

Committee Secretary  
Senate Legal and Constitutional Affairs Committee  
PO Box 6100 Parliament House  
Canberra ACT 2600

Wednesday, 15 July 2015

Dear Committee Secretary,

We write concerning the Impact of the 2014 and 2015 Commonwealth Budget decisions on the Arts.

### **Credentials**

Together, we have almost a century of experience working across the arts in various capacities. While we are all staff at the University of New South Wales, this submission is not made on behalf of that institution but rather on behalf of ourselves as individuals with particular expertise in the performing arts. More specifically, Dr Erin Brannigan is Senior Lecturer in Dance Studies and has worked as a dancer, curator, arts journalist and academic for 27 years. Dr Meg Mumford is Senior Lecturer in Theatre and Performance and has worked as an academic and reviewer in the U.K. and Australia for 21 years. Dr Theron Schmidt is Lecturer in Theatre and Performance and has worked as a scholar, critic and artist in the U.K. and Australia for 10 years. Dr Bryoni Trezise is Lecturer in Theatre and Performance and has worked as a performer, dramaturg, reviewer and academic for 10 years. Dr Caroline Wake is an Australian Research Council DECRA Fellow who has worked as a performer, reviewer, online producer and researcher for 10 years. Ms Su Goldfish is Producer and Manager of the Creative Practice Lab at UNSW and has worked as a performer, producer, filmmaker and arts manager for over 20 years.

### **Effects**

The cumulative effects of the budget cuts in 2014 and 2015 will be devastating to the arts in Australia. The 2014 budget cut \$28.2 million over four years from the Australia Council, \$38 million over four years from Screen Australia, and \$20 million over three years from the Australian Interactive Games Fund. The 2015 budget goes far further. From the Australia Council alone, it cuts: (a) \$104.8 million over four years (to be reallocated to establish the National Program for Excellence in the Arts); (b) \$6 million over three years (to be reallocated to establish the Australian Book Council); and (c) \$7.3 million over four years (an efficiency measure). In short, the Australia Council has \$184.5 million to deliver multiple programs and of this money, only \$62 million will be available to support key organisations, national and international development activities, capacity building, research and operations. To put this in context, this is \$23 million less than anticipated.

There are two issues here: (1) the general reduction in federal funding for the arts; and (2) the redistribution of the money that remains. On the first point, it is worth noting that even prior to these cuts, Australia was spending less on the arts than its OECD counterparts. In 1998, the Arts Council of England found that while Finland's government arts spending measured 0.47 percent of its GDP, and Germany's measured 0.36 percent, Australia's measured only 0.14 percent.<sup>1</sup> In 2005, a Canadian study found that while the Arts Council of England spent \$22.99 per capita in the years 2003-04, and the Arts Council of Ireland spent \$16.28, the Australia Council spent the relatively

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<sup>1</sup> Arts Council of England, Policy Research and Planning Department, Research Report Number 13, *International Data on Public Spending on the Arts Eleven Countries*, March 1998. See also, the National Endowment for the Arts, *International Data on Government Spending on the Arts* (2000) <http://arts.gov/sites/default/files/74.pdf> and the Arts Council of Ireland, *A Comparative Study of Levels in Arts Expenditure in Selected Countries and Regions* (2000): [http://www.arts council.ie/uploadedFiles/A\\_Comparative\\_study\\_pf\\_levels\\_of\\_arts\\_expenditure.pdf](http://www.arts council.ie/uploadedFiles/A_Comparative_study_pf_levels_of_arts_expenditure.pdf)

small sum of \$6.19 per capita.<sup>2</sup> Obviously direct comparisons are difficult, as these reports acknowledge, but the general point remains: Australia's arts funding is modest when compared to other Commonwealth countries and extremely modest when compared to European nations.

Following on from this, Australia's artists earn modest wages. In 2003, David Throsby and Virginia Hollister found that an Australian artist's median income was \$30,000, of which only \$7,300 came directly from their art.<sup>3</sup> This was substantially lower than other workers who spend between four and seven years training, such as teachers, lawyers, and scientists.<sup>4</sup> Similarly, a 2010 study found an artist's median income of \$35,900 included just \$7,000 derived directly from their art.<sup>5</sup> That same year, Stuart Cunningham and Peter Higgs found: "In real terms (consumer price index adjusted), income ... levels within arts employment have risen. But this rise is not as great as the total workforce, which means that the 'negative income gap' between arts employment and the national average is now even greater."<sup>6</sup> If this can happen during a time of relative plenty, then it is likely to become far worse if the new funding model goes ahead. It should be noted that measuring this will be difficult because the Australia Council may no longer be able to fund and publish industry research such as the three reports cited above.

