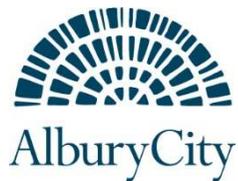


ADDING VALUE!

A report on the economic impact of the cultural infrastructure of the Evocities of NSW



Museums & Galleries of NSW

ACKNOWLEDGEMENTS

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For M&G NSW

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**Internship Social Research Program – Macquarie University*



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Front cover L-R Wagga Wagga Civic Theatre, Albury Library/Museum, Orange Regional Gallery, Western Plains Cultural Centre, Tamworth Town Hall, Australian Fossil and Mineral Museum & Armidale Folk Museum

Dubbo Images: Mark James Photography

All images used by permission

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INTRODUCTION & BACKGROUND

Introduction

- This study examines the economic impact of cultural facilities operated by the *Evocities* of NSW. The *Evocities* are a partnership between Albury City Council, Armidale Dumaresq Council, Bathurst Regional Council, Dubbo City Council, Orange City Council, Tamworth Regional Council and Wagga Wagga City Council.
- The facilities under examination in this study include museums, galleries, theatres, multi-purpose facilities and entertainment centres. The study draws on financial information for the year ending June 2013 only. The impact of libraries is excluded from this report. Information on the impact of local libraries can be found in *Enriching Communities: The Value of Public Libraries in New South Wales*.
- Specifically this report examines the economic impact of the operations of the facilities, capital expenditure related to the facilities, induced expenditure of non-local (tourist) visitation and the return on investment for the facilities. It also examines the impact of employment and volunteering at the facilities, on the local and regional economies.
- This report presents the economic impact generated by all *Evocity* cultural facilities as a combined total. It also includes socio-demographic information on each of the Local Government Areas (LGAs) as well as regional indexes of the *Evocities*. Data has been sourced from the Australian Bureau of Statistic, Tourism Research Australia and information provided by the 26 cultural faculties
- It uses modelling prepared by Western Research Institute (WRI) that was commissioned by Museums & Galleries of NSW (M&G NSW) in consultation with, and on behalf of, the *Evocities*.
- This report uses economic terms to explain the effect and impact of expenditure and income for the 26 cultural facilities located in the *Evocities*. A glossary of terms can be found on pages 11-15.

INTRODUCTION & BACKGROUND

The research partners

- Established in 1998, Museums & Galleries of NSW (M&G NSW) is the lead support organisation for the small to medium museum and gallery sector in NSW. M&G NSW receives core funding from the NSW government through Arts NSW and the Federal government through the Australia Council for the Arts. It partners with Local government for the delivery of a number of funded programs to support the museum and gallery sector and it has five areas of operation. They are: coordination of exhibition touring, the management of devolving monies on behalf of the NSW government, professional and skills development for those who are employed or volunteer in the sector, organisational development and research. Recent research projects include: *Census and Survey of the Museum and Gallery Sector of NSW (2013)*; *Guess Who's Going to the Gallery? - A strategic audience evaluation benchmark study – Queensland State Report (2013)*; *Guess Who's Going to the Gallery? - A strategic audience evaluation benchmark study – NSW State Report (2011)*; *Audience Evaluation for the Biennale of Sydney (2008, 2010, 2012)* and *Value Added! – Economic and social impact of the cultural facilities in Bathurst, Dubbo and Orange (2009)*.
- Western Research Institute (WRI) is a regional development research organisation located in Bathurst, New South Wales. WRI holds a wealth of knowledge on employment, business development and investment issues affecting regional Australia. It has worked with Commonwealth, State and Local governments and industry groups on numerous investment and development programs in regional areas. WRI has strong credentials in business and commercial market consulting and applied economic modelling, including input-output analysis, shift-share, agribusiness and regional socio-economic surveys and analysis.

INTRODUCTION & BACKGROUND

Background

- In 2008, Bathurst Regional Council, Dubbo City Council and Orange City Council commissioned M&G NSW to investigate the economic and social impact of their museums, galleries and theatres. After a tender process, M&G NSW partnered with Western Research Institute to create various models and research instruments to measure this impact.
- The resulting report was titled *Value Added! – The economic and social impact of cultural infrastructure in Central Western NSW* and was launched in 2009. This study showed the positive impact of the cultural facilities (and their related activities) in economic, employment and social terms for the Local Government Area and across the Central West Region. Its key findings included: the creation of an additional 8.5 positions across the Central West region for every 10 full-time (FTE) positions within the facilities; a strong engagement with the local community through volunteering; the contribution of \$14 million to the local regional economy; a “willingness to pay” of over \$1.1 million to maintain current facilities and services as well as a positive contribution to the social capital of the region by helping residents develop connections to community, “sense of place” and the ability to think differently about their communities.
- In 2010 Bathurst Regional Council, Dubbo City Council and Orange City Council partnered with Albury City Council, Armidale Dumaresq Council, Tamworth Regional Council and Wagga Wagga City Council to form the *Evocities* to “encourage people to live, work and invest” ¹ outside the Sydney Metropolitan area.

¹ *Evocities* website - <http://evocities.com.au/about-evocities/>

INTRODUCTION & BACKGROUND

Background *(continued)*

- In 2013, the *Evocities* commissioned Museums & Galleries of NSW (M&G NSW) to undertake a new study to examine the economic impact of their cultural facilities and related activities to build on the results and methodology of the 2009 *Value Added!* study.
- Partnering again with Western Research Institute, M&G NSW consulted on methodology and modelling to measure the economic impact of the operations of the facilities, the economic impact of capital expenditure related to the facilities, the economic impact of non-local (tourist) visitation and the return on investment for the facilities.
- The scope of this study was limited to economic impacts and does not take into account any of the social or artistic benefit that is derived from facility operations and their extensive public programs.

INTRODUCTION & BACKGROUND

Establishing the *Evocities*

- Established with Local, State and Federal government & the private sector funding, the *Evocity* label was applied to seven major regional cities that were identified as having “Energy, Vision and Opportunity”². Each regional centre was selected for the quality of its infrastructure (including health services and internet), business growth, educational facilities, positive population growth, accessible housing and lifestyle amenities, including cultural and sporting facilities.
- Designed to encourage Sydney metropolitan residents to relocate to major regional centres, Albury City Council, Armidale Dumaresq Council, Bathurst Regional Council, Dubbo City Council, Orange City Council, Tamworth Regional Council and Wagga Wagga City Council launched the program in 2010.
- It was promoted not as a “sea-change” or “tree-change” but as a move to a vibrant regional city that offered many benefits and facilities found in the metropolitan area without the “hassle and stress of metropolitan” living. These regional centres offer a strong work/life balance and benefits such as a lower cost of housing and living, strong career and business opportunities and enhanced lifestyle. As an incentive, a \$7,000 relocation grant³ was offered by the NSW Government.
- Since its launch nearly 1,300 households have relocated from Sydney to one of the *Evocities*. Benefits were not only received by those who moved, but also by the cities themselves with a direct boost to the local economy estimated at almost \$95,000 per household.⁴
- In 2013 the NSW Government launched an additional grant program, the *Skilled Regional Relocation Incentive*⁵ to further encourage relocation of skilled workers to Regional NSW.

2) Evocities website - <http://evocities.com.au/about-evocities/>

3) Office of State Revenue website <http://www.osr.nsw.gov.au/grants/rrg/hrb>

4) Evocities Media Release October 2013 <http://www.evocities.com.au/footer/evocities-media-releases/>

5) Office of State Revenue website <http://www.osr.nsw.gov.au/grants/rrg/srri>

INTRODUCTION & BACKGROUND

Demographics of the *Evocities*

- The *Evocities* have similar profiles across a number of key demographics. Further details of these are shown graphically in the charts section of this report (pages 34-42).
- According to Australian Bureau of Statistics (ABS) Community Profiles, using data from the 2011 Census from each Local Government Area (LGA), there were 239,654 people aged 15+ years living in the *Evocities*. The population ranged from a low of 19,508 in the Armidale Dumaresq LGA, to 46,885 in the Wagga Wagga LGA. The average population for the *Evocities* was 34,236, with the median population of people aged 15+ years being 33,319.
- The percentage of males aged 15+ years ranges from 47% in the Armidale LGA and the Dubbo LGA to 50% in the Bathurst LGA. The male population aged 15+ in the other centres is 48%, the same rate as for Regional NSW.
- The reported annual median household income (inflated to 2013 values) ranges from \$51,609 in the Tamworth LGA to \$62,545 in the Orange LGA. The average median household income for the *Evocities* is \$57,889 per annum. This compares to \$51,771 for Regional NSW.
- There are similar levels of post high school education across the *Evocities*. Certificate level training, ranging from 37% in the Armidale Dumaresq LGA to 63% in the Bathurst LGA, is the most commonly cited post high school qualification. This compares with a Regional NSW rate of 53%. Post-graduate degrees range from 14% in the Armidale Dumaresq LGA to 3% in the Dubbo and Tamworth LGAs with the Regional NSW rate being 5%.

INTRODUCTION & BACKGROUND

Demographics of *Evocities* (continued)

- There were similar levels of volunteering in sport, health, arts and culture reported across the *Evocities* ranging from 19% in the Orange LGA to 27% in the Armidale Dumaresq LGA. This compares with a participation rate of 20% for Regional NSW.
- The *Evocities* have similar areas of employment with Health (14%), Retail (12%), Education (11%), Manufacturing (9%) and Public Administration (8%) accounting for over half of the reported employment sectors. Employment within Arts and Recreation is approximately 1% of the workforce. *Nb this is all arts and recreational workers not just those who are employed in the council operated facilities.*
- In the 2011 Census, NSW Regional levels of Language Other than English spoken at home (LOTE) was 5.3%. Identification as an Aboriginal and Torres Strait Islander was 4.6%. Both of these indicators are used as indicators of diversity within the population. Within the *Evocities*, LOTE ranges from 2% in the Tamworth LGA to 6.5% in the Armidale LGA. Those who identify as part of the Aboriginal and Torres Strait Islander communities in the *Evocities* range from 1.7% in the Albury LGA to 10.1% in the Dubbo LGA.



National Motor Racing Museum, Bathurst

INTRODUCTION & BACKGROUND

Glossary and definitions

- **Capital Expenditure** is the purchases of durable investment goods such as dwellings, plant and equipment.
- **Compensation of Employees** (COE) is equal to the wages and salaries of employees plus on-costs (e.g. superannuation and payroll tax). Compensation of Employees is the basis of the Household Income multiplier.
- **Employment** is measured as full-time equivalent (FTE) jobs. $FTE\ employment = \text{Number of full time employees} + \text{Number of part time employees} \times (\text{Hours worked by each part time employee per annum} / \text{Hours worked by a typical full time employee per annum}) + \text{Number of casual employees} \times (\text{Hours worked by each casual employee per annum} / \text{Hours worked by a typical full time employee per annum})$. It was assumed that a typical full time employee works 1,680 hours per annum, based on 35 hour working week and 48 working weeks per annum (taking into account mandatory annual leave of 4 weeks).
- **Economic Impact** is the effect of economic activity in a specified region, caused by a specific business, organisation, policy, program, project, activity, or other economic event.
- **Final consumption expenditure** includes the current expenditure of households, industry and government. It includes purchases of durable and non-durable commodities, except the purchase of dwellings and equipment that are capital in nature. There are two types of final consumption: private final consumption expenditure (PFCE) and government final consumption expenditure (GFCE).
- **Final demand** is the demand for goods and services not used up during the production process. Final demand is the sum of household and government consumption expenditure, capital investment, exports and increases in inventories.

INTRODUCTION & BACKGROUND

Glossary and definitions (continued)

- **Flow-on FTE** represents employment generated in other sectors (i.e. sectors excluding 'Evocities cultural facilities sector') as a result of the functioning of the *Evocity's* cultural facilities. In economies, where sectors are linked, if cultural facilities purchase goods, provide services and employ people, this will impact on other sectors, spur economic activity therein generating additional employment in these other sectors (flow-on employment).
- **Flow-on impacts** is the value of changes in the regional economy in the course of an additional round of spending after the initial impact occurred.
- **Full-time equivalent employment (FTE)** is a measure of the workload of an employed person in a given location that makes workloads comparable across different types of employment (part-time, full-time and casual).
- **Gross Operating Surplus (GOS)** is the excess of gross output over the costs of production, before deducting depreciation, interest and company taxes.
- **Imports** are goods and services purchased from non-local suppliers and may include: competing imports, where there is a domestically produced substitute; and complementary imports, where there is no domestically produced substitute. Note that non-local suppliers are defined as consumers, firms and governments from outside a given area. To illustrate the difference, the purchase of goods from Sydney by a Bathurst business is an import with respect to the Bathurst LGA input-output table, but is not classified as an import in the New South Wales input-output table.
- **Input-output models** rely on inter-industry data to determine how activities in one industry will impact other sectors. In addition, I/O models can be used to estimate the share of each industry's purchases that are supplied by local firms

INTRODUCTION & BACKGROUND

Glossary and definitions (continued)

- **Initial impacts** are the value of the immediate changes in the respective regional economies as a result of the operations and capital expenditure of cultural facilities in each *Evocity* region.
- **Initial impacts – FTE employment** correspond to the number of full, part-time and casual workers employed by cultural facilities in *Evocities* and any additional employment arising from the first round of expenditure in the economy through capital expenditures and visitor expenditures.
- **Initial impacts - Household Income** include wages and salaries, loadings, long service leave and workers compensation paid by facilities in a given *Evocity* to their employees. The figure excludes superannuation as it is not immediately available to the employee.
- **Initial impacts – Output** correspond to the total income of the combined facilities in a given *Evocity*. Income is the value of goods sold and services provided by the cultural facilities.
- **Initial impacts – Value Added** is equal to the total income minus the value of purchases made by cultural facilities (both locally and outside the *Evocity*).
- **Household Income** measures the benefit received by regional households from economic activity. It typically refers to compensation of employees, but can also include income in return for productive activity such as: the gross mixed income of unincorporated enterprises; gross operating surplus on dwellings owned by persons; and property income and transfers receivable such as, social assistance benefits and non-life insurance claims.

INTRODUCTION & BACKGROUND

Glossary and definitions (continued)

- **Intermediate Inputs** are goods or services that are used in the production process.
- **Median** is the point on a scale where by half of the responses are above, and half are below, this point.
- **Median household income** is derived from occupied private dwellings and is drawn from the ABS Community Profiles of the LGAs created from 2011 Census data. It *excludes* households where at least one member aged 15+ did not state an income as well as households where at least one member aged 15+ was temporarily absent on Census Night. It also excludes 'visitors only' and 'other non-classifiable' households.
- **Multiplier** indicates the relative magnitude of the flow-on effects of events compared to the direct effect of the events. It is a summary measure used for estimating the economic impact on an economy caused by a change in the demand for the output of a particular industry or group of industries. The multipliers in this report are for Output, Value Added, Household Income and Employment.
- **Output** is the value of goods /services at the final stage of production, i.e. when they are ready for sale. It may also be seen as being equal to total sales (i.e. quantity sold multiplied by price per unit).
- **Primary Inputs** are inputs into the production process that are not goods or services. Examples of primary inputs include compensation of employees, gross operating surplus, imports and indirect taxes on products and production.

INTRODUCTION & BACKGROUND

Glossary and definitions (continued)

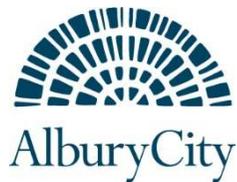
- **Regional NSW** is the area outside the Greater Sydney metropolitan area and includes the Newcastle and Illawarra Regions. The Greater Sydney metropolitan area includes Metropolitan Sydney, Parramatta, Central Coast, the Blue Mountains and Campbelltown areas.
- **Value Added** is the amount by which the value of an article is increased at each step of the production exclusive of its initial costs. By initial costs we mean costs of intermediate inputs, i.e. inputs used in the production process. That is, labour costs (wages, salaries etc) are not included in initial costs. It may also be defined simply as the value of output minus intermediate costs. If we conceptualise a cultural facility as a production unit, the Value Added by the cultural facility will be the value of services provided by the facility (output) minus the costs of purchases used to deliver these services (intermediate inputs), but not labour costs. In a national accounts context, Gross Domestic Product (GDP) consists of the sum of Value Added by all industries. Value Added also pertains to differences between the value of production at various stages of the supply chain.

Value Added Example: Baked Goods

- For example, if the initial cost of the ingredients of a loaf of bread is \$2 and the sale price of the baked bread is \$4, the Value Added by the bread maker is \$2.
- If packaging is the next stage of the production chain, and the sale price of the packed bread is \$5, the Value Added by packaging is \$1 (i.e. \$5 minus \$4).
- Further on, if the price of the bread in a grocery store is \$6, the Value Added at a retail level is \$1 (i.e. \$6 minus \$5).
- The total Value Added across three stages of the production chain for the one loaf of bread is therefore \$4 (i.e. \$2 plus \$1 plus \$1).

ADDING VALUE!

A report on the economic impact of the cultural infrastructure of the Evocities of NSW



L to R: Albury LibraryMuseum, Dubbo Regional Theatre and Convention Centre and New England Regional Gallery

EXECUTIVE SUMMARY

Museums & Galleries of NSW

EXECUTIVE SUMMARY

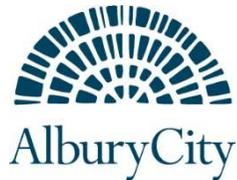
- The *Evocity* concept is a coalition of Albury City Council, Armidale Dumaresq Council, Bathurst Regional Council, Dubbo City Council, Orange City Council, Tamworth Regional Council and Wagga Wagga City Council.
- The 26 facilities under examination include museums, galleries, theatres, multi-purpose facilities and entertainment centres. This study draws on financial information provided by the facilities for the year ending June 2013 and does not include the data or impact of libraries.
- It is acknowledged that the facilities and their related activities generate a number of social benefits such as community cohesion, sense of identity, health and improved educational outcomes. Quantifying these benefits was beyond the scope of this study. However, data and findings from external sources is presented as part of the Appendix of this report.
- This report provides the combined results of the seven *Evocities* as well as indicative indexes derived from grouping of *Evocities* into three regions.
- The study found that:
 - once the flow effects are taken into consideration the facilities provide a positive return on investment from Local, State and Federal government funding.
 - There is a positive economic impact on the local and regional economies from the operations of the facilities, capital expenditure related to the facilities, and non-local (tourist) visitation in the financial year ending June 2013.
 - There is a positive impact on employment and volunteering at the facilities on the local and regional economies

EXECUTIVE SUMMARY

- When **flow on effects** are taken into account, the 26 cultural facilities of the *Evocities* generate:
 - An additional \$23.84 million from an initial impact of \$37.96 million dollars to create **a total of \$61.81 million in goods and services** at the last stage of production where they are ready for consumption. This total derived from operations (\$41.44 million), capital expenditure (\$2.43 million) and the impact of tourist visitation (\$17.93 million).
 - An additional \$10.76 million from an initial impact of \$21.59 million to create a **\$32.35 million in net value that is added to the regional gross economies**. This is derived from operations (\$24.37 million), capital expenditure (\$820,000) and the impact of tourist visitation (\$7.16 million). This represents 0.24% of the combined *Evocities*' gross regional product.
 - An additional \$4.86 million dollars from an initial impact of \$10.54 million to create **\$15.40 million in income to households** across the *Evocities* regions. This is derived from operations (\$11.35 million) capital expenditure(\$420,000) and the impact of tourist visitation (\$3.62 million). This represents 0.24% of regional household income of the combined *Evocities*
 - An additional 8.5 full time equivalent positions for every 10 fulltime equivalent positions. This results in **a total of 293 full time equivalent jobs** which represents 0.27% of the total full time equivalent employment for the seven *Evocities*. This is derived from economic impact of operations (210 FTE), capital expenditure (7 FTE) and the impact of tourist visitation (76 FTE).
 - An average **return on investment** by Local, State and Federal government of 69%.
- **Over 500 volunteers** were engaged across the 26 facilities providing a combined contribution of almost 25,000 working hours conservatively **valued at over \$500,000**.

