

Financial Snapshot of Art Centres

Financial years – 2004/05 > 2020/21

Data analysed – June/July 2022

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Introduction

Aboriginal and Torres Strait Islander art centres have a unique role in the nation's 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 and social 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 2020/21 information to the long-term data, enabling trends and changes to be tracked and contextualised. The 2020/21 data encompasses a full year of art centre's navigating the COVID-19 pandemic.

As a result of Desart commissioning additional data collection and analysis, this report contains new insights and considerably greater detail on key issues around the participation and production of artists.

Summary

Average art centre sales continue to grow strongly. 2020/21 sales were 26.6% higher than 2019/20 and double their 2011/12 low point. Total artwork sales in 2020/21 were \$34,897,411. Total product sales were \$2,893,472.

New analysis shows that, after accounting for inflation, average art centre sales in 2020/21 are still significantly lower than in the four years prior to the 2008 Global Financial Crisis.

In this reporting period, art centres in all states and the Northern Territory have seen sales increase, with South Australian art centres recording 64.7% growth in average sales from 2019/20. Average sales at South Australian art centres are now around one third higher than art centres in the NT, around double those in WA and five times those in QLD.

The fall in art centres' reliance on funding continues. In 2020/21, 36.2% of art centres' average income was from grants, which is the lowest ratio of grants to income in 12 years.

Core artists – those who produce and sell more than 10 artworks in a year – accounted for almost 9 out of 10 sales. A total of 5,287 artists produced and/or sold artworks in 2020/21.

Production data shows that:

- ▶ Eight out of 10 works were produced by female artists, the highest proportion on record.
- ▶ Female artists over 50 years old produce nearly four out of 10 artworks.
- ▶ One quarter of all artworks are produced by artists aged 60 or more.



While almost six out of 10 artworks sell for less than \$250, this has fallen to its lowest level; all other pricepoints increased their market share. Only 1.3% of artworks sell for more than \$5,000.

In 2020/21, 53,778 artworks were produced. This is an average of 664 artworks for each of the 85 art centres included in the data. This is similar to the number of artworks produced in 2019/20.

Over the seven years to 2020/21 (the period for which comparable data is available), 66.1% of all artworks were produced in the NT; 19.3% in WA, 9.3% in SA and 5.3% in QLD.

Sales

Sales growth has continued to accelerate. In 2020/21, average art centre sales grew from \$507,871 to \$642,774 over the previous year, a 26.6% increase, as seen in Figure 1. 2020/21 is the ninth consecutive year of increasing sales (with the exception of a minor dip in 2018/19), following four years of falling sales from 2007/08. Over the nine years to 2020/21, sales growth has averaged 8.5% per year.

The average art centre’s sales in 2020/21 are double the 2011/12 low point of \$322,601.

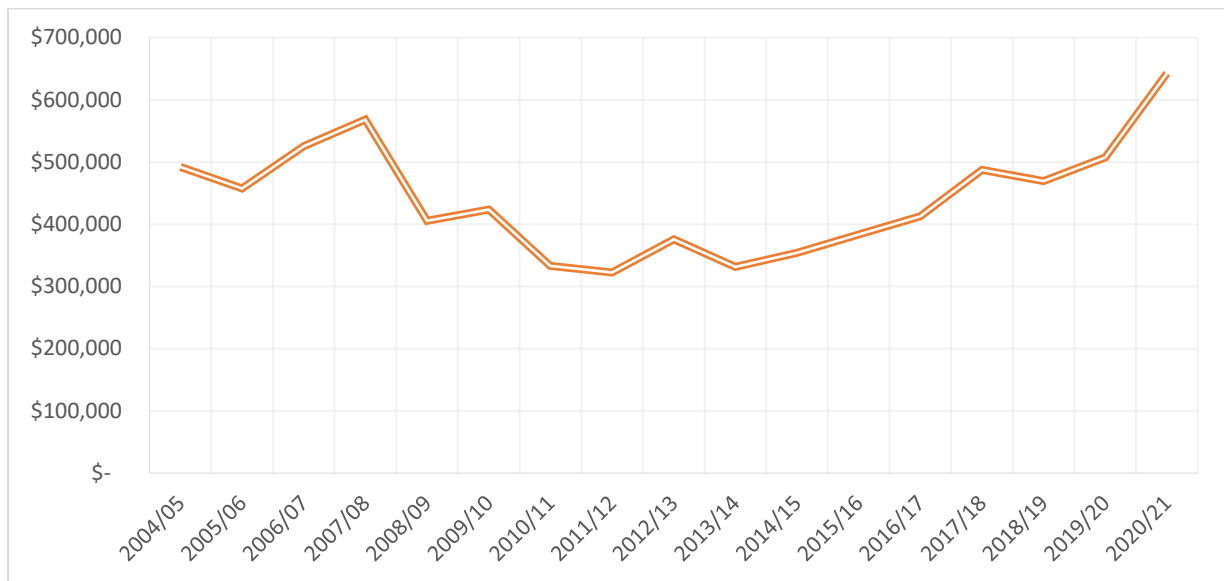


Figure 1: Average annual sales for art centres, 2004/05 to 2020/21.

Art centres returned an average of 64.0% to artists from 2020/21 sales, the second highest proportion of artists income recorded. This translates to average artist payments per art centre of \$411,634, the highest level recorded and 46.5% greater than the \$281,003 recorded in the previous year.

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 around \$1.60; by reporting only the dollar amounts 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 17 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 \$806,225, 25.4% higher than average sales in 2020/21. Interestingly, artist payments were 17.4% higher in 2007/08, indicating that artists’ incomes have been less affected by market volatility, as seen in Figure 3.

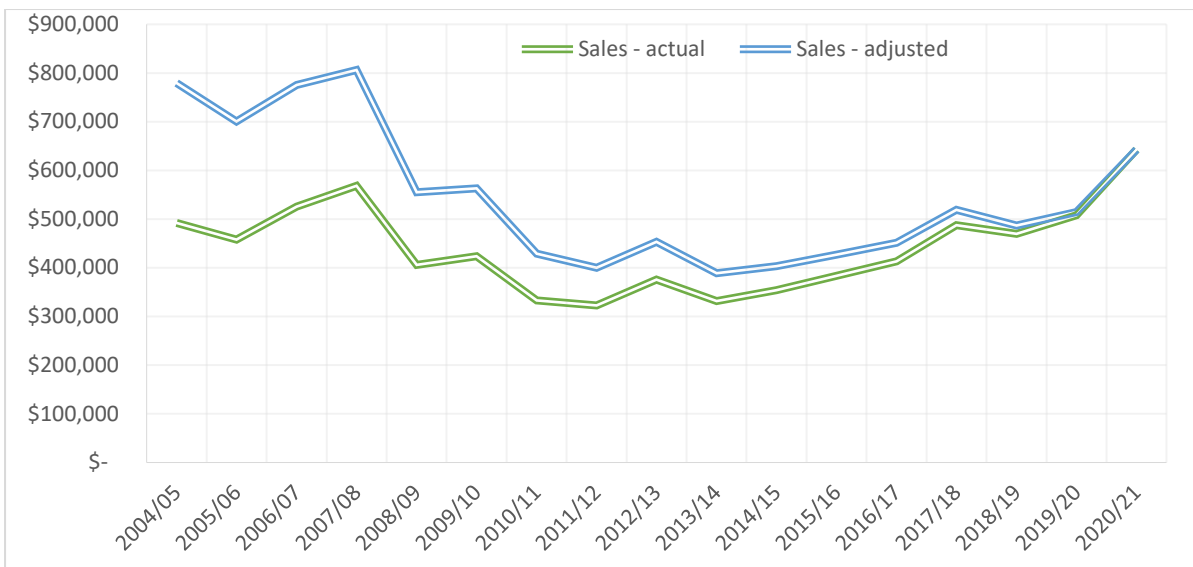


Figure 2: actual and adjusted average annual sales for art centres, 2004/05 > 2020/21.

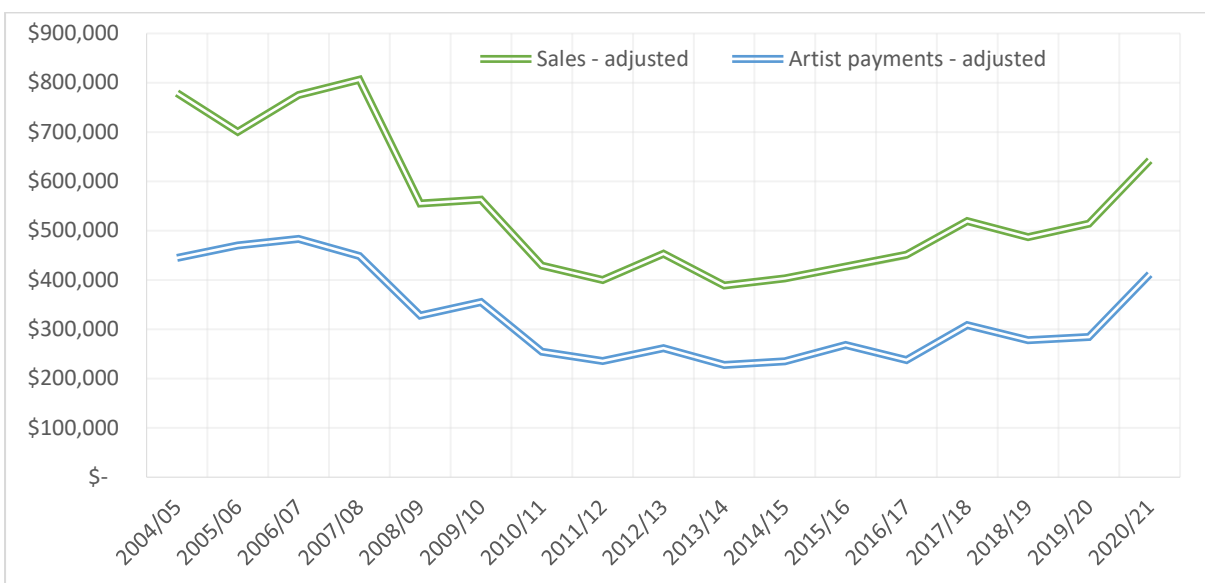


Figure 3: adjusted average annual sales and average annual artist payments for art centres, 2004/05 > 2020/21.

