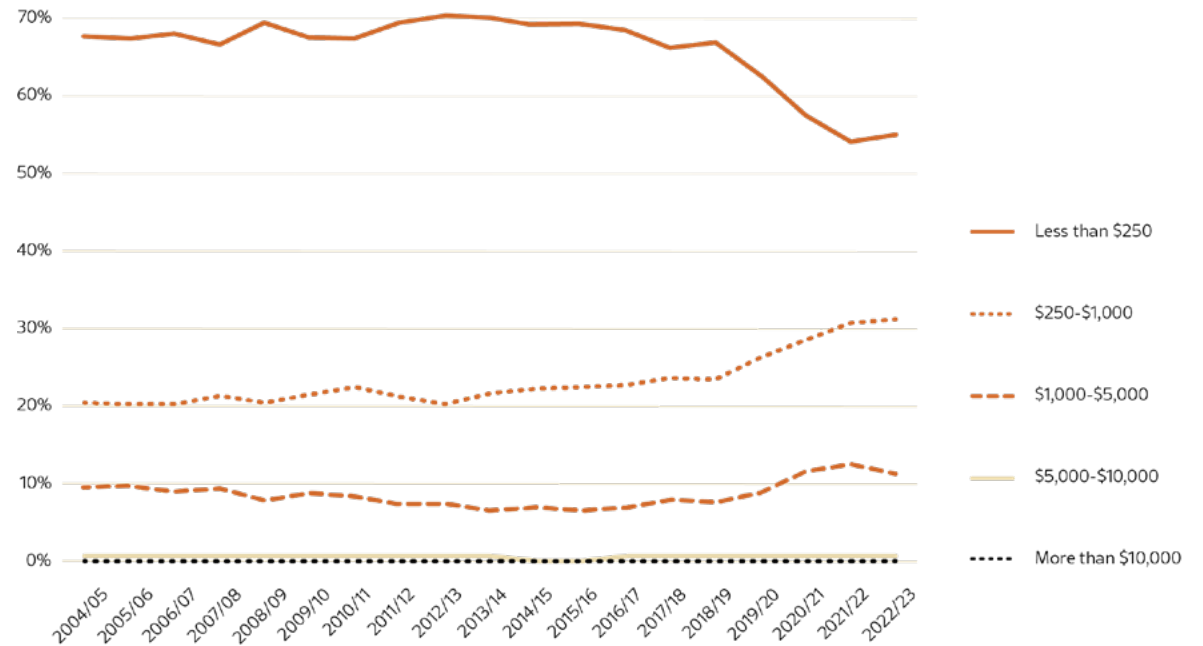
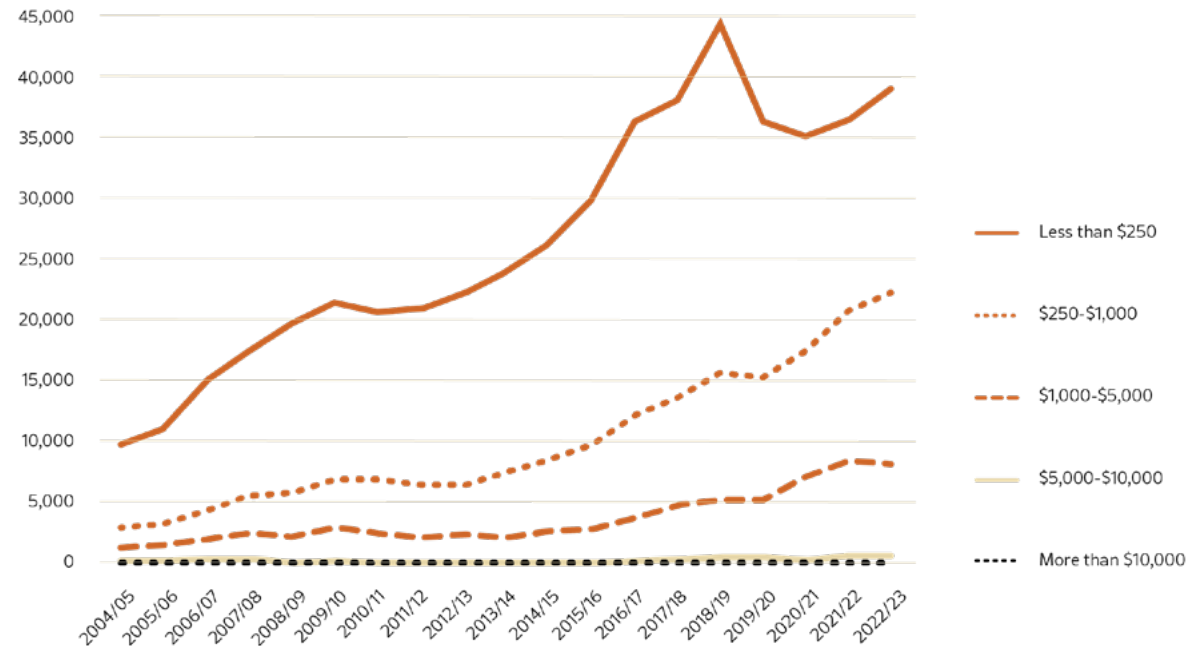
