BACKGROUND PAPER

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Arts Policy in Australia
A history of Commonwealth involvement in the Arts
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Executive Summary

Government support for the arts is not new, but the way western democracies have supported the arts in recent times has varied enormously. In Europe there is often direct funding of major companies, institutions, and projects. In Britain most organisations are funded through an independent Council. In North American the state and local governments are involved in arts funding. In Australia all three occur.

All the main arts policy issues debated overseas have been debated in Australia - how to: assist both young and established artists; facilitate both community activity and professional development; support both the flagship and the smaller companies; have both arm’s-length funding and Government accountability; have both peer-assessment and regional equity; promote both the traditional and the contemporary; invest in both the proven and the innovative; exploit both the domestic and export potential of the cultural industries; protect the rights of both art producers and consumers; and sponsor excellence in a cultural-diverse society.

This paper offers some background to the many arts issues currently being debated in Australia by summarising arts policy developments and policy debate since Federation.

Commonwealth involvement in the arts began with the Deakin Government’s establishment of the Commonwealth Literary Fund and the second Fisher Government’s appointment of a Commonwealth Art Advisory Board. After the Second World War such non-government grant giving bodies as the Arts Council of Australia and the Australian Elizabethan Theatre Trust were established with Commonwealth assistance and the Menzies Government established the National Library of Australia. The Holt Government involved the Commonwealth further in the arts by establishing the Assistance to Composers Advisory Board and agreeing to the establishment of an Australian Council for the Arts and an Australian National Gallery. The former was realised in 1968 by the Gorton Government, which also initiated plans for the Film and Television School, and the latter was realised in 1971 by the McMahon Government.

The above named boards, advisory bodies and Council were subsumed within a new body which the Whitlam Government formerly established as the Australia Council in 1975. The Council, with its seven specialist boards and wide responsibilities, greatly expanded the Commonwealth’s involvement in the arts. This increased Government involvement was matched by increased funding.

The Fraser Government supported the continued existence of the Australia Council, but made several changes to the structure of

The Hawke Government's attempt to redirect funding to smaller companies and groups and to restructure the Australia Council in line with the controversial recommendations of the 1986 McLeay Report brought many issues to a head. There were debates over funding being biased toward large flagship companies and companies in the major cities, over the proper roles of the minister and the Australia Council, over the Australia Council's structure and level of funding, over establishing the Creative Fellowship Scheme and over the perennial question of whether the Federal Government should be involved in arts support at all.

With Mr Keating as Prime Minister there was an effort to place arts policy in the wider context of Australia's cultural development, economic interest and international identity. Following the March 1993 election and new portfolio arrangements which took Arts out of the Department of Arts, Sport, the Environment and Territories and put it firstly with Administrative Services and then later with Communications, arts issues were given a voice in Cabinet.

Although the Keating Government believes it has raised the political profile of the arts, many of the issues in public debate have remained the same: funding level (e.g. the debate over the Opposition's Fightback! proposals); funding structure (e.g. the debate over the Opposition's move back to supporting the continued existence of the Australia Council, the Council's move to more flexible funding arrangements); and funding emphasis (e.g. the debate over the Government's preference for touring programs over new collecting institutions, and the interest in the Australia Council initiatives to promote artistic innovation, professional development, cultural tourism, arts exports and the participation of young people and people of non-English speaking background). The prospect of a cultural policy has reignited some of the old debate on the degree to which the Commonwealth should be involved in the arts.

Challenges facing the Government as it approaches the 1994 Budget Sittings include responding to the suggestions that more needs to be done to support young artists, to open up funding avenues for NESB artists, to exploit fully the economic potential of the cultural industries, to increase corporate arts sponsorship, to preserve our non-tangible folk heritage and to make the National Museum become a reality. Lack of progress in the last two areas sits uneasily with Government rhetoric on the need to define who we are.
Introduction

There have been programs of direct government expenditure on the arts and culture in most western countries since the second world war. Indirect government support (e.g. tax exemptions for cultural institutions, reduced postage rates for periodicals) go back to the first part of this century. Head-of-state patronage of the arts has an even longer history (e.g. the art commissioned by renaissance and baroque princes, dukes, popes and bishops - their private desires being funded by public taxes and equating with government decisions). City-state support of the arts can be traced back into ancient times (e.g. Athenian support for theatre in the 4th century BC).

