



**Growing creative people, communities and industries**

**[www.ArtsNexus.com.au](http://www.ArtsNexus.com.au)**

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17 July, 2015

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

To Whom It May Concern,

**Re: The impact on the creative sector of Far North Queensland from the redistribution of arts funding in the 2015 Commonwealth Budget decisions**

Please find enclosed our organisation's thoughts and contribution to be considered at the Senate Inquiry into the recent changes in the Australian arts funding model, specifically relating to the \$104.7 million that will be transferred from the 'Australia Council of the Arts' to the 'National Programme for Excellence in the Arts' (NPEA).

As an organisation that represents our members that are all independent Artists, Arts Practitioners, Arts groups and self employed, micro business owners, we agree with the five key statements presented by a delegation to senior politicians in Canberra June this year:

1. Arts funding arrangements should be decided on within the context of evidence based policy, devised through broad and thorough consultation and research.
2. We support the Australia Council of the Arts as an independent arms length statutory body free from political influence.
3. We are yet to understand the need to establish a National Programme for Excellence in the Arts and the potential duplication of the administration required to manage it.
4. We assert the great social and public value of the arts which influences and engages people across all layers of society.
5. The disruption to the current funding model will have a profound and long-lasting affect on the arts as an integrated and inter-connected culturally diverse industry.

## Who we are

Arts Nexus Inc. was established in 1996 to facilitate and enable the strategic, sustainable development of all Arts, Culture, Heritage and Creative Industries across Far North Queensland. Extensive networks and professional alliances have been forged across art forms, other stakeholder agencies and the region by improving coordination and value-adding to existing programs and services. Arts Nexus is a collaborative voice, positioned to comment on the impact of the recent budget announcement (as referred above) to regionally based, small micro-businesses, individual entrepreneurs and self-employed practitioners.

Through the work we do to facilitate and support community-run projects and programs, our organization works directly with hundreds of practitioners, advocating for opportunities and skilling to improve regional capacity by communicating the aims and aspirations of all cultural arts groups to government and community entities. We strategically map a vision for the future that enhances the regions creative and economic viability. Arts Nexus supports people and their groups to build capacity and to take advantage of opportunities to make projects happen and to develop markets across all art forms.

## In our region of Far North Queensland

The value of supporting creativity in the regional areas such as Leichhardt Division results in all manner of benefits. Other than the retention of skills and population in the outer regions, it also supports the professional development and production of culture that ultimately ends up in the big cities. There is uniqueness to the voice of those living in a regional area that you can not replicate anywhere. Artists return and relocate to the regions for the same reasons others do, to find quality time with family, create in an inspiring environment and to have lifestyle choices not afforded to them in cities. The results are most definitely “excellent”!

The Coalition’s decision to “relocate” \$104.7 million from the Australia Council’s budget is especially worrying for regional communities as we already compete to have our creative projects funded and our excellence recognized and the influence the regions have on mainstream culture acknowledged. Without direct access to the decision makers in Canberra and the capitals, it can be difficult to have representation at a national level.

**QUESTION:** With these changes to national funding, our question to the Senate Inquiry is how can it be assured that the regions and remote communities will be represented in the decisions and distribution of funds?

Similarly with the emphasis on the “Endowment Incentive” that supports organisations through co-investment partnerships with business and large corporations, the regions will again miss out. Very few corporations are based in a region even though they might do a lot of their work through/in them. How do “s2m” regional organisations form relationships with companies and develop long term partnerships if they don’t have proper access to do so.

## IMPACT ON OUR REGION

The Cairns greater region is an international tourist destination that has the unique aspect of an estimated 64 active living cultures with an increasing population of established residents. Arts Nexus commissioned a Cultural Tourism Strategy in 2008 that demonstrated the integral importance of locally produce culture through mediums such as arts and heritage. The value of being able to showcase your culture from the place you created it, is so vital to providing a cultural experience that visitors can access. With an estimated 2.5 million tourists that visit the region in any given year, Far North Queensland is particularly reliant on the interconnection between arts, culture and tourism.

There seems some opportunities through the NPEA guidelines to fund the final product of this with export/import ready creativity. However, does not allow for the generation and creative development of that product. There is an assumption here that the Australia Council for the Arts will be in a position to continue to fund individuals and groups, and yet there is no assurance that this will be the case. FACT

**QUESTION:** How does the government expect the arts practitioner to develop and produce creative product for consumers (audience and visitors) if there is no opportunity to fund it in its initial creative development stages?