On the second point—the redistribution of the funding that remains—it is clear that because of the 'ring-fencing' of the Australian Major Performing Arts Group, the cuts will disproportionately affect the small-to-medium sector, individual artists, and young and emerging artists. This means that the cuts will disproportionately affect cultural and artistic practices that fall outside the mainstream. For example, Aboriginal and Torres Strait Islander organisations will be particularly vulnerable, including companies such as Ilbijerri Theatre Company and Marrugeku.<sup>7</sup> The former describes itself as the "leading and longest running" Aboriginal and Torres Strait Islander company and its production, *Beautiful One Day*, recently played to positive reviews in London, having previously been praised by local critics.<sup>8</sup> The latter has produced an extraordinary series of works since its inception, including *Mimi* (1996), *Crying Baby* (2001), *Burning Daylight* (2006), and *Buru* (2010). These works have toured to Europe (Belgium, Ireland, the Netherlands, Switzerland), North America (Canada and the United States), South America (Brazil), Asia (the Philippines), and Micronesia (New Caledonia).

Regional companies are also likely to be hit hard in a way that will negatively affect the representation of Australian culture outside major cities. This includes the internationally renowned

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<sup>2</sup> Canada Council for the Arts, *Comparison of Arts Funding in Selected Countries: Preliminary Findings* (2005), n. pag. <http://www.creativecity.ca/database/files/library/comparisonsofartsfunding27oct2005.pdf>

<sup>3</sup> David Throsby and Virginia Hollister, *Don't Give Up Your Day Job: An Economic Study of Professional Artists in Australia* (Strawberry Hills: Australia Council for the Arts, 2003), p. 45. [http://www.australiacouncil.gov.au/workspace/uploads/files/research/entire\\_document-54325d2a023c8.pdf](http://www.australiacouncil.gov.au/workspace/uploads/files/research/entire_document-54325d2a023c8.pdf)

<sup>4</sup> Throsby and Hollister, pp. 45-46.

<sup>5</sup> David Throsby and Anita Zednik, *Do You Really Expect to Get Paid? An Economic Study of Professional Artists in Australia* (Strawberry Hills: Australia Council for the Arts, 2010), pp. 44-45. [http://australiacouncil.gov.au/workspace/uploads/files/research/do\\_you\\_really\\_expect\\_to\\_get\\_pa-54325a3748d81.pdf](http://australiacouncil.gov.au/workspace/uploads/files/research/do_you_really_expect_to_get_pa-54325a3748d81.pdf)

<sup>6</sup> Stuart Cunningham and Peter Higgs, *What's Your Other Job? A Census Analysis of Arts Employment in Australia* (Strawberry Hills: Australia Council for the Arts, 2010), p. 4. [http://www.australiacouncil.gov.au/workspace/uploads/files/research/what\\_is\\_your\\_other\\_job\\_the\\_cen-54325a7993203.pdf](http://www.australiacouncil.gov.au/workspace/uploads/files/research/what_is_your_other_job_the_cen-54325a7993203.pdf). This confirms Throsby and Hollister's finding in 2003, when they stated: "Over the long term it is apparent that in financial terms the relative disadvantage of artists compared to other occupation groups has worsened rather than improved over the last 15 years." See Throsby and Hollister, p. 51.

<sup>7</sup> See <http://ilbijerri.com.au/> and <http://www.marrugeku.com.au/>.

<sup>8</sup> For a sample London review, see Matt Trueman, "Beautiful One Day (Southbank Centre)." *What's On Stage* 29 June 2015: [http://www.whatsonstage.com/london-theatre/reviews/beautiful-one-day-southbank-centre\\_38160.html](http://www.whatsonstage.com/london-theatre/reviews/beautiful-one-day-southbank-centre_38160.html). For a sample local review, see Rebecca Harkins-Cross, "Review: Beautiful One Day at Arts House in North Melbourne." *The Age* 29 November 2013: <http://www.theage.com.au/entertainment/theatre/review-beautiful-one-day-at-arts-house-in-north-melbourne-20131128-2ye7k.html>

