

Financial Snapshot of Art Centres

Financial years – 2004/05 > 2019/20

Data analysed – April/May 2021

(c) Desart Inc 2021. The copyright in this report is owned exclusively by Desart Inc. It may be cited as follows: “Desart Inc, *Financial Snapshot of Art Centres – 2004/05 > 2019/21*, May 2021.”



Financial Snapshot of Art Centres

Financial years – 2004/05 > 2019/20

Introduction

Aboriginal and Torres Strait Islander art centres have a unique role in our cultural and creative sector. Mostly located in the remote communities of Australia's north and centre, art centres are hybrid organisations, balancing social and cultural priorities with creative and commercial ones.

This national art centre network links artists with the art market. Art centres' commercial activities provide independent income and employment, with profits re-invested into operations. This non-profit, cooperative model enables art centres to invest in the long-term work of supporting artist careers and contributing to the cultural wellbeing of their communities.

This industry update gives a snapshot of the long-term financial and production trends within the Aboriginal and Torres Strait Islander art centre sector. This latest update adds 2019/20 information to the long-term data, enabling trends and changes to be tracked and contextualised.

The data in this report includes the first four months of the pandemic, when impacts on production and sales were at their most acute.

Summary

Art centre sales have continued to grow, despite the significant impact of the COVID-19 lockdowns from March 2020. Average art centres sales in 2019/20 sales were 13.2% higher than in 2018/19, and 67.5% higher than at their low point in 2011/12. Average art centre sales are now at their highest level since the sales peak prior to the global financial crisis.

Art centres in the Northern Territory have seen the strongest growth in sales; 2019/20 average art centre sales were 8.8% higher than 2018/19, a third consecutive year of sales growth of around 10%.

There was considerable variability in average art centre sales in other locations during 2019/20; Western Australia has seen modest growth, Queensland has plateaued after a sequence of falls, while South Australia has recorded a second year of falling sales, though art centres there continue to have the highest level of average sales.

The level of financial independence of art centres has remained stable. While the proportion of income from grants grew slightly (3.7%) in 2019/20, continued sales growth has seen art centres maintain average grant income at around 40% of total average income.

Production data shows that:

- ▶ Three quarters of all artworks are produced by female artists.
- ▶ Female artists over 50 years old produce more than one third of all artworks.
- ▶ One quarter of all artworks are produced by artists aged 60 or more.

While 62.9% of all artworks sell for less than \$250, this has fallen for the third consecutive year; all other price points have seen small, but consistent increases over recent years. Only 1.1% of artworks sell for more than \$5,000.

In 2019/20, there were 19,276 active artists. Among these were 1511 core artists (those producing 10+ artworks); these core artists represent 7.8% of the total number of artists who produced an artwork in 2019/20. The number of core artists declined over the last two years, falling 11.4% since 2017/18 peak, when 1705 core artists were recorded across the art centres.

In 2019/20, 53,717 artworks were produced. This is an average of 639 artworks for each of the 90 art centres included in the data. This is a notable decline over the previous year, reflecting the shutdown in production during the first months of the pandemic. This is detailed in Desart’s separate report into the impacts of COVID-19 on art centres¹.

Over the six years to 2019/20 (the period for which comparable data is available), 64.9% of all artworks were produced in the NT; 18.3% in WA, 9.3% in SA and 7.6% in QLD.

Sales

After four years of falling sales from 2007/08, art centres have seen eight years of stability and growth, as seen in Figure 1. In 2007/08, the average art centre’s annual sales were \$570,117; by 2011/12 average sales had fallen to \$328,079 before recovering to the second highest level recorded, \$532,648, in 2019/20. Over the eight years to 2019/20, sales growth has averaged 5.9% per year.

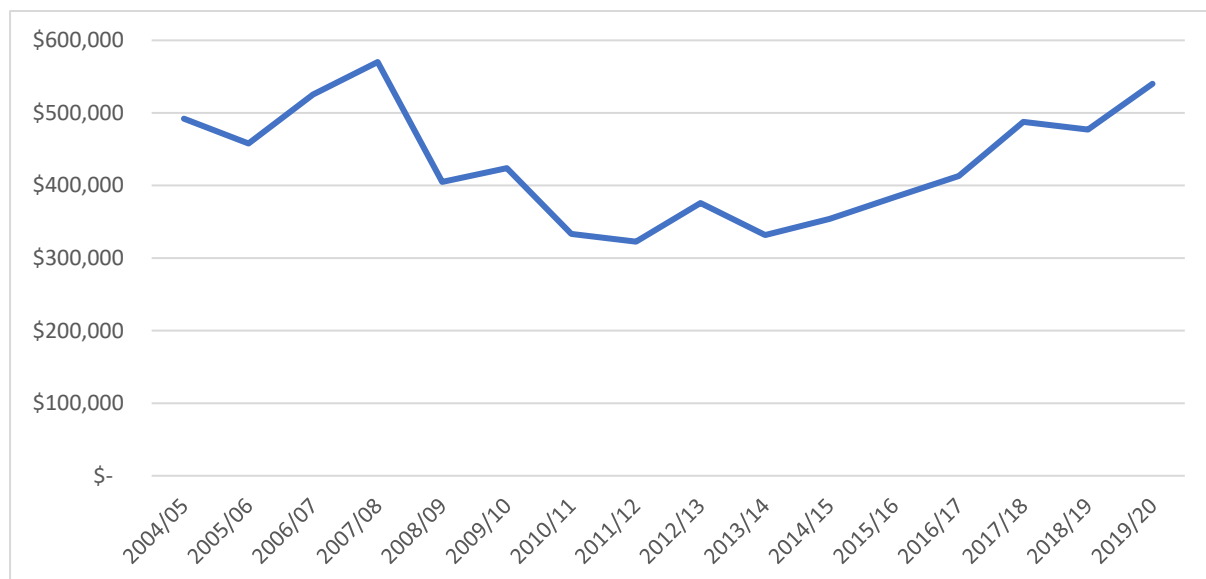


Figure 1: Average annual sales for Australian art centres, 2004/05 to 2019/20.

From this sales income, art centres returned an average of 59.1% to artists. This equates to average artist payments per art centre of \$298,699 in 2019/20, the highest level since 2007/08.