Government support for the arts is not new, but the way western Governments have supported the arts in recent times has varied enormously. Leading arts policy historians Milton C. Cummings and Richard S. Katz have traced many modern day tendencies back to two distinct 19th century European tendencies:

On the one hand, there were the royal absolutist states, typified by Austria and France. On the other hand, there were the more plutocratic, mercantilist states with more limited monarchies, such as England or the Netherlands. With the German and Italian proto-states - showing mixed traits, these two polar types differed not only in their form of government, but in their economic and social development (with trade and industry and the commercial class to which they gave rise far more important much earlier in the mercantilist states than in the royal absolutist), and in religion (Protestant in the mercantilist, Catholic in the absolutist) as well.1

Nineteenth century patterns of support soon proved inadequate. In the early twentieth century several economic, political and social trends combined to create strong pressures for government intervention in the field of culture. Arts activities are labour intensive so were becoming progressively more expensive in capital intensive economies, mechanisation was creating vastly increased amounts of leisure time, the role of the state was expanding into all aspects of public welfare and citizenry's access to cultural activities was becoming analogous to access to medical care.2

After the second world war and again after the world-wide economic boom of the late 1960s the role of western governments in financing


the arts increased dramatically. Justifications were articulated variously in terms of preserving national cultural identity, investing in a vital sector of the economy and raising general quality of life.³ In Australia all three justifications have been heard.

The administrative form which government involvement in the Arts has taken has varied significantly. Alternatives include a cultural ministry responsible for all cultural policies and programs (e.g. in France); several ministries responsible for culture (e.g. Italy); funding a quasi-public foundation (e.g. the National Endowment for the Arts in the US and the Arts Councils in Great Britain and Ireland); directly running programs (e.g. British Broadcasting Corporation and Swedish regional orchestras). In Australia there are elements of all four of the above.

In some countries all decisions are made and all funds appropriated at the national level. In others the national government continues to be the focus of basic policy making but more diversity in local implementation is allowed, and in some federal systems (e.g. Canada, Germany and the United States) there is a high degree of local autonomy.⁴ In Australia art is supported at all three levels of government.

Despite the variety of ways in which Government support for the arts in western countries has come to be manifested, there is a degree of communality in some of the debate surrounding central issues: how does a Government decide what to support and with what portion of available funds? Should Governments be show-casing the nation's creative wealth and elevate selected artists (as in France) or be helping citizens take control of the creative process though less visible state education and community activity programs (as in the US)? Within each artform, should the emphasis be on the preservation of existing cultural heritage (as in Japan) or the stimulation of new creative efforts (as in Ireland). Are funding decisions best made by expert boards or do boards risk being self-perpetuating?⁵ In Australia the same questions are being debated.


A full comparative study of arts policies in western democracies might offer insights into policy options for Australia but is beyond the scope of this paper. So too is a full exploration of the large body of work devoted to arts economic theory. Insights into policy options for Australia can, however, be gained from a study of how policy has developed and of the direction debate has taken in Australia since Federation.

The arts policy debate in Australia goes back many years. For example, at the 1993 Banjo Award for fiction, author Nicholas Hasluck observed that P.R. Stephenson wrote in his 1935 essay, *The Foundations of Culture in Australia* that:

> we are called upon in Australia today, to show that democracy can, in fact, devise a method and technique of patronising culture: if it cannot do this, democracy will not survive, for any system is as ephemeral as the force of its best thinkers.

Today the debate is kept alive by findings, such as those published in the survey 'Public Attitudes to the Arts: 1992' that 59 per cent of people polled did not think theatre, opera and ballet companies and public art galleries should be made to survive on ticket sales alone, 77 per cent felt that if their home area was to lose its arts activities, they

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8 *Canberra Times*, 11 August 1993.
would be losing something of value, and 82 per cent believed arts activities help enrich the quality of our lives.\(^9\)

This paper offers a history of Commonwealth involvement in the arts (excluding, except for brief mentions, film\(^{10}\)), and of the policy developments and public debate which has accompanied it. To assist the usefulness of the paper as a work of reference, an index is appended.

