

**10 March 2023**

Special Envoy for Southeast Asia  
c/- Southeast Asia Economic Strategy Section  
RG Casey Building, 10 McEwen Crescent  
Barton ACT 2600

### **Southeast Asia Economic Strategy**

Live Performance Australia (LPA) welcomes the opportunity to make a submission to the *Southeast Asia Economic Strategy to 2040* on behalf of Australia's \$4.7 billion live performance industry.<sup>1</sup>

LPA represents commercial and independent producers, music promoters, performing arts companies, venues (performing arts centres, commercial theatres, stadiums and arenas), arts festivals, music festivals and service providers (such as ticketing companies and technical suppliers). LPA's membership covers all performing art forms, companies of all sizes, as well as not-for-profit and commercial entities.

Our Members' connections with Southeast Asia are wide ranging – some tour their productions to Southeast Asia, some collaborate with local companies to create new work, and some are multinational companies with offices in Asia employing local staff.

The government's announcement of the first Special Envoy for Southeast Asia is very welcome and will make an important contribution to Australia's interests in the region. This initiative will continue Australia's long history with Southeast Asia.

Southeast Asia offers Australia's live arts and entertainment companies wide-ranging economic opportunities and creative possibilities. There is a demand and preference for Australian works and skills in the Southeast Asia region. Our industry is seen as an international leader in producing creative works and for its professionalism.

There is also an opportunity to build and deepen meaningful relationships through arts and culture within the Southeast Asian region. The arts can help create connections and support cultural diplomacy. Building on already-existing relationships and fostering new connections will lead to other opportunities for Australia, in terms of tourism, international education, trade and investment.

The existing goodwill between Southeast Asia and Australia offers strong foundations to develop further. Government must take a long-term strategy and investment to fully realise this potential. The live arts and entertainment industry working in tandem with government agencies will be important to this.

Providing the *Southeast Asia Economic Strategy to 2040's* with a scope to support Australia's live arts and entertainment industry expand into markets in the region would also align it with the National Cultural Policy's key pillar for 'Engaging Audiences to ensure our stories reach people at home and abroad' and the Australia Council for the Arts/Creative Australia's International Engagement Strategy 2021-2025. Whole-of-government approach will increase the levels of Australia's arts and cultural exports to the region, achieving the government's cultural diplomacy and economic goals.

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<sup>1</sup> Commonwealth of Australia (2022), *Cultural and creative activity in Australia 2010-11 to 2019-20*, Bureau of Communications and Arts Research, October 2022

## SUMMARY OF LPA REQUESTS

LPA believes the arts and entertainment industry can be a key contributor to the *Southeast Asia Economic Strategy to 2040*, in both economic and cultural terms. This contribution could be maximised with targeted investment aimed at:

1. Creating and building deep relationships between Australian and Southeast Asian companies by:
  - a. Providing **ongoing funding support for Australian companies to regularly attend performing arts markets in Southeast Asia**
  - b. **Sending government delegations and representatives to performing arts markets** to bolster the presence of Australian arts and entertainment companies in attendance
  - c. **Sponsoring existing performing arts markets or arts and entertainment industry gatherings** in the region.
2. Fostering collaboration between Australian and Southeast Asian companies by:
  - a. **Establishing multi-year (2-3 years) seed grants to develop and deliver collaborative projects.** The multi-year timeframe will provide the financial support required to support the long lead times necessary to develop and deliver performances.
3. Capitalising on export opportunities by:
  - a. Increasing the cap for the **Export Market Development Grant** Scheme. Doing so, would support live arts and entertainment companies with their initial entry into Southeast Asian markets and assist with covering costs like freight and travel costs. Increased funding would financially assist the producer over a longer period, growing their reputation with local companies, as reliable and valued collaborator.
  - b. Resinstate the Australia Council's **International Market Development** programs.
  - c. **Embedding cultural exports as a priority within Austrade.**, Doing so would align with a key pillar in the whole-of-government National Cultural Policy - 'Engaging Audiences to ensure our stories reach people at home and abroad'.

Once again, we thank you for the opportunity to present this submission for consideration in the *Southeast Asia Economic Strategy to 2040*. Should you have any queries regarding the information provided, please do not hesitate to contact Kim Tran via email or telephone.

Yours sincerely,



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## ABOUT LPA

LPA is the peak body for Australia's live arts and entertainment industry. Established over 100 years ago in 1917 and registered as an employers' organisation under the *Fair Work (Registered Organisations) Act 2009*, LPA has almost 400 Members nationally. We represent commercial and independent producers, music promoters, performing arts companies, venues (performing arts centres, commercial theatres, stadiums and arenas), arts festivals, music festivals and service providers (such as ticketing companies and technical suppliers). Our membership spans from small-medium and not-for-profit organisations to large commercial entities.