Back to Back Theatre.<sup>9</sup> One of the most prestigious presses in the field of performance studies, the Centre for Performance Research in Wales, recently published a book dedicated to this extraordinary company.<sup>10</sup> The works documented within this book have toured Australia, New Zealand, Canada, the United States, the United Kingdom, much of Europe (Austria, Belgium, Croatia, Denmark, Finland, France, Germany, Greece, the Netherlands, Poland, Portugal, Slovenia, Switzerland), Asia (Korea and Singapore), and South America (Argentina and Chile). While Back to Back Theatre is based in Victoria and may manage to procure additional state funding, companies based in Queensland—where the sector is still recovering from the Newman government’s cuts—may not survive at all. The picture is not much rosier in the cities. In Sydney alone, companies who work in the suburbs, such as Urban Theatre Projects, or with young people, such as Powerhouse Youth Theatre and PACT Centre for Emerging Artists, or with homeless people, like Milk Crate Theatre, are all at risk.<sup>11</sup> In short, anything that is not ballet, opera or conventional theatre is in danger.

The proposed cuts will not only devastate individual artists and companies but also affect the broader arts ecology and economy. Take, for instance, the Sydney Theatre Company’s recent production of Tennessee Williams’ play *Suddenly Last Summer*, which was both a critical and box-office hit. In particular, it was widely praised for its combination of live and video performance.<sup>12</sup> Such an aesthetic does not arrive on the Sydney Opera House stage fully formed. On the contrary, it was the result of more than two decades of experimentation and innovation by individual artists working with small to medium companies and small to medium organisations. Indeed, in the National Library of Australia’s Significance Assessment of the Performance Space’s archive, the assessor observed that the organisation had hosted an evening titled *Double Act: Live Performance and the Recorded Image* in 1989, i.e. an incredible 26 years prior to the Sydney Theatre Company production.<sup>13</sup> In the interim, the Performance Space, and various organisations like it around the country, continued to nurture artists working at the intersection of art forms through workshops, mentorships, commissions, and co-productions. Without these organisations, and crucially the Australia Council that funded them, these artists would not have had the chance to hone their craft and audiences at the Sydney Opera House in 2015 would not have enjoyed the production they did. By depriving smaller artists and companies of funding now, we are not only robbing them in the present, we are cheating the mainstage artists and audiences of the future.

### **Political Interference and Peer Review**

The National Program for Excellence in the Arts (NPEA) guarantees neither freedom of expression nor freedom from political interference.<sup>14</sup> Whereas the Australia Council operates at arm’s length from the government and makes its assessments and funding allocations based on peer review, the NPEA does neither of these things. Just as peer review produces the best science and the best scholarship, it also produces the best arts. Peer reviewers are, by definition, experts in the field, bringing decades of experience as artists, scholars, and audiences to bear on any given application. By contrast, the Attorney General and Minister for the Arts, is not likely to possess such experience and expertise.

<sup>9</sup> Back to Back Theatre, <http://backtobacktheatre.com/>

<sup>10</sup> Helena Grehan and Peter Eckersall, eds. “*We’re People Who Do Shows*”: *Back to Back Theatre – Performance, Politics, Visibility* (Aberystwyth: Centre for Performance Research, 2013).

<sup>11</sup> See Urban Theatre Projects <http://urbantheatre.com.au/>, Powerhouse Youth Theatre <http://pyt.com.au/>, PACT Centre for Emerging Artists <http://www.pact.net.au/>, and Milk Crate Theatre <http://www.milkcratetheatre.com/>.

<sup>12</sup> See for example Jason Blake, “*Suddenly Last Summer* review: A Persuasive Case for Screen on Stage.” *Sydney Morning Herald* 15 February 2015:

<http://www.smh.com.au/entertainment/theatre/suddenly-last-summer-review-a-persuasive-case-for-screen-on-stage-20150215-13f2r2.html>

<sup>13</sup> National Library of Australia, *Performance Space Archives: Significance Assessment Report* (2011), p. 13.