¹ See: <https://desart.com.au/publication/art-centres-and-covid19-impact-statement/>



Average sales generated by art centres are different across the states/Territory that are home to nearly all art centres, the Northern Territory, Queensland, South Australia and Western Australia, as seen in Figure 2.

Queensland has seen average sales stabilise over recent years, following nearly ten years of declining sales. Average art centre sales in South Australia have seen consecutive falls, with 2019/20 seeing a 10.4% drop over the previous year, preceded by a 3.4% fall. Western Australian art centres recorded a 5.9% increase in average sales, while the Northern Territory art centres continue to grow strongly, and, with the majority of art centres and art centre production located there, drive overall sales growth.

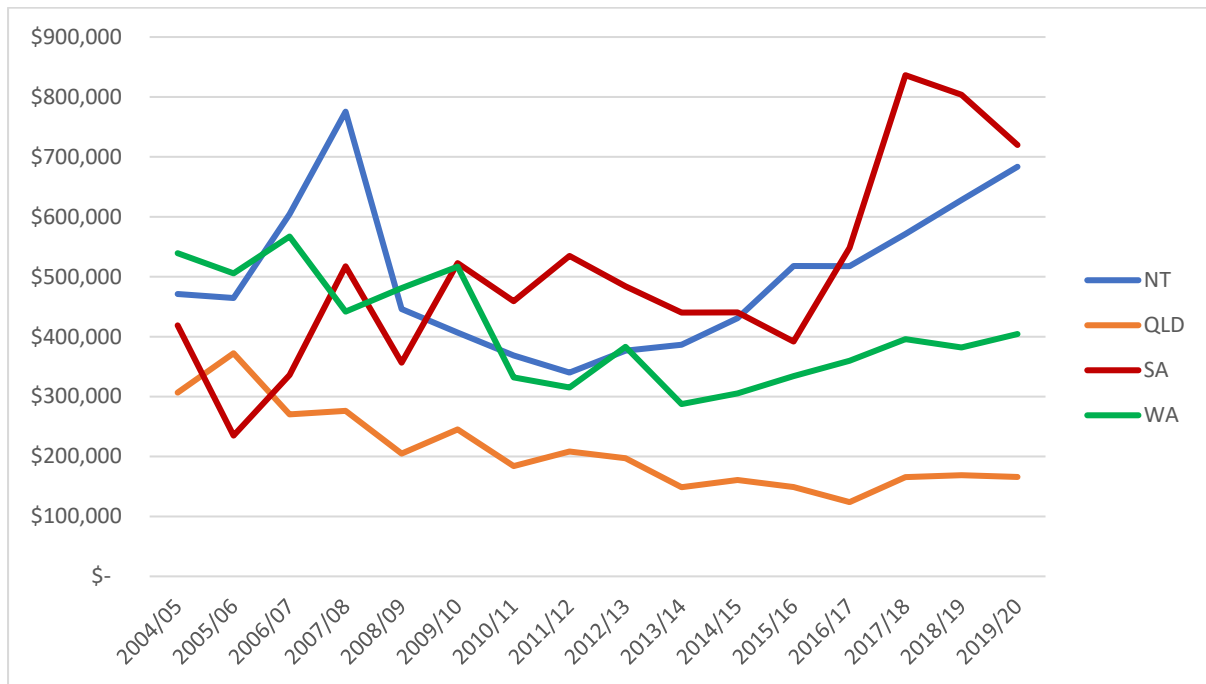


Figure 2: Average annual sales by art centres in each state/Territory, 2004/05 to 2019/20.

Grants

While almost all art centres rely on grants, this reliance has changed over the 16 years of records as seen in Figure 3. Early years are characterized by a low level of reliance on grants, with around 70% of total income from sales.

By around 2010 this situation changed significantly, triggered by new funding priorities (particularly around employment and training of arts workers) and new and smaller art centres starting up.

Over the last ten years, grant funding has averaged 44.3% of total income. However, over the last three years, the combination of sales growth and newer art centres becoming more stable has seen reliance on grants reduced. Over the last three years, 41.7% of an average art centre's total income was from grants, and 48.6% from sales. This gives art centres greater financial discretion and independence from the requirements of grant funding. However, in 2019/20 reliance on grant income increased for the third consecutive year – likely caused by the changes to sales and operations from COVID-19 lockdowns.

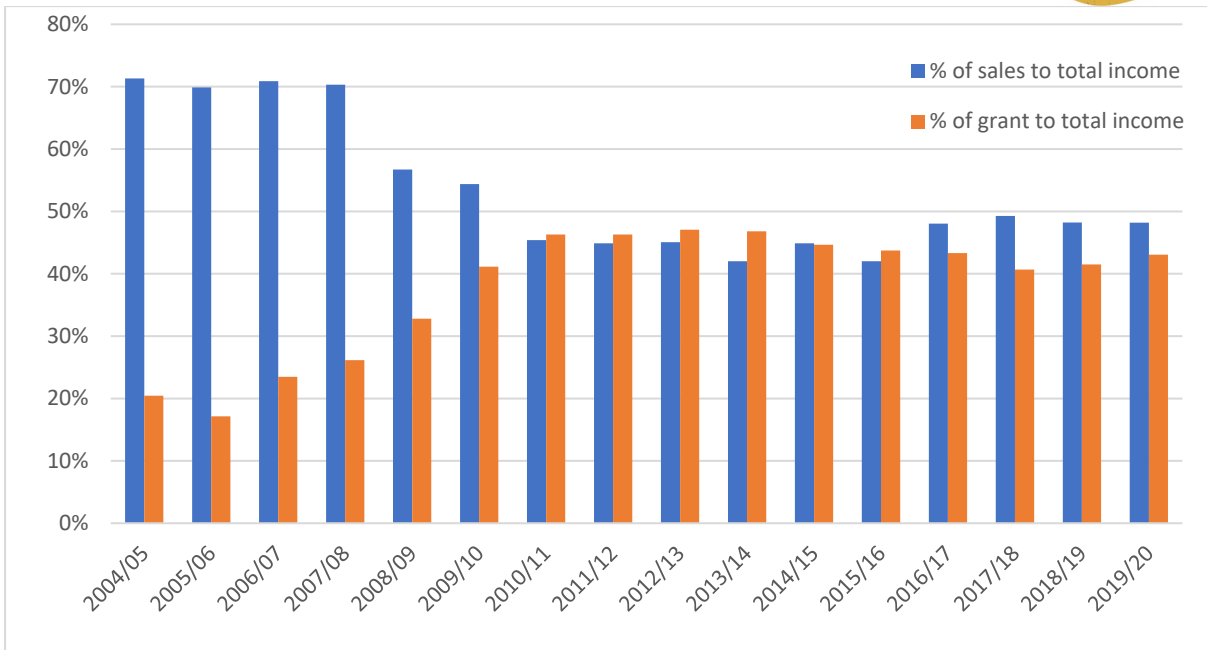


Figure 3: Income mix: the proportion of average art centre income that is generated from sales vs grants.