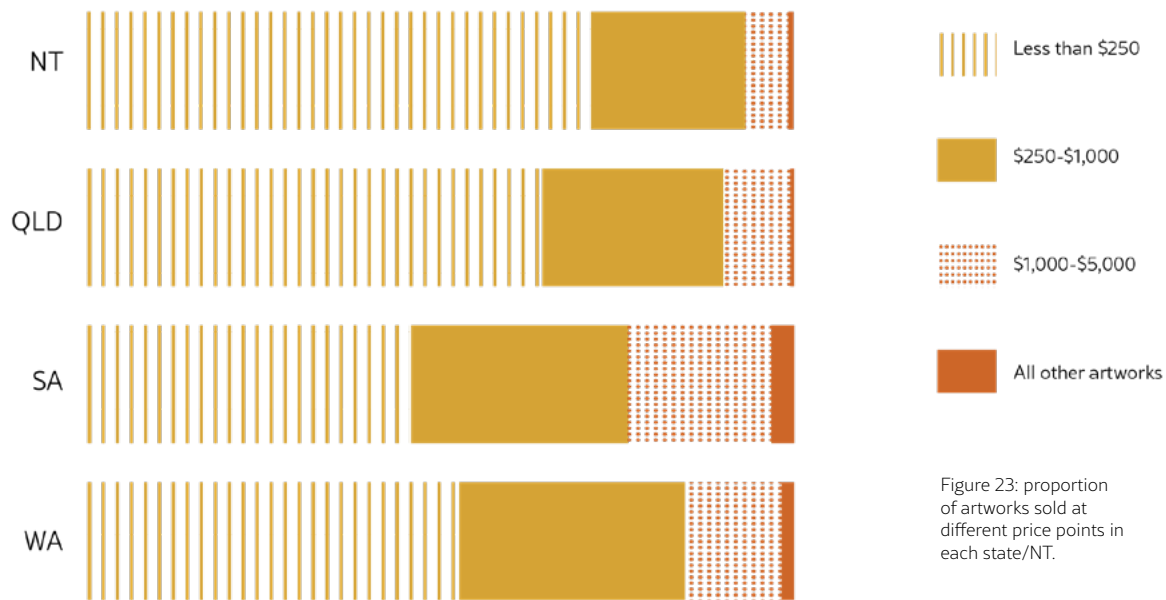