**From Federation to 1972**

Commonwealth Government direct involvement in the arts began in 1908 when the Deakin Government established the Commonwealth literary fund (CLF) to provide 'literary pensions' for destitute authors and their families. The scope of the CLF was extended in 1938 to assist in the publication of outstanding manuscripts in creative writing, the granting of annual fellowships and the subsidy of university lectures in Australian literature. In 1912 the second Fisher Government set up the Commonwealth Art Advisory Board to advise the Government on commissioning portraits and to advise on the collection and purchase of paintings. Before the Second World War, no direct form of government assistance was given to individual artists. The market place was considered a satisfactory determinant for monetary reward.

In 1943, the private organisation, the Council for the Encouragement of Music and Arts, was established. In 1946 it was renamed the Arts Council of Australia. The Council encouraged the theatre arts on a regional and State basis, and was heavily involved in taking plays, operas, ballets and exhibitions to towns throughout Australia which would otherwise not have had access to them. The Council also provided performances for school audiences whenever possible. The State divisions of the Arts Council received grants from State Governments, while the federal office of the Council received a grant from the Federal Government.

In 1954, the year of the first royal visit by Queen Elizabeth II, the Australian Elizabethan Theatre Trust was set up with $180,000 raised by public subscription and a $60,000 grant from the Menzies' Government. The Trust's aim was to encourage the performing arts and it established three major national touring bodies: the Australian

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10 The author intends to make the production, distribution and exhibition of film in Australia, the subject of a future general distribution paper.
Opera, the Australian Ballet and the Marionette Theatre of Australia. It played a major part in setting up six regional drama companies (including the Old Tote Theatre Co., the Melbourne Theatre Co. and companies in SA, WA and Tasmania) and provided orchestras to accompany the Opera and Ballet Companies (in 1978 these orchestras were absorbed by those companies).

In 1960 the Menzies Government passed the *National Library Act 1960*. The Act separated established a National Library of Australia, separate from the Parliamentary Library, as a body corporate under the control of its own council. The foundation stone for the new building was laid by Mr Menzies in March 1966, six weeks after he resigned as Prime Minister.

In 1967 the Holt Government established the Assistance to Composers Advisory Board whose terms of reference were to 'advise the Government on financial support for the composition of music in Australia, the criterion of judgement being musical distinction or excellence of its kind, and on the promotion of Australian composers both in Australia and abroad'. Direct assistance was provided to composers under several schemes (for example, student-composers' training scheme and short-term aid to complete compositions under way). These functions were later absorbed by the Australia Council.

In 1967 the Prime Minister, Mr Harold Holt, also announced an intention to establish an Australian Council for the Arts and accepted the recommendations of a committee of inquiry headed by the then Chair of the Commonwealth Arts Advisory Board, that an Australian National Gallery should be established.

In 1968 the new Prime Minister, Mr John Gorton, established the Australian Council for the Arts and appointed prominent administrator H.C. Coombs as chair. The Council replaced the Elizabethan Trust as the Commonwealth's chief adviser on the performing arts, although the Trust continued to receive financial support from State and municipal authorities. Commonwealth financial support for the visual arts, music and literature continued though the previously mentioned mechanisms. Between 1968-69 and 1972-73, the Australia Council for the Arts' annual budget rose from $1.66 million to $5.7 million. This was allocated to professional training schools, (e.g. National Institute of Dramatic Arts; Australian Ballet School) national touring companies (ballet, opera and associated orchestras) regional and state theatres, special projects and international cultural exchanges.

In 1968 the Gorton Government initiated plans for the Film and Television School but the plans languished under the McMahon Government. Prime Minister (later Sir) William McMahon did, however, approve in 1971 the final design for the Australian National
Gallery and appointed the Gallery's first director. In that same year the Prime Minister transferred the Australia Council for the Arts from the Prime Minister's Department to the Department of Environment, Aborigines and Art.