As with sales, grant dependency is uneven across the four states and the Northern Territory. While Queensland art centres continue to have the highest reliance on grants, with an average of 62.3% of income from grants in 2019/20, this has fallen by 19.6% over five years (except for a one-off event in 2016/17). South Australian art centres have the lowest reliance, with an average of 30.9% of their income from grants. However, in common with Northern Territory and Western Australian art centres, reliance on grant funding has increased slightly over recent years, as shown in Figure 4.

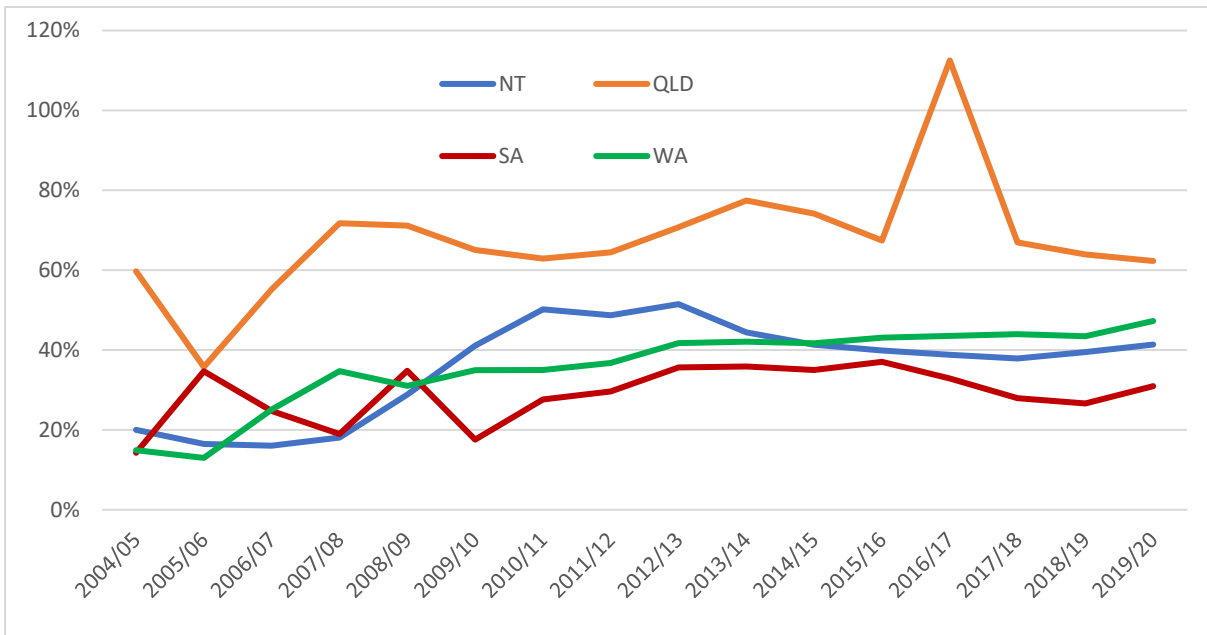


Figure 4: Proportion of an art centre's average total income from grants, by state/Territory, 2004/05 to 2019/20.

Artists

Between 2012/13 and 2019/20, female artists produced an average of 75.4% of all artworks. The proportion of artworks produced by female artists continues to increase; over the last five years, the proportion of artworks produced by women has increased by 1.8% per year. In 2019/20, 81.3% of all artworks were produced by female artists.

The proportion of artworks produced by female artists over the last eight years varies with location:

State/Territory	% of works produced by female artists
NT	75.0%
QLD	65.8%
SA	81.2%
WA	79.4%

The proportion of artworks produced by female and male artists also changes with age, as seen in Figure 5. In total, artists aged 60 or more produce 27.2% of all artworks, while female artists aged 50 or more produce 37.2% of all artworks.

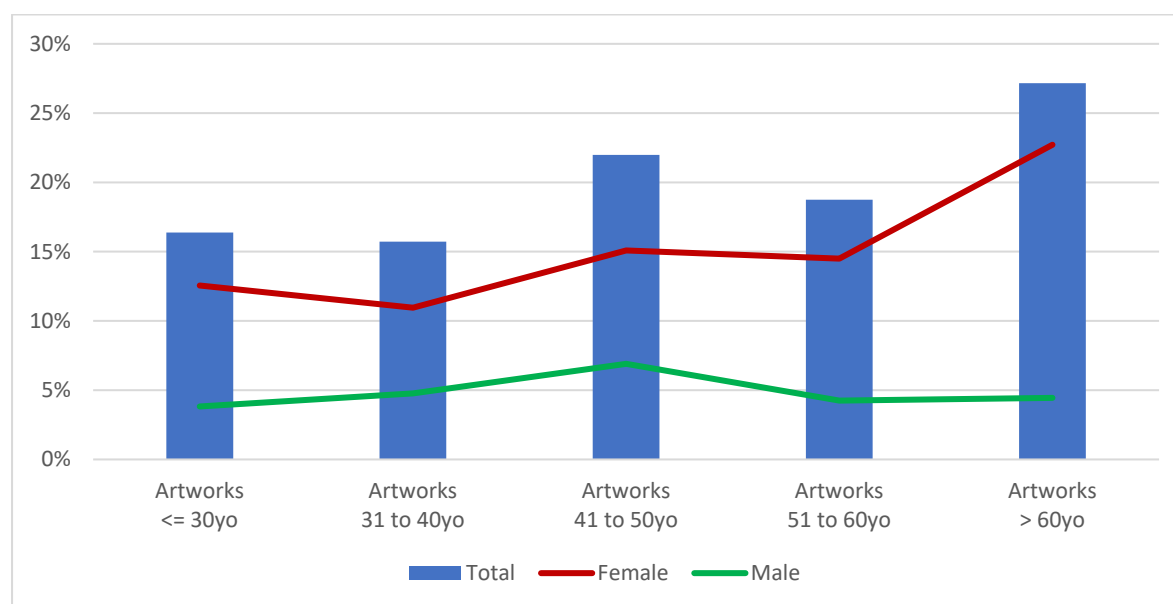


Figure 5: Artwork production by age group and gender, 2004/05 > 2019/20.