Average total income (sales, grants and other revenue) for art centres in 2020/21 was \$1,268,441 – the highest recorded. The next highest was at the peak of the boom in 2007/08, at \$1,142,847. This indicates that art centres have become larger enterprises over time, with sales making up a smaller proportion of their total income, and potentially more able to deal with any market shocks. The additional support provided to art centres through COVID support has also contributed to this increase.

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 4.

Art centres in all areas have seen sales increase (adjusted figures), with Western Australian and, in particular, South Australian art centres recording strong growth in 2020/21; SA grew from \$719,811 average art centre sales in 2019/20 to \$1,185,196 in 2020/21, a 64.7% increase. South Australia is also the only region where 2020/21 sales have climbed above the pre-GFC highs.

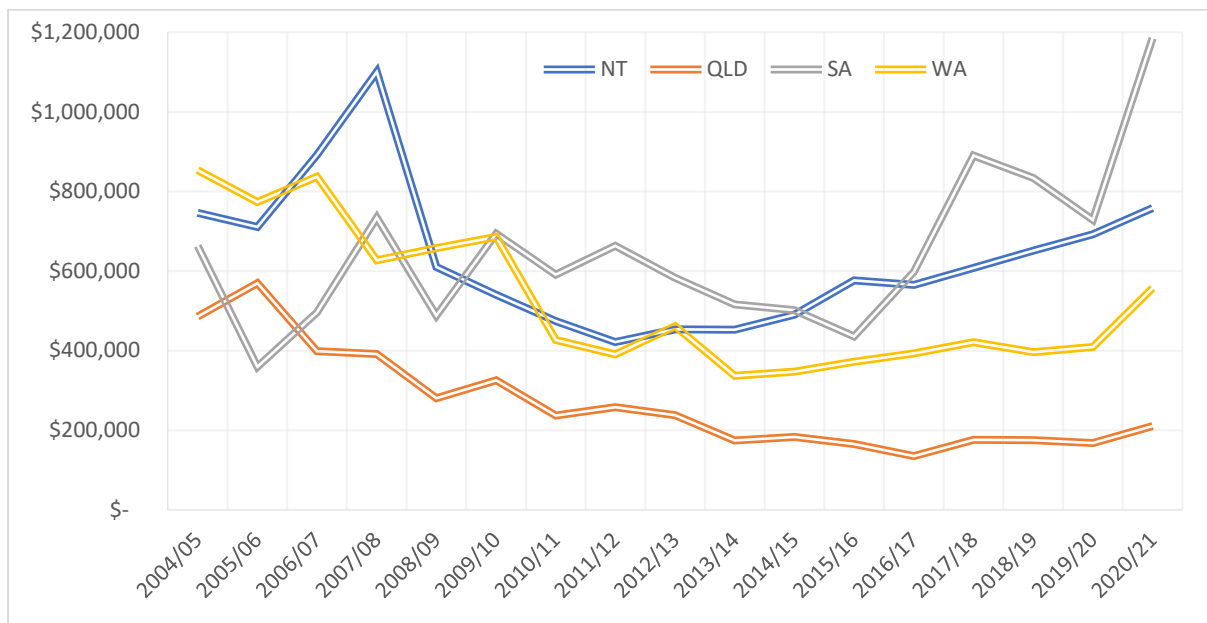


Figure 4: Average annual sales by art centres in each state/Territory, 2004/05 to 2020/21 – adjusted.

Grants

While almost all art centres rely on grants, this reliance has changed over the 17 years of records, as seen in Figure 5. Earlier years are characterized by a low level of reliance on grants, 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, smaller art centres starting up.

While the last ten years has seen grant funding average 43.5% 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 2020/21, 36.2% of art centres’ average income was from grants. This is the lowest proportion of income from grants since 2008/09. Similarly, in 2020/21, the proportion of art



centres' average income generated by sales was at its highest level since 2009/10, at 50.7%. Generating more independent income means art centres have greater financial discretion and autonomy from the requirements of grant funding.

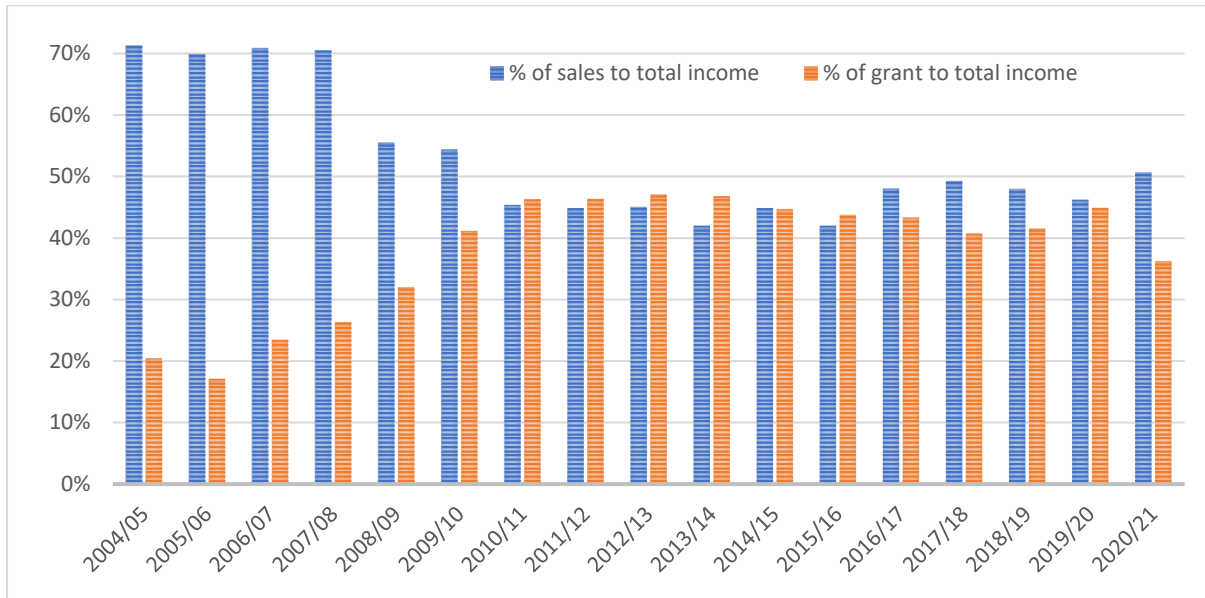


Figure 5: Income mix: the proportion of average art centre income that is generated from sales vs grants.

As with sales, grant dependency is uneven across the three states and the Northern Territory, but three of the four states/territory have seen a significant fall in the level of this dependency; WA, NT and SA have each seen a fall of more than 20% in the proportion of total income generated from grants. Queensland art centres continue to have the highest reliance on grants, with an average of 63.4% of income from grants in 2020/21, close to the average over the last five years (except for a one-off event in 2016/17). South Australian art centres have the lowest reliance, with an average of 22.2% of their income from grants.

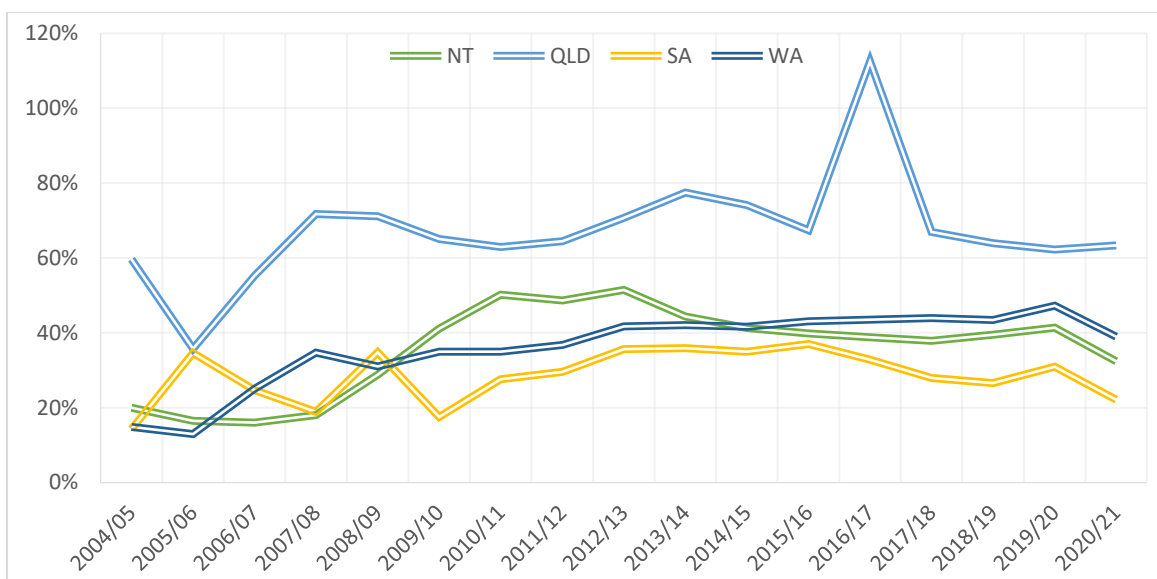


Figure 6: Proportion of an art centre's average total income from grants, by state/Territory, 2004/05 to 2020/21.