ADDING VALUE!

A report on the economic impact of the cultural infrastructure of the Evocities of NSW



Capitol Theatre Tamworth.

METHODOLOGY

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of NSW**

METHODOLOGY

Gathering the data

- M&G NSW commissioned Western Research Institute to undertake an input-output analysis to determine the economic impact of operational, capital and induced tourist expenditure of the cultural facilities in the seven *Evocities*.
- Input-output analysis provides a detailed picture of the structure of a regional economy at a point in time and can be used to estimate the contribution or impact of a particular sector of the economy including flow-on effects.
- A survey instrument was created to capture income, expenditure, visitation and employment data from each of the facilities. The facilities were asked to identify whether income, service providers and visitors were from within the local government areas (LGA) or non-local i.e. outside the LGA.
- As far as possible the information collected was analysed and cross checked to minimise the possibility of double counting. This information was used to construct a new sector row and column in the input-output table representing the aggregate operations of the cultural facilities in each LGA.

METHODOLOGY

Gathering the data *(continued)*

- Several cultural facilities provided information related to the acquisition of artworks and artefacts (paintings, books and other artefacts). These acquisitions, valued at over \$900,000 across the 26 facilities, were not considered as capital expenditure as:
 - The value of the artwork / artefact is not typically realised as the cultural facilities acquire them for their collections rather than for resale (i.e. they are not treated as investment or stock assets).
 - Whilst collections are important in attracting visitors to the facilities and their value (material, aesthetic or other) may appreciate over time, these assets themselves do not directly generate any direct income for the facility in the way capital equipment, machine tools etc may

Hence artworks and artefacts are considered as “other assets” rather than capital expenditure and were therefore not modelled as capital expenditure.



L to R: Interior Orange Regional Theatre, exhibition view Orange Regional Gallery and exterior Orange Regional Gallery.

METHODOLOGY

Input-Output tables

Generation of Regional Input-output Tables (GRIT)

- Input-output tables were extracted from the Australian Bureau of Statistics (ABS) 2011-12 national input-output table using the Generation of Regional Input-Output Tables (GRIT) technique. Further detail can be found in Appendix II of this report on GRIT. The GRIT technique derives regional input-output tables from the national input-output table using location quotients and superior data (in this case, information regarding the operations of each of the cultural facilities in the respective *Evocities* as well as regional employment and income data) at various stages in the construction of the tables. The national table was adjusted to represent New South Wales and subsequently the respective *Evocity* LGAs using detailed data from:
 - 2011 Census;
 - 2011-12 National State Accounts for New South Wales (*ABS Cat No 5220.0*);
 - Australian Demographic Statistics (*ABS Cat No 3101.0*);
 - Quarterly data on employment by industry sector (*ABS cat. no. 6291.0.55.003*); and
 - Australian Industry data (*ABS Cat No 8155.0*).
- These tables were then inflated to 2012/13 values.
- Further information on input-output analysis can be found in Appendix II on page 78-81 of this report

METHODOLOGY

Visitor expenditure

- The facilities categorised the number of visitors during the 2012/13 financial year by origin, be it local, from neighbouring LGAs, from elsewhere in Australia or overseas. Information relating to induced tourist expenditure (total tourist expenditure and average trip expenditure) in the respective *Evocity* regions was derived from Tourism Research Australia regional profiles for Central NSW, New England/North West and Riverina. Whilst newer data has since been published by Tourism Research Australia for Local Government Areas, this study uses data for broader tourism regions for analysing impact.
- Visitor numbers were also weighted to obtain an estimate of unique visitation using data held by M&G NSW on cultural visitor behaviour ⁶ as well as examining the geographic location and closeness of facilities in each LGA . Theatre visitation was generally considered to be more unique than gallery and museum visitation. Where facilities were located within close walking distance their visitation was reduced to avoid double counting.
- It should be noted that this weighting is a different method of calculation of unique visitation to that undertaken in the 2009 study as less specific audience data was available at that time. The tourism regions were also redefined by Tourism Research Australia (TRA) in 2010 and this change affected international visitor survey data . As such, direct comparisons are not possible between the two studies on visitor expenditure.

6) *Guess Whose Going to the Gallery ? – NSW State Report 2011*

METHODOLOGY

Visitor expenditure (continued)

- The following assumptions were also applied when calculating visitor expenditure.
 - *Types of visitors.* It was assumed that visitors from neighbouring LGAs are to be classified as day-trip visitors in line with the classification adopted by Tourism Research Australia. It was also assumed that visitors from elsewhere in Australia and overseas are overnight visitors.
 - *Local visitors.* Local visitors to the cultural facilities have been excluded from the estimation of the economic impact. It has been conservatively assumed that any expenditure made by these locals is expenditure switching, whereby money spent associated with attending the facility would have been otherwise spent on another good or service in the region.⁷
 - *Induced expenditure by visitors.* Only visitor expenditure which was a direct result of attendance at one or more of the cultural facilities was included. If the visit to the LGA was primarily for another purpose (visiting friends, family, etc), it was assumed expenditure would occur regardless of the existence of the cultural facilities in the *Evocity* region and as such should not be counted.

7) As argued by Getz, the local expenditure is considered as an internal transfer and is not an incremental benefit to the local economy. Getz, D. Event Tourism: Evaluating the Impacts. In Brent Ritchie, J. R., Goeldner, C. R. *Travel, Tourism and Hospitality Research: A Handbook for Managers and Researchers*, 1994

METHODOLOGY

Impact analysis

Impact Analysis - Data allocation

- The expenditure data of each of the cultural facilities in the *Evocities* was allocated to the appropriate sector for modelling purposes. The detailed ABS Australian and New Zealand Standard Industrial Classification (ANZSIC) was used to find the closest approximation to the expenditure item. The Australian National Accounts Input-Output Product Details was used to allocate the ANZSIC class to the 2008-2009 Input-Output Industry Classification at the 111 sector level. This data was then allocated to WRI's 32 sector classification (refer to Appendix III on page 81).
- Updates to the supplied data were made after consultation with the respective facilities' representatives. Changes to the data included, but were not limited to:
 - changes to the sectors in which purchases were made
 - changes to the location of purchases
 - changes to the location of where income was received and
 - changes to the type of income received.

Marginal coefficients model

- Having investigated the structure of the various regional economies, its economic integration pattern with the rest of NSW and the data provided by managers of each cultural facility, WRI considered the marginal coefficients model as the most appropriate method to use for estimating economic impacts.

METHODOLOGY

Impact analysis (continued)

Industry Significance

- Input-output tables are frequently used to provide estimates of the significance of a particular industry or organisation in terms of its contribution to the economy. This is done by examining the effects of an organisation shutting down and ceasing all economic activities. This method provides an estimate of the level of economic activity that can be attributed to a particular organisation.
- The industry significance approach was used to model the economic impact of operational expenditure by cultural facilities in each *Evocity*.
- Many of the cultural facilities reported operational expenditure (the value of purchases and compensation of employees) which exceeded income in the 2012/13 financial year. To cover this shortfall most of the facilities receive local government subsidies. The value of this subsidy was then included in the modelling of economic impacts.

METHODOLOGY

Impact analysis *(continued)*

Final Demand Impacts

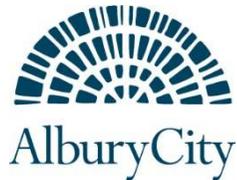
- The final demand impact analysis calculates the impacts (measured by Value Added, household income and employment) across all sectors in response to changes in industry final demands. The final demand approach was used to model the economic impacts of capital expenditure made by cultural facilities, as well as the economic impacts of induced expenditure by visitors to *Evocity* regions.

Reporting Economic Impacts

- Modelling was undertaken for each *Evocity* region and then a combined economic impact of cultural facilities in all *Evocities* was produced by aggregating the individual impacts.
- The economic impact of the cultural facilities in each *Evocity* region has been reported as a sum of:
 - *Initial impacts*: defined as the value of the immediate changes in the respective regional economies as a result of the operations and capital expenditure of cultural facilities in each *Evocity* region. For each *Evocity* region the initial impacts generated by the model will differ slightly from the financial data supplied as capital expenditure has been incorporated
 - *Flow-on impacts*: defined as the value of changes in the regional economy in the course of an additional round of spending after the initial impact occurred.

ADDING VALUE!

A report on the economic impact of the cultural infrastructure of the Evocities of NSW



L to R: Albury Entertainment Centre, Australian Fossil and Mineral Museum (Bathurst)
National Glass Gallery (Wagga Wagga) and Armidale Folk Museum

RESULTS AND CHARTS

**Museums
& Galleries
of NSW**

RESULTS & CHARTS

Limitations

- It should be noted that this assessment of the economic impact of the cultural facilities in *Evocities* has relied solely on data supplied by each facility. Secondary data sources were not considered.
- No allowance has been made for the contribution of the cultural facilities to the social and cultural base of the regional community. Social and other intangible benefits associated with the operation of the cultural facilities were not modelled or examined in this report.
- The economic significance of the collections of artworks held by the cultural facilities in *Evocities* and their impact on the local economies has also not been examined in this study.
- Taking into account the fact that unpaid volunteers comprise a sizeable proportion of labour input to cultural facilities in *Evocities*, the volunteer data has only been examined in relationship to its contribution in unpaid (saved) wages. The economic impacts that could result from volunteer work, however, were not modelled.
- The variations in the size of impacts reported across *Evocities* are a direct consequence of the variation in the level and composition of income, expenditure and employment data supplied by the respective cultural facilities. The variations in the size of flow-on impacts are a result of varying levels of Gross Operating Surplus (GOS) and the size of multipliers.

RESULTS & CHARTS

Limitations (continued)

- Multipliers provide a measure of the size of flow-on impacts relative to the size of initial impacts. Some *Evocities* reported a large gross operating surplus (GOS) which has resulted in lower multiplier effects (flow-ons) within the local and NSW economies.
- With regard to the overall size of impacts across *Evocities*, these were affected by the expenditure patterns of the facilities. For example, where a larger proportion of operational expenditure was in the construction sector, a higher multiplier effect (flow on) was typically generated for a given level of expenditure. The construction sector typically produces larger multiplier effects (flow-ons) in the economy. The opposite holds, when a large proportion of operational expenditure was made in the arts and recreation sector. Consequently, the impacts generated by individual *Evocities* were substantially larger than for others.



L to R: Western Plains Cultural Centre, Bathurst Regional Gallery and Tamworth Powerstation Museum .

RESULTS & CHARTS

Results

Economic impacts of programs and operations

- When flow-on effects are taken into account, the economic impacts due to the operations of the 26 facility in the *Evocities*, is modelled to generate:
 - \$41.44 million in output
 - \$24.37 million in Value Added (gross regional product)
 - \$11.35 million in household income
 - 210 full-time equivalent (FTE) jobs.

Capital Expenditure

- When flow-on effects are taken into account the combined capital expenditure made by 26 cultural facilities in the *Evocities* is modelled to generate:
 - \$2.43 million in output
 - \$0.82 million in Value Added (gross regional product)
 - \$0.42 million in household income
 - 7 full-time equivalent (FTE) jobs.

RESULTS & CHARTS

Results (continued)

Economic Impact of Visitation.

- When flow-on effects are taken into account, the combined induced expenditure by visitors to the 26 cultural facilities in the *Evocities* is modelled to generate:
 - \$17.93 million in output
 - \$7.16 million in Value Added (gross regional product)
 - \$3.62 million in household income
 - 76 full-time equivalent (FTE) jobs.

Combined Economic Impact of Cultural Facilities in *Evocities*

- The total economic impact from the 26 cultural facilities in the *Evocities* (including impacts due to facilities operation, capital expenditure and induced expenditure by visitors) is modelled to generate:
 - \$61.80 million in output
 - \$32.35 million in Value Added (gross regional product), representing 0.24% of the gross regional product of the combined *Evocities*
 - \$15.40 million in household income, representing 0.24% of regional household income of the combined *Evocities*
 - 293 full-time equivalent (FTE) jobs, representing 0.27% of total full-time equivalent employment in the combined *Evocities*.

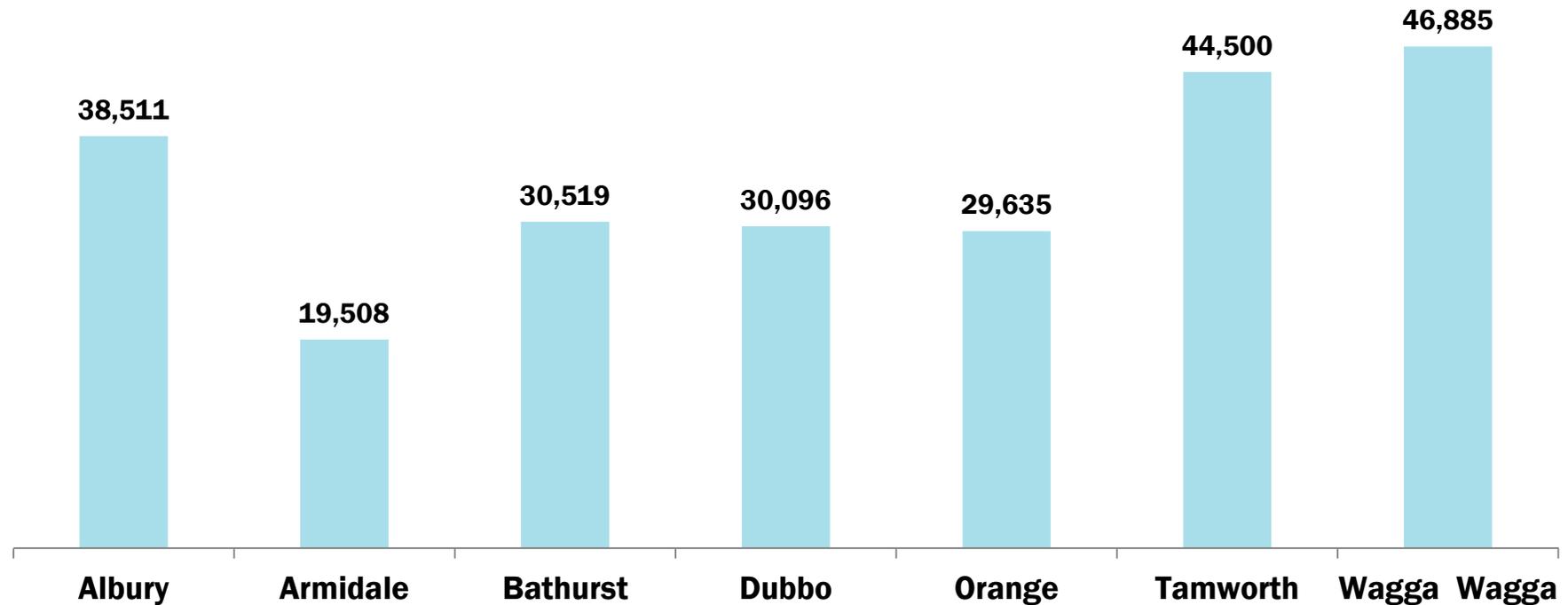
RESULTS & CHARTS

A note on reading charts

- Figures are shown as a number, percentage (%) or dollar amount (\$).
- Where a percentage label is small, i.e. less than 5%, it may be omitted from the chart for ease of reading.
- Whole number rounding error may account for when charts do not add to exactly 100% (e.g.: 101% or 99%).
- ABS data is sourced from the Community Profile for each of the Local Government Areas and is drawn from the 2011 Census.
- All population data has been rebased to 15+ unless otherwise noted.
- Where data has been combined it is referred to as an index and as such may only be regarded as indicative.

DEMOGRAPHICS

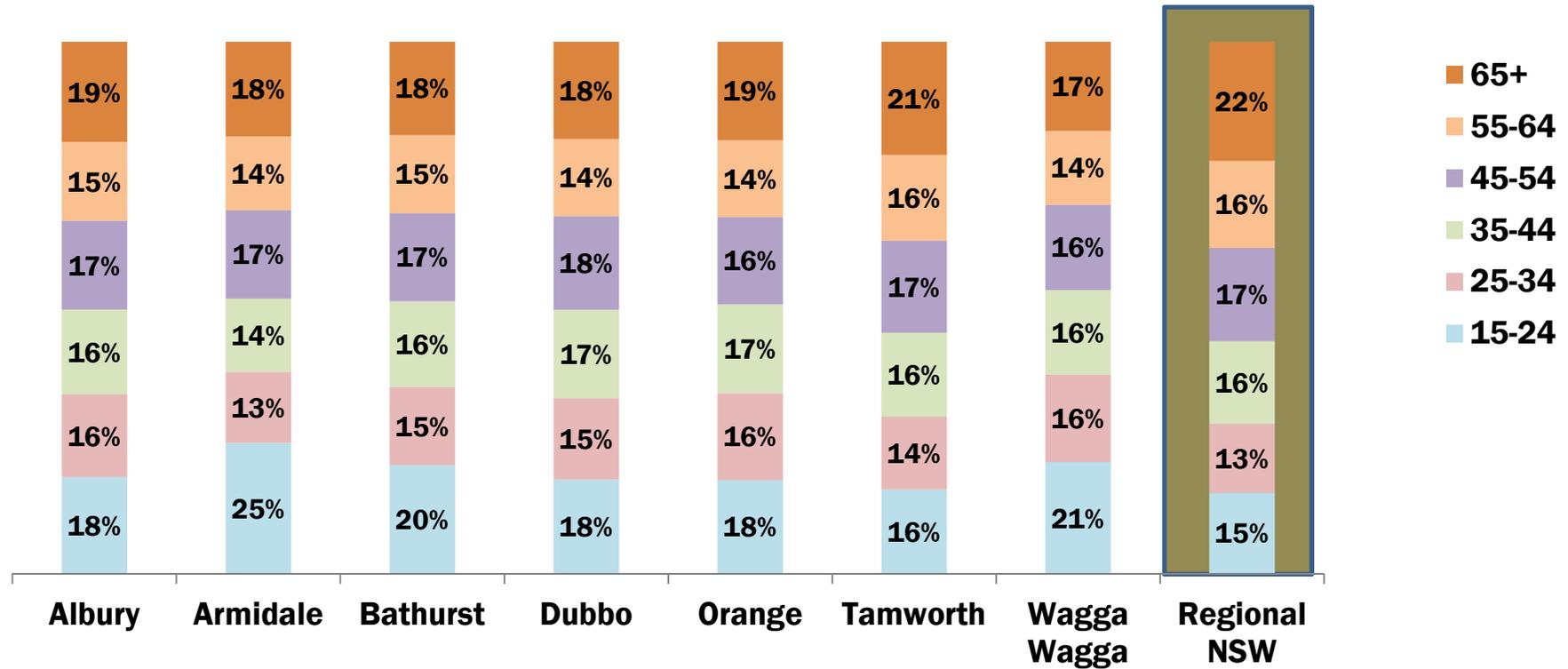
Total Population (15+)