Figure 22: number of artworks sold at different price points, 2004/05 to 2022/23.





Between 2012/13 and 2022/23 (the date range for which there is comparable data), art centre productivity – the average number of catalogued artworks produced by art centres – has varied, as shown in Figure 24, with the pandemic impacts obvious. A strong recovery has taken place: in 2022/23, artists at 93 art centres produced 73,939 artworks, or an average of 795 artworks per art centre, a very similar result to the preceding year. This is in addition to any products and other uncatalogued works they produced.

Artwork production for 2022/23 across the three states and the Northern Territory are shown in the following table:

| Location | Artwork production | % of total artwork production | % of total artists |
|--------------|--------------------|-------------------------------|--------------------|
| NT | 49,434 | 67% | 60% |
| QLD | 3,892 | 5% | 5% |
| SA | 7,064 | 10% | 12% |
| WA | 13,549 | 18% | 24% |
| Total | 73,939 | | |

The size of paintings produced by art centres has also undergone change, as seen in Figure 25. Smaller sized (30x30cm, 50x50cm and 75x75cm or less) continue to account for around three quarters of all artworks produced, with a decline in two out of the three larger sized works.

Figure 24:
average number
of catalogued
artworks
produced by art
centres, 2012/13
> 2022/23.

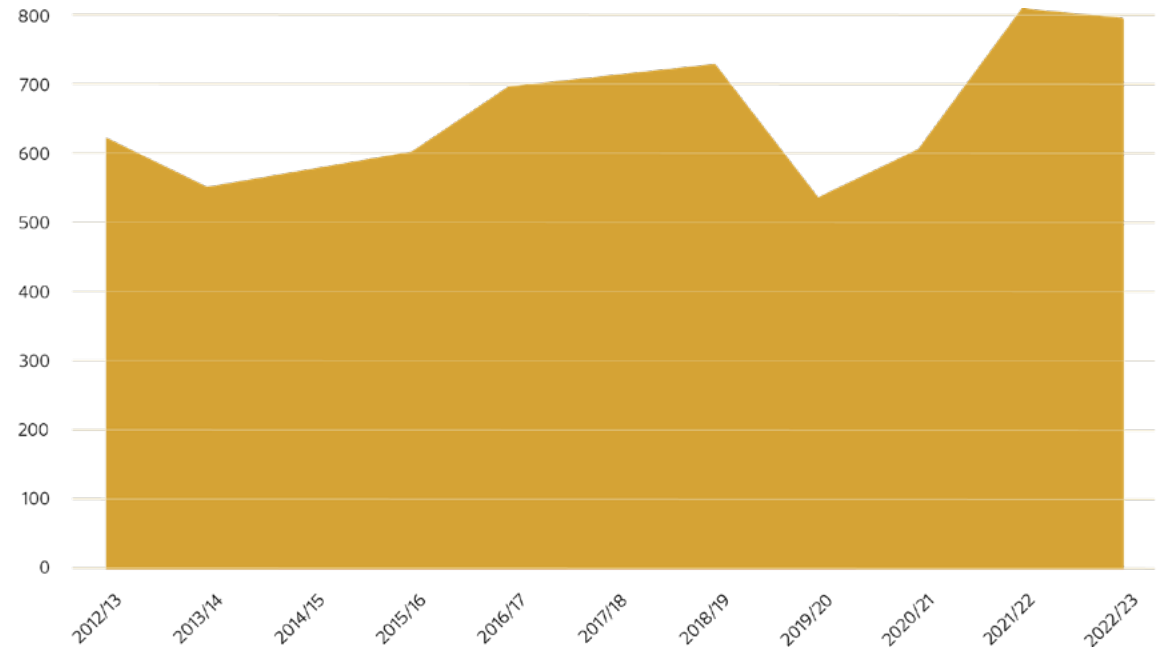
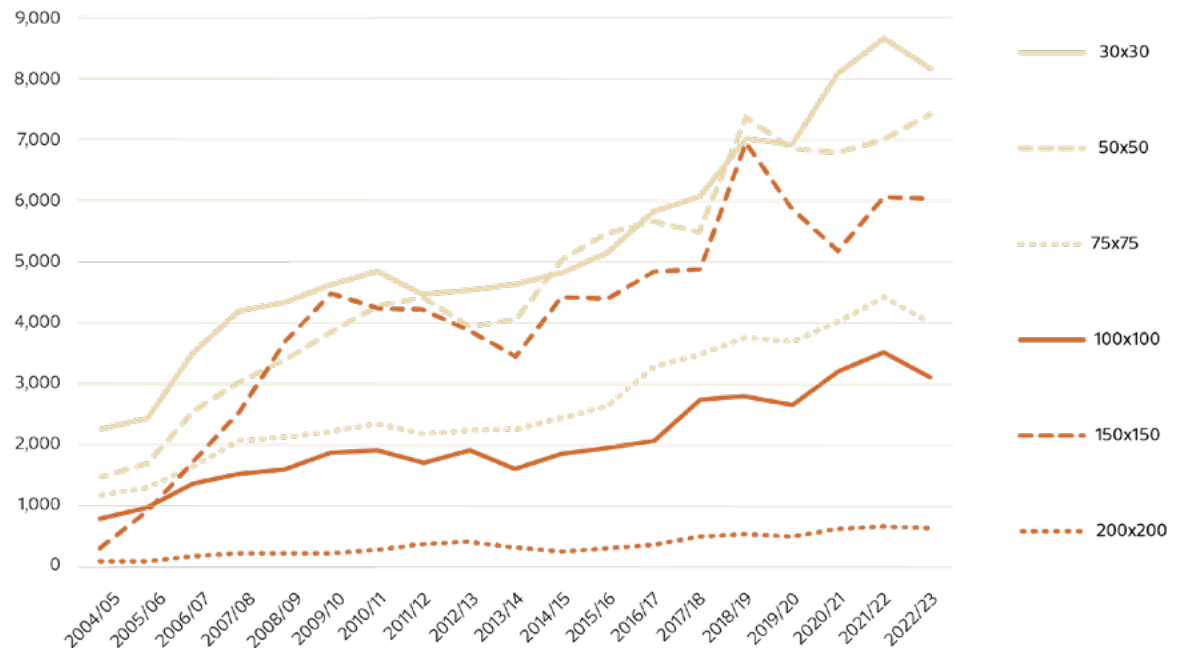
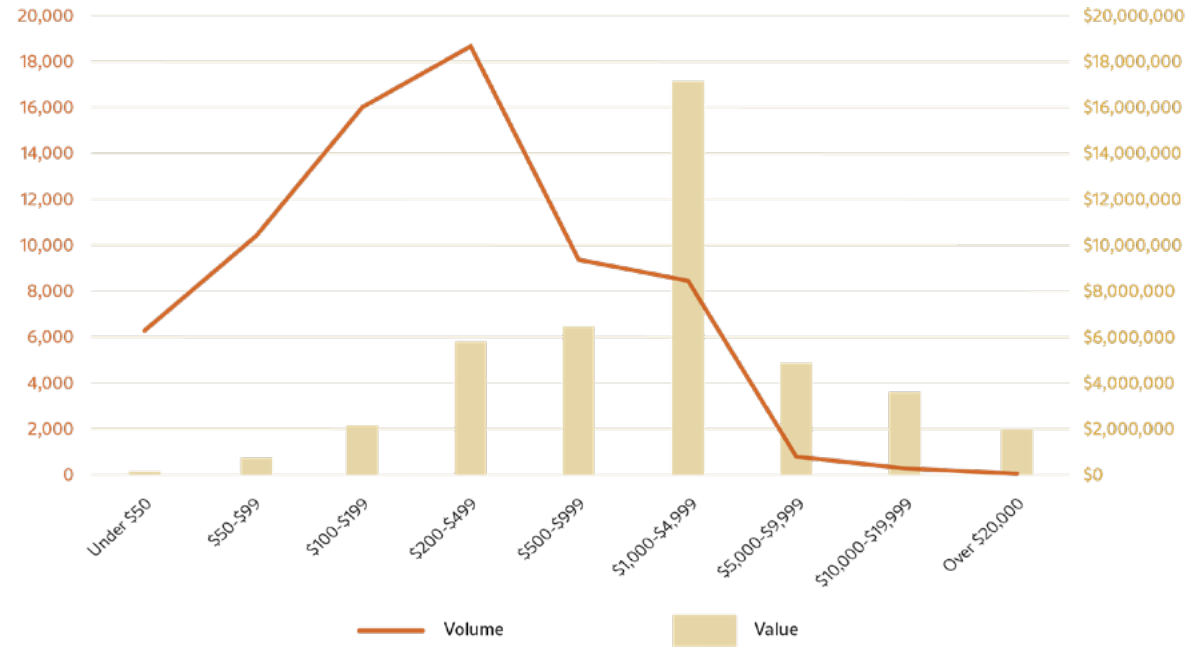