COVID-19 Support

As with enterprises across Australia, art centres received support to assist in navigating the COVID-19 pandemic and the disruption to business caused by lockdowns. Thirty-seven of the 47 art centres whose audits were analysed for this report detailed the amount of COVID support received. Of these 37 art centres, around 85% identified COVID support on their schedule of grant income; the remainder recorded COVID support separately, generally as a form of ‘other income’. The resulting data does not enable straightforward comparisons of funding to art centres with/without COVID support, but general observations are possible:

- The total COVID support received by those 38 art centres was \$4,010,754, or an average of \$108,399 per art centre.
- The trend noted in Figure 5 above, of art centres decreasing their reliance on funding would have been further accelerated without the COVID support. For example, when the 37 art centres that detailed their COVID support had this removed, average grant income was \$353,803. This is significantly lower than the average grant income of all art centres in 2020/21 - \$459,520.
- The grant income for these 37 art centres was 26.7% of total income, also significantly lower than the rate for all art centres in 2020/21, which was 36.2%.

Artists

Between 2012/13 and 2020/21¹, female artists produced an average of 75.9% of all artworks. The proportion of artworks produced by female artists continues to increase; over the last five years, it increased by 1.6% per year. In 2020/21, 81.7% of all artworks were produced by female artists, the highest level recorded.

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

State/Territory	% of works produced by female artists
NT	75.8%
QLD	66.8%
SA	81.1%
WA	81.6%

The proportion of artworks produced by female and male artists also changes with age, as seen in Figure 7. In total, artists aged 60 or more produce 27.4% of all artworks, while female artists aged 50 or more produce 37.6% of all artworks. The proportion of artworks produced by artists 60 years of age and over has also been increasing.

¹ 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.

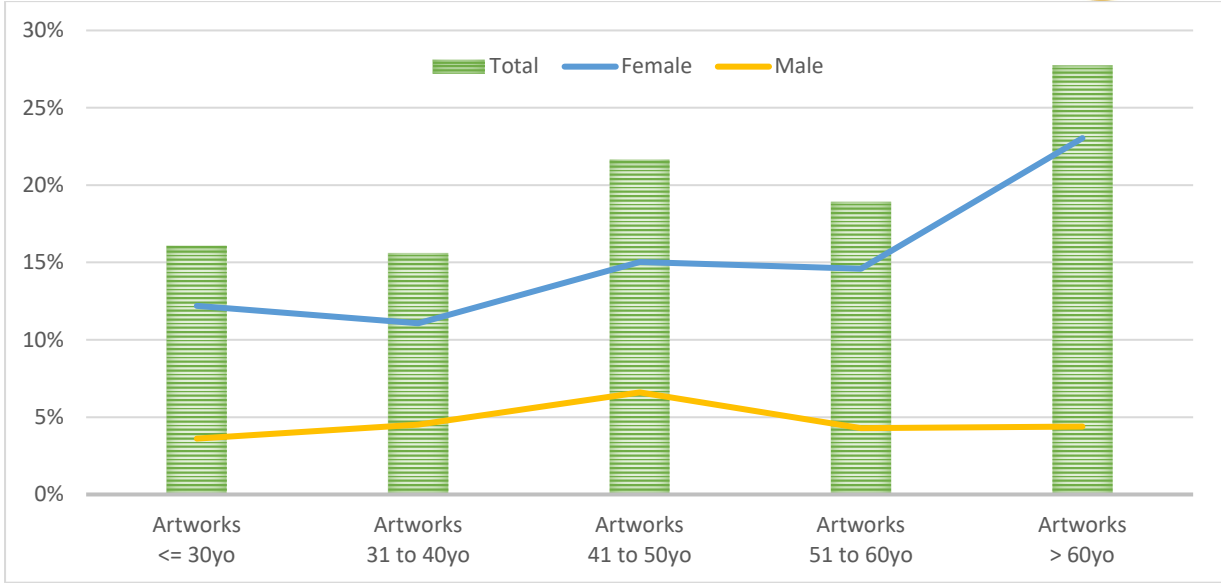


Figure 7: Artwork production by age group and gender, 2004/05 > 2020/21.

The proportion of artworks produced by each age group varies considerably between each State and Territory, as seen in Figures 8 > 11. Western Australian artists over 60 years of age produce 39.3% of all artworks in Western Australia, considerably higher than other regions; further, in WA only around one quarter of all artists are under 40 years of age. All other regions have around one third of their artists under 40. 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.

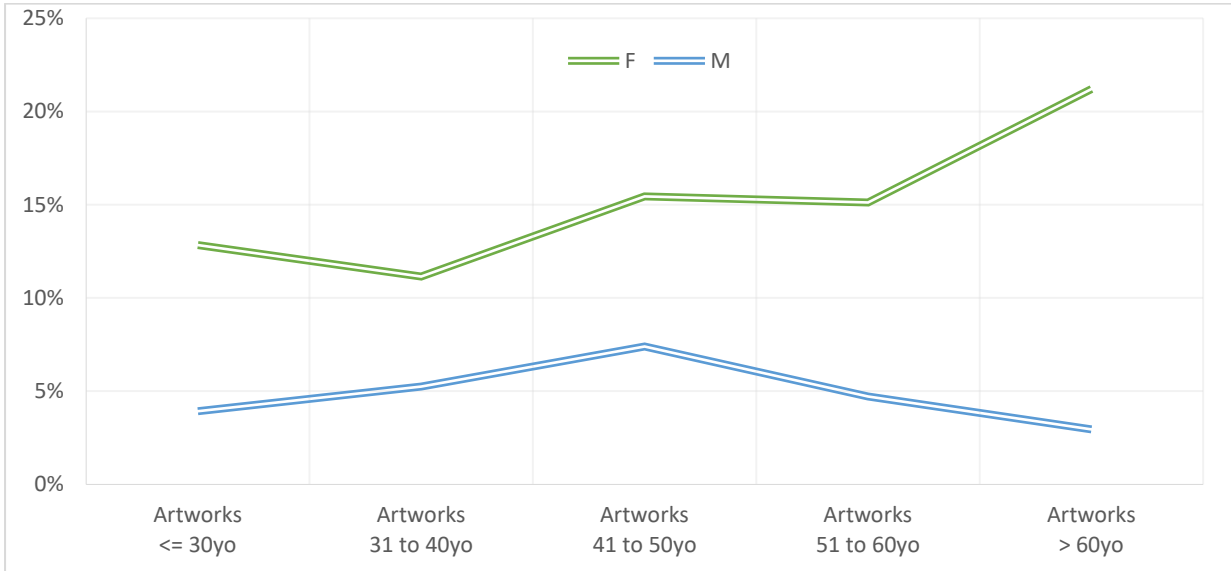


Figure 8: Artwork production by age group and gender in the Northern Territory, 2004/05 > 2020/21.

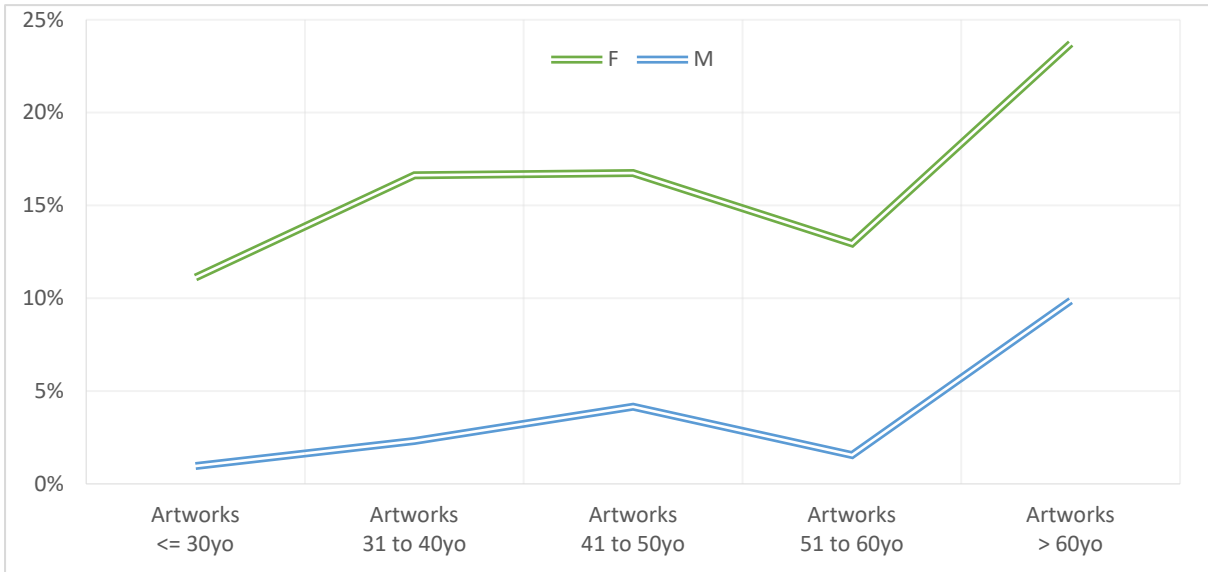


Figure 9: Artwork production by age group and gender in South Australia, 2004/05 > 2020/21.