LPA has a clear mandate to advocate for and support policy decisions that benefit the sustainability and growth of the live performance industry in Australia.

## LPA SUBMISSION

# Southeast Asia Economic Strategy to 2040

## 1. CHALLENGES

### Differing Economic Levels in the Region

The Southeast Asia region is diverse, made up of countries with linguistic, cultural, regulatory, and economic differences. LPA Members that produce events in the region have underscored the varying economic, infrastructure and English language levels are key determinants to where they pursue opportunities. Australian works are expensive to export and produce, which creates a financial risk for producers. As such, certain countries provide a stronger market for Australian producers than others.

Singapore is traditionally held up as a successful market, especially for young people's theatre. Singapore has higher average incomes compared to other countries in Southeast Asia. This provides a larger audience pool with the purchasing power to attend Australian produced (or co-produced) works. The cultural infrastructure is of a world standard. The Singaporean government is a strong supporter of arts and culture and provides a certain level of ease for international producers to access. English is widely spoken, which makes Australian works linguistically accessible to most Singaporeans.

However, socio-economic, and regulatory conditions are not uniform across the region. Apart from Singapore, most of the economies are still developing, with comparatively low average monthly salaries ranging between US\$900 (Malaysia) to US\$300 (Philippines) and little capacity for government to invest in arts and culture.

This brings a set of critical challenges for Australian companies looking to produce work in Southeast Asia. Australian producers are faced with limited number of markets in the region that can generate sufficient ticket sales and provide suitable infrastructure to generate the financial returns required or provide the levels of investment needed to physically export and produce performances in Southeast Asia.

For this reason, some of our Members preference exploring opportunities in South Korea, Japan, Hong Kong and China because those economies are more advanced than most Southeast Asian countries. Geo-political and environmental (e.g. impact of natural disasters) factors are also key considerations about whether these opportunities are pursued.

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## 2. OPPORTUNITIES

### Building Local Skills and Capacity

In Southeast Asia, Australian producers have a long reputation as highly trained and skilled, while certain technical skillsets in these local markets are not as developed. This gap produces continuing demand for Australian technical expertise (eg sound and lighting technicians, producers, stage management, creatives, precinct-making expertise) in Southeast Asia's live arts and entertainment sectors.

Through these opportunities others can follow, such as:

- Train local professionals to develop local capacity to host Australian productions, which will reduce costs
- Build local partnerships, providing further market opportunities
- Deepen Australia's reputation and enhance the good will toward Australia, creating a demand for not only arts and cultural exports but other industries, as well.

### Demand for Australian works

Australia is home to world-class theatre companies especially ones that produce works for children, young people, and families. As a result, there is a high demand for Australian works in Southeast Asia and Asia broadly. Examples include Polyglot Theatre touring *Cerita Anak (Child's Story)* (co-created with Indonesia's Papermoon Puppet Theatre) in Singapore and Indonesia, and CDP Theatre Producers touring their play *Meeting Mozart* in China.

Demand for young people's theatre is also driven by parents purchasing tickets for their children. Australian produced performances satisfy an educational need by assisting with a child's English language development. English proficiency can improve a child's career prospects and lead to upward social mobility in adulthood. Some parents in this region may, therefore, prioritise English-language productions ahead of those performed in the local language because of this expectation, if economically viable for them.

Australian companies have a competitive advantage due to their reputation, professionalism and geographic proximity. This presents the government with an existing environment to boost Australia's live arts and entertainment exports into the region. As an LPA Member stated, 'if we don't capitalise, somebody else will.'

### UNESCO Creative Cities Network

The UNESCO Creative Cities Network (UCCN) was created in 2004 to promote cooperation with and among cities that identify creativity as a strategic factor for sustainable urban development. UCCN has become a successful way for international cities to exchange information and develop creative international and domestic strategies.

Coming out of the UCCN, the Asia-Pacific Creative Cities Conference was formed to provide the region's creative cities with its own meeting to discuss, exchange ideas and collaborate. The first event in 2019 was hosted in Adelaide with many bilateral agreements and initiatives coming out of the Conference.

Due to the disruptions from COVID-19, a follow-up Conference has not been convened. Consequently, government support and resources would be valuable in organising a follow-up Asia-Pacific Creative Cities Conference to help foster bilateral opportunities and deepen relationships in the Asia-Pacific which

encompasses the Southeast Asian region. This would not only benefit Australian live arts and entertainment companies but also deepen cultural exchanges with the region.

### 3. RECOMMENDATIONS

#### Creating and building deep relationships

**Recommendation:**

- Provide ongoing funding for Australian companies to attend performing arts markets in Southeast Asia.
- Send government delegations or representatives to performing arts markets.
- Australian government agencies to sponsor arts markets or industry gatherings in the region.

