



**Submission to the House of Representatives Standing Committee on
Communications, Arts and Sport - Inquiry into Philanthropic Giving and Private
Support to Arts and Cultural Activity in Australia**

Submitted by Ausdance National
Contact: Julie Englefield

Executive Summary

Ausdance National is the peak body for dance in Australia. This submission responds to the Committee's Terms of Reference by examining the structural realities of philanthropic giving in the dance sector and identifying policy reforms that would increase equitable private participation while safeguarding public responsibility.

Philanthropy is a valuable component of Australia's cultural funding mix.

However, evidence indicates it is:

- Concentrated in major institutions
- Capacity-dependent
- More accessible to organisations with development infrastructure
- Less available to independent artists and small-to-medium organisations
- Structurally metro-centric
- Frequently directed toward capital or short-term projects rather than core operations

Research from A New Approach (ANA) — particularly *The Big Picture* series — demonstrates that Australia's public cultural expenditure is modest by OECD comparison and unevenly distributed across artforms and jurisdictions. Any policy expectation that philanthropy can substitute for baseline public investment would increase volatility, concentration and inequity.

Ausdance National submits a central policy principle:

Philanthropic income must supplement, not replace, public investment.

This submission recommends:

1. Protecting and strengthening baseline public funding
2. Incentivising multi-year and operational giving
3. Establishing national fiscal sponsorship infrastructure
4. Expanding matched funding programs
5. Building philanthropic capability in the small-to-medium sector
6. Embedding First Nations governance and Cultural authority safeguards

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1. Current Levels of Philanthropic and Private Support

1(a) Relative Levels Across Artforms

Public funding patterns influence philanthropic behaviour.

ANA's *The Big Picture: Public Expenditure on Arts and Culture in Australia* (2017; 2019 update) documents that government cultural expenditure is heavily concentrated in major performing arts organisations. This concentration is mirrored in philanthropic giving patterns.

Dance — particularly contemporary, independent and regional practice — receives a comparatively smaller share of both public and private investment relative to opera, orchestral music and flagship theatre companies. ANA's analysis demonstrates that public cultural expenditure is highly concentrated in Major Performing Arts organisations, including opera, orchestral and flagship theatre companies. Contemporary and independent dance operates largely outside this funding concentration. Philanthropic income is concentrated among large arts institutions with established development capacity (ACNC, Australian Charities Report). Independent and small-to-medium dance organisations typically operate without such infrastructure.

Structural realities include:

- Corporate sponsorship gravitating toward prestige institutions
- Philanthropic preference for capital campaigns and named positions
- Limited operational support for small-to-medium dance organisations
- Minimal philanthropic access for independent artists

As noted in sector input:

- Dance careers are shorter and more physically intensive than many other artforms
- There is limited philanthropic support for retraining or transition
- First Nations and culturally diverse dance practice is doubly marginalised
- Regional and community-based dance is often invisible to metro-centric philanthropic networks

These are structural dynamics, not isolated incidents.

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1(b) International Comparisons

Australia's philanthropic culture differs materially from that of the United States and Canada.

Relevant comparator frameworks:

- United States: Stronger tax deductibility incentives; embedded endowment culture; established fiscal sponsorship infrastructure
- Canada: ArtsVest model (Business / Arts) — structured business–arts brokerage with matched funding

ANA's OECD comparisons (see *The Big Picture II* and related ANA publications) indicate Australia's per capita public cultural investment sits in the lower half of comparable OECD nations.

Australia does not currently have:

- A scaled national fiscal sponsorship system
- Widespread endowment culture
- Tax settings equivalent to US charitable deduction frameworks

This structural context limits philanthropic scalability.

2. Emerging Structures and Mechanisms

Promising mechanisms include:

- Creative Partnerships Australia's Plus1 matched funding program
- Crowdfunding for clearly defined projects
- Workplace giving schemes
- Pooled artist collectives

Evidence suggests matched funding increases donor confidence and leverages private participation.

However:

- Crowdfunding is episodic, not structural
- Impact investment is limited in dance due to low asset base and high labour intensity
- Digital platforms do not overcome DGR barriers
- Administrative burden remains high relative to small grant size

There is currently no national platform equivalent to Canada's ArtsVest or US fiscal sponsorship networks.

3. Effectiveness of Government Policies

National Cultural Policy

The Commonwealth's *Revive: a place for every story, a story for every place* (2023) positions culture as national infrastructure and commits to:

- First Nations leadership
- Workforce sustainability
- Equity and regional access

Philanthropic reform must align with these commitments.