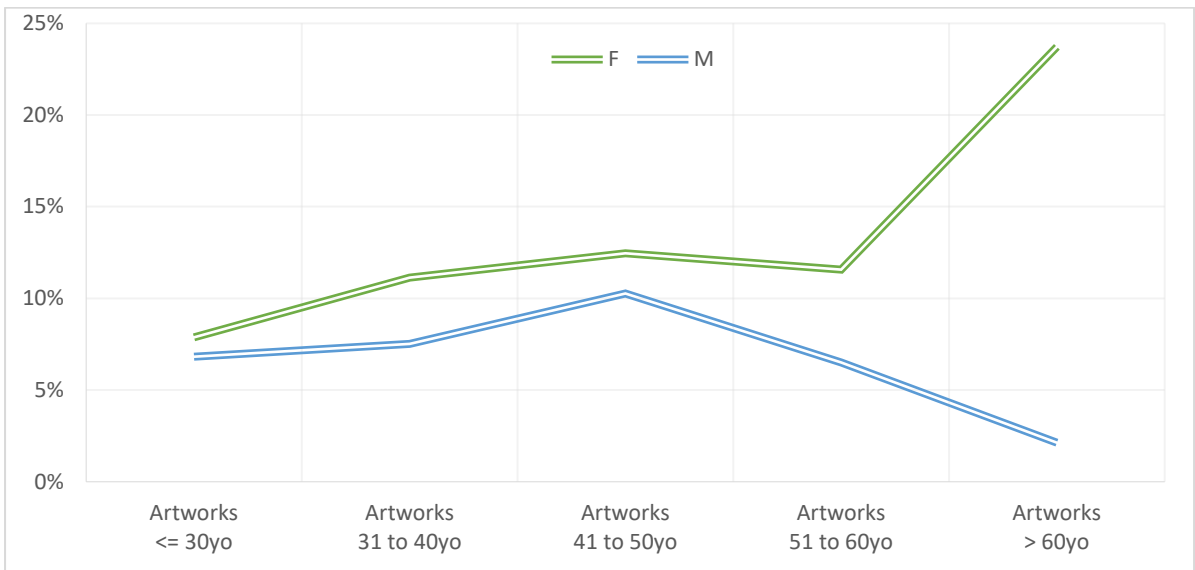


Figure 10: Artwork production by age group and gender in Queensland, 2004/05 > 2020/21.

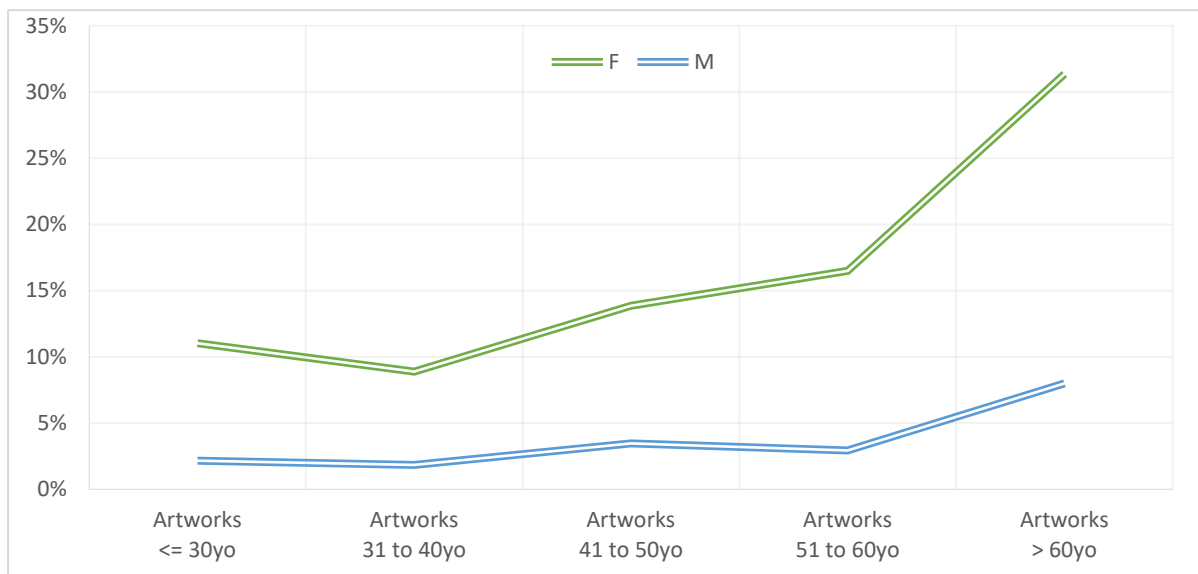


Figure 11: Artwork production by age group and gender Western Australia, 2004/05 > 2020/21.

Artists: Participation and Production

As part of its management of the SAM database, in 2021, Desart commissioned new analysis into the participation and production of artists. 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.

For this new analysis, five categories of artists were created:

- Core+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 12, there was significant growth in the total number of artists producing and selling works between 2015 and 2017, peaking pre-pandemic (around 2019), with almost 6,000 artists. The COVID years have seen a drop of around 11% in the total number of artists; in 2020/21, 5,287 artists were recorded.

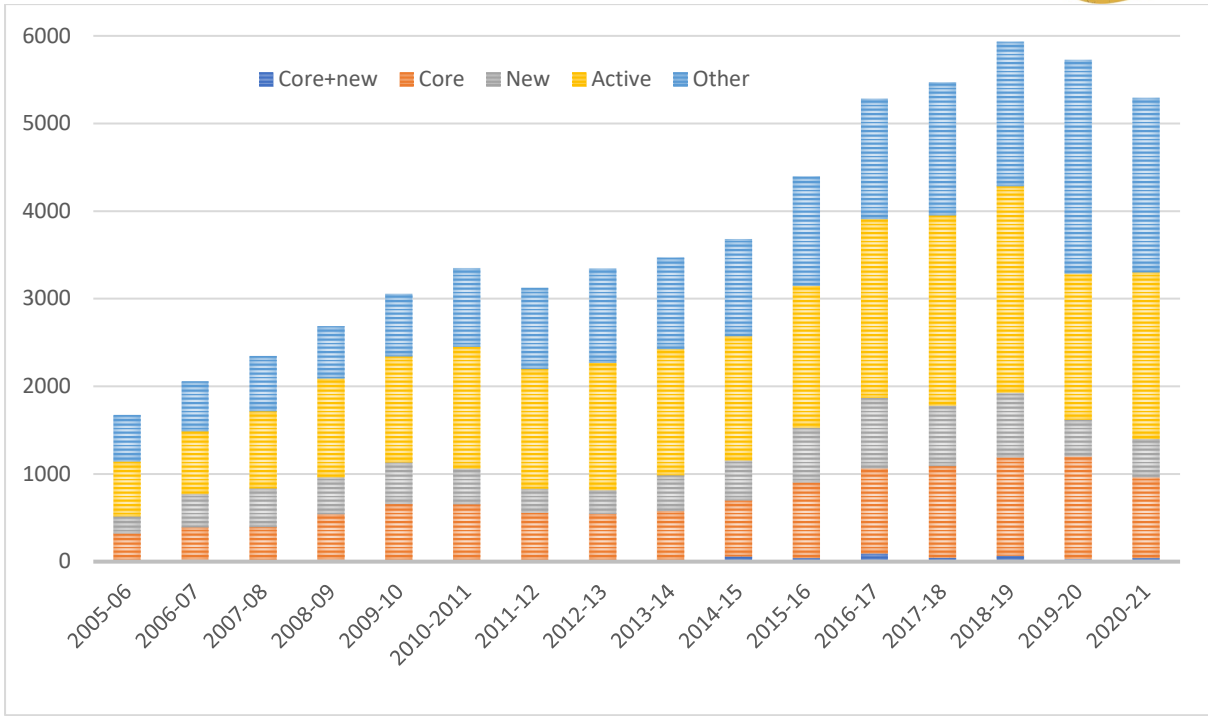


Figure 12: the number of artists in each category, 2005/06 to 2020/21.

The proportion of different artist categories has also changed over time, as shown in Figure 13. The disruption caused by the pandemic to normal patterns of participation by artists can be seen.

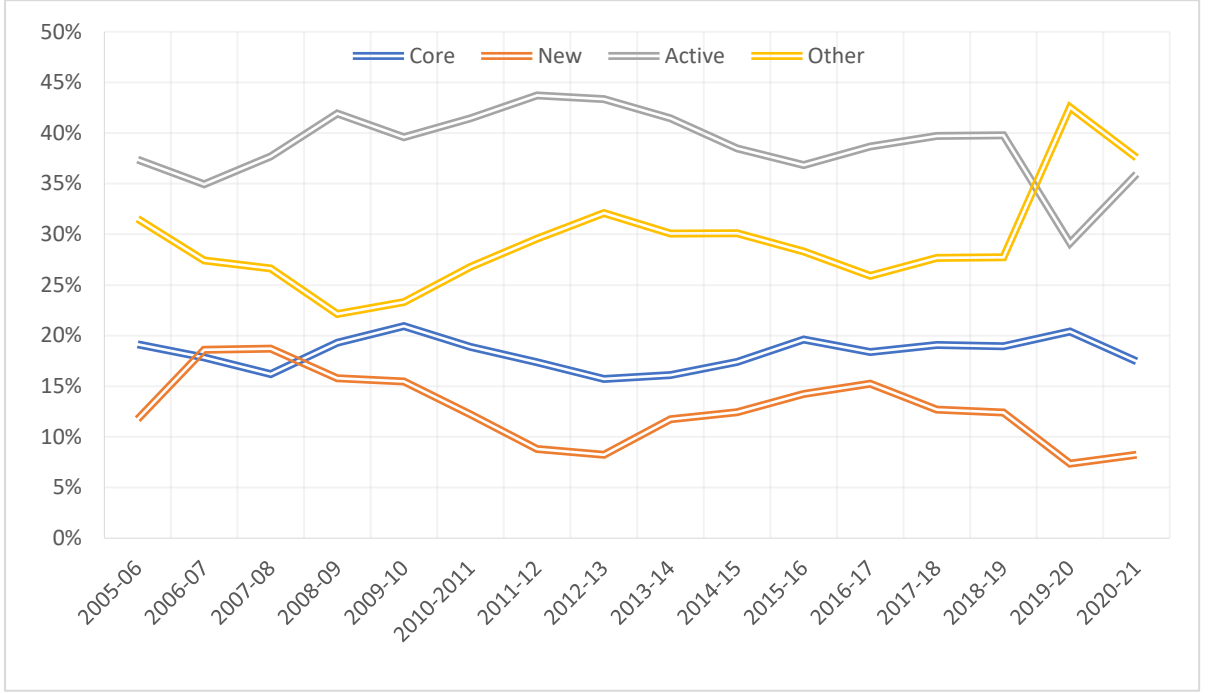


Figure 13: changing mix of artists across art centres, 2005/06 to 2020/21 (excludes Core+New artists as it is less than 1%).