LPA Members that produce works in the region acknowledge the necessity to attend performing arts markets in Southeast Asia.<sup>2</sup> Without attending these forums, Australian companies find it difficult to build connections with local collaborators, which is crucial for exporting their works into the region or for creating new work altogether.

Ultimately, international performing arts markets are critical for:

- Developing international networks and partnerships – these provide opportunities for participants to develop supportive relationships with international colleagues & partnerships with like-minded international organisations
- Connecting tour-ready Australian work to potential local buyers (programmers) & collaborators
- Introducing Australian producers/artists, projects in development and project concepts to potential local partners
- Delivering professional development opportunities for both presenters and producers that supports local sector development.

The economic and cultural benefits of performing arts markets are realised with regular attendances. Frequent attendance deepens and diversifies creative connections, generating market opportunities for the company. Yet, attendance is costly for small-to-medium size live arts and entertainment companies, especially after the pandemic. This has been a key impediment for companies with aspirations to tour performances in Southeast Asia.

The presence of an official Australian delegation or representatives at an arts market or industry gathering is also advantageous for Australian companies. Government representation strengthens industry presence. Attendance of a government delegation or representatives can also help provide industry with access to local government or local authorities, helping to build connections with key decision-makers.

Therefore, we recommend the Australian government:

- Provide **ongoing funding support for Australian companies to regularly attend performing arts markets in Southeast Asia**

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<sup>2</sup> Performing arts markets are similar to trade fairs. They provide opportunities for performing arts companies to showcase new work, network with other industry practitioners and build new connections.

- **Send government delegations or representatives to performing arts markets** to bolster the presence of Australian arts and entertainment companies in attendance
- **Sponsor existing performing arts markets or arts and entertainment industry gatherings** in the region.

## Fostering collaboration

### Recommendation:

- Establish multi-year seed grants to support development and delivery of collaborative projects between Australian and local producers.

Australian and local Southeast Asian companies and creatives also require economic support to develop and deliver collaborative works. Companies acknowledge relationships sparked from performing arts markets and industry gatherings do not move forward because of financial constraints and long lead times required to produce works.

Companies, therefore, require seed funding with a multi-year time frame for Australian producers and local companies to successfully develop and deliver productions to local audiences. Multi-year funding will provide Australian companies a sustained competitive advantage and the confidence to deliver content to the Southeast Asian market.

We recommend the Australian government support live arts and entertainment companies with:

- **Establish multi-year (2-3 years) seed grants to develop and deliver collaborative projects.** The multi-year timeframe will provide the financial support required to support the long lead times necessary to develop and deliver performances.

## Capitalising on export opportunities

### Recommendation:

- Increase funding caps for the Export Market Development Grant Scheme
- Reinstatement of the Australia Council's international market development programs.
- Embed cultural exports as a priority within Austrade, to align with a key pillar in the whole-of-government National Cultural Policy - 'Engaging Audiences to ensure our stories reach people at home and abroad'.

The costs associated with producing and touring work in Southeast Asia is high. This is a key reason for live arts and entertainment companies choosing not to tour or produce their work in the region. Available funding opportunities for exporting productions is not sufficient. Members note the cap for the Export Market Development Grants Scheme (EMDG) is too low to pursue or fully exploit overseas markets.

The Australia Council previously delivered international market development programs to aid cultural exports. Unfortunately, these funding programs were cut during COVID. However, as international touring opportunities have opened up, support to capitalise on cultural export opportunities have not. Consequently, many Australian companies have stopped pursuing international touring and reciprocal creative exchange

opportunities. The lack of Australian presence in international markets means that competitors from other countries are filling the void. In the longer term, it may be more challenging for Australian companies to compete in these markets.

In addition, Australian Trade and Investment Commission (Austrade) does not prioritise arts and cultural exports. As a result, arts and cultural industry cannot entirely capitalise on Austrade's services and global networks to enter Southeast Asia.

Therefore, we recommend the following:

- **Increase funding caps for the EMDG.** Doing so, would support live arts and entertainment companies with their initial entry into Southeast Asian markets and assist with covering costs like freight and travel costs. Increased funding would financially assist the producer over a longer period, growing their reputation with local companies, as a reliable and valued collaborator.
- **Reinstate the Australia Council's international market development programs** to enable Australian companies to capitalise on cultural exports.
- **Embedding cultural exports as a priority within Austrade.** This would fall in line with the priorities of the National Cultural Policy key pillar of 'Engaging the Audience, to ensure our stories reach people at home and abroad', providing support for companies to successfully take their skills and products to the region's markets.