## DUPLICATION OF SERVICES

### Implications of any duplication of administration and resourcing

There are a number of concerns with the establishment of another “funding” stream being created in a government department. The obvious one is the duplication of positions such as grant officers and administrators.

**QUESTION:** We would like to ask the Senate about the costs involved in the relocation of funding to the Minister of the Arts department?

### The funding criteria and implementation processes to be applied to the program

There is a lot of knowledge gathered from over the years of distributing funds. A very standard practice of grant writers is to look at the “Previous Recipients” list and to read the committee’s reports that give some indication of the trends and priorities of each of the committees. Anyone who has dealt with either an organization or a government department will appreciate the importance of CONSISTENCY. When you find a Programme Officer that remembers you/your group or has long term knowledge of the industry you work in, so much more can be achieved. There is a sense of assuredness that comes from that knowledge.

**QUESTION:** How can the Minister assure the arts sector that this knowledge will be shared transparently and across the Australia Council for the Arts, the Ministry for the Arts and available to the practitioners to gain insights for future applications?

**QUESTION:** How will the even distribution of grants across Australia and the regions be moderated if there are two separate entities administering arts funding?

## Access to a diversity of quality arts and cultural experiences

### TOURING

There seems to be an emphasis on touring “excellence” from the Major companies to the regional areas. That this is about addressing “audience” needs and the importance of exposing everyone to “heritage” arts like ballet, orchestra and opera. Often there is limited venues in the regions to even house these kind of productions unless they have created a “touring” version and often with the “B” team. We would argue that this defeats the purpose. It also becomes very obvious how much budget is put to these productions when we see the excessive crew that tour with the productions that take days to set up and then perform for one night only. The Minister also needs to take into account that these “audiences” are the cultural creative people based in the regions. We promote these shows amongst our own networks, attend for our own professional inspiration and occasionally interact with them through a workshop or a Q&A session.

**QUESTION:** Has the Minister considered seeking advice from the regional communities as to what type of product and in what capacity they would like to engage with the “Majors”?

**QUESTION:** If cultural exchange is all about bringing major performing arts companies from the cities to the regions, then where are the opportunities to reciprocate by developing local stories and tour them out to the cities from the region?

### ECONOMIC CLUSTERING

Using the collaborative principles of economic clustering to provide strategic development and infrastructure, two decades on Arts Nexus has remained consistent through the many cycles of strategic and business planning undertaken in consultation with the membership.

Creative producers, presenters and consumers participate in the development of regional strategies initiated by all levels of government, and benefit from the resulting government programs and funding that is released to the region. Through the establishment of a capacity building auspice program, some years our organization has supported over \$1.5 million into the region’s economy on any given year. Leveraging this level of money through small micro-business and corporate partnerships, government funding and sponsorships, has ensured the sustainability of many arts based programs.

### ECONOMIC BASELINE STUDY 1996 and compared in 2008

Cummings Economics (Cairns) carried out extensive surveying in the Creative Industries sector of FNQ in 1996 and again in 2008, to seek to identify the full value of the sector in the regional economy. In 2008 Arts Nexus Inc. in association with Cairns based economist, W S Cummings, prepared the following overview report that gives some idea of the size, worth and impact of these activities in the Far North Queensland regional economy.

**“Using local information, excluding where possible, the value of imported product and excluding where possible, double counting of turnover between suppliers, producers, and outlets, it was estimated that the sector’s value of ‘turnover at outlet level’ was of the order of \$280m in 2006, and probably currently approaching \$300m (as of 2008).”**

Apart from playing an important role in the intellectual life and social development of the Far North Queensland region, the economic activity stimulated by what has been termed the “Creative Industries,” is substantial.

Creative producers are overwhelmingly characterised by single individuals often acting as solo operators or collaborating in small groups.

However, in some Creative Industry segments, there are highly commercialized corporate bodies involved, such as in the media.

In total, the region’s Creative Industries sector (as defined) was estimated to be comprised of about 2,300 entities earning some level of income, and involve about 6,000 persons, with estimated equivalent full-time employment of about 2,900.

**STATEMENT:** There are a number of factors come together to make the Far North Queensland region an important growth area for creative industries within regional Australia, including a relatively large and prosperous residential population, a large domestic and international tourist market, a high level of cultural diversity in its population, and a very different and stimulating natural environment.

Overall, the region has been a net winner from globalisation impacts and has experienced a general lift in outside sales of art and craft, performing art product (especially Indigenous), publications and creative writing product, architecture & design, photography, film, advertising and marketing.