The importance of core artists to economic and creative activity at art centres is shown in Figure 14. More than 80% of art centre sales are generated by core artists, a proportion that has been climbing in recent years; in 2020/21, it was 86.5%.

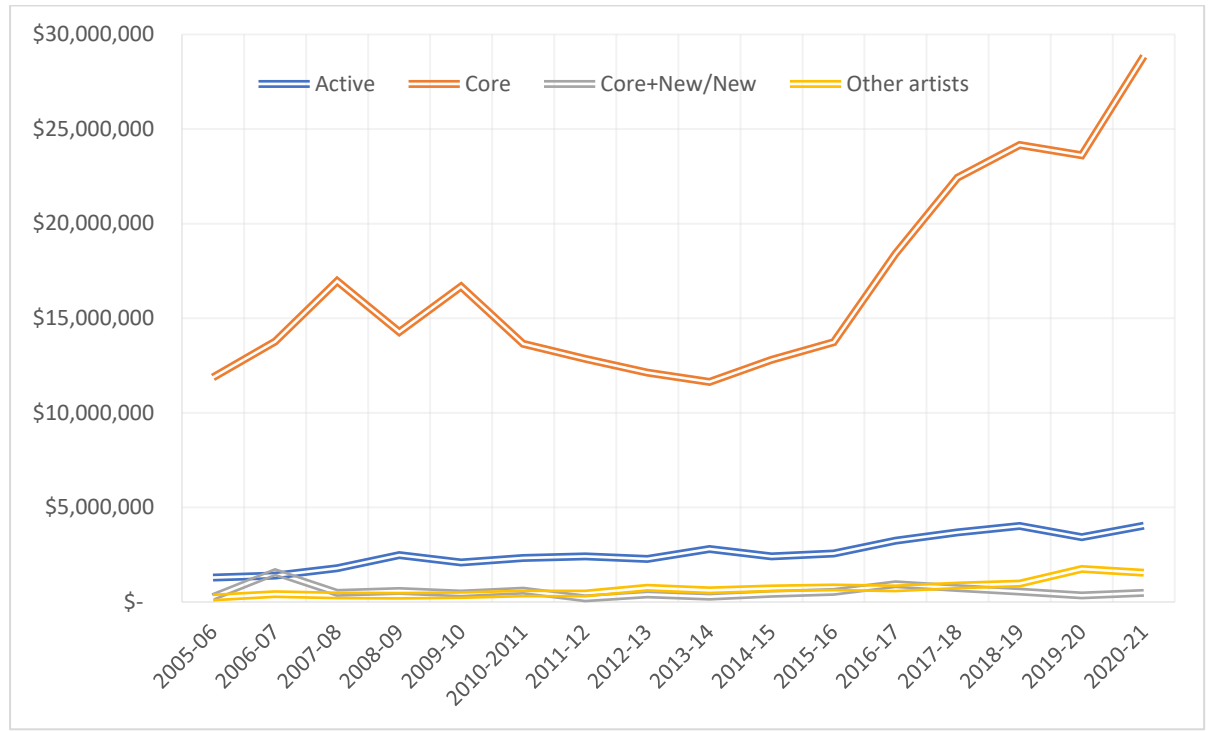


Figure 14: total sales generated by different categories of artists, 2005/06 to 2020/21 - adjusted.

Again, the sales income generated by artists in different categories across the states/NT is also different, as shown in Figures 15 and 16.

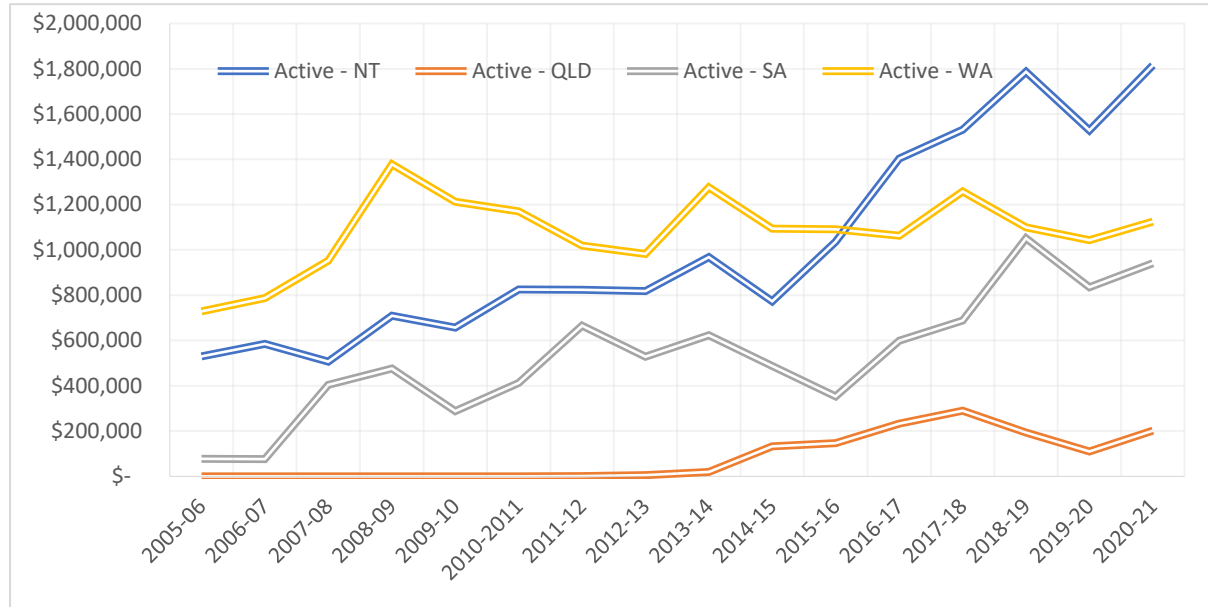


Figure 15: average sales income generated by active artists at art centres in each state/Territory, 2005/06 to 2020/21 – adjusted figures.

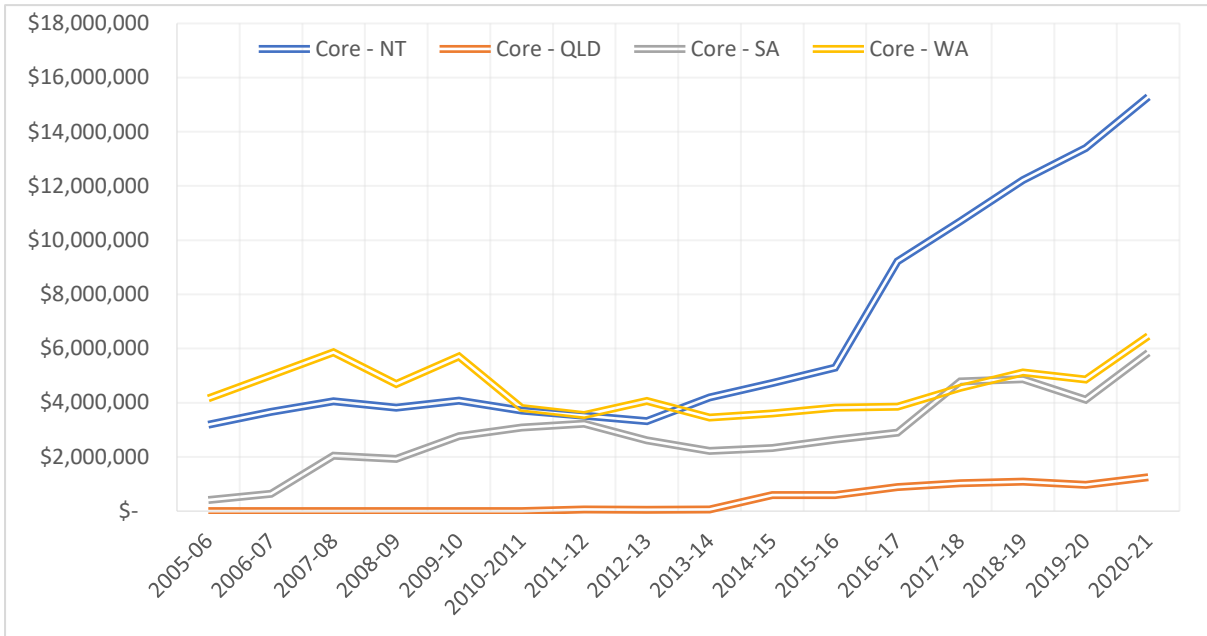


Figure 16: average sales income generated by core artists at art centres in each state/Territory, 2005/06 to 2020/21 – adjusted figures.