The Whitlam Government

In December 1972 the Australian Labor Party won office. Mr Whitlam brought to the Prime Ministership a passionate belief in the importance of the arts:

In any civilised community the arts and associated amenities must occupy a central place. Their enjoyment should not be seen as something remote from everyday life. Of all the objectives of my Government none had a higher priority than the encouragement of the arts, the preservation and enrichment of our cultural and intellectual heritage. Indeed I would argue that all the other objectives of a Labor Government - social reform, justice and equity in the provision of welfare services and educational opportunities - have as their goal the creation of a society in which the arts and the appreciation of spiritual and intellectual values can flourish. Our other objectives are all means to an end; the enjoyment of the arts is an end in itself.  

He also brought the belief that in 1972

... the arts in Australia were sorely in need of encouragement. Many of our finest artists were working overseas. Our national cultural institutions were embryonic or non-existent. Such institutions as existed in the States were largely relics of colonial or Edwardian times... the basis of a national arts and cultural policy did not exist. There were no major performing arts centres. The fledgling Australian Opera and Australian Ballet companies were under-funded, with the performing arts still largely in the hands of the Australian Elizabethan Theatre Trust, established in 1954. Touring of the performing arts to country districts was organised by State-based arts councils with limited access to funds. There were no regional theatre companies or galleries; there was no film industry; there were no State arts ministries. Aboriginal arts, and the crafts in general, were virtually ignored. Support for writers and artists had been dispersed for generations with notable frugality by ageing committees notorious for their political and social biases.  

The establishing of the Australia Council

Whitlam noted that there was no shortage of official arts bodies, boards, councils and funds of various kinds, but

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These had grown up in an *ad hoc* fashion over many years, and were frequently without expert membership or representation by artists themselves. 13

A confidential paper on the future administration of the arts in Australia prepared for Mr Whitlam by Jean Battersby, the chief executive officer of the Australian Council for the Arts, stated:

The present situation is not satisfactory from an administrative point of view or relevant to the needs of the arts. It is slow, cumbersome, ill-defined and tends to give decisions relating to areas of authority priority over those relating to the interests of the arts. Some of the agencies have different priorities, policies and even philosophies. Their administrative procedures are not coordinated. The advisory role of the Department vis-a-vis the specialist boards to the Minister is obscure and inconsistent. 14

To rectify the situation Mr Whitlam quickly rejected the notion of a ministry of culture. Apart from its vaguely totalitarian overtones, experience of such ministries in the Western democracies had not been encouraging. Even in France, where de Gaulle's Ministry had been headed by Andre Malraux, an artist and scholar of great sensitivity, there had been serious criticism of the political use of his powers and an alienation of the most vigorous artists from the Ministry. Nor had attempts to administer the arts within the normal context of the Public Service proved entirely satisfactory. A single council seemed to offer the prospect of a broad policy for the national development of the arts within a streamlined administration providing independence from political pressures and safeguards against centralised and authoritarian tendencies. 15

More tempting were the models adopted in Britain and Canada with the establishment of independent but government funded all embracing arts councils.

On 26 January, Australia Day, 1973 Mr Whitlam announced the first appointments to a new, albeit interim, arts council. The council would subsume the roles of the Arts Council of Australia, the Commonwealth Art Advisory Board, the Commonwealth Literary Fund, the Film and Television School and the Advisory Board for Commonwealth Composers. The Council would fall within the responsibility of the Department of Prime Minister and Cabinet. It would comprise twenty four members to be appointed for one to two years, the majority of whom were prominent in the arts supported by others with legal, financial and other administrative skills and by several senior officials.


of Government departments whose work interlocked with that of the Council. Seven specialist boards were formed within the Council, covering Aboriginal arts, community arts, craft, literature, music, theatre and visual arts. In addition, the Council was to fund several major programs concerning international research, education and information programs.