- Wagga Wagga LGA is the most populous *Evocity* with more than 46,000 people aged 15+
- Armidale Dumaresq LGA is the least populous *Evocity* with just under 20,000 aged 15 +
- The *Evocities* have a similar gender distribution ranging from 47% males in Dubbo LGA to 50% males in Bathurst LGA which compares with the Regional NSW distribution (48%) (*not shown*)

DEMOGRAPHICS

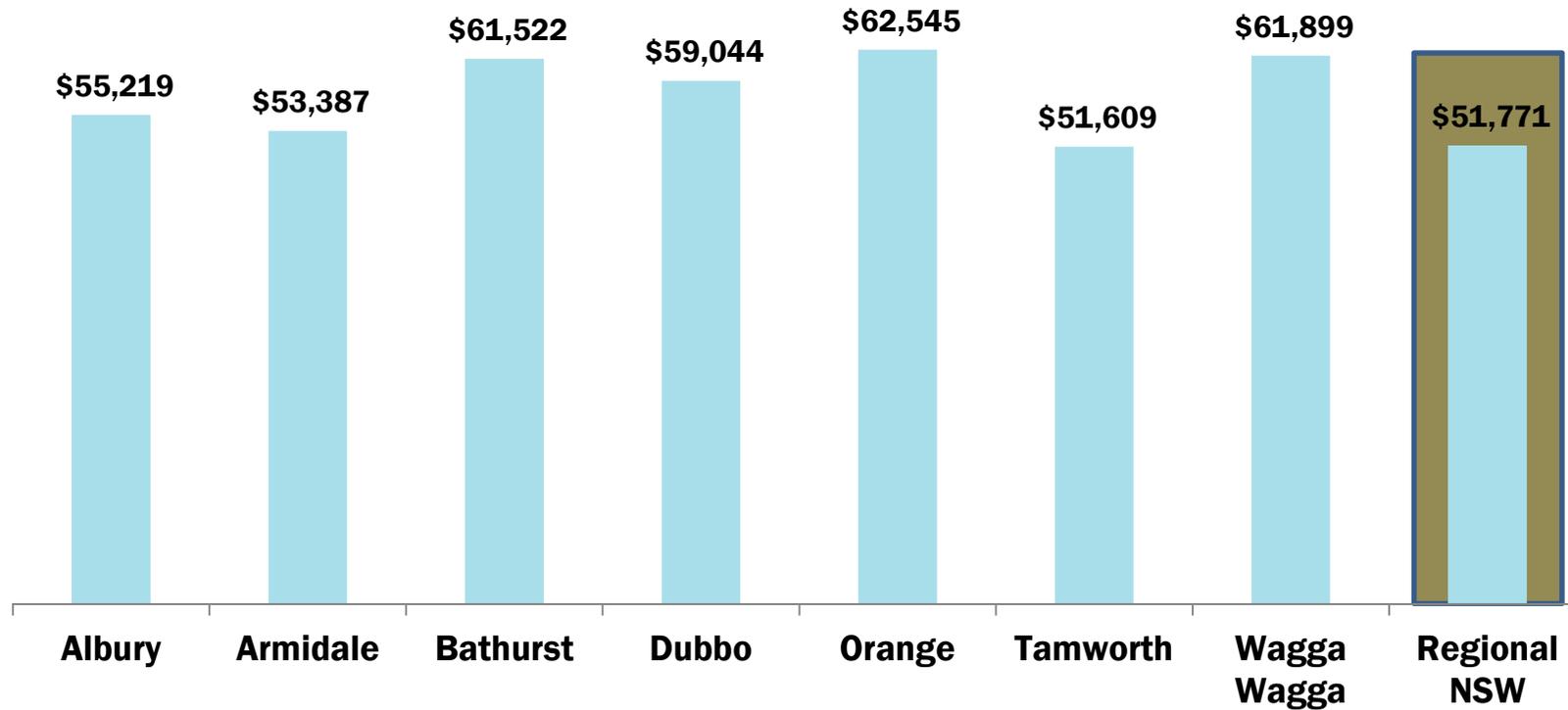
Age Distribution



- The *Evocities* have a similar distribution of age groups
- The *Evocities* skew younger when compared to the Regional NSW Index
- The 15-24 age group is represented more strongly in Armidale Dumaresq LGA, while the 55+ is more strongly represented in Tamworth LGA
- There are generally fewer 65+ people residing in *Evocities* when compared with the Regional NSW Index

DEMOGRAPHICS

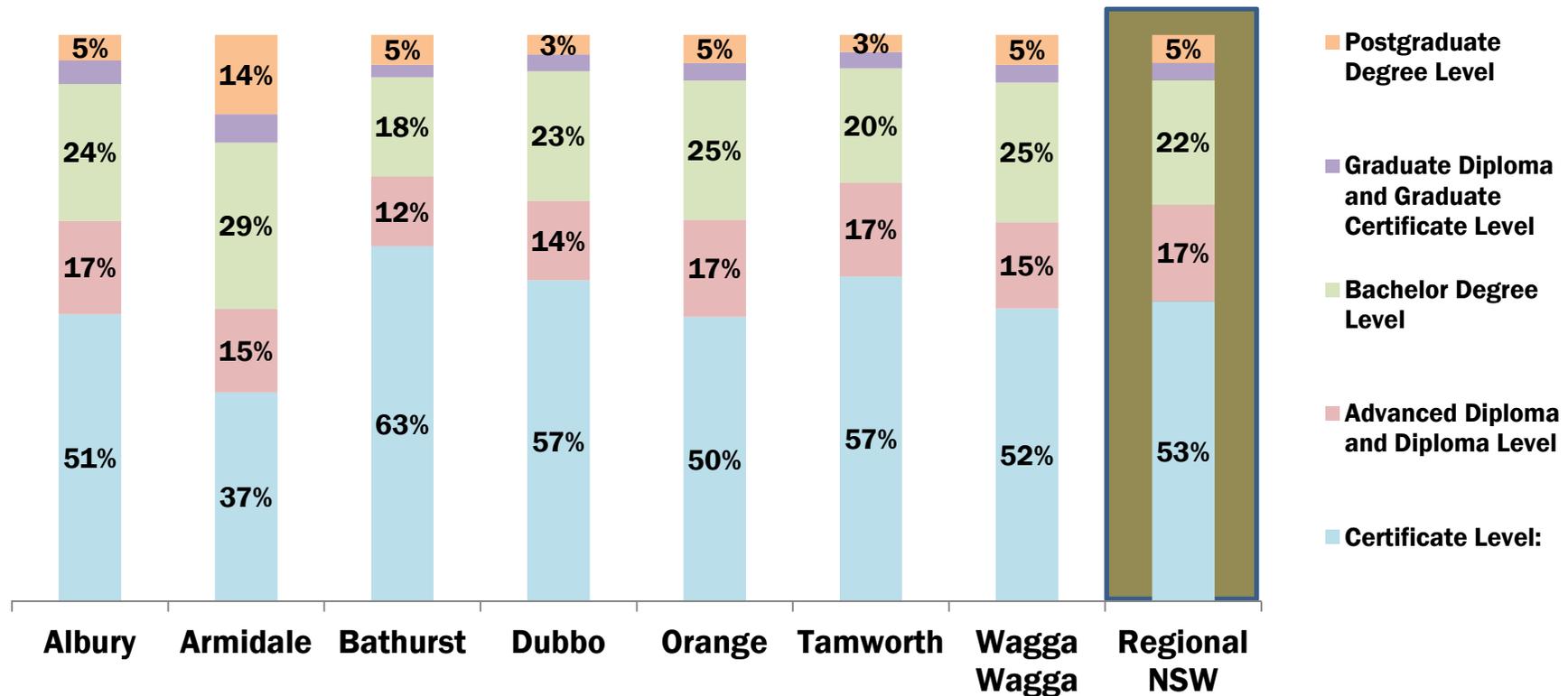
Median Household Income



- *Evocity* median household income ranges between \$51,000 and \$63,000
- All of the *Evocities*, apart from Tamworth LGA, have a higher median household income than the Regional NSW Index

DEMOGRAPHICS

Post High School Education

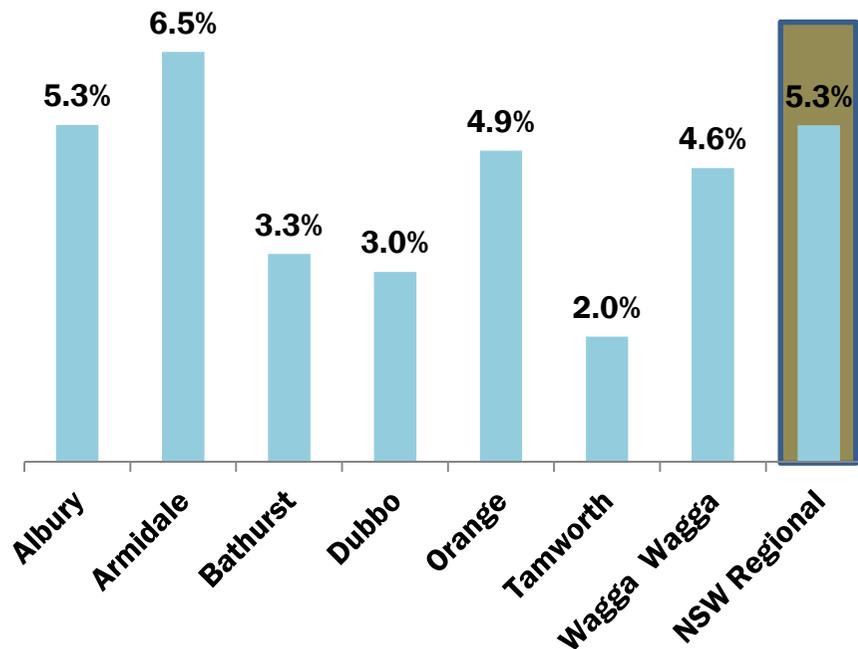


- Certificate level training is the most common post high school qualification in both the *Evocities* and Regional NSW
- A Batchelor degree is the second most common post high school qualification in both the *Evocities* and Regional NSW
- Armidale Dumaresq LGA reports the highest level of post graduate qualifications with Bathurst LGA reporting the highest rate of certificate level qualifications

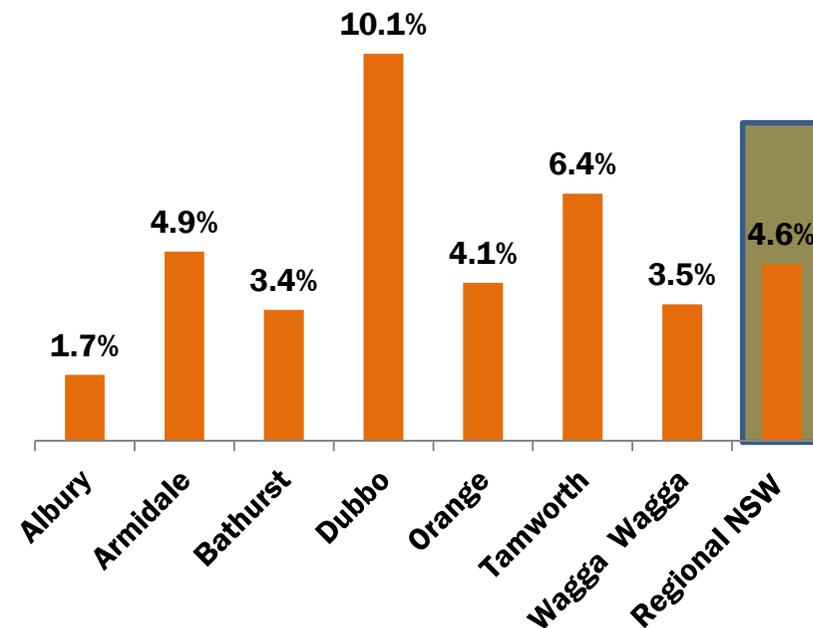
DEMOGRAPHICS

Community Diversity

Language other than English (LOTE)



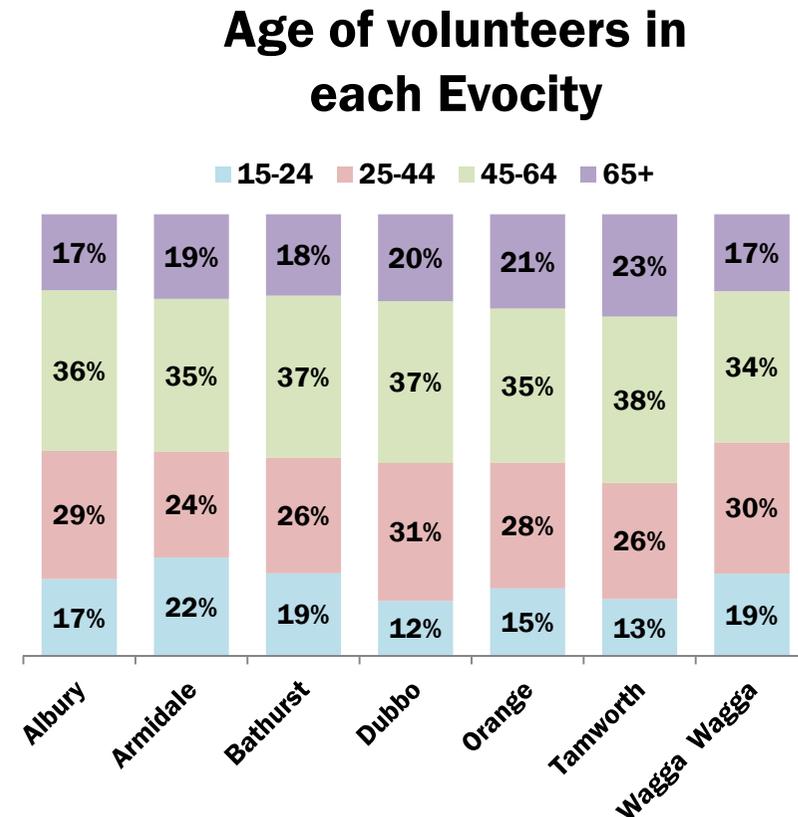
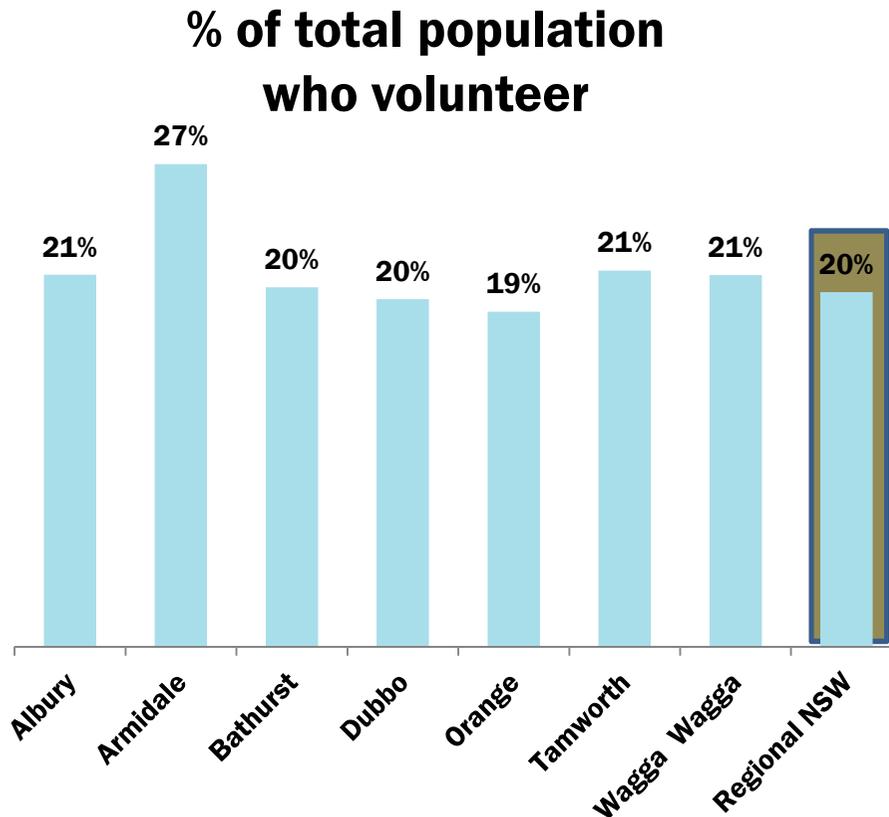
Aboriginal and Torres Strait Islander



- Language other than English Spoken at Home (LOTE) and Aboriginal Torres Strait Islanders(ATSI) are indicators of a culturally diverse community
- The NSW State LOTE rate (including Sydney) for the whole population is 27.5% where as the Regional NSW index for the whole population is 5.5%
- The percentage of the population (+15 yrs) who identify as ATSI is 2.5% where as the Regional NSW (15+) index rate is 4.6%

DEMOGRAPHICS

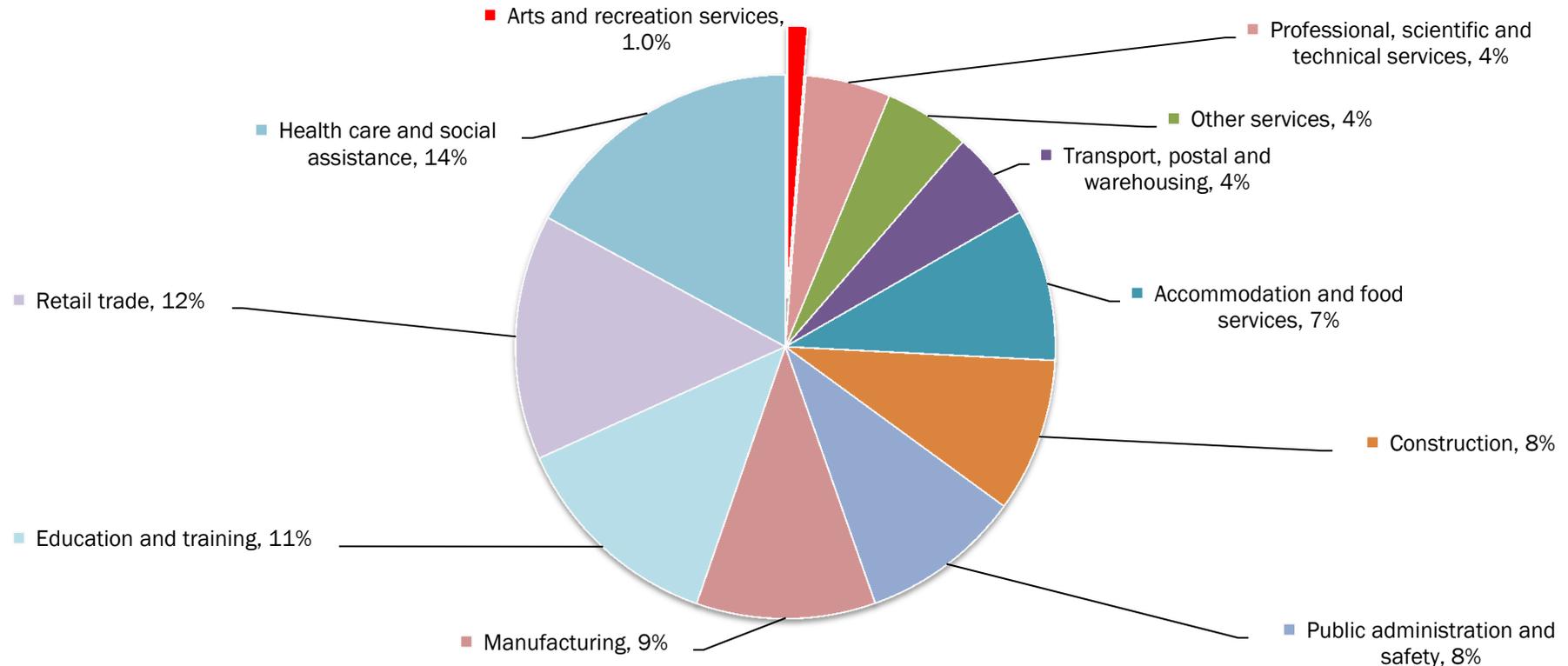
Volunteering



- The *Evocities* have a similar percentage of the total population who volunteer in the community. This includes volunteering for sport, health services, arts and culture
- Armidale Dumaresq LGA has the highest rate of volunteering at 27%, while Orange LGA has the lowest (19%.)
- This compares to the NSW Regional index average for volunteering of 20%
- The most common volunteering age group is 45-64
- The *Evocities* have a similar distribution of volunteering in each age group