Figure 25: number of artworks
produced at different sizes,
2004/05 > 2022/23.



The volume and value of artworks sold in different categories is seen in Figure 26. More than two thirds of the total value is generated by sales between \$1,000 and \$4,999, while 70% of the works produced are under \$500.

Figure 26: the volume and value of artworks sold at different price points, 2022/23.



Products³

Aside from artworks, art centres also make and sell products. Products cover an increasingly wide range of items, from merchandise and artefacts, to clothing, homewares and more. Products are a growing part of art centre sales, with growth in product sales between double and triple that of the growth in artwork sales, though total product sales are still relatively small, as shown in Figure 27. The proportion of income generated from products has increased from below 2% to almost 10% over recent years, with product sales totalling almost \$3.5 million in 2022/23.

Figure 27: sales of artworks and products, 2004/05 to 2022/23 - adjusted.

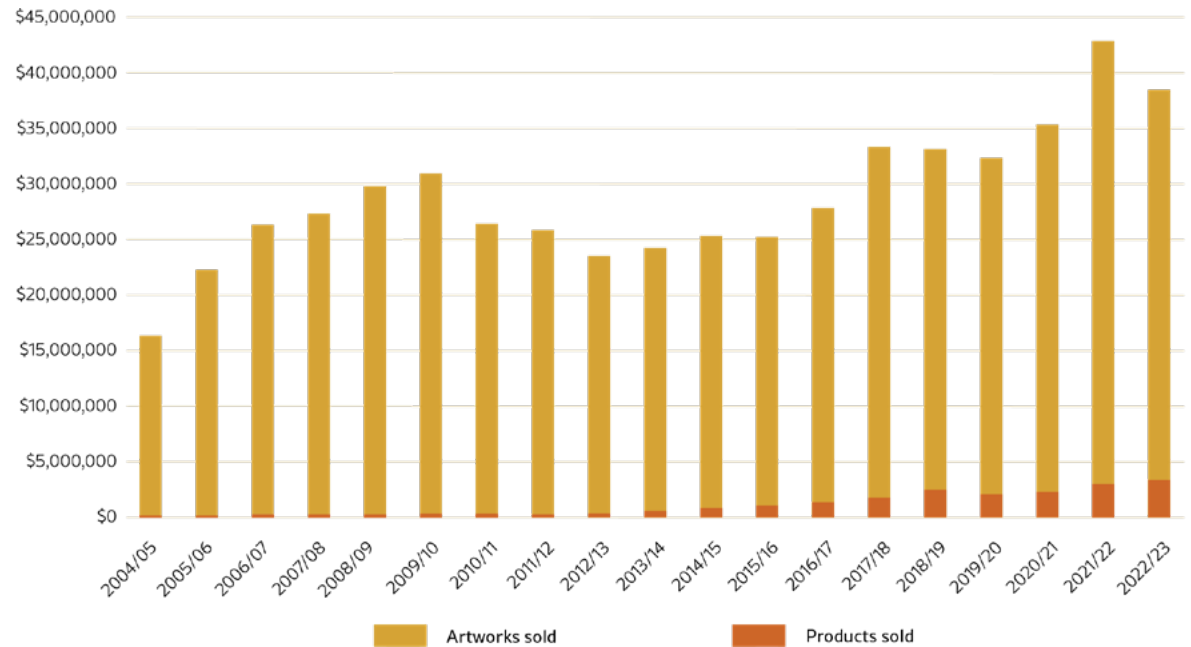


Figure 28 shows the distribution of price points for product sales. While almost 24,000 products were sold at the \$21 to \$50 price point, the total income generated was very similar (around \$800,000) to the higher price points. A total of 54,908 products were sold in 2022/23.

Figure 28: the volume and value of products sold at different price points, 2022/23.



3 Data for the volume and value of product sales has been refined since the previous report in 2021/22. As such, the product sale amounts listed in Figure 26 are different; however, observations about the increasing proportion of art centre income generated from products are consistent.

Methodology

This report is based on information from two sources, art centre audits and extracts from their operational database. While this data does not include every art centre, it covers a statistically significant sample and provides a reasonable picture of art centre performance:

1. Art centre financial audits: many art centres complete an annual audit and the majority of these are publicly available. The number of art centres whose audit is publicly available or who provide their audit report varies over time, as shown on Table 1. A total of 803 audits were analysed for this report for sales and grant income.