The proportion of artworks produced by each age group varies considerably between each State and Territory, as seen in Figures 6 > 9. Western Australian artists over 60 years of age produce 39.2% of all artworks in Western Australia, considerably higher than other regions; 25.4% of all artworks in Queensland are produced by artists aged over 60. Except for artists over 60, Queensland also has the most even gender balance in the production of artworks.

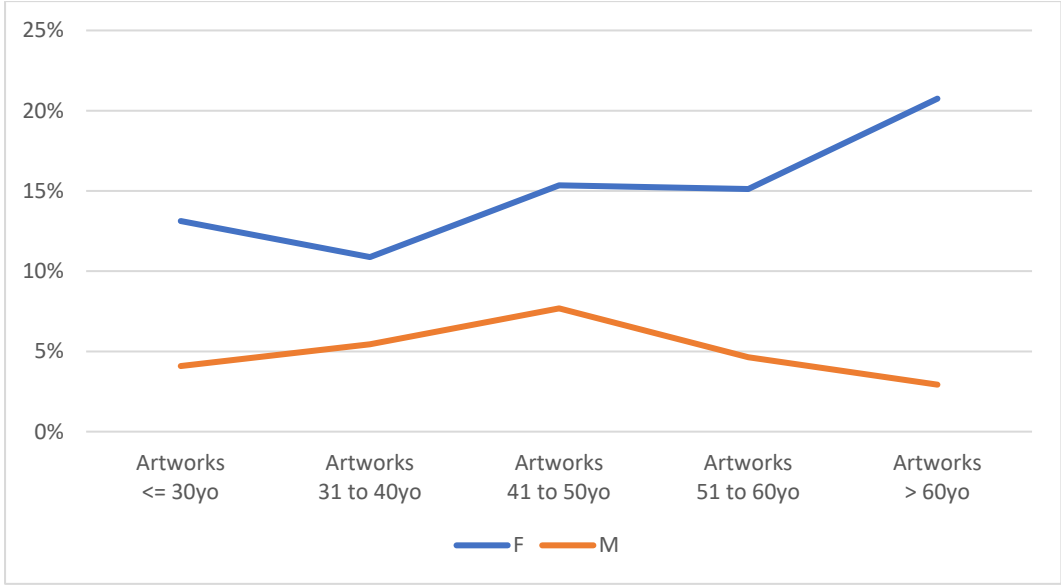


Figure 6: Artwork production by age group and gender in the Northern Territory, 2004/05 > 2019/20.

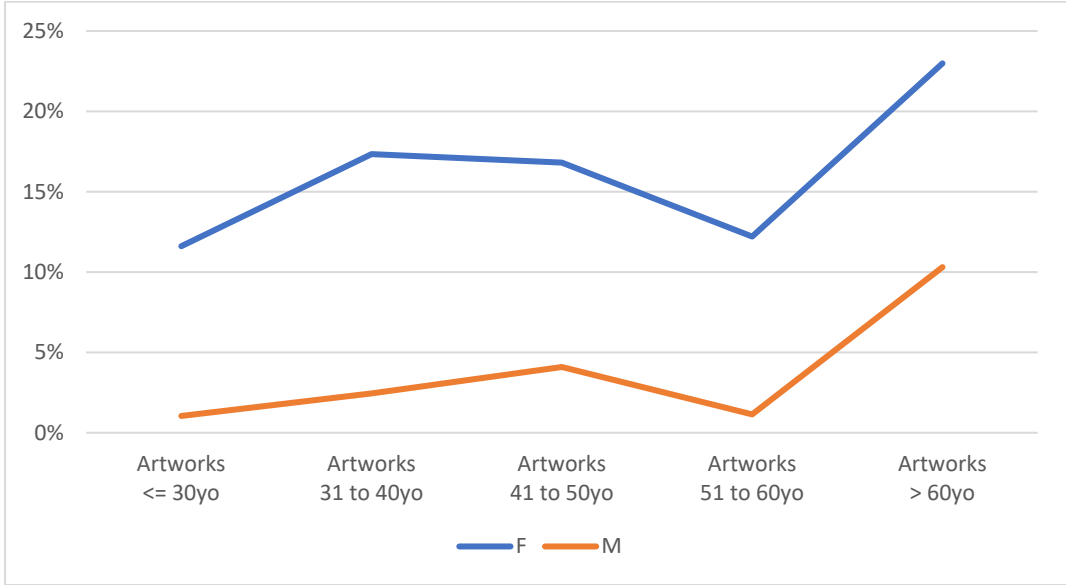


Figure 7: Artwork production by age group and gender in South Australia, 2004/05 > 2019/20.