DEMOGRAPHICS

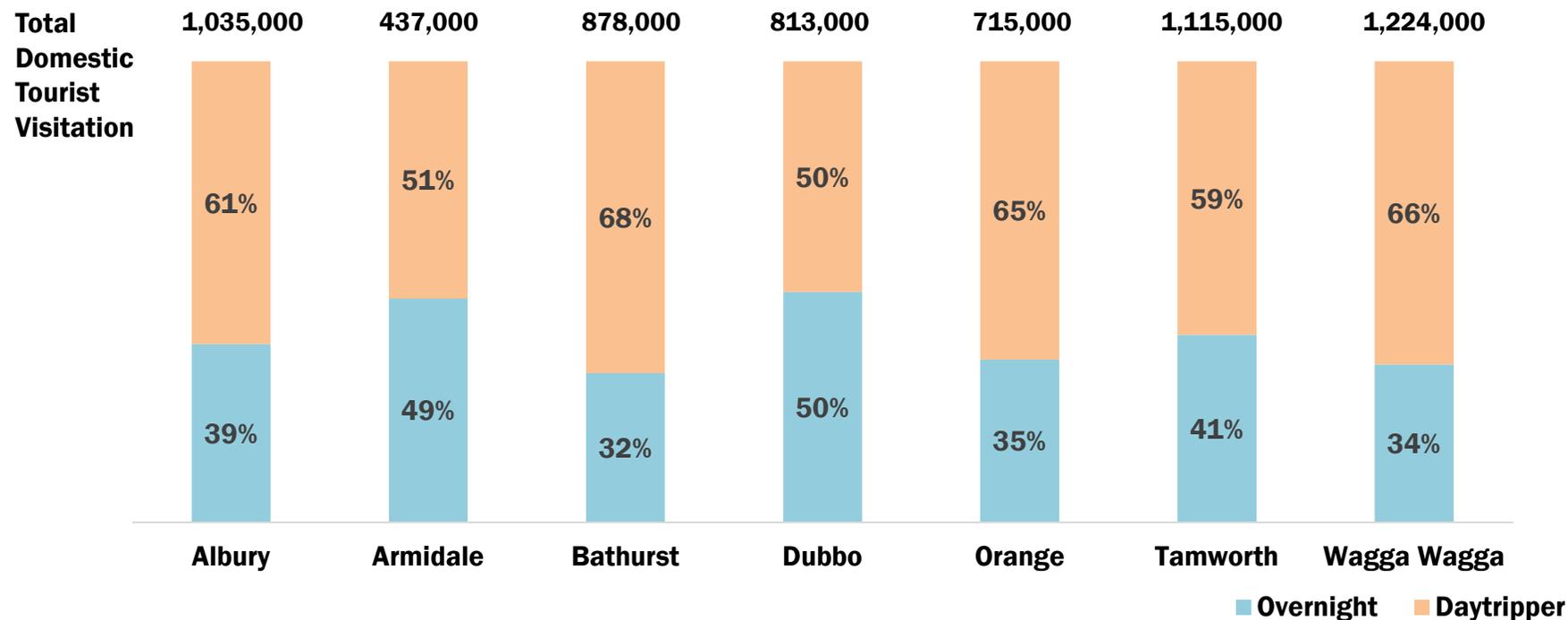
Employment by sector (Top 10 + Arts)



- Health(14%), Retail(12%) and Education(11%) are the three largest areas of employment in the *Evocities*
- This compares to the three largest areas of employment in Regional NSW: Health(14%), Retail(12%) and Education(9%)
- In the 2011 Census 1,372 people were identified in the *Evocities* as working in the Arts and Recreational sector. This make it one of the smallest employers in *Evocities* at 1%. This rate is consistent with Regional NSW

DEMOGRAPHICS

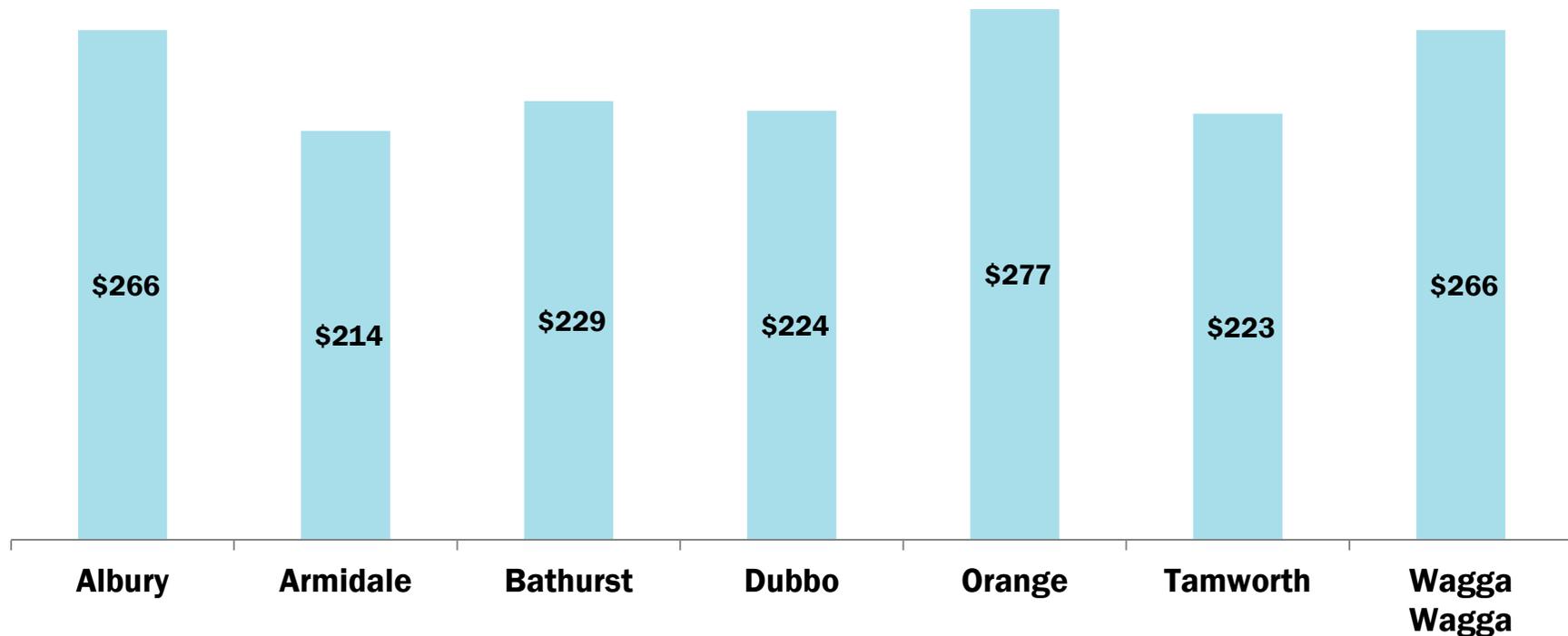
Domestic Tourist Visitation



- Domestic tourist visitation is categorised as non-resident day-trippers and overnight visitors from within Australia
- Domestic tourist visitation ranges from a per annum average of 437,000 in Armidale LGA to 1,224,000 domestic visitors in Wagga Wagga LGA
- Bathurst LGA has the lowest percentage of overnight visitors (32%) with Dubbo LGA having the highest percentage of overnight visitors at 50%
- *Nb these visitation figures are derived from a four year average and filtered by LGA not tourism region*

DEMOGRAPHICS

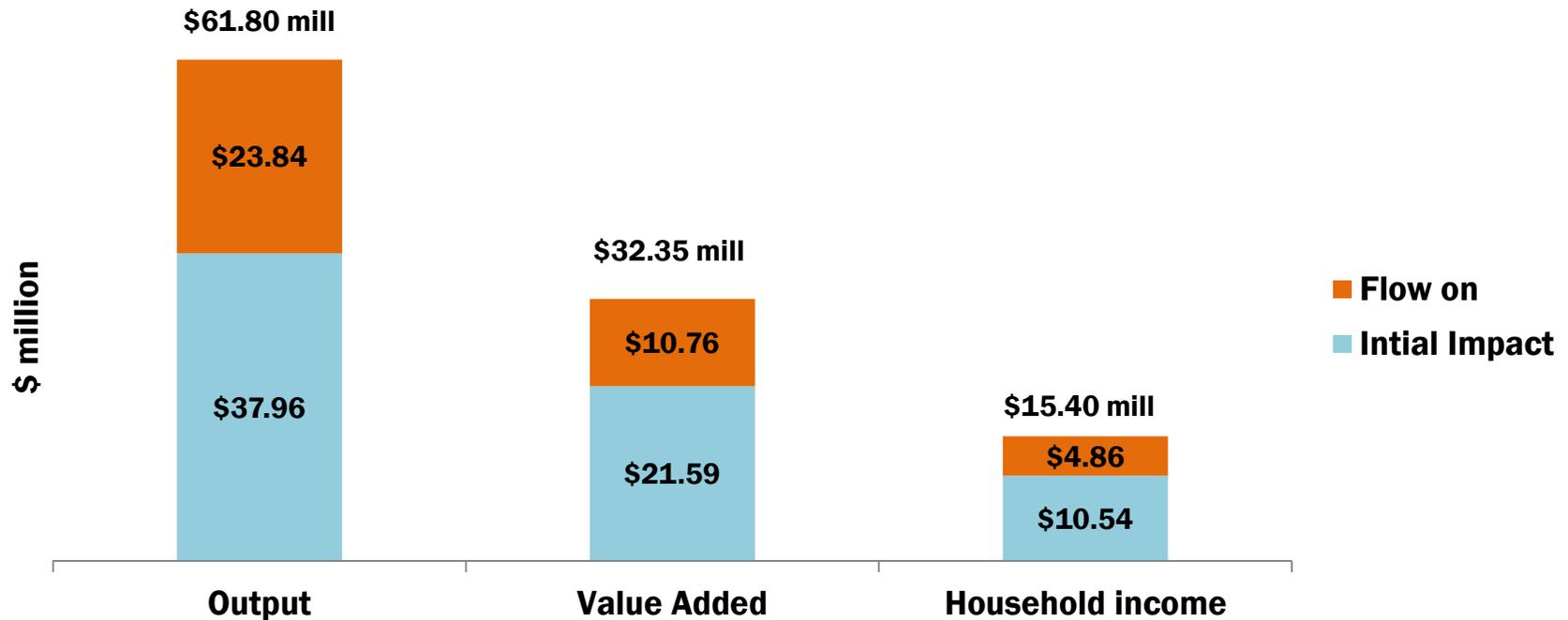
Average Domestic Visitor Spend



- All the Evocities have a spend of over \$200 per domestic visitor across their stay
- Armidale LGA has the lowest spend of \$214 per domestic visitor with Orange LGA having the highest spend of \$277 per domestic visitor
- *Nb these visitation figures are drawn from Tourism Research Australia (TRA) breakdowns per LGA and are a four year average. This data was not available at the time the calculations undertaken by WRI on visitor impact who used the regional visitor spend in their calculations.*

RESULTS

Total economic impact of facilities



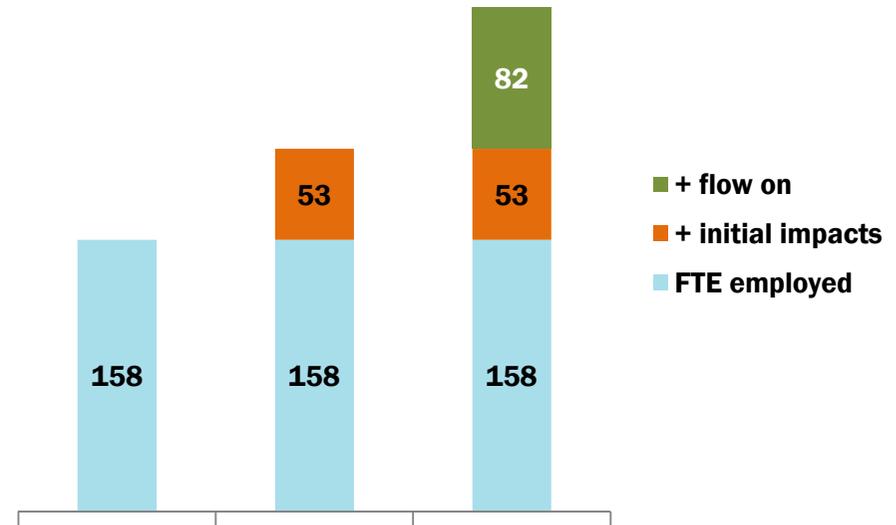
- Combined, the cultural facilities from the seven *Evocities* generate a total of \$61.80 million in output or goods and services available for sale
- They also generate \$32.35 million in Gross Regional Product (GRP), representing 0.24% of the GRP for the combined *Evocities*
- A further \$15.40 million is generated in household income. This represents 0.24% Regional Household Income for the combined *Evocities*

RESULTS

Employment



Total number of full time equivalent positions

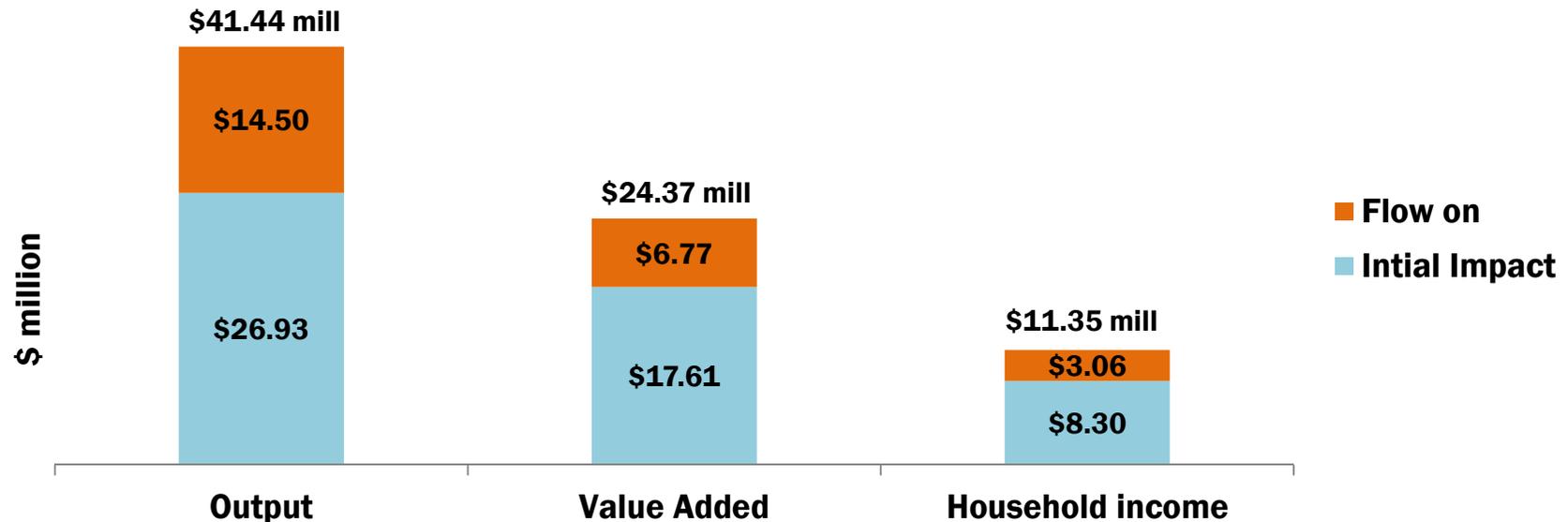


Total number of full time equivalent positions from initial impacts and flow ons

- In 2012/13 there were 158 FTE positions existing in the cultural facilities. Once initial impacts and flow-ons from operations, capital expenditure and expenditure from tourism are included, an additional 135 positions were created resulting in total of 293 full time equivalent (FTE) positions. Looked at this way – for every 10 current positions an additional 8.5 positions are created through impacts and flow-on
- Looking at the effect of flow-ons alone: 1 FTE position is created outside the cultural facilities for every 3 FTE positions within the cultural facilities during initial impact

RESULTS

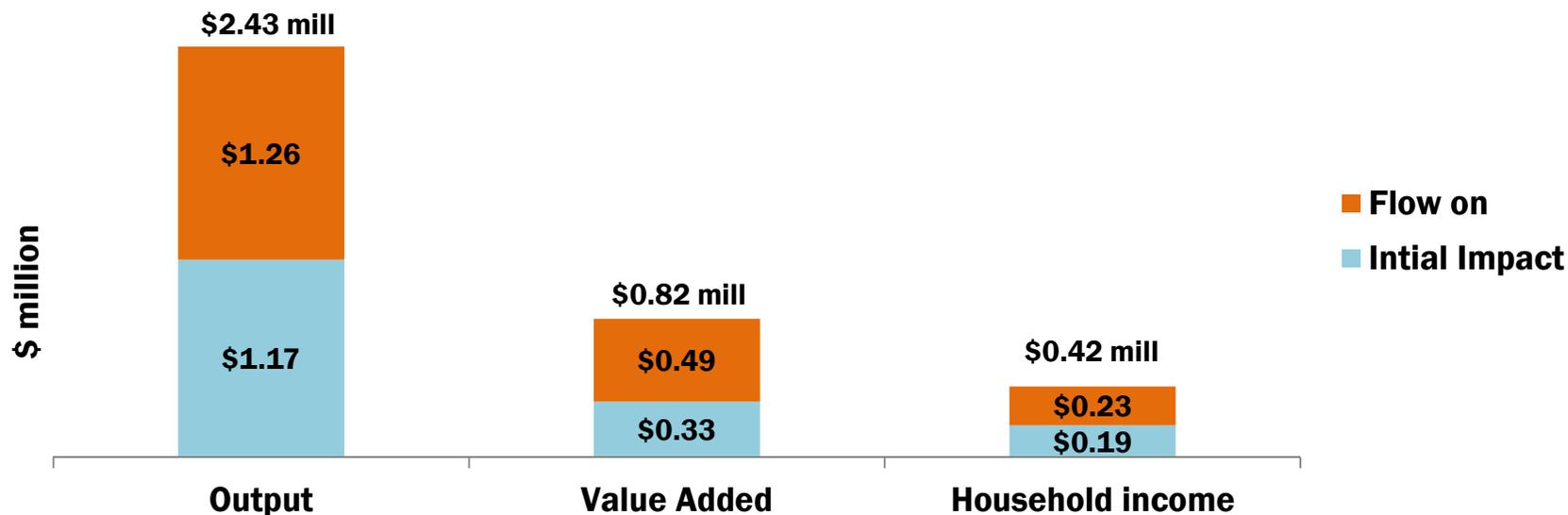
Economic significance of facility operations



- Programs and operations of the combined facilities of the seven *Evocities* have an initial impact of \$26.93 million dollars. From this an additional \$14.50 million is generated in the combined economies totalling an impact of \$41.44 million from Output alone
- The Value Added from programs and operations of the combined facilities of the seven *Evocities* has an initial impact of \$17.61 million dollars. From this, an additional \$6.77 million is generated in the combined economies totalling \$24.37 million.
- Household income from programs and operations of the combined facilities of the seven *Evocities* has an initial impact of \$8.3 million dollars. From this an additional \$3.06 million is generated in the combined economies totalling \$11.35 million.