The new arts council boards were to be the main source of policy initiatives in their field. They were to have the authority to deal with their own budget allocation and in consultation with the Council to appoint specialist staff and committees to implement their policies. The Chairman of each of these Boards was to be a member of the Council. The Council itself accepted responsibility for policy development in matters of common concern to all Boards, for the coordination of activities involving more than one art form, for budgetary planning and control, for relationships with government departments and authorities, and other matters of general concern. Its staff provided the essential services required by all Boards. In areas where the interests of several Boards were involved - such as festivals, community programs, international cultural exchanges - Council committees including representatives from the different Boards were set up to develop programs and to administer funds allocated to them.

- The Literature Board assumed and developed functions previously carried out by the Advisory Board of the Commonwealth Literary Fund. It set up subcommittees to investigate children's literature, literary magazines, publishing subsidies and the preparation of an Australian Public Lending Right Scheme.16 The Board was also to give grants to a variety of writers of prose and verse, to publishing houses, literary magazines and societies.

- The Music Board was committed to the development of excellence in music and opera, to stimulating fresh activities and to extending the range of professional opportunities to creative and performing artists. The Board gave grants to large organisations and companies which demand considerable and regular subsidy, and grants to individuals and groups engaged in a wide range of activities, not necessarily of a continuing nature. The State symphony orchestras did not receive assistance from the Music Board, but were funded through the ABC.

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16 The Public Lending Right is a recompense to authors and publishers for revenue forgone through the use of their books in public lending libraries. Books remain on library shelves for a number of years and are lent to borrowers who might otherwise have been purchasers. The Scheme provides for payment for eligible books of which 50 or more copies are available through Public Libraries in Australia.
The Visual Arts Board was responsible for painting, sculpture, photography, industrial design, architecture, art education and the conservation of works of art. This Board has given priority to improving the conditions and status of Australian artists.

The Theatre Board was responsible for drama, dance and puppetry. There had been a tremendous growth in the number of theatre groups in Australia by 1973, and the Theatre Board was faced with increasing demands for assistance. Given the success of major theatre groups the Board decided to level off the support for these groups in favour of spreading its resources more widely among other companies. In the case of dance companies, the Board tapered its support for the Australian Dance Theatre and Ballet Victoria. The Australian Ballet School subsidy was increased in recognition of the lack of specialists in all areas of dance, especially professional training.

The Crafts Board was to provide grants to craftsmen in areas such as ceramics, weaving, glasswork, leatherwork, jewellery and embroidery.

The Aboriginal Arts Board's main function was to present what remains of indigenous Australian culture, and to seek where possible to revive traditional music, song, dance, art and craft.

The Film and Television Board saw its responsibility to support and encourage creative and artistic development of film, television and video production. In addition to financing production, it gave assistance to certain cinemas for screening non-commercial films, national film bodies, film festivals, for the use of video as a creative and sociological tool, media publications, technical research and creative fellowships to film directors and writers. Most assistance was directed to non-commercial areas, to stimulate interest in film and video as an art form in a way that commercial industry was unable to do. The Board introduced three types of funds: a general production fund, a script development fund and an experimental film fund.

In 1973 the Prime Minister, Mr Whitlam, asked the new Council to recommend on a more permanent structure for Government administration in the arts. The Council's draft report was approved by Cabinet and in 1974, just before and again just after the double dissolution of that year, legislation to establish the Australia Council was introduced. In 1974 the Council assumed its new role as a statutory authority under the Ministerial responsibility of the Department of the Prime Minister and Cabinet. Under section 5 of the Australia Council Act 1975 the objectives and functions of the Council were prescribed as follows:
(a) formulate and carry out policies designed:

(i) to promote excellence in the arts;

(ii) to provide, and encourage the provision of, opportunities for persons to practise the arts;

(iii) to promote the appreciation, understanding and enjoyment of the arts;

(iv) to promote the general application of the arts in the community;

(v) to foster the expression of a national identity by means of the arts;

(vi) to uphold and promote the right of persons to freedom in the practice of the arts;

(vii) to promote the knowledge and appreciation of Australian arts by persons in other countries;

(viii) to promote incentives for, and recognition of, achievement in the practice of the arts; and

(ix) to encourage the support of the arts by the States, local governing bodies and other persons and organisations; and

(b) to do anything incidental or conductive to the performance of any of the foregoing functions.