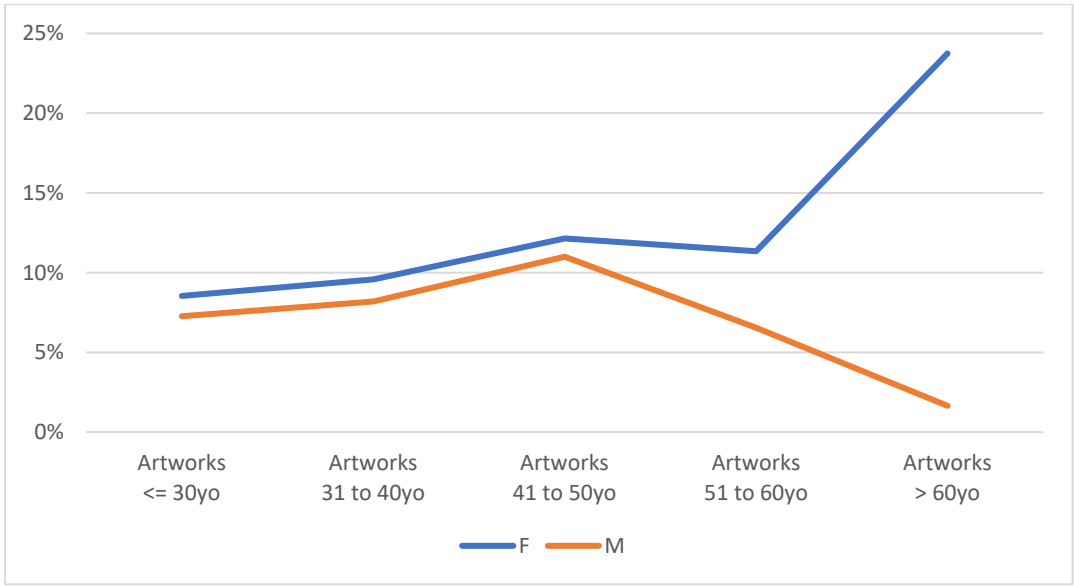


Figure 8: Artwork production by age group and gender in Queensland, 2004/05 > 2019/20.

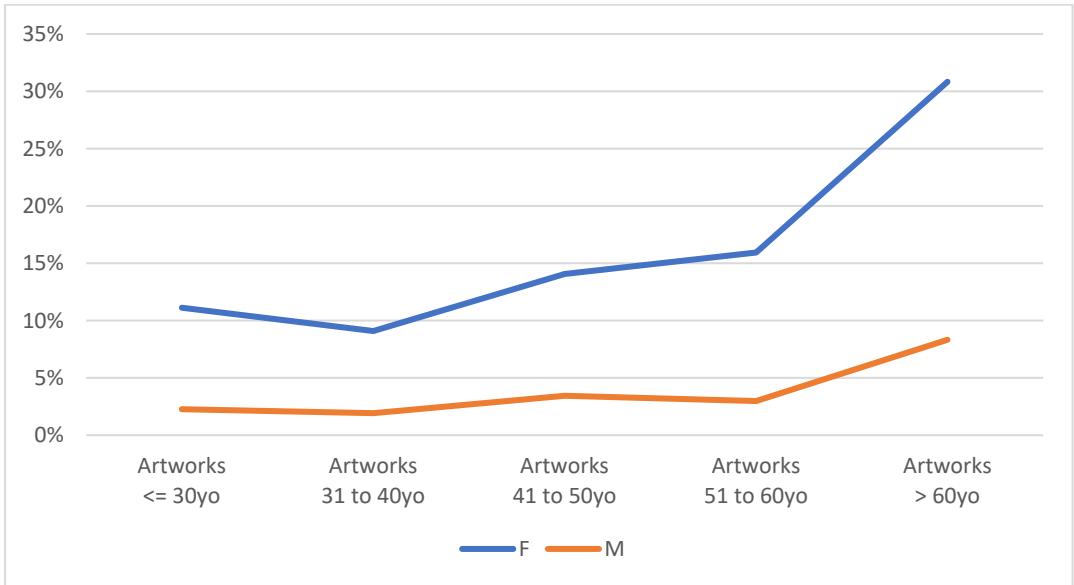


Figure 9: Artwork production by age group and gender Western Australia, 2004/05 > 2019/20.

All art centres rely on a small group of committed artists. These core artists produce most of the higher quality works that are central to an art centre’s commercial and creative success. A core artist is defined as an artist producing more than 10 artworks each year. Of these core artists, an average of 75.3% are female, as shown in Figure 10. The proportion of male core artists has fallen to its second lowest level; in 2019/20, one quarter of core artists were male, down from almost 40% in 2016/17. The long-term average shows male artists making up around one third of all core artists.

There has been considerable variability in the average number of core artists per art centre, also shown in Figure 10. In 2019/20, there were a total of 1511 core artists, or 16.8 per art centre.

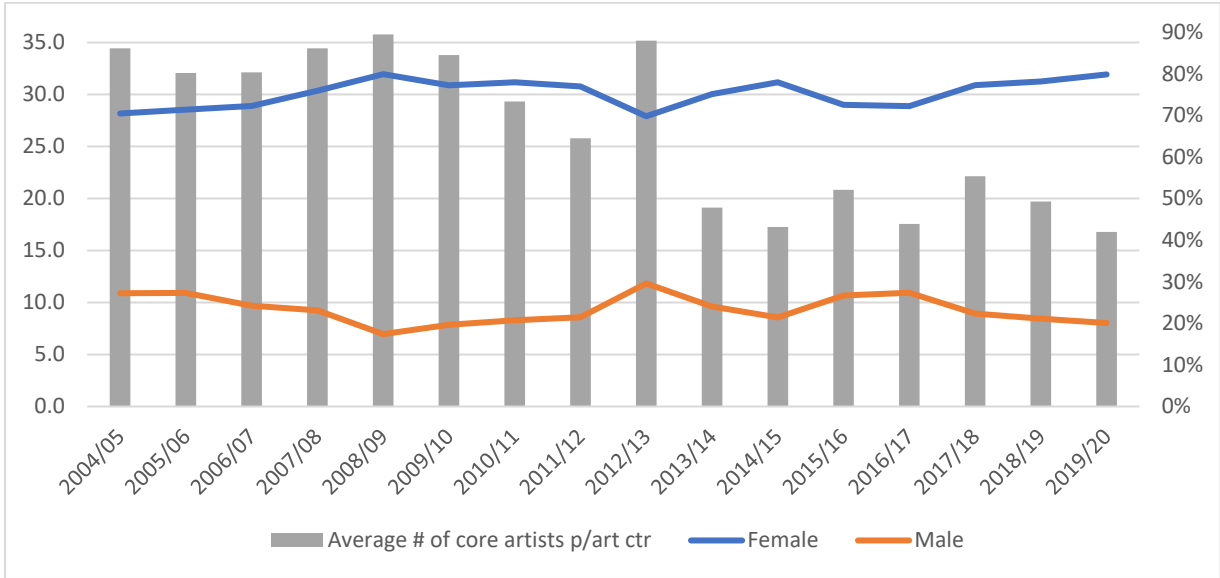


Figure 10: Proportion of female/male core artists and average number of core artists per art centre, 2004/05 > 2019/20.