(Excerpts from “*The Ideas Economy: Creative Industries*: an overview of their size, worth, impact and development issues in Far North Qld, Australia as published 2008 by Arts Nexus)

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## **OUR EXPERIENCE as an organisation**

**Arts Nexus Inc.** had just entered the EOI process for the 6 year Key Organisational funding through the Australia Council for the Arts, to reestablish ourselves as a key producer for the region. Since it’s defunding in 2010 due to the board at the time trialing new organizational objectives that the funding bodies (both State and Federal) did not want to invest in, the needs have increased for the services and have never been replaced, leaving an inequitable delivery to Far North Queensland. With it’s unique and special qualities as an international destination with two world heritage sites, two indigenous cultures (Aboriginal and Torres Strait) and an estimated 64 active multi-cultures being practiced in the region, FNQ is arguably a significant area requiring focused funding and a strategic approach to the nurturing of Australian culture.

Over the past three years, many of the practitioners in the sector have been involved in extensive consultation to support the review of the Australia Council. It was only mid-2014 that the announcement of the new Strategic Plan and the revamped funding process, revised

guidelines and streamlining of assessment procedure, was introduced. It was considered revolutionary with the first time a two-tiered application process was introduced. Lining all the Art Boards up to the same four submission dates in a year was also cause for celebration to ease the application process.

**QUESTION:** If the Minister attended the launch of the Strategic Plan and also “signed off” on it, then how is it that within the year he found cause to create an entire alternative funding stream? Was the Minister not included in the development of the Plan?

**QUESTION:** Will the results of the extensive research that the Australia Council has invested in, be utilized by the Ministry for the Arts to ensure savings are made and good information is not tossed aside?

It may be difficult to re-engage the sector at this level again after this experience could have jaded many that put time and effort into contributing.

Aspiring recipients of Australia Council funding are now dismayed at announcements of a redistribution of budget. Our sector is already considered lean and forever justifying its existence. And yet considered vital when talking about international standards for livability, well-being, resilience and cultural vitality. The changes announced were considered to legitimise our cultural output and provide a confidence in the advancement of the cultural sector. It seems that the Minister has also heard the same scenario that there is never enough money to go around and so of course people and projects will miss out.

**SUGGESTION:** We would suggest that the response to that shouldn't have been to re-allocate the money (at some expense), but to advocate for a larger slice of distributable funds. Arts Nexus would like to advocate for the quarantining of funds to equitably support the Small-to-Medium sector to ensure the sustainability of this vulnerable community that work tirelessly often without adequate resources.

**QUESTION:** At what point will we see a Policy Framework to explain the new NPEA strategy and the context in which this decision was made?

## IMPACTS ON THE SECTOR

Response to the suitability and appropriateness of the establishment of a National Programme for Excellence in the Arts, to be administered by the Ministry for the Arts, with particular reference to:

**INDIVIDUALS AND GROUPS:** We can report to the Senate Inquiry that the effect on funding arrangements for individual artists, young and emerging, groups and organisations, has been immediate in the Far North Queensland region. Arts Nexus has had numerous reports of projects and organisations that have had progress and creative plans thwarted by the immediacy of this budget announcement. (see list below)

**AUSTRALIA COUNCIL:** The impact was immediate with them announcing within weeks their withdrawing an entire grant round (June) with other grants being in jeopardy and being reassessed (eg. 6 year core funding). It also seemed that the announcements in



2014 of the revised grant process and the revolutionary funding procedures were received with some fan fare and excitement by the sector.

**PRIVATE SECTOR:** We would ask if the corporate community have been consulted and have agreed on the potential over-reliance of the corporate good will.

## IN SUMMARY

At Arts Nexus we understand that the decision was made in context of the anecdotal evidence the Minister had regularly received about the selective nature of the Australia Council for the Arts. In the sector we have experience the low level of probability for getting a grant with some rounds as low as 15-23% chance of being successful. This is testimony to the dwindling funding buckets and the growing demand. The NPEA will no doubt receive the same level of complaint by non-funded applicants.

In light of the immediate impact on the sustainability of the small to medium arts business economy in Far North Queensland, Arts Nexus would like to advocate for the Minister for the Arts to ensure the sustainability of the Small to Medium arts sector, and those particularly based in the regions.