RESULTS

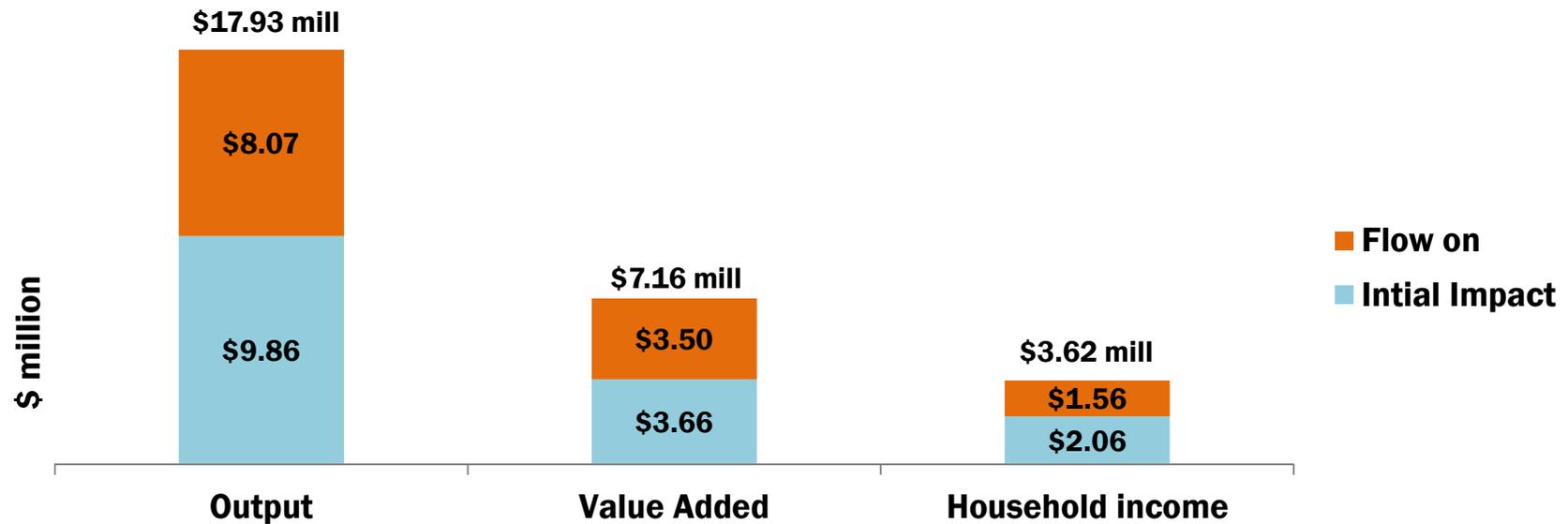
Impacts of capital expenditure



- Combined capital expenditure of *Evocity* cultural facilities had an initial impact of \$1.17 million. From this an additional \$1.26 million was generated in the combined economies, totalling an impact of \$2.43 million from capital expenditure alone
- The Value Add from the combined capital expenditure of the facilities of the seven *Evocities* had an initial impact of \$330,000. This generated an additional \$490,000 in the combined economies totalling \$820,000
- The household income from the combined capital of *Evocity* cultural facilities had an initial impact of \$190,000. This generated an additional \$230,000 in the combined economies totalling an impact of \$420,000 from capital expenditure

RESULTS

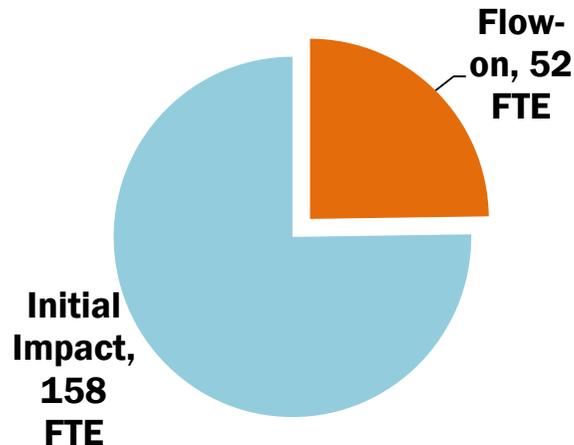
Impacts of tourist visitation to facilities



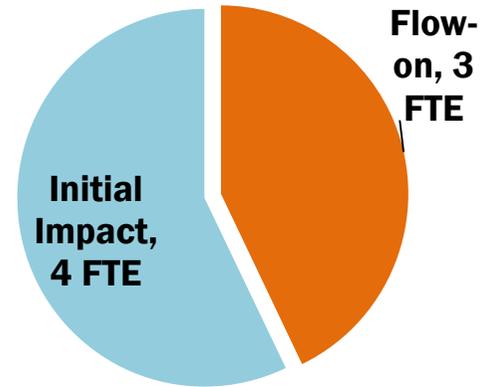
- Induced expenditure of tourist visitation to *Evocity* cultural facilities had an initial impact of \$9.86 million. This generated an additional \$8.07 million in the combined economies, totalling \$17.93 million from induced tourist expenditure
- The Value Add from tourist visitation to *Evocity* cultural facilities had an initial impact of \$3.66 million. This generated an additional \$3.5 million in the combined economies, totalling \$7.16 million
- The household income from tourist visitation to *Evocity* cultural facilities had an initial impact of \$2.06 million. This generated an additional \$1.56 million dollars in the combined economies totalling \$3.62 million in household income
- Expenditure by residents within the LGAs is excluded from these calculations as it is deemed to be an internal transfer within the same local economy (see page 24)

RESULTS

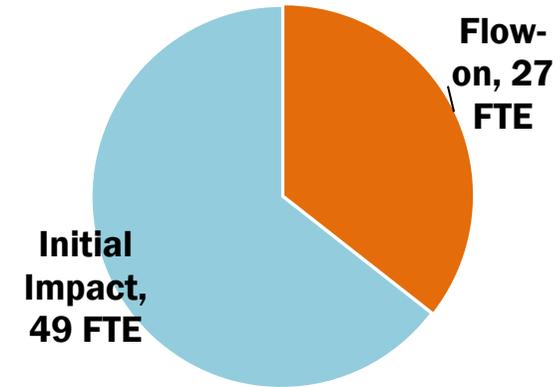
Full time employment impacts (FTE)



**Full time equivalent employment
- Facility operation and programs**



**Full time equivalent employment
- Capital works**



**Full time equivalent employment
- Tourist visitation**

- There are 158 FTE positions created in the initial impact of operations of the *Evocity* cultural facilities. This generated an additional 52 FTE positions across the *Evocities*. i.e. for every 3 FTE generate through initial impact approximately one additional FTE is created
- Cultural facility capital expenditure by all seven *Evocities* has an initial impact of 4 FTE positions. This in turn generated an additional 3 FTE positions across the *Evocities*
- Induced tourist expenditure had an initial impact of 49 FTE positions across the *Evocities* which generated an additional 27 FTE positions i.e. for every 2 FTE positions approximately one additional FTE position is created

RESULTS

Volunteering

- The combined cultural facilities reported an involvement of 504 volunteers.
- These volunteers contributed a total of 24,901 working hours to the facilities in the 2012/2013 financial year.
- Using a “replacement cost” valuation of \$20.76/hr*, this contribution can be valued at a contribution of over half a million dollars (\$516,945).
- The average age of volunteers varied from 35 to 70 years old across all the *Evocities*.
- The number of volunteers for each individual *Evocity* varied from 36 to 112.
- The volunteer hours given for each individual *Evocity* varied from a total of 1,072 to 6,083 hours during the 2012/13 financial year.
- This report does not take into account any other recognised benefits from volunteering to the community or individuals.



L to R: Volunteer operating steam engine at Tamworth Powerstation Museum, volunteer ushers at Dubbo Regional Theatre and Convention Centre (x 2) and a volunteer guide at Tamworth Regional Gallery.

*) This rate is the average hourly wage of a person working in the arts and recreation sector for the *Evocities*

RESULTS

Return on Investment

- Return on Investment (ROI) is expressed in percentage terms. A range of benefits were considered that may arise from or be associated with, the operations of the cultural facilities in the *Evocities*. Three types of ROI calculated :
 - *Private ROI* is calculated assuming that the Value Added generated by the cultural facilities operations is the *only* benefit generated by cultural facilities for the respective *Evocity* (i.e. flow-on impacts are excluded).
 - *Public ROI* is estimated assuming that benefits generated for the *Evocity* by the cultural facilities include the Value Added generated by the cultural facilities operation as well as the Value Added generated by other businesses /industries in the respective *Evocity* (i.e. flow-on impacts are included).
 - *Public ROI - 2* is estimated assuming that the benefits that arise from or are associated with the operations of the cultural facilities in the *Evocity* include the Value Added generated by the cultural facilities' operations including any flow-on impacts, as well as the Value Added generated by capital expenditure by the facilities and the Value Added generated by the visitors to the facilities.
- Investments totalling over \$18.9 million in *Evocity* cultural facilities were made by Local, State and Federal governments during the 2012/13 financial year. For the purpose of this study all three investment components were included in the calculation of ROI. It has been assumed that investments by Local government (\$16.59 million) included the value of subsidies provided to cover the income shortfall in cultural facilities.

RESULTS

Return on Investment

- By considering the Value Added (GDP) generated by the cultural facilities, as well as by other influences in the regional economy, these figures estimate both private and public returns on investment.
- The method of calculating ROI adopted in this report differs from the standard method of calculation in three respects:
 - The standard method examines the benefits (tangible and intangible) generated by investment into cultural facilities on an individual basis, based on a facility's financial accounts and secondary sources. The scope of the analysis in this report precludes this approach and instead the Value Added obtained from the input-output model is used as a proxy for benefits. The standard method considers the benefits accruing from the initial investment over a number of years
 - In contrast, the input-output framework used in this report calculates Value Added (the proxy for benefits) only for one year, rather than for a number of years. In other words, the temporal dimension is removed from the analysis
 - The standard method adopts an appropriate discount factor and converts future benefits to the present value to take into account the time value of money. As this study's ROI is based on one year only, the conversion to present value is not performed.

ROI	Public ROI	Public ROI - 2
<i>Net Profit of facilities divided by local state and federal government investment</i> %	<i>Including the Value Added generated by operations and other business</i>	<i>From operations and flow on impacts, capital expenditure and the Value Added generated by tourists</i>
-7.7%	27%	69%

Regional Indexes

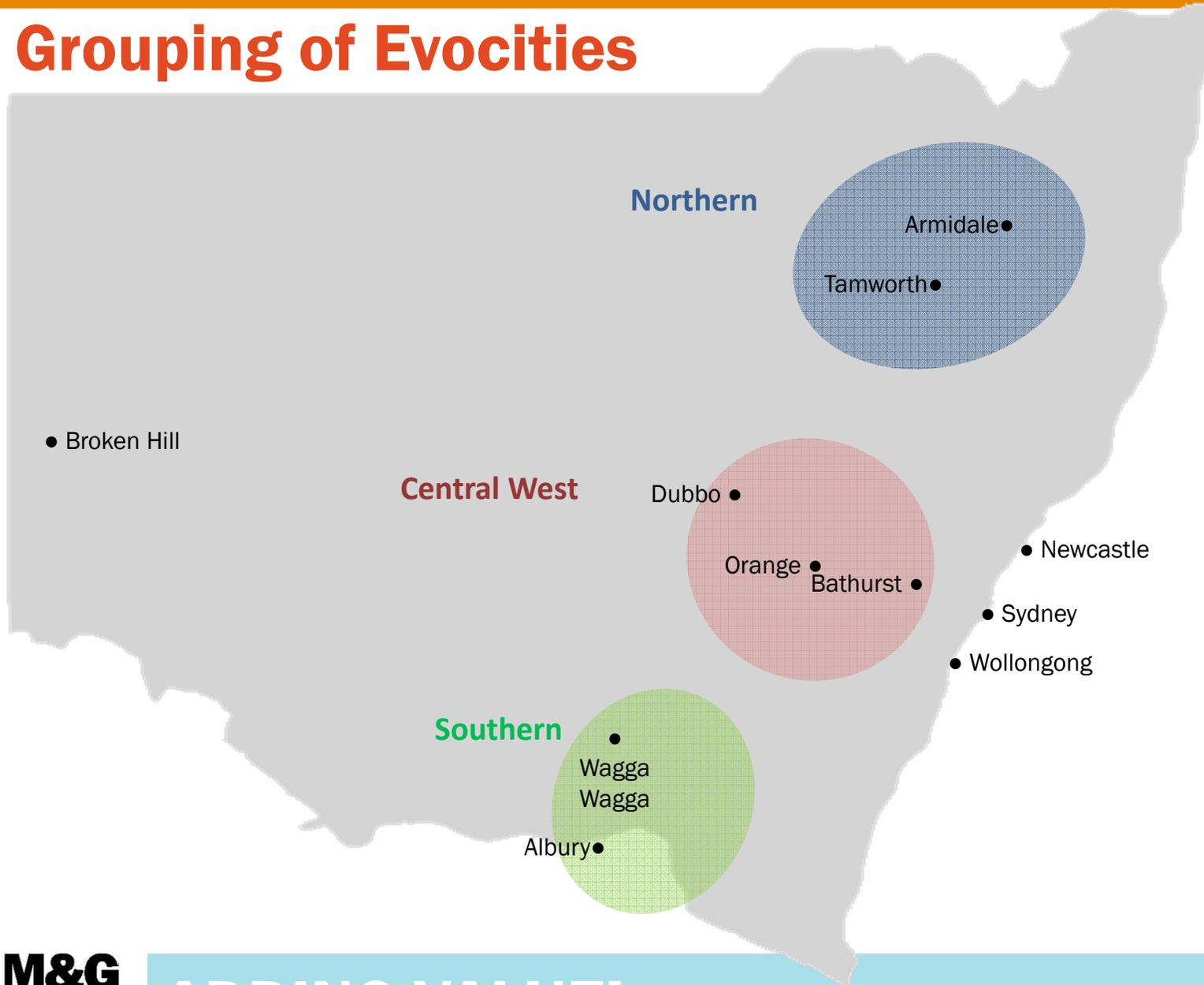
A note about the indexes

- The indexes were created by combining the results from the facilities of the *Evocities* in each geographic area. These combined totals were then divided by the number of *Evocities* in each region thus obtaining an average.
- These indexes will allow each individual *Evocity* to compare its performance against a typical *Evocity* and those in its geographic region.
- Though there is a commonality in the types of facilities in each LGA, the number varies. As such these results, when compared to an individual *Evocity*'s results, may vary and should be treated as an indicative index only.
- The *Evocities* were grouped as shown in the table below and the map overleaf.

EVOCITIES	NORTHERN	CENTRAL WEST	SOUTHERN
Armidale Dumaresq	X		
Albury			X
Bathurst		X	
Dubbo		X	
Orange		X	
Tamworth	X		
Wagga Wagga			X

Regional Indexes

Grouping of Evocities



Regional Indexes

Type of facilities in each region

- A full description of the facilities for each *Evocity* can be found in Appendix I.
- Each *Evocity* has a range of cultural facilities it either owns and operates or contributes significantly to its operational expenses.
- The table below shows the type of facilities in each of the regional *Evocities* grouping.

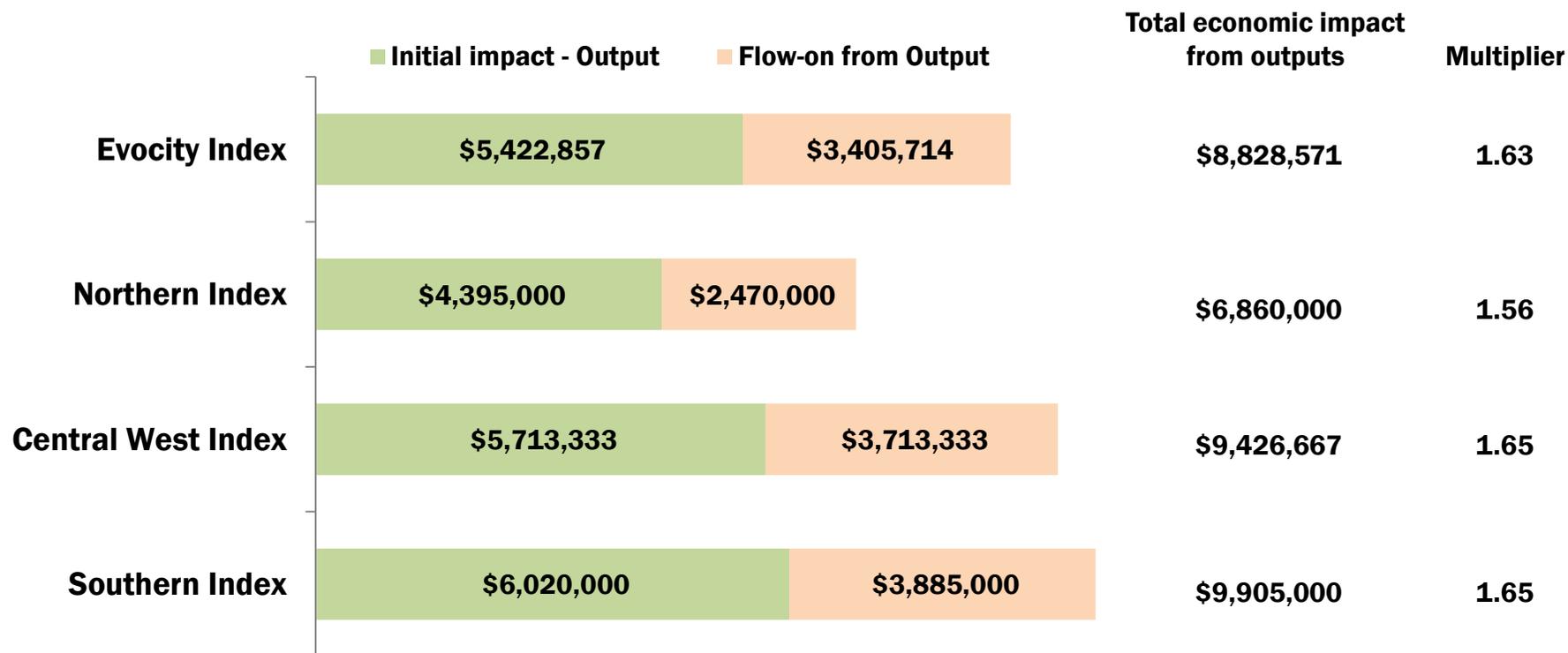
Type of Facility	EVOCITIES	NORTHERN	CENTRAL WEST	SOUTHERN
Performing Arts	8	3	3	2
Museum	12	4	6	2
Gallery	7	2	3	2



L to R: Wagga Wagga Regional Art Gallery , artist impression of new Albury Regional Gallery and Western Plains Cultural Centre.