The number of core artists has also been subject to ongoing variability, particularly over the last seven years, as seen in Figure 11. While the 2019/20 numbers were impacted by the shocks caused by COVID-19 lockdowns, building long term careers for artists presents ongoing challenges for each art centre.

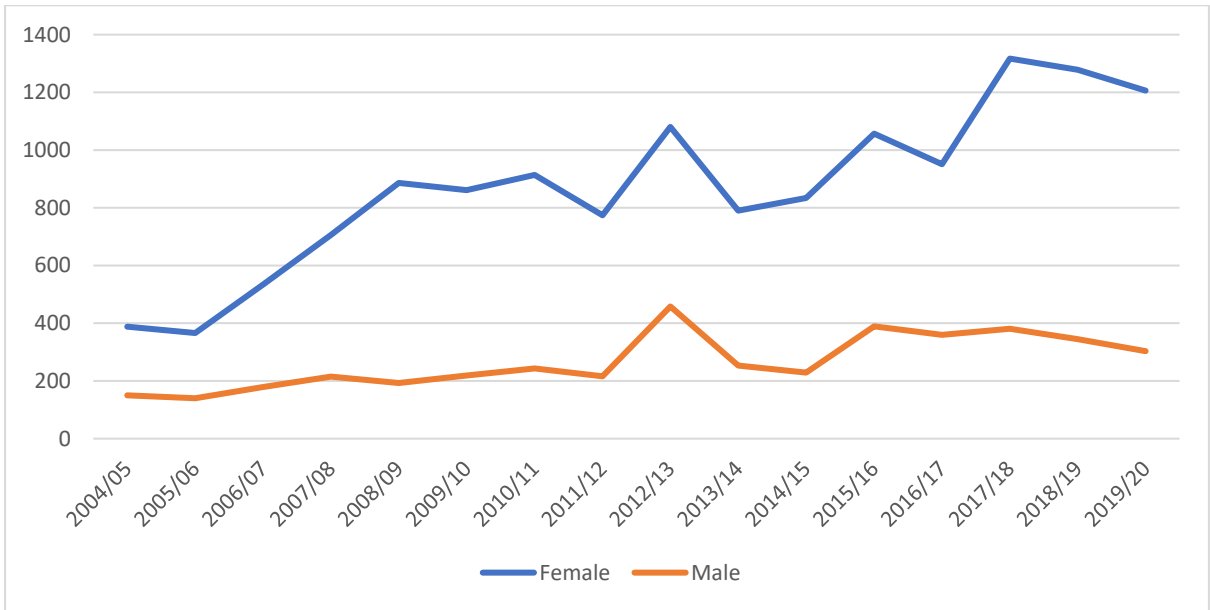


Figure 11: the number of female and male core artists, 2004/05 to 2019/20.

The future health of art centres depends on supporting both existing artists and attracting new artists. Figure 12 shows the total number of artists active and the number of new artists in each year, from a total of 90 art centres (in 2019/20). New artists make up around 9% of all artists, with some annual variation; however, the percentage of new artists in 2019/20 has fallen to its lowest level on record, at 5.2%. It is again likely that the COVID-19 lockdowns impacted on artists joining art centre activities. An active artist is defined as any artist that produces, sells, is paid for or consigns an artwork during that year.

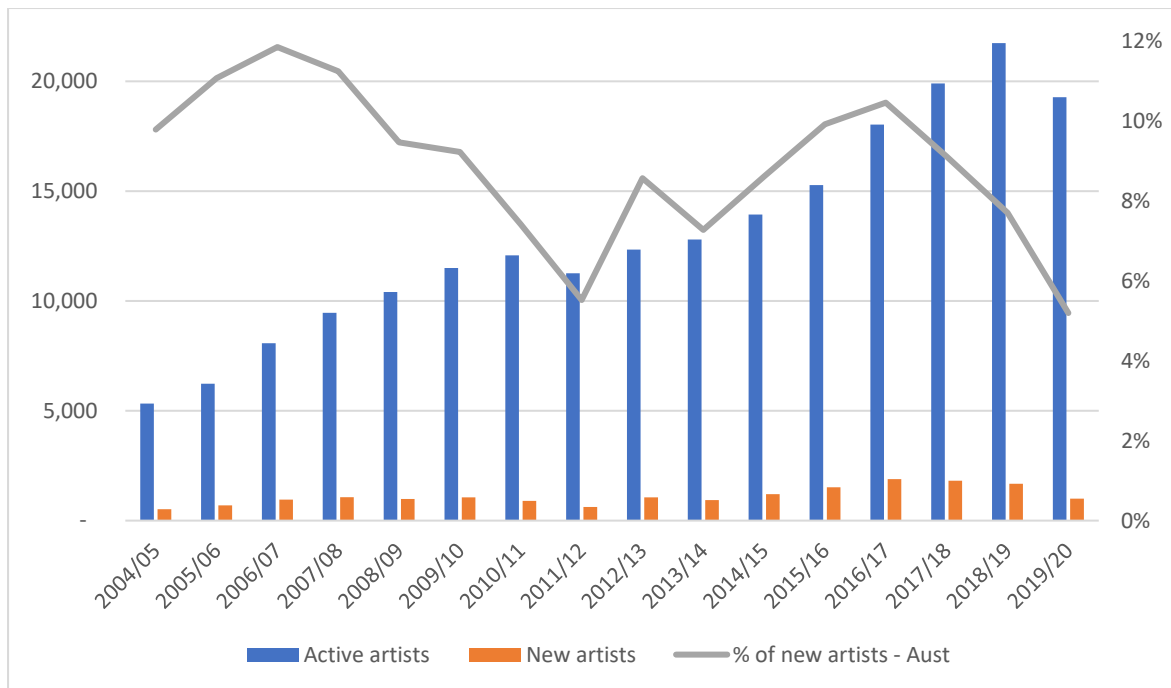


Figure 12: Annual total of active artists, new artists and proportion of new artists to active artists, 2004/05 > 2018/19.

