

Parliament of Victoria, Legislative Council Economy and Infrastructure Committee

## **Inquiry into the impact of the COVID-19 pandemic on the tourism and events sectors**

### **Museums Victoria submission**

#### **1. About Museums Victoria**

Museums Victoria is Australasia's largest museum organisation, comprising three museums – Melbourne Museum, Scienceworks and the Immigration Museum – the Royal Exhibition Building and IMAX Melbourne. In 2018-19 we connected with more than 9 million people at our museums, across our digital platforms and through our outreach program.

Museums Victoria manages the State Collection of more than 17 million objects that record Victoria's social, natural and cultural histories. This collection is a vital foundation for research and ongoing discovery into Victoria's society and environment, with research shared globally through partnerships with leading research institutions.

#### **2. Coronavirus (COVID-19) impacts**

The coronavirus (COVID-19) pandemic's impact has had both immediate and long-term impact on Museums Victoria.

Lockdowns during 2020 caused Melbourne Museum, Scienceworks and the Immigration Museum to be closed to all visitors for a total of 35 weeks. This directly impacted almost all revenue streams for the museums, with no admissions or related commercial activity (onsite retail, retail and event catering, venue hire, car park).

The museums reopened to the public on 16 November 2020. While there was strong demand for tickets, capacity and density limitations slowed recovery during a typically peak visitation period.

The lack of tourism audiences has been and continues to be particularly significant. Domestic and international tourists comprise a substantial part of overall visitation, particularly over summer. This drop in tourism audiences represents an estimated YTD loss of more than \$2 million in ticketed revenue alone, with additional impact on commercial revenue.

The lack of interstate and overseas visitors has had a significant impact on Melbourne Museum and the Immigration Museum in particular, both of which draw a larger tourist audience than Scienceworks, which draws a larger intrastate and regional audience.

Education audiences (i.e. school groups visiting museums to participate in education programs) have also been slow to recover following the re-opening of the museums in November 2020. While this affects overall visitation numbers, the revenue impact is reduced

due to children under 16 receiving free museum admission; education groups pay per program.

*Year-on-year comparison of Museums Victoria interstate and international visitation for the period July – March:*

|                        | July 2019 –<br>March 2020 | July 2020 –<br>March 2021 | Variance    |
|------------------------|---------------------------|---------------------------|-------------|
| Interstate visitors    | 97,456                    | 7,449                     | -92%        |
| International visitors | 112,395                   | 169                       | -100%       |
| <b>TOTAL</b>           | <b>209,851</b>            | <b>7,618</b>              | <b>-96%</b> |

### *Business-interruption funding*

Since March 2020 Museums Victoria has received support from the State Government in the form of business interruption funding. This has supported maintaining pre-COVID staffing levels, with the exception of some casual front-of-house roles which were not rostered while the museums were closed to the public.

### *Digital reach*

While the museums were closed, Museums Victoria prioritised growing its digital reach and engagement. On 23 March 2020 Museum at Home launched with a broad array of content that brought museum experiences to audiences across Australia and internationally.

Monthly average reach is now 2.9 million people across combined digital channels with a cumulative total reach of more than 37 million. The expanded digital reach has supported revenue growth in online retail, with the generation of additional revenue-generating opportunities remaining an organisational priority.

## 3. Long-term impacts

The unprecedented and dynamic nature of this period has made it difficult to forecast the rate at which individual audience categories will return to our museums. Currently visitation by local (metropolitan) audiences is approaching pre-COVID levels, however current estimated forecasts through 2022-23 are for very gradual recovery of domestic and international tourism.

*Current estimated forecast return of tourism audiences July 2021 – January 2023:*

|               | July<br>2021 | January<br>2022 | July<br>2022 | January<br>2023 |
|---------------|--------------|-----------------|--------------|-----------------|
| Interstate    | 70%          | 83%             | 90%          | 100%            |
| International | 0%           | 33%             | 70%          | 85%             |

## Conclusion

The coronavirus (COVID-19) pandemic had and continues to have significant impact on Museums Victoria's operations. The closure of our museums for 35-weeks during 2020 interrupted almost all revenue generation, and the slow recovery and uncertainty surrounding domestic and international tourism will continue to impact admissions and related commercial revenue.

The drop in overall visitation, primarily due to the interruption in tourism, contrasts a substantial expansion of the museum's digital platforms during this period. This has ensured that Museums Victoria's collections, research and experiences have remained accessible to audiences across Victoria, Australia and internationally.

In the long-term, opening of international borders and rebuilding confidence in tourism markets will be key to Museums Victoria's return to pre-COVID attendance.