Regional Indexes

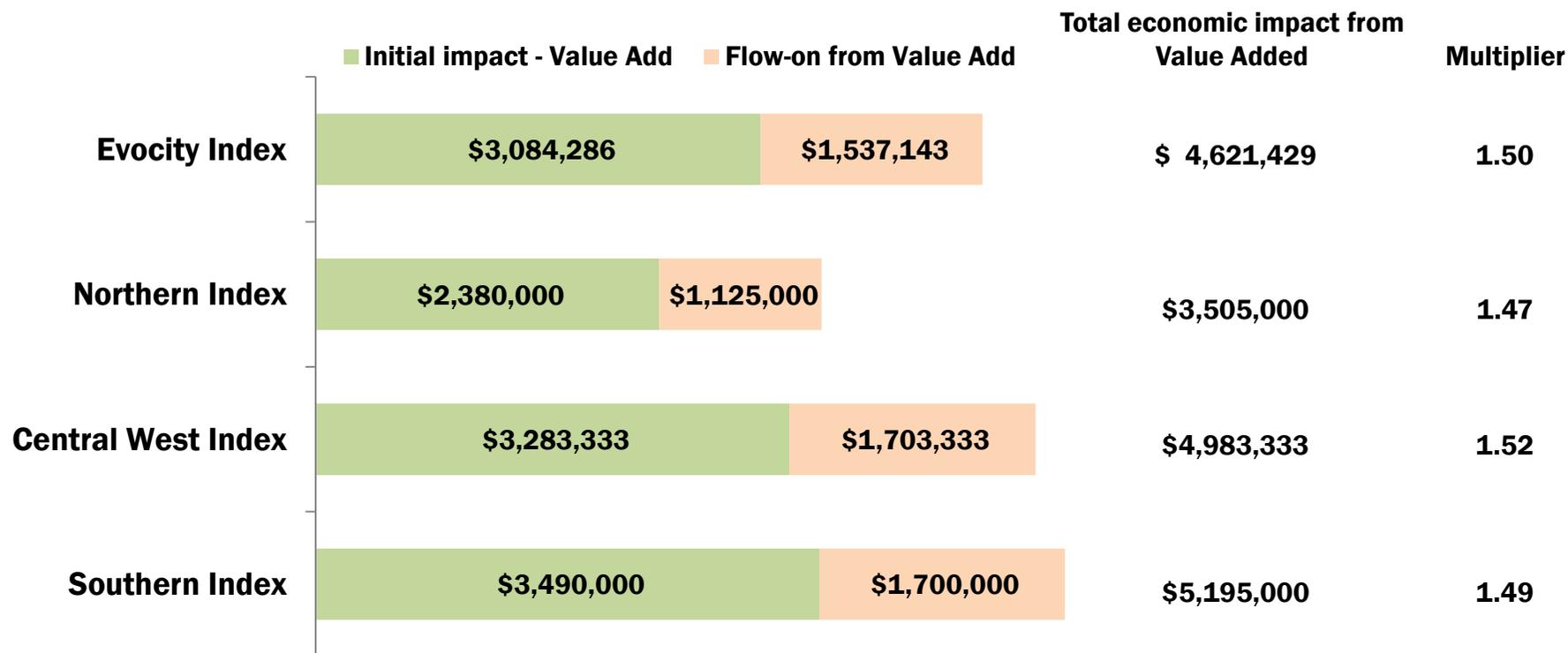
Total economic impact from outputs



- Combined cultural facilities of the average *Evocity* creates an economic impact of \$8.8 million from Outputs alone. This takes into account impacts from operations, capital expenditure and tourism
- The cultural facilities in the Central West and Southern *Evocities* have a higher impact than the average *Evocity*
- The cultural facilities of the Northern *Evocities* have a lower impact than the average *Evocity*, but still have a positive impact

Regional Indexes

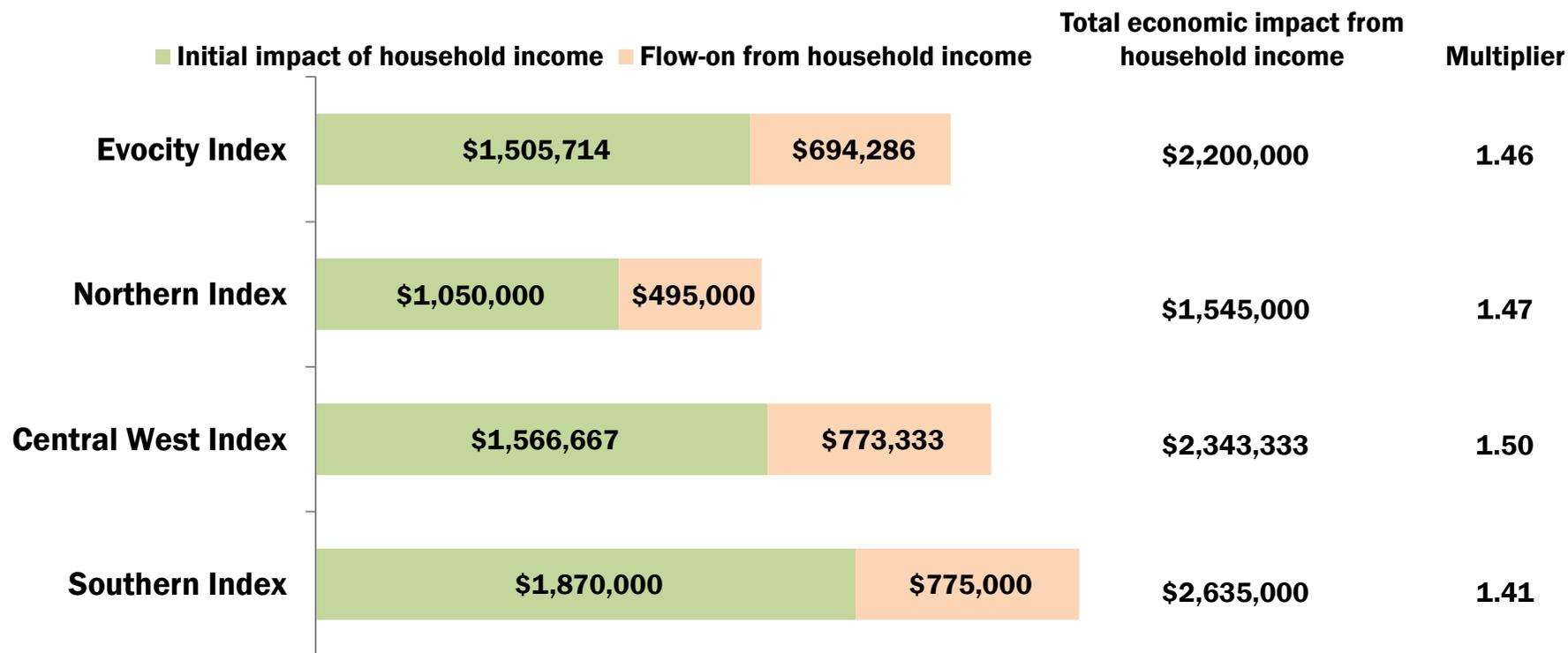
Total economic impact from Value Added



- The combined cultural facilities in the average *Evocity* contribute \$4.6 million to the Gross Regional Product
- This takes into account impacts from operations, capital expenditure and tourism
- The cultural facilities in the Northern *Evocities* have a lower impact than the average *Evocity*, but still have a positive impact
- The cultural facilities in the Central West and Southern *Evocities* have a higher impact than in the average *Evocity*

Regional Indexes

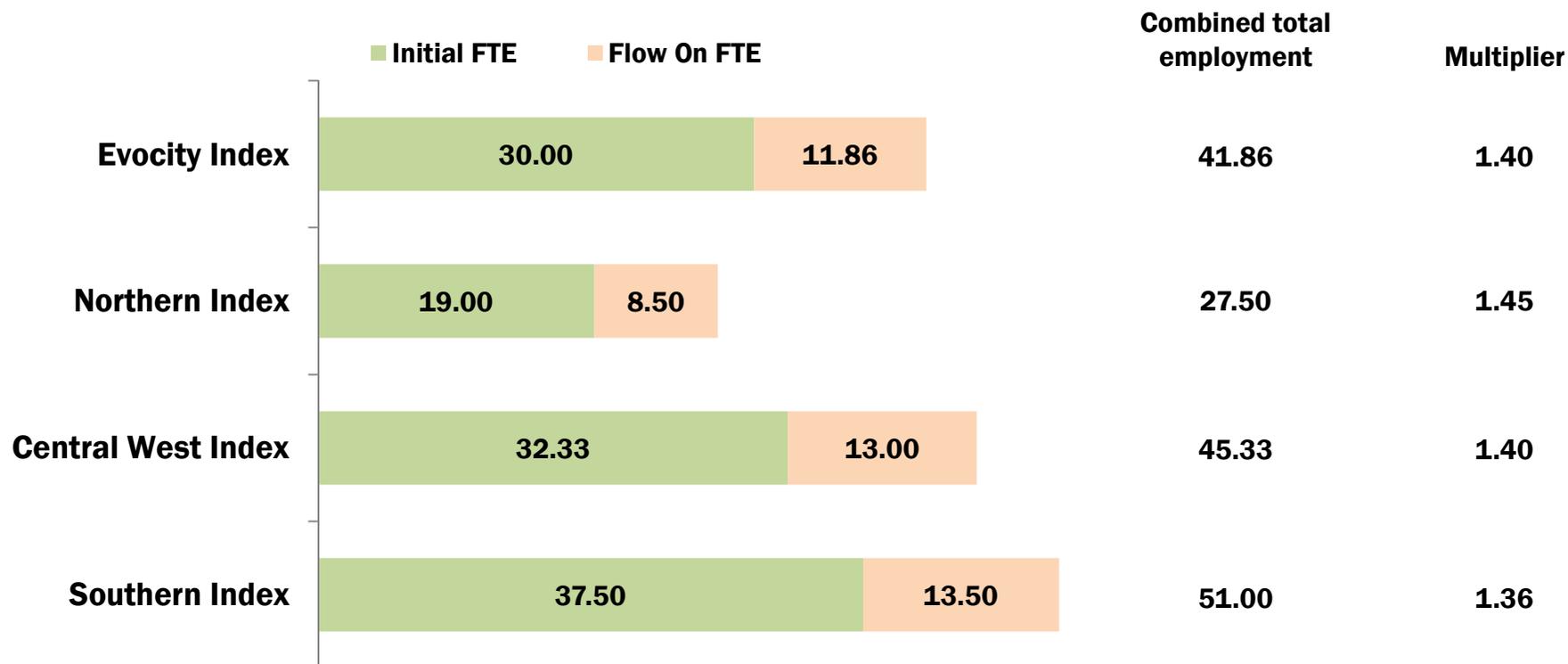
Total economic impact from household income



- For the average *Evocity*, the economic impact of the combined cultural facilities from household income is \$2.2 million
- The cultural facilities of the Northern *Evocities* have a lower impact from household income in dollars than the average *Evocity* but have a higher than average multiplier
- The cultural facilities of the Central West and Southern *Evocities* have a higher impact from household income than the average *Evocity*

Regional Indexes

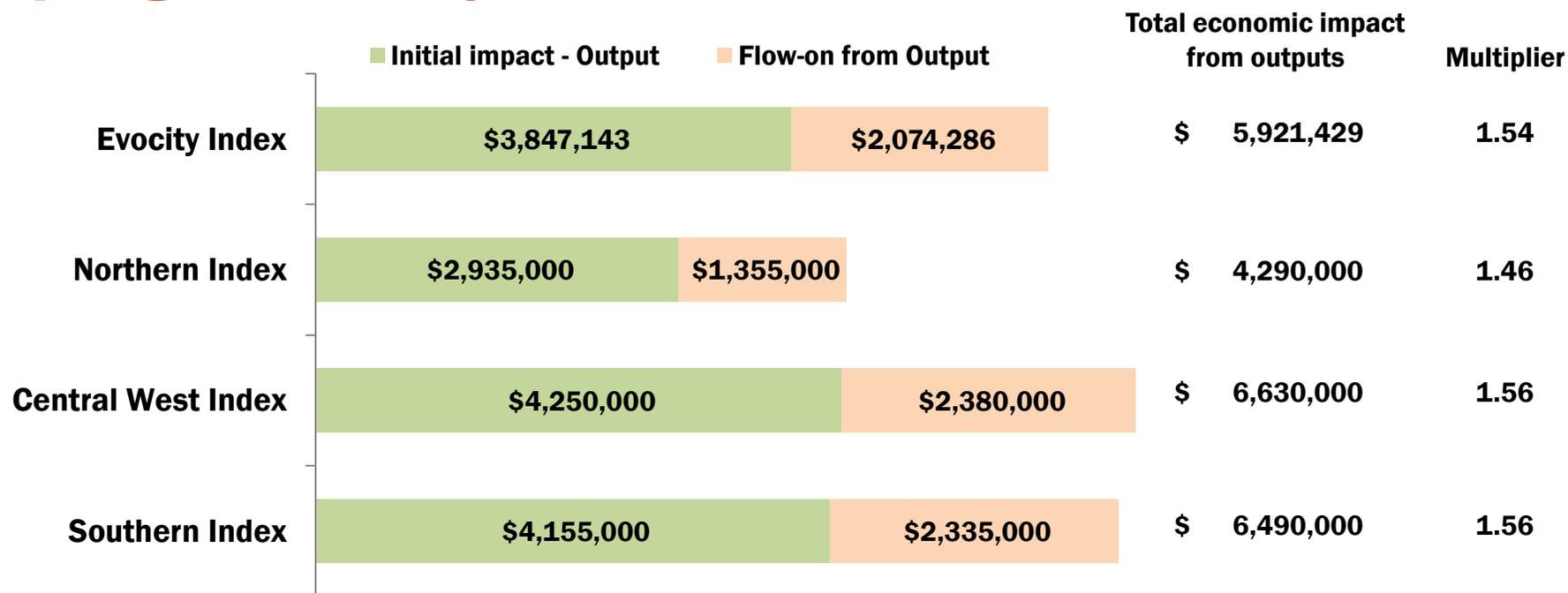
Total employment (Full Time Equivalent)



- The average *Evocity* has 30 FTE positions across their cultural facilities. These generate on average an additional 11.86 FTE positions in the local economy, i.e. for every 3 FTE positions an additional 1 FTE position is generated
- The cultural facilities of Northern *Evocities* have less FTE positions than the average *Evocity* but have the highest multiplier
- The cultural facilities of the Central West and Southern *Evocities* have a higher number of FTE positions than the average *Evocity*

Regional Indexes

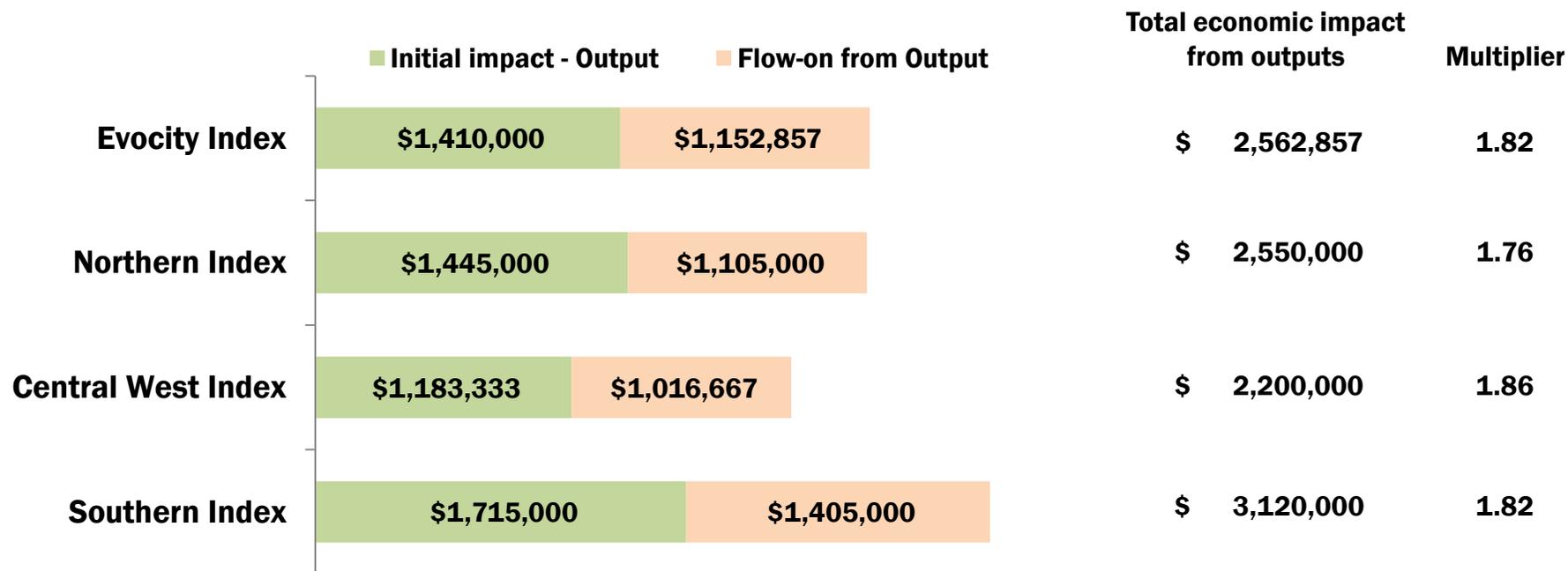
Economic impact of facility operation and programs only



- The average *Evocity* receives an economic impact from the operations and programs of the combined cultural facilities of \$5.9 million in terms of generated output
- The cultural facilities in the Central West and Southern *Evocities* have a higher impact than the average *Evocity*
- The cultural facilities of the Northern *Evocities* have a lower impact than average *Evocity* but still have a positive impact

Regional Indexes

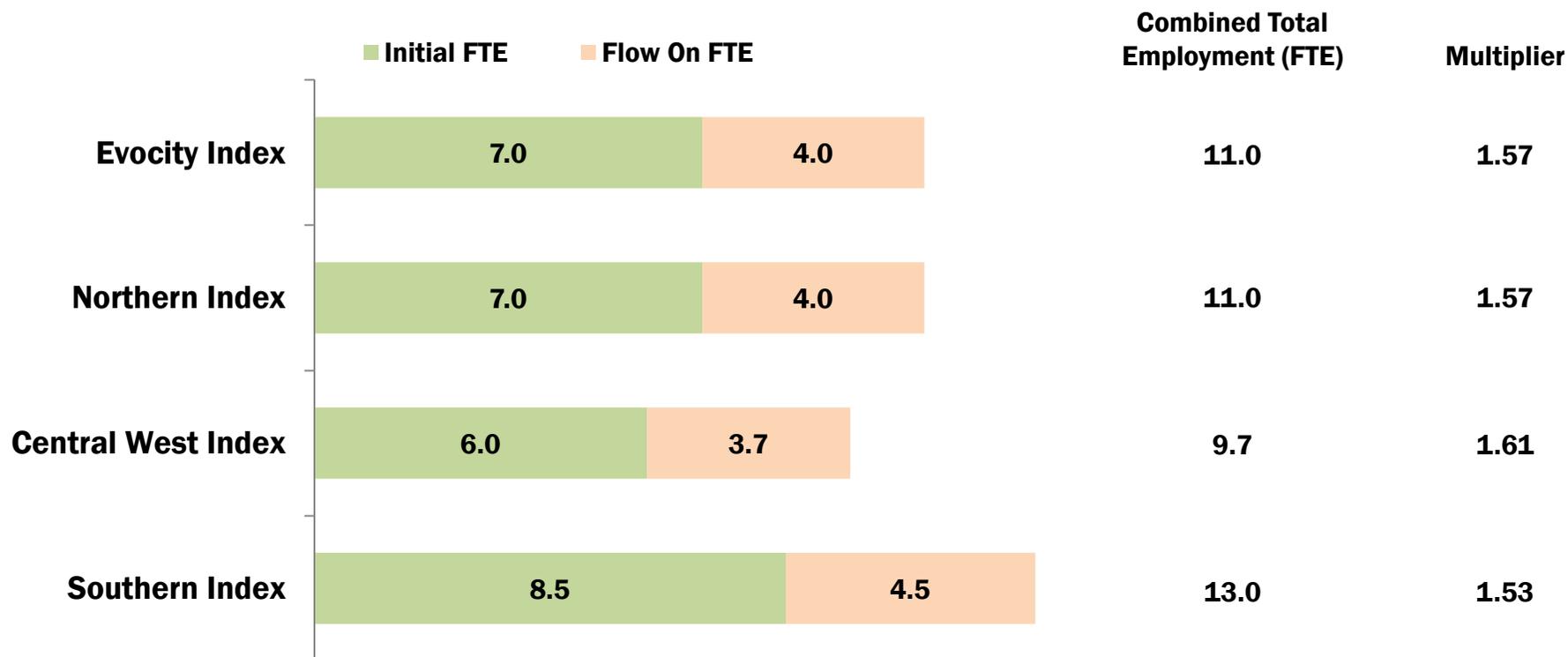
Economic impact of facility operations from tourist visitation



