Australia: Musicals cancelled as inflation and austerity impact ticket sales

Kaye Tucker
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A wave of cancellations and shortened tours across Australia's commercial musical theatre sector has exposed a deepening crisis as rising inflation is making large-scale touring productions increasingly unviable. The sector in Australia is not a niche industry: last year it generated $4 billion in economic activity and 30,000 associated jobs. Actors, dancers, musicians and technical crew—numbering in the hundreds across the industry—are now being thrown out of work with little notice and no recourse, and, in some cases, without being paid.

Last month's announcement that *Waitress*, a popular Broadway musical, would end its season in Melbourne and not proceed to Sydney in August as planned is only the latest casualty in an industry already shaken by sudden cancellations. It follows the premature end of the Australian tour of *Beetlejuice: The Musical* three weeks early, and the cancellation of planned performances of *Back to the Future: The Musical* in Sydney following its Melbourne performances.

Scheduled performances at the Adelaide Festival of the Arts in late February 2027 of Franco Zefferelli's production of Giuseppe Verdi's *Aida* have also been cancelled outright, having initially been postponed because of global shipping disruptions created by US imperialism's war against Iran.

The $20 million arena-scale production to be staged at the Adelaide Oval involved some 700 performers and crew, including 106 musicians of the renowned Fondazione Arena di Verona Orchestra, 100 members of the Chorus of the Fondazione Arena di Verona, and the Ballet of the Fondazione Arena di Verona. The international ensemble was to be complemented by 300 local cast and crew, including 155 extras and a 50-member chorus from State Opera South Australia.

TEGLive, the Australian producer, said it has lost $2 million and five years of work.

As well as an artistic loss, the cancellation constitutes a significant economic blow to South Australia. TEGLive reports having sold 17,000 tickets, but that even a sold-out run could not have absorbed the increased freight and travel costs—up by about 70 percent.

All the aforementioned cancellations follow the collapse in 2025 of live entertainment company David Venn Enterprises, producer of *Elvis, a Musical Revolution* and many other shows, with $7.5 million in debt, including $440,000 in unpaid superannuation. Most suppliers, cast and crew received nothing.

The immediate trigger of the musical theatre cancellations is a drastic fall in ticket sales. Advance bookings, on which commercial producers depend to secure financing and commit to venue contracts, have fallen sharply, impacted by the surging cost of living and government austerity measures.

Industry groups have noted that a family of four attending a musical can easily spend between $500 and $1,000, including tickets and other associated costs. For middle-income earners and especially low-paid workers, hit by years of real wage cuts, rising interest rates, surging rents and escalating prices for electricity, groceries and fuel, these costs are prohibitive.

The present crisis, however, is more than just a fall in ticket sales. It exposes the fundamental instability of the for-profit commercial theatre model. Commercial producers are competing in an exceptionally crowded marketplace. Never before have there been so many large-scale musicals, international tours, concerts, festivals and immersive experiences, all vying for the same pool of ticket buyers.

What was once a high-risk business is now very high-risk and in Australia, the popular trend for "replica" productions of Broadway musicals is proving increasingly difficult to manage. It costs somewhere between $10 million and $15 million to replicate a current Broadway show and touring a production between cities can add another $1.5 million for each move to another city.

In Australia, the industry's overall operating surplus has historically been low—around 8 percent of invested capital—but individual productions vary dramatically, and recent cost pressures have compressed margins even further.

John Frost, producer of the now-cancelled *Waitress*, told the media that one blockbuster may earn 15–30 percent of invested capital but many productions lose 100 percent. A relatively small change in attendance can shift a production from a 10 percent profit to a substantial loss, he said, explaining it was necessary to have a portfolio of productions rather than relying on a single production to succeed.

Even Broadway is struggling these days. According to a report in the *New York Times*, none of the 18 commercial musicals that opened last season have made a profit yet and only three of 46 new musicals have received the green light.

Large-scale musical productions are financed on the expectation of high-ticket prices and extended runs but when ticket sales fall, producers respond not by lowering prices and reaching out to broader audiences but by cancelling altogether, throwing performers and crew members onto the street.