Positive Settings

- Creative Partnerships Australia matched funding initiatives
- DGR framework enabling tax deductibility (where accessible)

Structural Limitations

- DGR eligibility is complex and inaccessible for many independent practitioners
- No shared fiscal sponsorship umbrella
- Compliance burden is disproportionate for small organisations
- Philanthropic income to individual artists is treated as taxable income without incentive offset

4. Incentives and Disincentives

Structural Disincentives

- High transaction costs
- Administrative complexity
- Metro-centric donor networks
- Preference for capital over operational support

Capacity Constraints

Independent artists and small organisations lack:

- Development staff
- CRM systems
- Donor stewardship capacity
- Multi-year planning infrastructure

Philanthropy therefore rewards existing institutional capacity rather than artistic merit.

5. First Nations Cultural Self-Determination

First Nations dance practice is not simply an artform. It is:

- Cultural authority
- Knowledge transmission
- Community governance
- Economic participation

Policy alignment must consider:

- Revive's commitment to First Nations leadership
- United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
- Indigenous Cultural and Intellectual Property (ICIP) principles

Philanthropic settings must:

- Respect community-controlled governance
- Support long-term, place-based investment
- Avoid extractive, short-term framing
- Ensure free, prior and informed consent

Without safeguards, donor preference may distort Cultural priorities.

Self-determination includes economic sovereignty — control over revenue flows, benefit distribution and Cultural narrative.

6. Economic Framing and Substitution Risk

Public investment operates as foundational capital.

Characteristics of public funding:

- Stabilising
- Counter-cyclical
- Equity-oriented
- Infrastructure-supporting

Characteristics of philanthropy:

- Discretionary
- Pro-cyclical
- Relationship-dependent
- Concentrated

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Three policy trajectories illustrate risk. ANA research provides structural grounding for this analysis (see *The Big Picture* series and related publications).

Scenario A

Stable public funding + philanthropic growth = additive resilience

This is the only structurally healthy scenario.

Public funding remains intact. That means:

- Core operations are supported
- Workforce continuity is maintained
- Regional and independent practice is not destabilised
- Risk-taking remains possible

If philanthropy grows on top of that baseline, it becomes additive capital. It can fund:

- New commissions
- Touring
- Innovation
- Audience development
- Infrastructure upgrades

The key point: philanthropy expands activity rather than replacing essential functions. In economic terms, public funding remains foundational capital. Philanthropy becomes growth capital. This scenario produces resilience.

Scenario B

Reduced public funding + philanthropic growth = increased concentration

This is where policy risk appears. If government reduces baseline funding while encouraging philanthropy to “fill the gap,” several things may happen:

1. Philanthropy flows toward organisations already capable of attracting it.
2. Those organisations usually have:
 - Development staff
 - Brand visibility
 - Existing donor networks
3. Smaller organisations lack this capacity.

So philanthropic growth does not distribute evenly, it concentrates. Large institutions become more secure but small-to-medium and independent sectors become more precarious. The total funding pool may not shrink — but it becomes unevenly distributed. This scenario increases structural inequality.

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Scenario C

Reduced public funding + stagnant philanthropy = sector contraction

This is the least desirable case. If public funding declines and philanthropy does not grow sufficiently to compensate:

- Organisations close
- Workforce exits
- Touring contracts
- Regional activity diminishes
- Risk-taking disappears

This produces measurable contraction in both cultural output and employment. Because philanthropy is discretionary and pro-cyclical, this scenario is plausible during economic stress.

7. Regional and Workforce Implications

Dance contributes to:

- Regional activation
- Cultural tourism
- Local economic multipliers
- Community participation

In the context of Brisbane 2032, cultural vitality will influence international perception of Australia's dance sector.

Dance workforce characteristics:

- Physically demanding careers
- Limited transition support
- High reliance on unpaid labour
- Intergenerational wealth disparities

Human capital investment logic supports multi-year philanthropic workforce support.

8. Recommendations

- 1. Explicitly affirm that philanthropic growth will not offset baseline public funding.**
- 2. Introduce tax incentives for multi-year operational giving (eg:Singapore's 'double tax deductions for non-profit donations')**
- 3. Establish national fiscal sponsorship infrastructure for independent artists.**
- 4. Expand matched funding models with regional weighting.**
- 5. Fund development capability building in the small-to-medium sector.**
- 6. Embed First Nations governance and ICIP safeguards in philanthropic policy.**
- 7. Adopt proportional reporting aligned to grant scale.ⁱ**

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References

A New Approach

- *The Big Picture: Public Expenditure on Arts and Culture in Australia* (2017)
- *The Big Picture II* (2019)
- Subsequent ANA briefing papers and submissions (2019–2023)
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Commonwealth of Australia

- *Revive: a place for every story, a story for every place* (2023)
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- Australian Charities Report (latest edition)
<https://www.acnc.gov.au/tools/topic-guides/australian-charities-report>

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<https://www.businessandarts.org>

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IRAS Singapore

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