The Whitlam Government's matched its changes to arts administration with a funding increases in each of its three budgets. The Australian Council for the Arts received $14 million in the 1973-74 Budget, more than double the allocation the bodies out of which it evolved had received the year before. The Council's allocation was increased by a further 50 percent in the 1974-75 Budget.

Other initiatives

Other initiatives of the Whitlam Government included: setting up a committee chaired by P.H. Pigott to inquire into Museums and National Collections; instigating an Industries Assistance Commission inquiry into assistance to the performing arts; approving the first (and in some cases controversial) purchases of art for the envisaged Australian National Gallery; widening the role of the National Library; and supporting public lending rights for authors with the introduction of the Australian Authors' Fund Bill (the basis for the Public Lending Right Act 1985).

The Whitlam Government also increased Commonwealth involvement in Australia's film industry. It revived the Gorton Government's plan for an Australian Film and Television School, appointed a foundation director, introduced a bill to establish the School. Mr Whitlam
announced the members of the first permanent Council in June 1973 and opened the new School's North Ryde (Sydney) home in August 1975. The Government responded to the June 1973 Tariff Board recommendation that government support for the motion-picture and television industries should extend beyond that offered by the Australian Film-Development Corporation, by establishing, after some legislative difficulties, the Australian Film Commission.

The Fraser Government

Initial policies

During the 1975 election campaign the then Leader of the Opposition Mr Fraser outlined the views of the Liberal-National Country Party (L-NCP) on the arts in Australia:

(i) the essential fabric of the Australia Council would be maintained;

(ii) a L-NCP Government would not aim to reduce grants to the arts, but would aim to reduce waste and extravagance;

(iii) the role of Government is to help create conditions under which the arts can flourish by encouraging the development of a community which not only appreciates them but could afford them;

(iv) Government support of the arts should not lead to over-bureaucratisation and Government control or direction of the arts or artists.

As Prime Minister, Mr Fraser gave further details on L-NCP Arts policy. In his Ministerial Statement to the House of Representatives on the arts in June 1976 he made the following points:

(1) The L-NCP Government would continue the high level of support given by Federal Governments to the arts in Australia.

(2) This support would be used as efficiently as possible so that duplication or unnecessary expenditures are avoided.

(3) The Federal Government would provide a solid financial basis upon which patronage of or participation in the arts could continue, but it was not to be regarded as the only or even necessarily the major source of arts finance. The Government would strive to involve State Governments, local bodies, companies, individuals etc. in the encouragement of decentralised and diversified arts activities.

Where possible and desirable the Australia Council was to make devolution grants so that other authorities (e.g. local government

bodies) could in turn assist local groups or individuals. Furthermore, where appropriate, grants made by the Australia Council should be matched by grants from that organisation (if a private body) or the appropriate State Government. Mr Fraser noted that:

A diversity and plurality of support can only strengthen the arts to the general common good. Let me emphasise that our aim is to broaden support for the arts, to have more funds flowing from different sources.

We are not seeking to find substitutes for Government assistance, but to expand on that necessary base.

Reviews and reports

Two studies, one a review and one a report, early in the life of the Fraser Government, although not entirely embraced by that Government, set a tone for debate over arts policy which varied greatly from the tone of debate during the Whitlam Government.

In 1975, the Fraser Government established the Administrative Review Committee to examine the problems of duplication and waste in government departments and agencies, and between Commonwealth and State bodies. The Committee's report was not published, but Mr Fraser's Ministerial Statement in June 1976 referred to shortcomings in the Australia Council's activities:

Unsatisfactory arrangements between the Council and boards; high turn-over of members; excessive attention to the making of small grants - and at considerable cost; insufficient account was taken of blossoming State cultural authorities and their possible use as agents for the council; enthusiastic arts amateurs and the dilettante seemed to receive more attention than was probably deserved.

Because of this, changes were made designed to make the Council more efficient and thus enable more funds to be spent on the arts themselves. The Act was amended in 1976 to give the Council the formal role of the government's advisory agency on all matters falling within its area of responsibility. The Council was not previously charged with this specific responsibility. The previously largely autonomous Boards were made responsible to the Council and now function under its direction and guidelines.