- The average *Evocity* receives an economic impact from tourists to its combined cultural facilities of \$2.5 million
- The cultural facilities of the Southern *Evocities* have on average, the highest economic impact by the operations and programs of the cultural facilities from tourist visitation
- The cultural facilities of the Central West *Evocities* have an above average multiplier

Regional Indexes

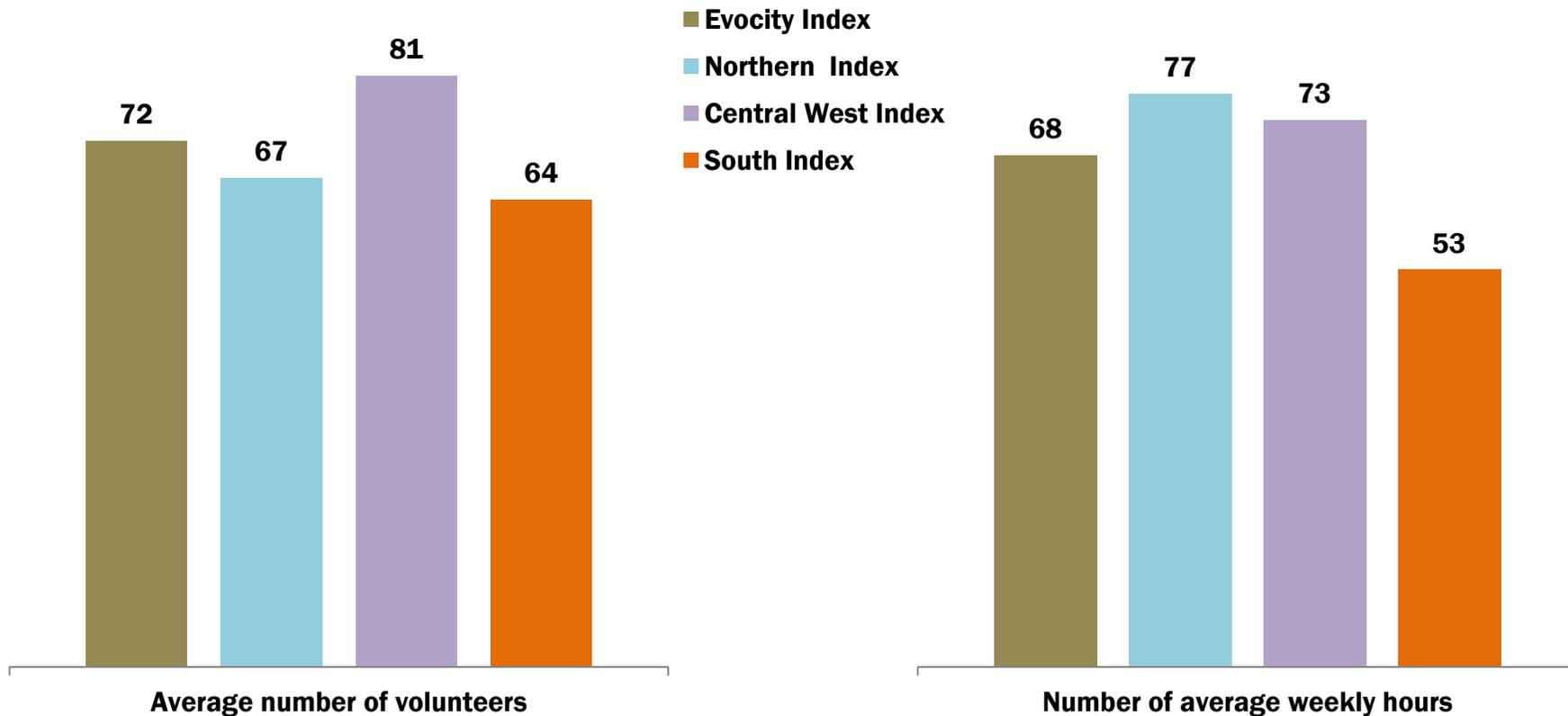
Tourism impact on employment



- The average *Evocity* has 7 FTE positions generated from impacts due to tourist visitation. These in-turn generate an additional 4 FTE positions in the local economy
- The cultural facilities of the Central West *Evocities* have a lower than average number of FTE positions but the highest multiplier
- The cultural facilities of the Southern *Evocities* have a higher than the average number of FTE positions but the lowest multiplier

Regional Indexes

Contribution of volunteers



- On average each *Evocity* has 72 volunteers engaged across their cultural facilities. Each week they contribute on average 68 hours per week across the facilities
- The cultural facilities of the Central West *Evocities* have a higher than average number of volunteers.
- Northern *Evocities* cultural facilities volunteers contribute the highest average number of hours per week

Regional Indexes

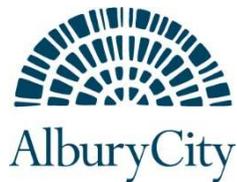
Return on investment

	ROI <i>Net Profit of facilities divided by local, state and federal government investment</i> %	Public ROI <i>Including the Value Added generated by operations and other business</i>	Public ROI - 2 <i>From operations and flow on impacts, capital expenditure and the Value Added generated by tourists</i>
Evocity Index	-7.70	27.39	69.14
Northern Index	-14.79	14.59	60.70
Central West Index	-2.08	36.87	75.54
Southern index	-10.40	23.45	66.32

- For the purpose of this report the Value Added obtained from the input-output model is used as a proxy for benefits generated by investment into cultural facilities on an individual basis, based on a facility's financial accounts and secondary sources and only uses data from one period, the 2012/13 financial year
- The combined cultural facilities of the average *Evocity* had a positive ROI (69.14%)
- As the effects of “flow through” in the economy is taken into account, the ROI increases significantly
- The investment by Local government included the value of subsidies that they provided to cover any operating deficits
- The cultural facilities of the Southern *Evocities* had on average the lowest ROI in the period

ADDING VALUE!

A report on the economic impact of the cultural infrastructure of the Evocities of NSW



L to R: Armidale Folk Museum, Western Plains Cultural Centre and Wagga Wagga Regional Gallery

CONCLUSIONS AND RECOMMENDATIONS

**Museums
& Galleries
of NSW**

CONCLUSIONS & RECOMMENDATIONS

Conclusions

- The 26 cultural facilities of the *Evocities* have a positive impact on their local and regional economies. From the initial investment made by Local, State and Federal government, in 2012/13 they generated an additional \$23.84 million in the combined economies of the seven *Evocities*. They also generated a total of \$32.35 million in gross regional product and \$15.4 million in household income.
- The facilities create additional jobs across the *Evocities*. On average 8.5 full time equivalent position are created in the local economies for every 10 full time positions within the cultural facilities.
- The induced expenditure from tourist visitation generates an additional \$8 million in the combined *Evocity* economies, with the total value estimated at almost \$18 million. It is also estimated that an additional 27 full time equivalent positions are created outside the facilities across the seven *Evocities* from the flow on effects of tourist visitation.
- Volunteers play a significant role in the operations of cultural facilities providing almost 25,000 working hours valued at over \$500,000 in the 2012/13 year. Volunteers range from 35 to 70 years of age and vary in number for each individual *Evocity*.
- Using their contribution to the gross regional economies, the 26 cultural facilities had a positive return on investment for the year 2012/13. When taking into account the direct impact, capital expenditure and the contribution of tourist visitation, the return on investment for the combined facilities is 69%.
- Given the similarity of the individual *Evocities* to other regional cities in NSW, it would be reasonable to conclude that other cultural facilities also have a positive effect on their local and regional economies in terms of employment, visitation and contribution to gross regional product.

CONCLUSIONS & RECOMMENDATIONS

Recommendations

- This study, though slightly different in methodology to the 2009 *Value Added!* study, demonstrates the value in repeating an analysis of the economic contribution of the cultural facilities to their local and regional economies. It is recommended that a similar study be undertaken in 2016 to build longitudinal data and continue to monitor the economic contribution of these important community facilities.
- Furthermore, there would be great value in gathering this kind of empirical data for all regional centres across NSW that provide cultural facilities, so a state-wide understanding of their contribution to their local and regional economies could be developed. It is recommended that such studies adopt the methodology used in this report to allow for direct comparisons.
- The value of arts and culture is understood to be manifold. This report only captures one element of their contribution to society. Though the wider public are often not aware of this contribution (see Appendix V) more work needs to be undertaken to disseminate the real and positive economic impacts of these valuable community assets and the services they deliver to their communities (for an example of the take up of these services see Appendix VI).
- It is recommended that further research be undertaken into the contribution that volunteers make within these facilities and the resulting benefits. This should not just examine the economic benefits and cost savings generated, but also the benefits that the volunteers themselves reap and how that assists them in contributing to their local communities, self image and wellbeing.

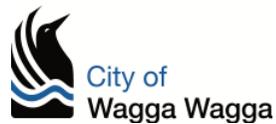
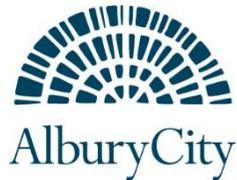
CONCLUSIONS & RECOMMENDATIONS

Recommendations (continued)

- It would be valuable to further collect and examine both qualitative and quantitative data on the responses of the current users and non-users to the cultural facilities. This would assist in developing a stronger understanding of how these facilities impact on the decisions of particular segments of the community both in terms of retention and immigration. The methodology used in the 2009 *Adding Value!* study is recommended as a starting point for such research.
- As the facilities are generally showing a very strong connection to school aged audiences (see Appendix VI) this could be an area of further ongoing research. Recent data released by the Australian Council for the Arts shows a strong correlation between childhood exposure to the arts and culture, and consumption as an adult.
- A number of programs provided by the facilities are available at a low or no cost to local residents and visitors. An examination of these, and undertaking additional research such as a contingent valuation study, may help the facilities better argue the value of the delivery of these programs to their local communities.

ADDING VALUE!

A report on the economic impact of the cultural infrastructure of the Evocities of NSW



L to R: Art Classes Tamworth Regional Gallery, Australian Fossil and Mineral Museum (Bathurst), Capital Theatre (Tamworth), Bathurst Regional Gallery

APPENDIX

**Museums
& Galleries
of NSW**

Appendix I

List of cultural facilities

ALBURY

Albury Entertainment Centre

The Albury Entertainment Centre is located in the centre of Albury's Central Business District and is currently celebrating 50 years of live entertainment. This multipurpose venue can cater from 20 to 1000 people and can host a number of functions, including but not limited to: meetings, exhibitions, seminars and conferences. Kiosk, bar and box office facilities are available at the centre. Albury Entertainment Centre is managed by Albury City Council.

Albury LibraryMuseum

The Albury LibraryMuseum was opened in 2007 and attracts over 220,000 visitors each year. The facility has won numerous national awards for architecture. The exhibition *Crossing Place: A Story of Albury* is on permanent display in the facility and tells of the history of Albury. The facility offers the public a variety of technological devices including free internet access, printing and photocopying. The Library also has a variety of eBooks and audio eBooks for individuals to borrow and has multiple resources dedicated to local and family history. Albury LibraryMuseum is managed by Albury City Council. NB only data for the museum was used in this study.

Albury Regional Art Gallery

Opened in Albury's former Town Hall in 1981, Albury Regional Art Gallery is currently undergoing \$10.5 million of redevelopment and is scheduled to re-open mid-2015. The gallery hosts both travelling and local exhibitions. Renowned Australian artist Sir Russel Drysdale has works displayed in the facility. The gallery sponsors two national contemporary arts awards: Albury Art Prize and National Photography Prize. Albury Regional Art Gallery is managed by Albury City Council.

Appendix I

List of cultural facilities (continued)

ARMIDALE DUMARESQ

Armidale Folk Museum

The Armidale Folk Museum was established in 1933 and is located in the 1863 Armidale Literacy Institute. Open seven days a week, the museum offers a diverse range of educational and historical resources. These resources include archives and relics from Armidale's past. The Folk Museum is managed by Armidale Dumaresq Council.

Hillgrove Rural Life and Industry Museum

The Hillgrove Museum was established in 1976 to portray the history of the once operational gold mining town. The museum is located 35 kilometres east of Armidale and operates from the 1896 Hillgrove School Building. The museum is managed by Armidale Dumaresq Council.

Armidale Bicentennial Railway Museum

The Armidale Bicentennial Railway Museum displays the history of the Brisbane to Sydney Railway line, which played an important role in the growth of Armidale. The museum provides an insight into the days when the railway was the most common form of transportation. A range of hands-on experiences are offered by the museum and provides an understanding of what life was like working on the railway. The Railway Museum is managed by Armidale Dumaresq Council.

New England Regional Art Museum

The New England Regional Art Museum (NERAM) was established in 1983 in order to house the Howard Hinton Collection which consists of more than 1,400 artworks. The gallery now consists of three significant collections: Howard Hinton Collection, The Chandler Coventry Collection and the NERAM Collection. The facility is also includes the Museum of Printing, an artist studio and residence, 8 gallery spaces and a café. Since July 2008, NERAM has been managed and operated by a not-for-profit company Limited by Guarantee. As Armidale Dumaresq Council provides a subsidy to NERAM towards operating cost this facility has been included in this study.

Appendix I

List of cultural facilities (continued)

BATHURST

Australian Fossil and Mineral Museum (AFMM)

The Australian Fossil and Mineral Museum (AFMM) houses the Somerville Collection which comprises both Australian and international fossil and mineral specimens. The collection contains over 2000 mineral and fossil specimens, including Australia's only complete model of a Tyrannosaurus Rex skeleton. The museum is housed in the 1876 Bathurst Public School Building. The museum also has a temporary exhibition space and museum shop. A range of educational programs, including school visit programs, pre-school programs, writing and literacy workshops and science based holiday activities, are run at the museum. The AFMM is a facility managed by Bathurst Regional Council.

Bathurst Memorial Entertainment Centre (BMEC)

The Bathurst Memorial Entertainment Centre (BMEC) was opened in 1999. BMEC was designed as a multipurpose venue. BMEC features a two tiered theatre with stage facilities which can seat up to 642. The theatre has its own annual season of events and is available for hire. The Centre also contains a city hall which can be used for weddings, meetings, conferences and cabaret style performances. Fully licensed bar facilities and a box office are also available in the Centre. BMEC is a facility managed by Bathurst Regional Council.

Bathurst Regional Art Gallery (BRAG)

The Bathurst Regional Art Gallery (BRAG) is an art gallery that hosts both travelling and local exhibitions. The design of the gallery allows for the programming of three to four exhibitions at one time with a change over every six weeks. The gallery runs workshops, art classes and school holiday programs. Admission to the gallery is free. There is a gallery shop. BRAG is a facility managed by Bathurst Regional Council.

Appendix I

List of cultural facilities (continued)

BATHURST (cont)

Chifley Home and Education Centre

Chifley Home and Education Centre is a semi-detached terrace located at 10 Busby Street, Bathurst which is run as a house museum. The house, with its original collection, was the marital home of Prime Minister Ben Chifley and his wife, Elizabeth. Chifley Home provides an insight into 1940's life. Visitors to the house receive a fully guided tour. In 2010 the adjoining terrace was opened as The Chifley Home Education Centre. Chifley Home is a facility managed by Bathurst Regional Council. This facility was not included in the 2009 *Value Added!* study

National Motor Racing Museum

The National Motor Racing Museum (NMRM) located at the base of the Mount Panorama race circuit displays material relevant to Australia's motor racing history. The museum has an on-site and on-line shop selling relevant products. The Museum also houses a conference facility which is available for public hire. NMRM is a facility managed by Bathurst Regional Council.



L to R: Bathurst Entertainment Centre, Chifley House, National Motor Museum and Australian Fossil and Mineral Museum.

Appendix I

List of cultural facilities (continued)

DUBBO

Dubbo Regional Theatre and Convention Centre

The Dubbo Regional Theatre and Convention Centre (DRTCC) was opened in 2010 and consists of the Joyce Schneider Auditorium and Convention Centre. The auditorium contains a tiered-theatre which can seat 500 people and hosts a variety of local and touring shows. The auditorium offers box office and bar facilities. The Convention Centre is a flat-floor auditorium which can be used for balls, weddings, expos, conventions, seminars and children's concerts. The centre is available for public functions with the ability to seat 750 theatre-style. Full bar facilities are available. The Dubbo Regional Theatre and Convention Centre is managed by Dubbo City Council. Dubbo Regional Theatre was not included in the 2009 *Value Added!* study.

Old Dubbo Gaol

The 1800s penal institution located in the centre of Dubbo's CBD features animatronic inmates, authentic displays and artefacts. Opened to the public in 1974, day and night visiting options are offered by the Gaol. Visitors can take a self-guided tour of the gaol where they hear the inmates' stories and learn of prison life. Comical wardens or prisoners also put on theoretical displays throughout the Gaol. A shop also supplies souvenirs and other material. Old Dubbo Gaol is a facility managed by Dubbo City Council.

Western Plains Cultural Centre

The Western Plains Cultural Centre (WPCC) is located on the site of the old Dubbo High School and comprises of the Dubbo Regional Gallery, Dubbo Regional Museum and Community Arts Centre. The gallery operates from a purpose-built facility and has changing exhibitions featuring local artists and major travelling exhibitions. The museum features a permanent exhibition, *People, Places, Possessions: Dubbo Stories* which tells Dubbo's history and a temporary exhibition space for changing exhibitions. The museum is located in the original Dubbo High School building. Admission to the centre is free. WPCC is a facility managed by Dubbo City Council.

Appendix I

List of cultural facilities (continued)

ORANGE

Orange Civic Theatre

The Orange Civic Theatre is a multipurpose venue located in the centre of the city of Orange. The 502 seat auditorium has tiered seating and the stage is equipped to suit most technical requirements. The theatre offers a diverse annual program including many local, national and international touring productions. Bar and box office facilities are available at the theatre. Orange Civic Theatre is a facility managed by Orange City Council.

