



ARPA Talking Points and Data – 6/13/22

Arts Employment Hit Hard, Recovery Slower than the National Average (national)

- Johns Hopkins University reports that, as of **December 2021**, the percentage of [job losses at nonprofit arts organizations](#) remains more than 3 times worse than the average of all nonprofits (-12.5% vs. -3.7%).
- The U.S. Census Bureau's [Small Business Pulse Survey](#) reports that "arts, entertainment, and recreation" businesses are among the most likely to take longer than 6 months to recover from the pandemic.
- Between 2019 and 2020, the U.S. arts economy shrank at nearly twice the rate of the economy as a whole: arts and cultural production fell by 6.4 percent when adjusted for inflation, compared with a 3.4 decline in the overall economy ([Arts & Cultural Product Satellite Account](#), National Endowment for the Arts/US Bureau of Economic Analysis)
- Recovery is slow - Revenue earned by performing arts companies in the third quarter of 2020 doubled in the same quarter of 2021, from \$834 million to \$1.7 billion. Yet that amount remained far below 2019's third quarter, when performing arts companies earned \$12.7 billion.

Attendance, Projected Budgets, Labor Costs (New Jersey)

- According to informal survey conducted by NJ State Council on the Arts (February 2022) attendance at cultural events is at 44% of venue capacity, on average over the last six months.
- The Omicron variant presented significant losses to performing arts venues during the 2021 holiday season when high revenue earning productions were scheduled. Respondents to the February 2022 NJSCA survey reported a loss of \$7.8 million dollars in ticket or admission refunds during the last six months, and more than 1/3 of ticket sales were lost due to cancellations.
- According to the NJ Independent Venues survey (NJIVA-February 2022), the "no-show" rate doubled from 7% in 2019 to 14% in 2021.
- Nonprofit venues reported an average projected deficit for FY23 of \$222,285 without any current or potential relief funding.
- 73% of NJIVA survey respondents reported an average 19% increase in labor costs over 2019.

Anecdote:

Programming and Staffing has been deeply, deeply impacted. Our Summer Stage 2021 had 200 registrants perform 4 shows for 250 video feed tickets; as opposed to Summer Stage 2019 that had 370 you people perform 20 individual performances (8 shows) for 7,200 individuals who bought tickets. Our Fall Festival in October 2021, our major fundraiser that brings in \$25,000, was canceled due to the fear of spreading COVID and lack of volunteers (also COVID influenced). Our Studio Education program is operating at 60% of our previous registrations. Our Holiday Concert had to be canceled because 3 members of our choir had the virus. Programmatic cancellations and reductions in scope of programs have devastated our income. Staffing has been reduced greatly. Our Summer staff in 2021 was at 50% of previous years. Our year round administrative has been cut by 30%. Staff for 6 months in 2020 had to take a 50% pay cut until the PPP and SVOG allowed for full pay again. Depending on how things go this summer and if we are able to sell in-person tickets instead of video only, we may have to reduce year round salaries again.