Artworks

In 2019/20, 62.9% of all artworks sold for less than \$250 and 1.1% of artworks selling for more than \$5,000. While the proportion of artworks selling for different price points has remained largely stable, the last two years have seen the reduction in artworks sold for under \$250, with a 6.4% fall in 2019/20, as shown in Figure 13.

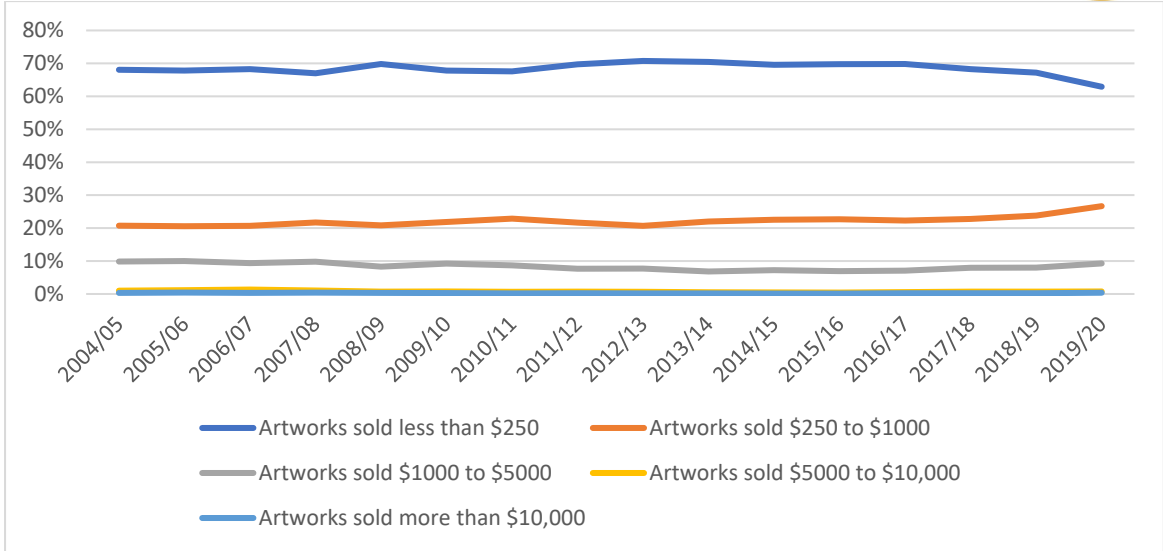


Figure 13: Percentage of artworks sold at different price points, 2004/05 to 2019/20.

The change noted in Figure 13 is also seen in Figure 14, which shows the fall in the sales volume for lower price points. Sales of artworks under \$250 fell by 18.8%, another likely impact of the pandemic and art centres being unable to sell through art fairs and markets where lower priced works are popular.

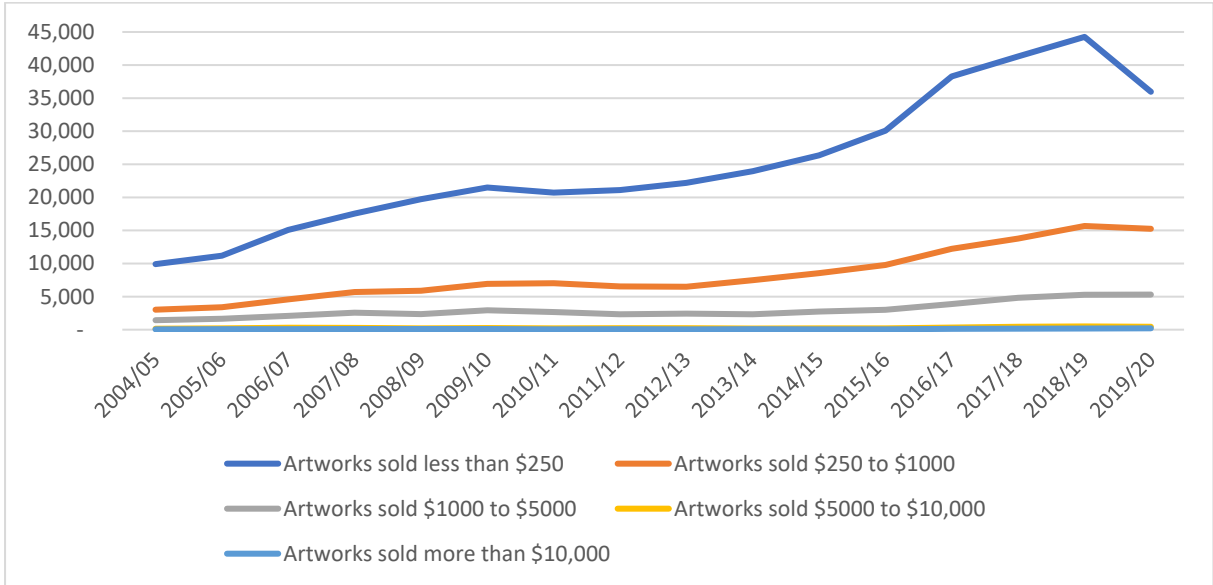


Figure 14: Number of artworks sold at different price points, 2004/05 to 2018/19.

Between 2012/13 and 2019/20 (the date range for which there is comparable data), art centre productivity – the average number of catalogued artworks produced by art centres – has been stable, as shown in Figure 15. In 2019/20, artists at 90 art centres produced 53,717 artworks, or an average of 639 artworks per art centre, the lowest number on recorded. This is in addition to any products and uncatalogued artefacts they produced.