2. Art centre operational data: most art centres use an operational database, SAM (Stories Art Money). SAM provides data on production and participation. The number of art centre datasets analysed each year varies as shown on Table 1. A total of 1,456 art centres datasets were analysed.
3. The proportion of art centre audits and SAM datasets used in this industry update reflects the distribution of art centres across Australia as shown on Table 2.
4. Some data was available for art centres outside of the three states and the Northern Territory; however, this data only provided around 1-2% of results and was thus excluded in the analysis.
5. Some data in this report has updated results from previous years. This is the result of improved and more accurate reports being generated from the SAM database.
6. Rounding is used in this report; as such, some analysis will not add up to 100%.

| Year | Art centre financial audits | Art centre operational data |
|---------|-----------------------------|-----------------------------|
| 2004/05 | 19 | 42 |
| 2005/06 | 29 | 48 |
| 2006/07 | 31 | 52 |
| 2007/08 | 31 | 55 |
| 2008/09 | 49 | 61 |
| 2009/10 | 50 | 66 |
| 2010/11 | 56 | 69 |
| 2011/12 | 59 | 70 |
| 2012/13 | 47 | 77 |
| 2013/14 | 56 | 83 |
| 2014/15 | 56 | 82 |
| 2015/16 | 52 | 87 |
| 2016/17 | 55 | 92 |
| 2017/18 | 56 | 96 |
| 2018/19 | 58 | 100 |
| 2019/20 | 52 | 101 |
| 2020/21 | 50 | 91 |
| 2021/22 | 60 | 91 |
| 2022/23 | 51 | 93 |

Table 1

| Area | Annual financial data | SAM | Proportion of Art Centres |
|------|-----------------------|-----|---------------------------|
| NT | 46% | 44% | 45% |
| QLD | 15% | 14% | 14% |
| SA | 10% | 12% | 11% |
| WA | 26% | 28% | 31% |

Table 2

All data used for this update is fully de-identified.

All adjusted figures are calculated using the Wage Price Index, as published by the Australian Bureau of Statistics: WPI series – ABS 6345.0, using the hourly rates of pay reported in the public and private arts and recreation services category (June quarter of each year).

This update draws on, and extends the data and analysis generated by the Aboriginal and Torres Strait Islander Art Economies Project, which concluded in 2015. This data is available at: <https://old.crc-rep.com/research/enterprise-development/aboriginal-and-torres-strait-islander-art-economies/project-outputs>

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.



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