Suzanne Jones from the Jones Theatrical Group said that the cost of producing world-class live entertainment is climbing at an unsustainable rate. Jones, like many other producers, has called on the government to introduce a Theatre Tax Relief (TTR), like the UK, which would allow theatre companies to claim huge tax deductions on production costs. Producers and their investors already receive undisclosed amounts of financial support from state governments to attract tourists to their capital cities. They now want the federal government to cover surging costs, while they pocket the profits from the box office and discard workers the moment market conditions shift.

At the same time, new software technology is being used to cut musicians' jobs. *The Lion King* in Sydney reduced the number of musicians from 17 to 11 with two trombonists and four string players replaced by a single keyboardist using Disney-licensed Keycomp software to simulate orchestral parts. Performances of *Back to the Future: The Musical* in Melbourne eliminated five musicians from its production using the same software, and in April a four-day run of the WA Ballet's *Dracula* in Adelaide used pre-recorded music.

The current downturn in live performance is not limited to the private commercial sector but extends into the state-funded sector. The Melbourne Theatre Company (MTC), Victoria's state theatre company for more than 70 years and a department of the University of Melbourne, recently announced a $3.9 million net deficit for 2025, following a drop in ticket revenue and donations, and a sharp rise in costs.

The reality is that state theatres and training institutions—which provide the commercial theatre with the performance skills, technical expertise and, in many cases, venues needed to mount musicals and theatrical blockbusters—are being starved of funds.

According to "A New Approach," a national arts and culture think tank, federal per-capita arts expenditure in 2023–24 by the Albanese federal Labor government was approximately $114, the lowest level on record.

Adjusted for inflation, government spending on the arts, state and federal, continues to fall in real terms with arts organisations, including for theatre, scrambling to cover wages, utilities, insurance, venue hire and freight. In fact, much of government spending on the arts is increasingly directed towards buildings and infrastructure, while funding for staff, programming and artistic activity has declined.

This is part of a systematic assault on cultural life being carried out by governments at state and federal levels. As the *World Socialist Web Site* reported in December 2025, artists and cultural administrators appearing before a New South Wales parliamentary inquiry delivered a damning indictment of the state Labor government's cost-cutting measures.

Across disciplines—visual art, music, performance, craft, design and dance—witnesses described worsening job security, unpaid labour, collapsing institutions and the silencing of dissent within a funding regime that increasingly treats artists as expendable. In Victoria, the Allan Labor government has axed funding for Writers Victoria, the state's peak body for writers, as part of its drive to impose the burden of its $167.6 billion debt on working people.

The Media, Entertainment and Arts Alliance (MEAA), which covers workers in the industry, has declared that the musical theatre cancellations are "completely devastating for everyone involved," but it has done nothing to defend jobs in the sector. It supports calls for tax reform, while advocating a "cultural pass" that would provide young people with government-funded vouchers to spend on theatre tickets—a scheme that would funnel public money into the pockets of commercial producers while leaving the underlying fundamentals untouched.

As the WSWS has documented, the MEAA has functioned for decades as a corporatist instrument of employers and the state, not a defender of its members. Under legislation introduced in the 1990s, the union is directly involved in approving visas for foreign productions—which cannot proceed without MEAA sign-off and payment of consultancy fees—making it a de facto labour hire agency and one that guarantees industrial peace.

At the height of the COVID-19 pandemic, the MEAA collaborated with company managements to impose savage wage cuts across the performing arts: a 50 percent pay cut at the Australian Ballet, 40 percent at the Sydney Symphony Orchestra—deals the union publicly hailed as a "best practice model" for the sector.

The rapid decrease in musical theatre productions and other live performance entertainment is not the result of isolated policy failures or poor corporate decisions but an inevitable result of government attacks on the wages, conditions and living standards of all workers and their families.

While arts funding is being slashed, the Albanese government is funnelling hundreds of billions of dollars into the military as part of the AUKUS pact and the US-led war drive against China. The same imperatives that drive producers to cancel tours and cut jobs compel governments to slash public arts funding: the subordination of every aspect of social life to the dictates of profit and the financial markets.

Musical theatre performers and crews must fight to defend every job. This means reaching out to other creative artists and the entire working class through the development of rank-and-file workplace committees. Such organisations must be independent of the MEAA and other trade union bureaucracies and be based on a socialist perspective that rejects the domination of private ownership and profit over the needs of ordinary working people.