<sup>14</sup> Ministry for the Arts, *Draft Guidelines: National Program for Excellence in the Arts* (2015):

<http://arts.gov.au/sites/default/files/about/Draft-Guidelines-National-Program-for-Excellence-in-the-Arts-Consultation-2015.pdf>

## Funding Criteria

There are two main concerns regarding the NPEA's funding criteria. First, the overall criterion of "excellence" does not appear to be defined in the existing guidelines, and second, it will cut funding from the small and medium companies who have proven to be more in demand on the international touring scene. Excellence is typically defined by awards, commissions, invitations to tour, publications, and inclusion on secondary and tertiary curricula: criteria that many small to medium companies easily fulfil. However the draft guidelines make it clear that such companies are unlikely to succeed. Specifically, the guidelines refer to *Quality, Access, Support and Partnerships*, and *Value for Money*. The first two criteria listed under *Quality* are: "Experience and reputation of the applicant organisation in the relevant field" and "Skills, expertise and reputation of the key personnel including participating artists," both of which strongly favour established artists over emerging ones.<sup>15</sup> Within the category of *Support and Partnerships*, four of the seven criteria refer to cash, co-contributions, philanthropy and corporate support.<sup>16</sup> If this were not enough, there is another category called *Value for Money*, with another seven criteria addressing budgets and viability.<sup>17</sup> These criteria favour organisations that already have fundraising departments, which is to say the Majors whose funding has already been guaranteed under these new arrangements.

The second issue with the NPEA is that aspects of its policy are working at cross-purposes. On the one hand, the government states that it is interested in excellence and international touring; on the other hand, its policy strongly favours the major performing arts companies. Yet it is the small to medium companies that are invited overseas most often: Back to Back, Marrugeku, and Lucy Guerin Inc have toured far more than most major companies. Reallocating funding from the Australia Council to the NPEA will disadvantage these companies who are already in international demand. This demand, we would argue, is evidence of their excellence but it is not clear from its current guidelines that the NPEA would agree.

## Duplication and Consultation

Finally, the NPEA appears to be an expensive exercise in bureaucratic duplication, at odds with a broader government desire to reduce 'red tape'. The Budget Papers state that \$104.8 million over four years will be reallocated from the Australia Council to the NPEA. However, the NPEA guidelines state that the organisation will have "approximately \$20 million each financial year," i.e. \$80 million over four years.<sup>18</sup> What is the government proposing to do with the other \$24.8 million? It is hard to tell. Why would the government spend close to \$25 million on establishing a second bureaucracy, when that amount could fund the Australia Council's current shortfall? In the short to medium term, this plan will increase the number of bureaucrats but not the number of artists. In the longer term, there is a real risk that it will lead to the abolition of the Australia Council altogether. Suppose there were another budget crisis: it is possible that the two funding bodies would find themselves competing for survival. If the Australia Council did not survive, this would leave the NPEA as the only federal body for arts funding: controlled by the minister, without peer review, and with a particular bent towards established companies and forms.

Even if the NPEA does not go ahead, this entire episode has already cost the taxpayer dearly. Prior to this year's budget, arts workers, advisors and board members had laboured for months on their Expressions of Interest for the new Six Year funding scheme. Instigated and endorsed by Senator Brandis, the scheme was suddenly and indefinitely suspended as a result of the budget, leaving organisations in limbo and wasting hours and hours of labour. To its credit, the Ministry for the Arts is now seeking feedback on its Draft Guidelines for the NPEA, but the fact that this has been

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<sup>15</sup> Ministry for the Arts, p. 6.

<sup>16</sup> Ministry for the Arts, p. 6.

<sup>17</sup> Ministry for the Arts, p. 7.

<sup>18</sup> Ministry for the Arts, p. 4.

solicited at the same time as the sector scrambles to submit to the Senate Inquiry indicates how poorly this process has been handled.

### **Conclusion**

In summary, as teachers and mentors of students preparing themselves for careers in the creative arts it is hard to be positive when many of the paths they might follow are disappearing before our very eyes. We are seriously concerned about the impact of the 2014 and 2015 Commonwealth Budget decisions on the arts for several reasons. First, they reduce the amount of federal funding for the arts, affecting individual artists who are already earning below average. Second, they redistribute the remaining funding in such a way as to favour established companies working in established forms. This will not only affect the small to medium sector of today, it will impact on the mainstage of tomorrow. Furthermore, the NPEA guidelines as they currently stand offer no guarantees that it will distribute funding without fear or favour; instead, it risks becoming the plaything of the minister of the day. Even if it does not, it will favour—once again—large companies that already have corporate relations and fundraising operations in place. These are not necessarily the companies that are internationally regarded as excellent and invited to perform in overseas festivals. Lastly, there is the issue of waste and duplication. There is simply no need to establish a second bureaucracy, when the existing one works well. We urge the committee to reconsider this damaging policy.

If we can provide further information or assistance, please do not hesitate to contact us.

Yours sincerely,

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