

COVID-19 Pandemic Impact on The Arts Research Update: April 26, 2021

The coronavirus continues to have a devastating impact on America's arts sector. Even as arts organizations cautiously begin to open, artists and creative workers remain among the most severely affected segment of the nation's workforce. This is a summary of research by Americans for the Arts and others on the human and financial impacts of the COVID-19 pandemic on the arts.

1. Impact on the Nonprofit Arts and Culture Sector

Nationally, financial losses to nonprofit arts and culture organizations are an estimated \$16.3 billion, to date. 99% of producing and presenting organizations have cancelled events—a loss of 523 million admissions and \$16.6 billion in audience spending at local businesses (e.g., restaurants, lodging, retail, parking). The total economic impact of this lost financial activity is \$5.6 billion in lost government revenue and 959,000 jobs negatively affected. (Survey.)

- 48% laid off or furloughed staff. While 90% of those expect to return to pre-pandemic employment levels, 52% estimate that it will take until 2022 or beyond.
- Approximately two-thirds of organizations with in-person programming remain closed to the public.
 - ✓ 35% have targeted a 2021 re-open date. 42% have no target date.
 - ✓ 41% lack the financial resources needed to restart in-person programming. Of this group, 68% report it will take 3+ months to assemble those funds; 15% are not confident they can do so at all.
 - ✓ 88% make their artistic product available online or through social media. Just 19% of those generate enough revenue from virtual programing to cover the costs.
- The <u>Small Business Pulse Survey</u> by the U.S. Census Bureau reports "arts, entertainment, and recreation" businesses are among the most likely to take longer than 6 months to recover from the pandemic.

2. Impact on Artist & Creative Workers

Artists/creatives remain among the most severely affected segment of the nation's workforce, having lost an average of \$47,564 each in creativity-based income since the pandemic's onset. At the height of the pandemic in 2020, 63% experienced unemployment. As recently as March 2021, the percentage of job losses at nonprofit arts organizations is 5 times the average of all nonprofits (-31.8% vs. -6.6%) (Survey)

- 52% have been unable to access or afford food at some point in the pandemic and 43% have not visited a medical professional due to inability to pay.
- 78% have no post-pandemic financial recovery plan.
- 95% have lost creative income. 74% had events canceled.
- Black, Indigenous, artists of color (BIPOC) had higher rates of unemployment than white artists in 2020 due to the pandemic (69% vs. 60%) and lost a larger percentage of their creative income (61% vs. 56%).

3. COVID-19 and Social Distancing: Impact of Arts and Other Activities on Mental Health

This ongoing study demonstrates that the arts provide mental health benefits to the public by combating the ill effects of isolation and loneliness associated with COVID-19. Preliminary findings show that just 30 minutes of active arts activities daily may lower anxiety and depression and increase life satisfaction.

4. More Research Studies on COVID-19's Impact on U.S. Arts and Creative Economy

Arts & Creative Industries Lose Billions in 2020

America's arts and creative industries lost \$150 billion in sales and 2.7 million jobs just through July 2020. The "fine and performing arts" alone (commercial & nonprofit) lost \$42.5 billion and 50% of its workforce (-1.4 million jobs).

Source: Brookings Institution, 2020.

Artists Have Higher Unemployment Rates

The national unemployment rate in 2020 was 7.8%. Performing artists had some of the highest unemployment rates of any sector: actors (40.2%), dancers (45.6%), and musicians (27%).

Source: U.S. Bureau of Labor Statistics, 2021.