The distribution of artist categories across the states/NT is shown in Figure 17. The Northern Territory, with around 6 in 10 artists, is home to the majority. However, as shown in Figures 18 and 19, the proportion of core and active artists in each state/NT varies. Western Australia has more than double the number of artists than SA; however, they have very similar numbers of core artists, while WA art centres have two-to-three times as many active artists.

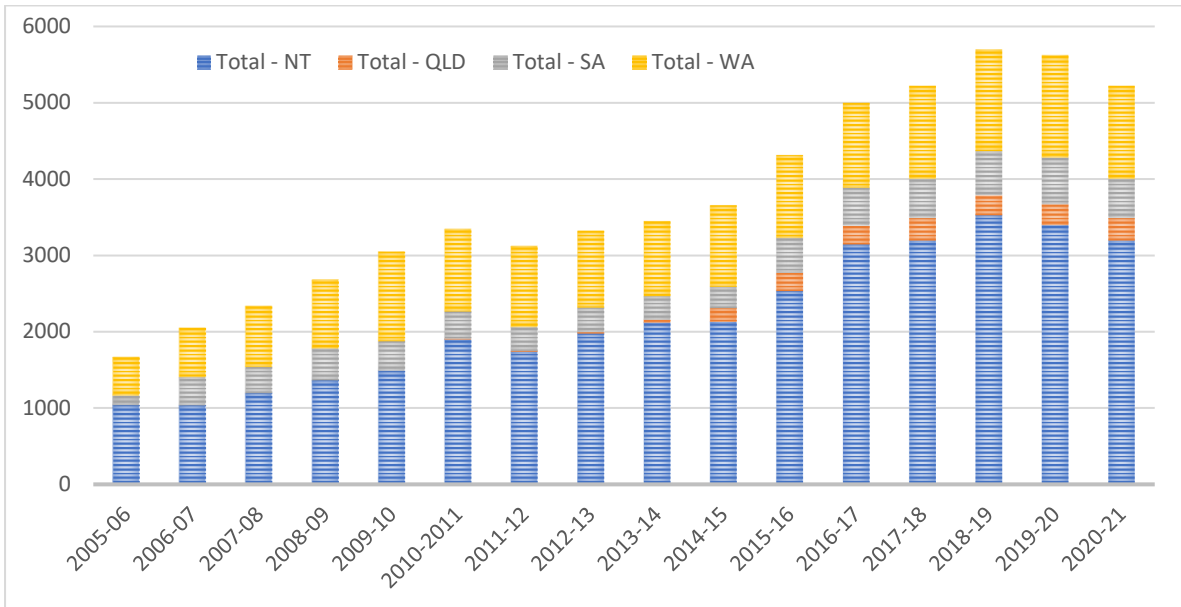


Figure 17: the number of artists (of all categories) in each state/Territory, 2005/06 to 2020/21.

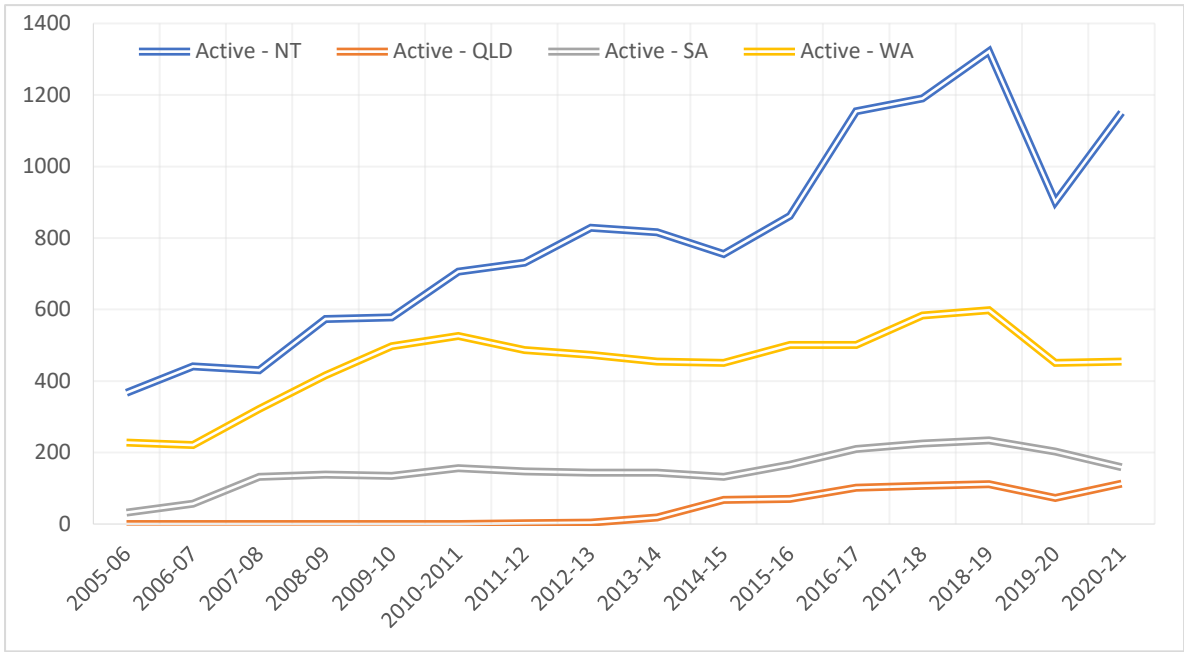


Figure 18: the number of active artists in each state/Territory, 2005/06 to 2020/21.

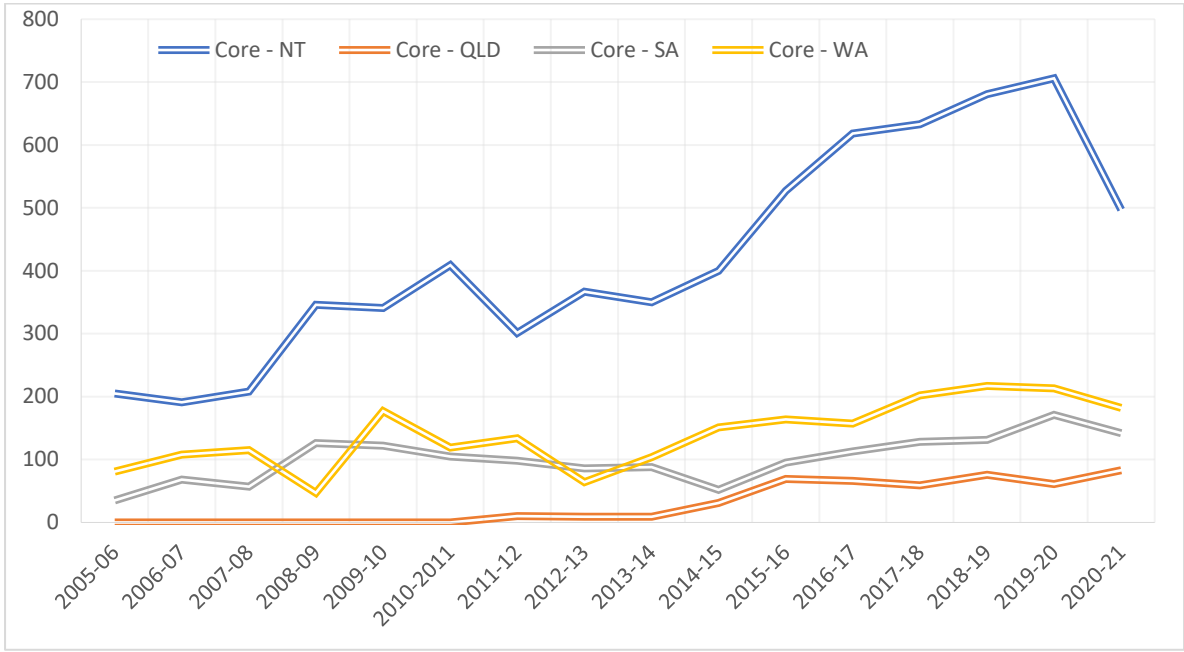


Figure 19: the number of core artists in each state/Territory, 2005/06 to 2020/21.

Artworks

In 2020/21, 57.9% of all artworks sold for less than \$250 and 1.3% of artworks sold for \$5,000 or more. While the proportion of artworks selling for different price points has remained relatively stable, this year is the fifth consecutive year with a fall in the proportion of artworks sold for under \$250, as shown in Figure 20. All other pricepoints recorded an increase in 2020/21.