**We know that the Minister could determined quarantined funds for the “Majors”, we request the same assurance for the s2m sector.**

We believe that the regions require the same, if not more support, as the city based organisations and artists do. Our sector supports the capacity building of many micro businesses that feed into the **ECOLOGY** of the small business arts industry. Without the small percentage of investment from the government it increases the challenge to leverage other sources of income.

There are many possible solutions to this and Arts Nexus is in a prime position to offer advice and referrals for government to make decisions about delivering services to the regional communities of Far North Queensland and contribute to the discussion regarding national cultural service delivery to the regions.

Melissa Robertson  
**Currently Public Officer**  
**Arts Nexus Inc. Management Committee**  
(Cultural Development Officer 2002-09)

## Some examples of the immediate impact on the creative producers of Far North Qld, of the 2015 Commonwealth Budget decisions

**ARTS NEXUS Inc.** to address the inequitable issue of service delivery to the arts and cultural sector in Far North Queensland, an application had been prepared for the Australia Council 6 year Key Organisational funding. This was a considerable long-term process of planning and development of application. The immediacy of the decision did not allow us to adjust our planning to allow for it.

**ARC Disability Services** : D'Artz multi-arts program for people that live with disabilities. Have been recently unsuccessful with Australia Council funding and withdrew our application for the 6 year Key Organisational funding. Had various other funding successes and were looking to grow into a key organisation after ten years of activity [www.youtube.com/watch?v=LK5Ocna1xxk](http://www.youtube.com/watch?v=LK5Ocna1xxk)

**Cairns Tropical Writers Festival:** Committee for the 5th biennial event in 2016 were on the verge of submitting applications in June funding round to Australia Council Literature Board and Festivals Australia, to support the community partnerships program that would enable Writers throughout the region and from as far as the Torres Strait, to participate in a series of workshops and master classes to provide professional development and pathway opportunities to participate in the Festival. This has now been put on hold and may not be eligible for the next round due to timing of the festival and grant dates.

**Torres Strait Writers Group:** about to apply for professional development funding to support the emergency of a writers group with the aspiration to print an anthology of locally written stories but locally based community members. Project will submit application later. This may affect the project timeframe.

**The Young Company** is submitting applications to engage a professional team of artists from throughout the country to work with our regions New Generation of artists aged 14yrs – 25yrs to create a new work by, with & for young people. Together, they will consult, create, develop, rehearse, present & tour a contemporary & innovative piece of theatre. The culturally ambitious project will be fearless, risk-taking & inspirational to not only our region, but nationally. Through the exploration of theatre, music, movement & film, the new work will investigate the increasingly complex journey from adolescence to adulthood. It will question the expectations, friendships & pressures that are placed upon them by factors in the new world order, all whilst growing-up in a regional area.

**JUTE Theatre Company** is based in Far North Queensland creating new, Australian writer-driven work. The stories it tells on stage, capture the diversity of life in regional Australia. JUTE is currently triennially funded by state and federal government and receives project funding, local business in-kind support and sponsorship to undertake its programs. JUTE had submitted an EOI for 6 year funding with a vision to celebrate stories drawn from regional writers and to boost the revenue streams that support its core work. The Company has adopted an entrepreneurial spirit, developing its partnerships and growing its audiences. There is currently no federal vision for the company past 2016. JUTE was also preparing an application to the June round of Playing Australia for a national tour of a celebratory new Indigenous work Proper Solid.

**BC Design** is an integral part of the ecology of the individuals and businesses on the ground also trying to remain sustainable. This is simply not sustainable for my business and I am therefore unable to continue to support these enterprises. Every year it never ceases to amaze me the opportunities for the people involved. These are the people that will miss out.

**Centre for Australasian Theatre** had applications in both Australia Council and Arts Qld. When the postponement was announced, it had instant impact with the current international cultural exchanges, and further development of the current repertoire into a touring stage. A lot of money has been invested into the creative development (\$80k) and then no further funds to take to the next level.

**Emma Louise (recorded musician with international fame):** It wasn't that long ago that Emma Louise was writing songs and uploading them online from her bedroom in the regional city of Cairns. At just 16, came her star turn in the Queensland Music Awards and everything changed when she emerged with one of 2011's most talked about EPs Full Hearts and Empty Rooms that was a 100% indie release, earning her a 'Breakthrough Artist' award at 2011's national Independent Music Awards. *"Without government grants I wouldn't have been able to record my first album to which I owe a lot of success. It was crucial step in my development and leading me to find a team and get on the right path."* Emma Louise [www.emmalouise.net](http://www.emmalouise.net)