Orange Regional Museum

The Orange Regional Museum is to be built in the centre of Orange and is being funded under the Federal Government's Community Development Grants program. The facility will be built alongside Orange's Regional Art Gallery and City Library. The museum will feature exhibition space, a tourist information centre, a café, retail facilities and administration offices. A sloping grass roof will be the key design feature. The museum will be managed by Orange City Council. As this facility is not yet opened, no data from this facility has been used in this study.

Orange Regional Gallery (ORG).

The Orange Regional Gallery (ORG) was built in 1986 as a purpose built gallery. The gallery hosts both travelling, such as the Archibald Prize, and local exhibitions. There is a regular changeover of exhibitions. The gallery also runs workshops, art classes and school holiday programs. Admission to the gallery is free. There is a gallery shop selling a range of books, resources and gifts. ORG is a facility managed by Orange City Council.

Appendix I

List of cultural facilities (continued)

TAMWORTH

Capitol Theatre Tamworth

The Capitol Theatre Tamworth is a 402 seat, purpose built proscenium arch theatre which is located in the Centrepoint Shopping Complex. The Theatre shares its foyer and bar facilities with Forum Cinemas. Boasting a hydraulic orchestra pit lift, automated winch flying system and well equipped sound and lighting rigs. The Capitol Theatre Tamworth is a regular stop on the national touring circuit and a well occupied theatre for local and regional events and productions. Capitol Theatre Tamworth is managed and operated by Entertainment Venues, a division of Tamworth Regional Council.

Tamworth Powerstation Museum

The Tamworth Powerstation Museum was opened in 1988, the centenary of the installation of electric lighting in Tamworth. The Museum is housed in Tamworth's restored Municipal Electric Showroom building (built as the Tamworth Municipal Electricity Works in 1907) and a modern reconstruction of the original engine house for the Tamworth power station on its original site. It features displays recording the history of electricity and items reflecting the impact of the development of electricity on modern society. It is managed by Tamworth Regional Council.

Tamworth Regional Gallery

Tamworth Regional Gallery was established in 1919 and is one of the oldest regional galleries in New South Wales. It is a state-of-the-art multi purpose venue with two large exhibition spaces, a shop, arts studio for workshops and educational activities and a modern meeting room and training facility. Its' collections include one of the finest public collections of colonial silver in Australia and the Tamworth Textile Triennial which showcases the best of textile art from across the country. It aims to promote understanding, appreciation and enjoyment of the visual arts and contemporary arts and crafts practices across a range of visual art forms and media. The Gallery provides a diverse and informed program of outstanding visual art and craft exhibitions and activities including public lectures by leading artists and curator's, exhibition openings with floor talks, children's workshops, floor talks for school groups and community outreach activities. It is operated by Tamworth Regional Council.

Appendix I

List of cultural facilities (continued)

TAMWORTH (continued)

Tamworth Regional Entertainment and Conference Centre

Home to the Australian Country Music Awards Australia (CMAA) the Tamworth Regional Entertainment and Conference Centre (TRECC), accommodates approximately 4,800 guests in full Concert Mode, 3,300 in Lyric Mode and 1,800 in Intimate Mode. There are separate break-out rooms and meeting areas off the main auditorium. It boasts superior audio and visual technology, catering and bar areas, green rooms and flexible stage configurations. The centre is home to everything from rock concerts to agricultural shows, car launches, home exhibitions and school spectaculars. Entertainment Venues, a division of Tamworth Regional Council, manages and operates the Tamworth Regional Entertainment and Conference Centre (TRECC).

Tamworth Town Hall

Since its opening in 1934, Tamworth Town Hall has been a venue for a variety of events, conferences and concerts, as well as career expos, antique shows and weddings. The venue has a full proscenium arch stage and three dressing rooms, and a unique seated gallery level. The venue can seat up to 1,000 in theatre style. The Town Hall is located in the heart of the CBD, is fully air-conditioned and has in-house kitchen facilities. The Passchendaele Room can be used as a break-out room or for trade displays and exhibitions. Tamworth Town Hall was designed as a lasting memorial to Tamworth and district soldiers and war workers. Large flags hang at intervals around the wall, while bronze plates carry the names of battle areas where Australians fought during the Great War. Entertainment Venues, a division of Tamworth Regional Council, manages and operates the Tamworth Town Hall.

Appendix I

List of cultural facilities (continued)

WAGGA

Museum of the Riverina

The Museum of Riverina hosts a regular program of travelling exhibitions and in house curated temporary exhibitions. One campus is located in the historic 1881 Council Chambers site which was originally the City's Town Hall and Municipal Offices as well as the seat of Local Government until 1999 when it was converted into the Museum of the Riverina. The Botanic Gardens site of the Museum highlights the people, places and events that give Wagga Wagga its unique character and is the home of the Museum's permanent collection including the Wagga Wagga Sporting Hall of Fame. The Museum is managed by Wagga Wagga Council.

Wagga Wagga Art Gallery

Situated in the heart of the city, Wagga Wagga Art Gallery is an innovative public art gallery with facilities which include several large spaces for temporary exhibitions, located in the architect-designed Civic Centre, and incorporating a stand-alone gallery to exhibit the National Art Glass Collection. The Wagga Wagga Art Gallery exhibits an exciting range of touring shows and locally developed exhibitions from the Gallery's extensive collections, as well as the work of Riverina based artists. As well as displaying the National Art Glass Collection, the gallery also exhibits a number of curated exhibitions which feature well known Australian and international glass artists throughout the year. It also provides a range of events, educational and public programs. The gallery is managed by Wagga Wagga Council.

Wagga Wagga Civic Theatre

Based in the Civic Precinct, the Wagga Wagga Civic Theatre is a main focus of cultural activities within the community. The theatre attracts a great variety of national & international touring shows as well as many local events. The Wagga Wagga Civic Theatre boasts a 488 seat auditorium, lighting and sound systems, spacious foyers, fully appointed bar and balcony overlooking the beautiful Wollundry Lagoon.

Appendix II

Input-Output analysis

- In this study WRI used marginal coefficients analysis to estimate the economic impact of cultural facilities in Evocity regions on the local economies and New South Wales.
- The marginal coefficients model provides a more accurate representation of the flow-on effects of expenditure than would be possible using a standard linear input-output model. That is, the marginal coefficients model largely overcomes the overestimation of impacts that can result from using the linear approach.
- The level of multipliers is lower than if conventional input-output models were used and higher than if computable general equilibrium (CGE) frameworks and CGE-like input-output models were used. The size of the flow on and total effects is higher than in conventional input-output models and lower than the effects that would have been generated in the computable general equilibrium framework.
- The impacts are measured in terms of industry Value Added (Gross Regional Product), household income and full-time equivalent jobs. All impacts are measured in either dollar terms or full-time equivalent employment terms and as a percentage of the regional economy.
- Inter-industry models can be used for economic impact analysis, to estimate the benefits or costs generated by new initiatives on each and every sector of an economy. For example, if there is a change in the purchasing or sales pattern of any industry, the flow-on or multiplier effects on upstream industries can be calculated.

Appendix II

Input-Output analysis (continued)

Constructing the Tables

- The tables for this project have been constructed using the GRIT technique developed by Professor Guy West and Professor Rod Jensen of the University of Queensland. The GRIT technique, which uses both national Australian Bureau of Statistics data and local superior data concerning the industry in question, is the most reputable method of input-output table construction in Australia and indeed the world.
- GRIT uses a series of non-survey steps to produce a prototype regional table from the national table, but provides the opportunity at various stages for the insertion of superior data. The system is “variable interference” in that the analyst is able to determine the extent to which they interfere with the mechanical processes by introducing primary or other superior data.
- The GRIT system is designed to produce regional tables that are:
 - consistent in accounting terms with each other and with the national table;
 - capable of calculations to a reasonable degree of holistic accuracy; and
 - capable of being updated with minimum effort as new data becomes available.
- The GRIT technique is basically a hybrid method of deriving state and regional input-output tables from the national input-output table while at the same time allowing for the insertion of superior data at various stages in the construction of the tables.

Appendix II

Input-Output analysis (continued)

Marginal coefficients model

- The use of marginal coefficients analysis in the tables will result in a more accurate estimate of the economic significance of cultural facilities than would be possible with traditional input-output analysis.
- One of the main limitations of input-output tables is the assumption of linear coefficients. To address this problem and the associated problem of overestimation, the input-output analysis undertaken for the operational and capital expenditures of cultural facilities incorporates the marginal coefficients model.
- The marginal income coefficients model attempts to overcome the limitations of traditional input-output analysis by removing the assumption of linear coefficients for the household sector. As is well documented in the literature, the household sector is the dominant component of multiplier effects in an input-output table so using marginal income coefficients for the household sector not only provides a more accurate estimate of the multiplier effects but also provides results closer to those of a computable general equilibrium (CGE) model. This should result in a more accurate estimate of the economic significance of cultural facilities than would be possible with other types of analysis.
- *Note: In calculating the economic impact of the cultural facilities it should be noted that the Australian Bureau of Statistics applies a confidentiality technique to its census data tables. The technique involves small random adjustments to the data which help prevent the disclosure of any identifiable data.*

Appendix II

Input-Output analysis (continued)

Estimation of economic impacts

- The economic impacts of the cultural facilities in *Evocity* regions were estimated by constructing a new sector row and column in the input-output table representing the aggregate operations of the cultural establishments in each *Evocity*.
- To perform industry significance analysis, the operational expenditure, income and employment data pertaining to cultural facilities in a given *Evocity* region were converted to basic prices using relevant *Evocity* input-output table in order to make superior data consistent with the data contained in the *Evocity* table. The converted data was then modelled using a new sector row and column representing cultural facility sector in the *Evocity* region. The sizes of the new sector and the arts and recreation sector in the table are adjusted by deflating the former based on the employment in each of the sectors. To perform final demand analysis, the capital expenditure and induced expenditure by visitors data was converted to basic prices using *Evocity* base input-output table and was then modelled using a new sector row and column representing the cultural facility sector in the *Evocity* region.

Appendix III

Sector list (2006 ANZSIC)

1. Agriculture, Forestry & Fishing
2. Coal and Oil Mining
3. Other Mining
4. Food and Beverage Manufacturing
5. Textile, Leather, Clothing & Footwear Manufacturing
6. Wood and Wood Product Manufacturing
7. Pulp, Paper and Converted Paper Product Manufacturing
8. Printing (including reproduction of recorded media)
9. Chemical and Chemical Products Manufacturing
10. Non-Metallic Mineral Product Manufacturing
11. Primary Metal and Metal Products Manufacturing
12. Fabricated Metal Product Manufacturing
13. Transport and Equipment Manufacturing
14. Machinery and Equipment Manufacturing
15. Furniture and Other Manufacturing
16. Electricity, Gas, Water and Waste Services
17. Construction
18. Wholesale Trade
19. Retail Trade
20. Hospitality (Accommodation and Food Services)
21. Transport, Postal and Warehousing
22. Information Media and Telecommunications
23. Financial and Insurance Services
24. Rental, Hiring & Real Estate Services
25. Ownership of Dwellings
26. Professional, Scientific and Technical Services
27. Administrative and Support Services
28. Public Administration and Safety
29. Education and Training
30. Health Care and Social Assistance
31. Art and Recreation Services
32. Personal and Other Services

Appendix IV

Comparisons to the creative industries

- Released in Dec 2013 by the Creative Industries Innovation Centre (CIIC), this data drew on the 2008/09 industry input-output tables prepared by Australian Bureau of Statistics from the 2006 census. As the methodology for the measurement of the multiplier is not the same as the GRIT method, direct comparisons are not possible. The data is included here to better illustrate the contributions made by the cultural facilities and their programs as part of the creative industries.
- The CIIC report defines the creative industries through the definitions of a creative intensity. This method uses a ANZSCO classification of occupations and the tasks they undertake to create a creative intensity score across five areas: “process novelty”, “resistance to mechanisation”, “non-repeating output”, “creative function in process” and “interpretation not transformation”. If an ANZIC 4 digit industry had at least 30% of its occupations with a high creative intensity, the industry was deemed as creative.
- Broadly, the creative industries were categorised as:
 - Music and Performing Arts,
 - Film, Television & Radio,
 - Advertising and marketing
 - Software development and interactive content
 - Writing, Publishing and Print media
 - Design and Visual Arts
 - Architecture

Appendix IV

Comparisons to the creative industries (continued)

- As stated previously, though direct comparisons are not possible due to difference in methodologies, the table below shows an interesting relationship between the multipliers of the cultural facilities of the *Evocities* and the creative industries as a whole. Also the use of margin coefficients is likely to have a lower multiplier due to its effect on household Value Add when compared to an input-output analysis.
- It must be remembered that these facilities are only a small part of the creative industries in each city (approximately 10% based on employment figures) and the CIIC study uses nationwide figures.

	Evocities study	All creative industries	All other industries
Total Output Multiplier	1.63	3.76	3.59
Value Added Multiplier	1.50	3.00	2.80
Employment Multiplier	1.39	2.92	2.47

Appendix V

Non-economic benefits

- Though this study did not examine the non economic impact of the facilities and their related programs, some of the benefits that arise from their activities are included here as suggested pathways for further research.

Social Capital

- The work of Professor Mark Morrison as part of the 2009 *Value Added! – The economic and social impact of cultural infrastructure in Central Western NSW* sought to quantify the effect of the cultural facilities on social capital. One of the questions asked about the direct social impact of the facilities.
- By using a 5 point scale respondents were asked to agree with a number of statements - the higher the number, the stronger the agreement. The table on the next page shows some of the statements and the average score. The level of agreement with these statements suggests that cultural facilities help people to think differently, enhance connections and trust between people, and help develop a sense of place.
- Given the demographic similarities between all of the *Evocities* it may be possible to apply the results in this area from the 2009 study to all of the *Evocities*. However, further studies would need to be undertaken to confirm the validity of this comparison.

Appendix V

Non-economic benefits (continued)

Please indicate the extent to which you agree or disagree with each of the following statements about your cultural facilities ?	1= strongly disagree, 5 = strongly agree
Cultural facilities help me to better understand local history and heritage	3.69
Cultural facilities in my town are safe places	3.67
Exposed me to a wider range of cultural activities	3.64
Cultural facilities help me to understand the arts	3.58
Help my community to feel like home	3.57
Help me to understand different cultures	3.51
I take friends and relatives visiting to see cultural facilities	3.46
I meet friends and acquaintances at cultural facilities in my town	3.44
Cultural facilities help me to think differently about life	3.42
Help me to obtain information not available elsewhere	3.41
Helped to build trust between people in the community	3.41
Provide me with opportunities to meet new people	3.38
Enhance my enjoyment from hobbies	3.30
Helped my pursuit of lifelong learning	3.28
Cultural facilities encourage me to participate in creative activities	3.23
Help me to feel satisfied with life	3.20
Helped me accomplish tasks and/or achieve goals	3.08
Help me to feel valued by the community	3.07

Appendix V

Non-economic benefits (continued)

Attitudes to the Arts

- The recently released *Arts In Daily Life: Australian Participation in the Arts*⁸ expands on the 2009 *More than Bums on Seats* research undertaken by the Australia Council for the Arts. The study examines participation as creator and consumer of cultural product. It includes the art forms funded by the Australia Council for the Arts but excludes Film and TV.
- As part of the research the study examined attitudes to the arts and their role in society and presents the data by artform and also as a regional/metro breakdown. The table below shows extracts of this data that relate to the Arts role in shaping societal views.

Attitudes to the arts (Strongly agree + Agree)	Total % n = 3004	Metro % n = 2142	Regional % n = 862
The arts should be an important part of the education of every Australian	89	89	90
Artists make an important contribution to Australian Society	90	89	91
People can enjoy both the arts and sports	96	96	96
The arts should receive public funding	79	79	77
The arts require understanding to appreciate them full	58	57	61
The arts are too expensive	36	38	33
The arts are not really for people like me	13	12	15
The arts make for a more richer meaningful life	85	86	82

8) *Arts In Daily Life: Australian Participation in the Arts* 2014 http://www.australiacouncil.gov.au/_data/assets/pdf_file/0020/200927/Arts-in-Daily-Life-Australian-Participation-in-the-Arts.pdf

Appendix V

Non-economic benefits (continued)

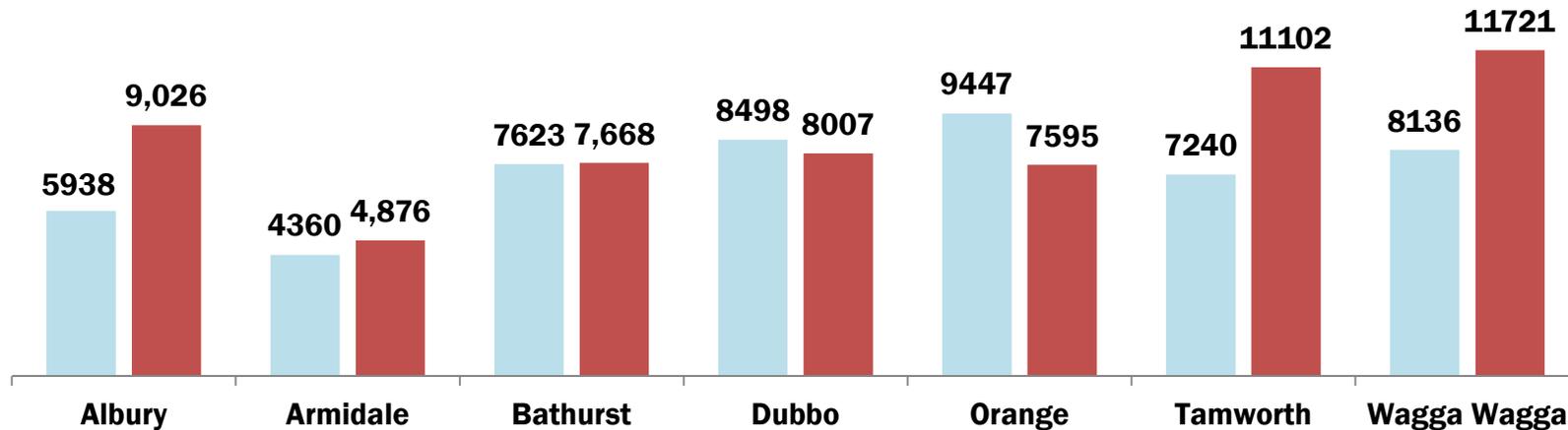
- When asked about the impact of the arts in other areas of society, there is less awareness of the non-economic benefits derived from the arts.
- The table below shows extracts of this data that relate to the impact of arts in other non-arts areas.
- Further research to demonstrate how the arts does have a positive impact in these areas may be the first step to changing these views.

Impact of the arts (Big impact+ Very big impact)	Total % n = 3004	Metro % n = 2142	Regional % n = 862
Child development	66	66	66
Our ability to express ourselves	61	61	60
Our ability to think creatively and develop new ideas	59	59	58
Helping us deal with stress, anxiety or depression	56	55	59
Community pride and identity	45	45	47
Bringing visitors to our community	43	42	46
Our empathy for others	36	36	35
Our connections with family and friends	33	32	43

Appendix VI

School visitation

■ School Audiences from within the LGA ■ 5-18 Years Old



- The cultural facilities are providing services to local and non-local schools
- Most are connecting with the equivalent of 65% or more of their available local audiences aged 5-18 years
- Performing arts venues are more likely to have repeat visitation from local audience
- A number of the facilities are attracting audiences from beyond the LGA

Evocity	School audiences as a percentage of the school aged population
Albury*	65%
Armidale	89%
Bathurst	99%
Dubbo	106%
Orange	124%
Tamworth	65%
Wagga Wagga	69%