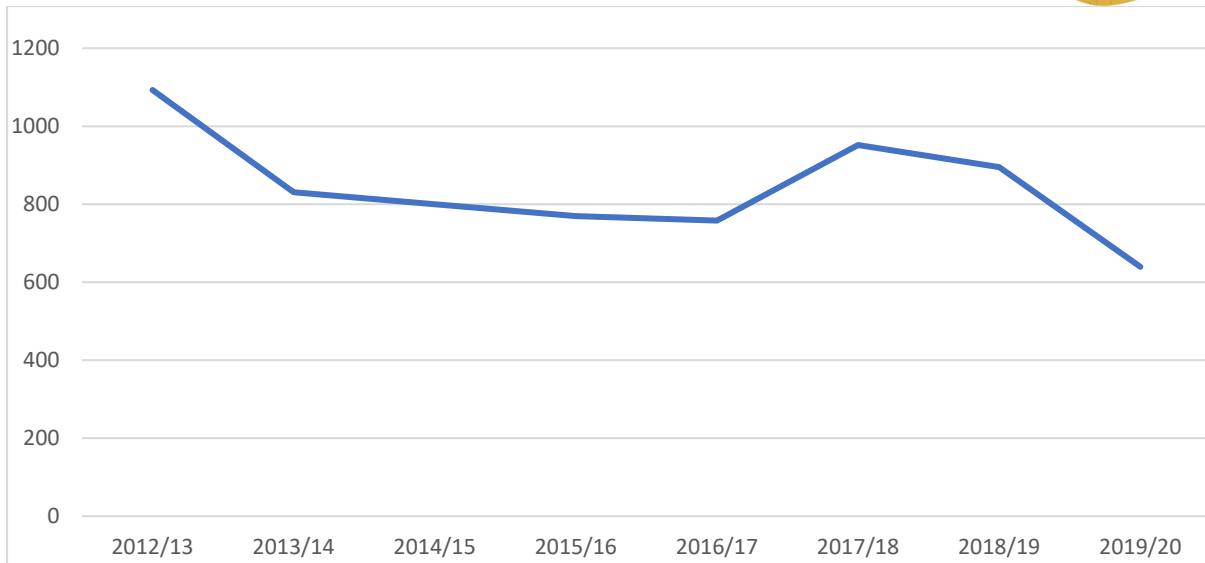


Figure 15: Average number of catalogued artworks produced by art centres, 2012/13 > 2019/20.

Artwork production for 2019/20 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	31,866	59.3%	60.0%
QLD	4,160	7.7%	4.5%
SA	5,935	11.0%	11.9%
WA	11,756	21.9%	23.6%
Total	53,717		

The size of paintings produced by art centres has also seen change. The smaller sizes (30x30cm, 50x50cm and 75x75cm or less) dominate artwork production, accounting for 73.8% of all production, as seen in Figure 16. However, in 2019/20, these smaller size categories saw some significant falls; 30x30cm artwork production fell 17.6% and 50x50cm production fell 7.8% from 2018/19.

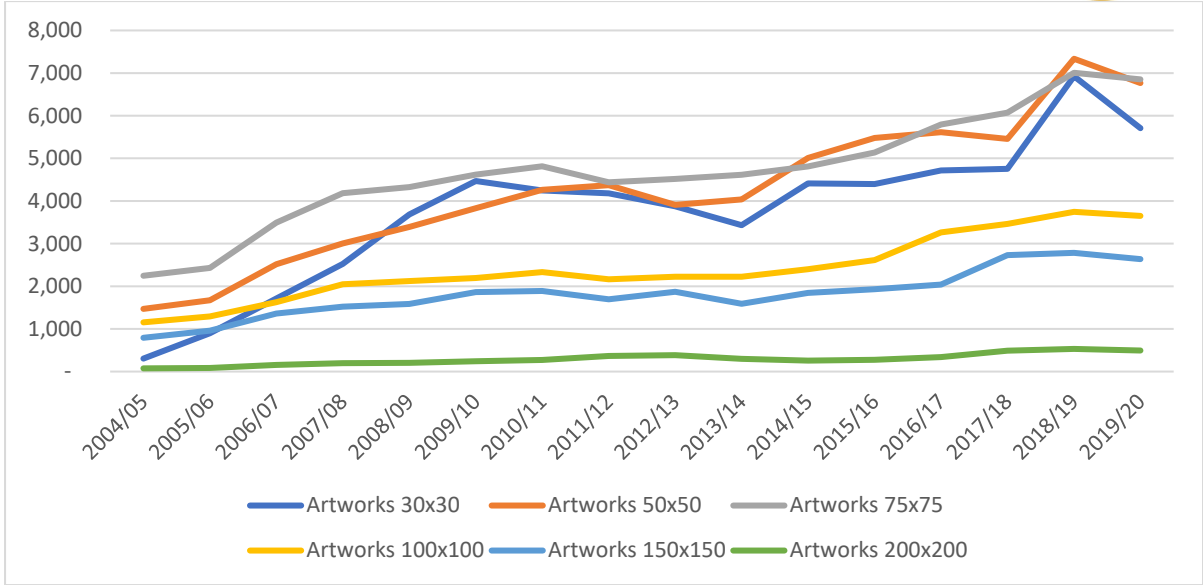


Figure 16: Number of artworks produced at different sizes, 2004/05 > 2019/20.

Methodology

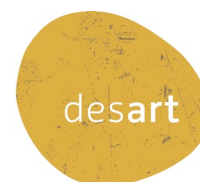
This report is based on information from two sources, art centre audits and extracts from their operational database. While this data does not include every art centre, it covers a statistically significant sample and provides a reasonable picture of art centre performance:

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 the following table. A total of 753 audits were analysed for this report for sales and grant income.

2004/05	19
2005/06	29
2006/07	31
2007/08	31
2008/09	49
2009/10	50
2010/11	56
2011/12	59
2012/13	47
2013/14	56
2014/15	56
2015/16	52
2016/17	55
2017/18	56
2018/19	49
2019/20	47

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 the following table. A total of 691 art centres datasets were analysed:

2004/05	16
2005/06	16
2006/07	23
2007/08	27
2008/09	31
2009/10	33
2010/11	40
2011/12	39
2012/13	44
2013/14	55
2014/15	62
2015/16	70
2016/17	75



2017/18	77
2018/19	83
2019/20	90

3. The proportion of art centre audits and SAM datasets used in this industry update reflects the distribution of art centres across Australia:

Area	Annual financial data	SAM	Proportion of Art Centres
NT	47%	45%	45%
QLD	13%	10%	14%
SA	11%	13%	11%
WA	28%	30%	31%

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.

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

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.