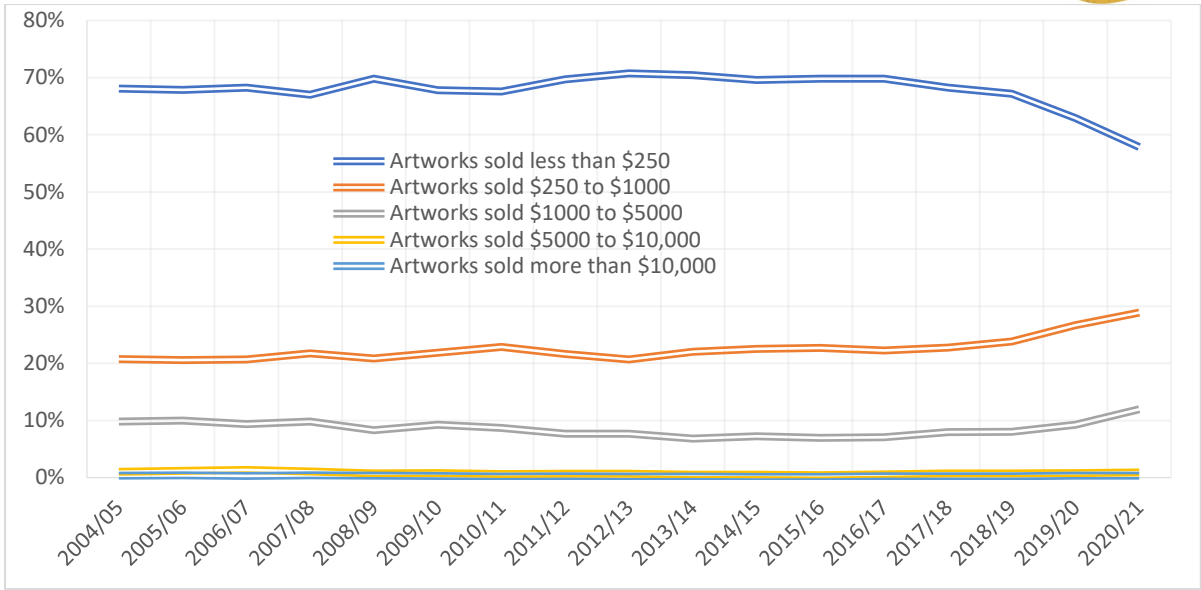


Figure 20: percentage of artworks sold at different price points, 2004/05 to 2020/21.

The change noted in Figure 20 is also seen in Figure 21, which shows the changing sales volume for lower pricepoints. Sales of artworks under \$250 fell, while all other pricepoints rose – notably the \$1000 > \$5000 category, which recorded a 36% increase between 2019/20 and 2020/21.

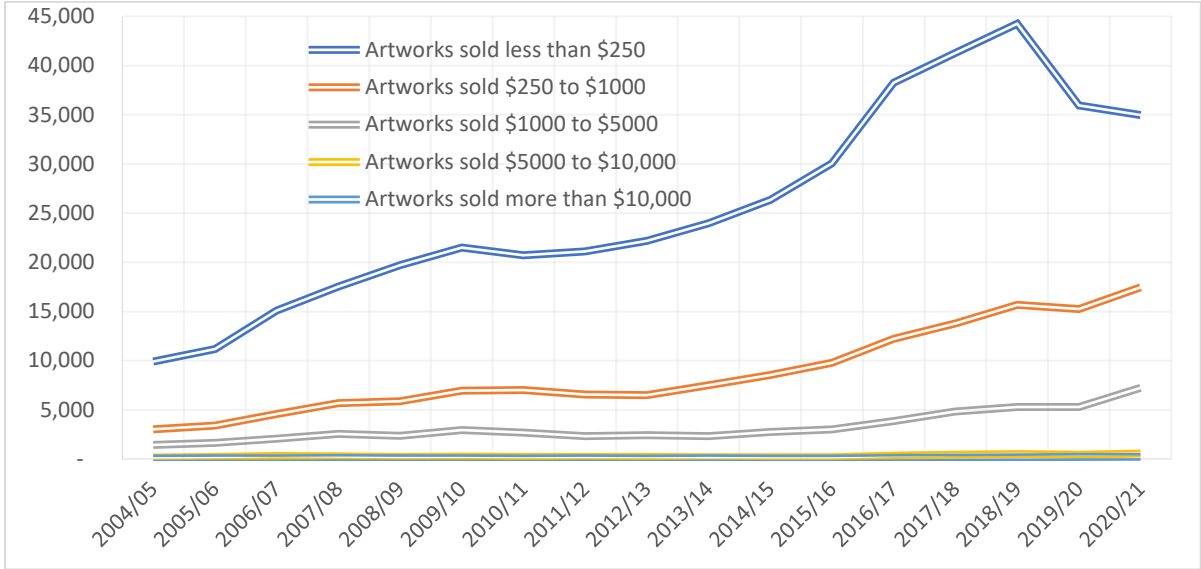


Figure 21: number of artworks sold at different price points, 2004/05 to 2020/21.

Another of the different factors influencing artwork pricepoints is the location of the art centres, as shown in Figure 21. Three quarters (75.2%) of all artworks sold by Northern Territory art centres are under \$250; at the other end of the spectrum, 48.2% all artworks sold by SA art centres are for under \$250.

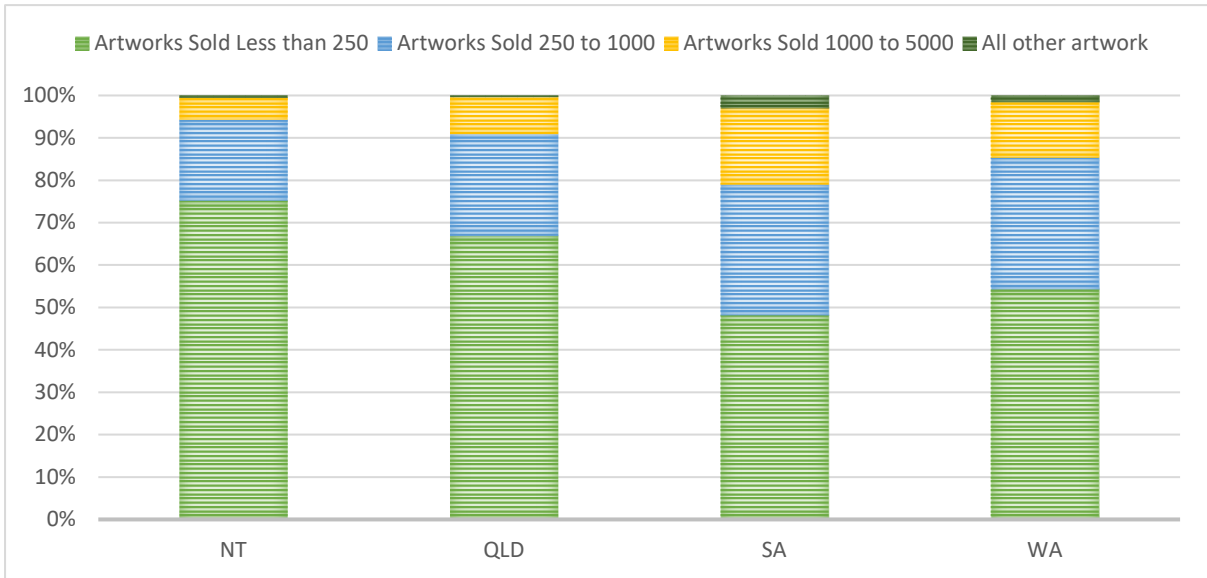


Figure 22: proportion of artworks sold at different pricepoints in each state/NT.

Between 2012/13 and 2020/21 (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 23. In 2020/21, artists at 85 art centres produced 53,778 artworks, or an average of 664 artworks per art centre, a recovery from the previous year. This is in addition to any products and other uncatalogued works they produced. It is likely, with art centres becoming more active again, that this productivity will increase.

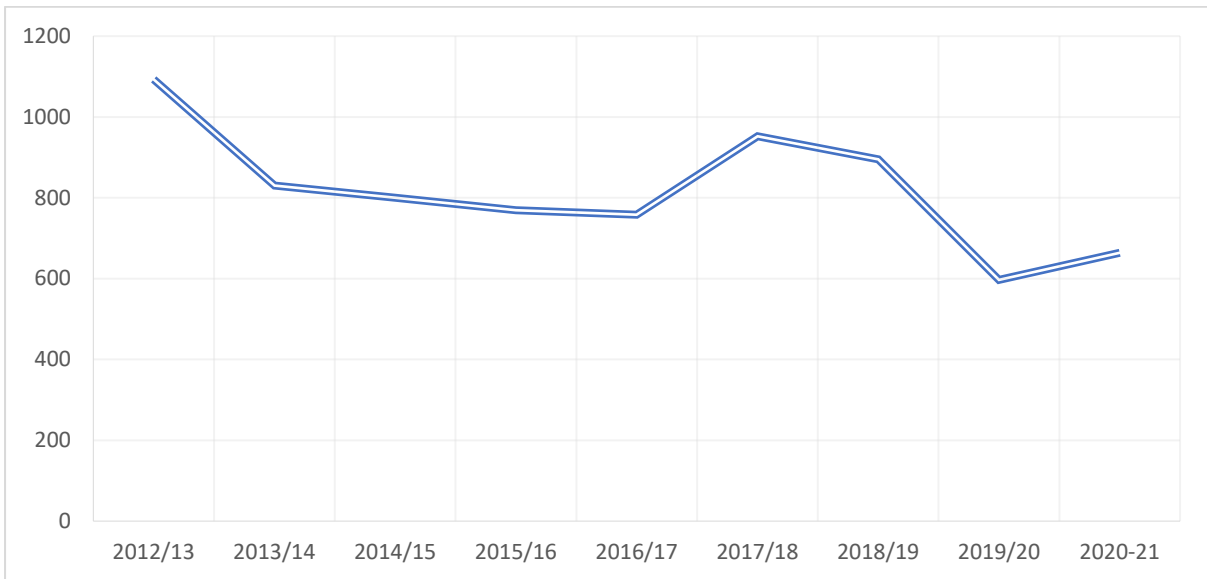


Figure 23: average number of catalogued artworks produced by art centres, 2012/13 > 2020/21.

Artwork production for 2020/21 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	33,829	62.9%	61.2%
QLD	3,884	7.2%	5.6%
SA	5,459	10.2%	9.9%
WA	10,606	19.7%	23.3%
Total	53,778		

The size of paintings produced by art centres has also undergone change, as seen in Figure 24. While smaller sizes (30x30cm, 50x50cm and 75x75cm or less) continue to account for around 7 in 10 of all artworks produced, the two smaller sizes continue to see falling production levels. All other size categories continue to increase their share of sales, reinforcing the market trend towards larger and more expensive works (see Figures Figure 20: percentage of artworks sold at different price points, 2004/05 to 2020/21. and Figure 21: number of artworks sold at different price points, 2004/05 to 2020/21. above).

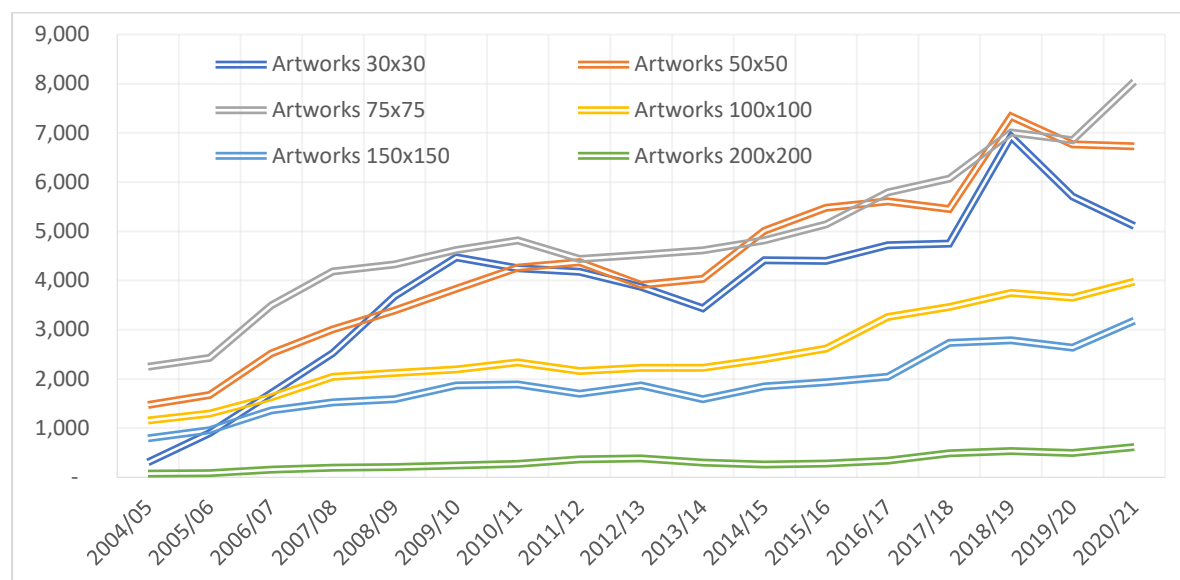


Figure 24: number of artworks produced at different sizes, 2004/05 > 2020/21.

The volume and value of artworks sold in different categories is seen in Figure 25.

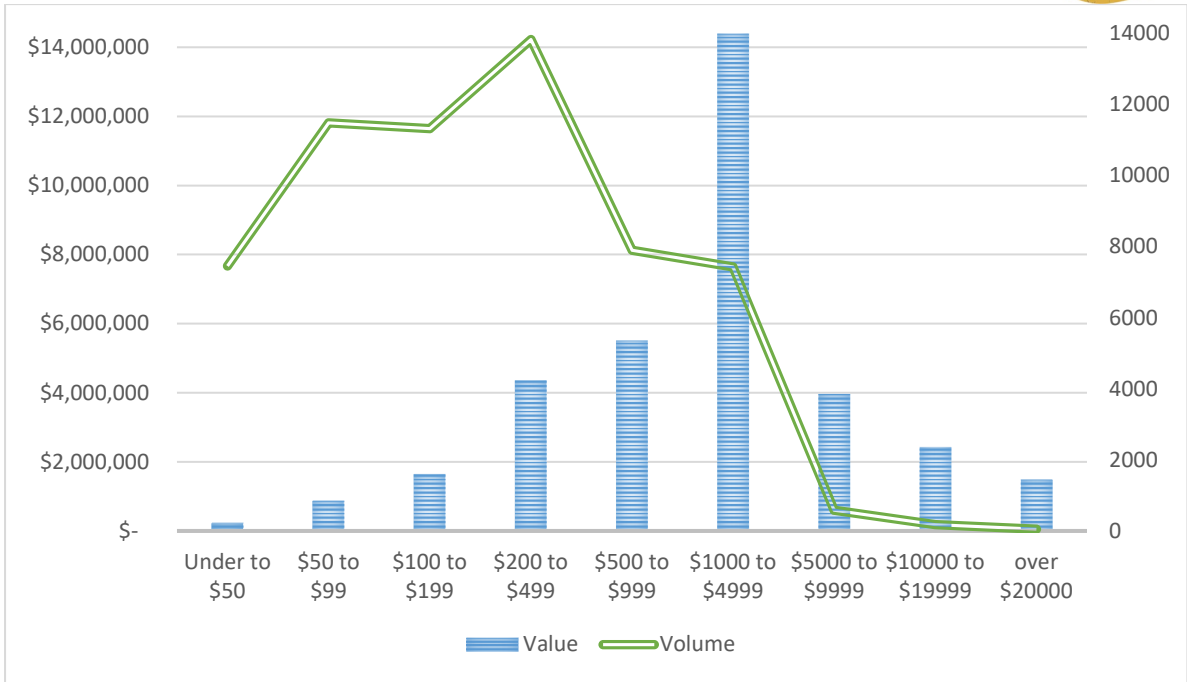


Figure 25: the volume and value of artworks sold at different pricepoints, 2020/21.

Products

Products are an increasing part of the art centre model, though financially the contribution of product sales are still small, as shown in Figure 25. The proportion of income generated from products has increased from below 5% in around 2014, to almost 10% over recent years.

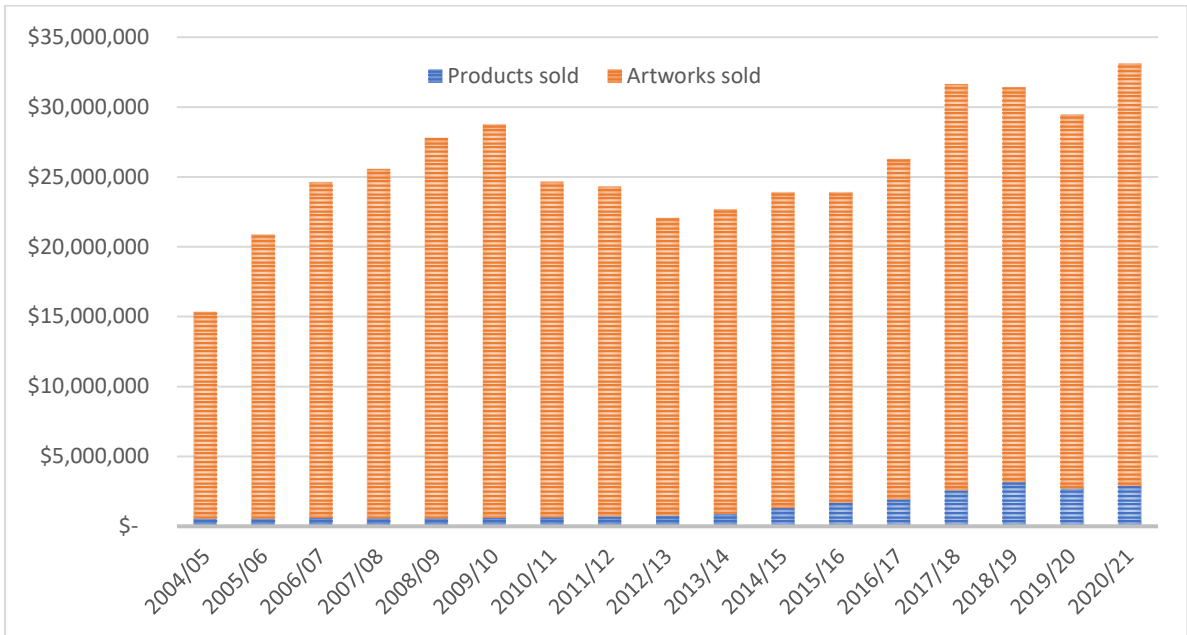


Figure 26: sales of artworks and products, 2004/05 to 2020/21 - adjusted.



Drawing on 17 years of data, the following table sets out the number of items sold and value of total sales of different product categories:

Product category	Sales revenue	# of items sold	% of sales	% of volume
Textile/clothing/fashion	\$6,895,561	75,802	34%	27%
Merchandise	\$2,278,920	60,882	11%	22%
Jewellery	\$1,896,196	31,095	9%	11%
Artefacts	\$1,772,558	7,090	9%	3%
Books/cards/paper	\$1,651,703	44,606	8%	16%
Homewares	\$1,199,423	12,889	6%	5%
Culture	\$ 983,355	3,660	5%	1%
Materials	\$ 807,010	13,016	4%	5%
Painted/printed objects	\$ 713,397	6,218	4%	2%
Craft	\$ 641,708	7,003	3%	2%
Workshops	\$ 609,867	2,827	3%	1%
Baskets/weaving	\$ 476,814	6,620	2%	2%
Bush Medicine	\$ 325,584	10,091	2%	4%
TOTALS	\$20,252,097	281,799		

The Aboriginal and Torres Strait Islander arts industry is becoming more sophisticated in recording the types of products being produced. The online artwork management tool SAM Platform is also enhancing its ability to record products, stock and sales in response to the growth of products within the industry.

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 803 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	58
2019/20	52
2020/21	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 860 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
2020/21	81

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 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.