In November 1976 the final report of the Industries Assistance Commission (IAC) inquiry into Assistance to the Performing Arts was published. While accepting the current level of federal assistance to the arts, the IAC was unable to find (or have provided to it by the arts lobby) any evidence that the claimed objectives and actual achievements of federal support for the arts were similar; whether or not the process of allocation of federal moneys to the arts was
reasonable; or whether the kind of arts projects being supported actually warranted that level of support. The Commission found that:

1. Federal assistance to the performing arts should ultimately be distributed reasonably equally between the three major objectives of:

   - improving education in the performing arts, particularly by fostering among children an understanding of the basic elements of these arts and by providing adults with programs of education in the arts;

   - encouraging innovation in the performing arts, particularly where they increase the relevance of the performing arts to the Australian community; and

   - expanding dissemination of the performing arts to the community generally, where they further the ends of education and innovation in these arts; the dissemination to be achieved using all means according to the efficiency and effectiveness of each in different situations.

2. The policies of existing and proposed Commonwealth instrumentalities, e.g. ABC broadcasting authorities, should be consistent with the Government's objectives, insofar as their activities involve assisting the performing arts. The Australia Council should have a specific responsibility for monitoring the reporting and should assist in coordinating the use of all federal resources assisting the performing arts.

3. In relation to all the objectives, assistance should be available to both performing and creative activities, whether commercial, professional or amateur, irrespective or whether or not they have received assistance in the past.

4. The distribution of assistance proposed in 1 above, should be achieved progressively by redirecting available federal assistance over eight years.

5. Adjustment assistance should be provided to the presently subsidised companies by maintaining assistance which contributes to their operating costs at approximately the level in 1976-77 for a period of three years, that level of assistance to be phased out over the following five years.

6. At the end of this eight year period, assistance should be provided only for activities relating to the purposes in 1 above.

7. All instrumentalities dispensing Commonwealth assistance should be publicly accountable by way of reasoned explanation of the community benefits which they consider will be generated by the assistance they distribute.

8. Commonwealth Government assistance should not be accorded:

   - by directly restricting the importation of live or recorded performing arts;

   - for assistance for theatre ownership or for performing arts capital projects (except within the Australian Capital Territory or the Northern Territory).
Attention is drawn to suggestions in this report with regard to:

- the various measures suggested for redirecting resources to the three major objectives expressed in 1 above;
- changes to the structure and objectives of the Australia Council;
- research to be undertaken by the Australia Council and other bodies;
- the suggested role of State and local governments in assisting the performing arts;
- the training of performers;
- the provision of tax deductibility for donations to performing arts organisations;
- a review of assistance in eight years.\(^{18}\)

The philosophy and practice of much of the Australia Council's activity was clearly challenged by these findings. The report aroused hostile reactions from artists and the arts lobby, and its main recommendations were rejected by the Government.

In a press release of 25 September 1977, the Minister for Business and Consumer Affairs, Mr Fife, and the Minister Assisting the Prime Minister in the Arts, Mr Staley, announced the Government's decision regarding the IAC Report.

- The Government has not accepted the Commission's recommendation that the existing patterns of assistance to the performing arts, including the major performing arts companies, should be phased out.
- Performing arts companies such as the Opera, Ballet and Drama Companies receiving assistance from the Government should continue to receive support.
- The promotion of excellence in the arts is of primary importance and continuation of assistance to the presently subsidised companies is seen as being consistent with this objective.
- The cost of assistance needs to be weighed against the benefit that the assistance provides to the community and against the competing claims of other artistic activities. In this regard the Government notes the Commission's criteria of improving education, encouraging innovation and expanding dissemination of the performing arts and accepts that these criteria should be an important consideration in assessing priorities for the allocation of available funds.
- The Government sees the role of the Australia Council in particular as central to the future success of its policies for the performing arts.

• The Ministers said that the Australia Council will have prime responsibility (in consultation with the appropriate bodies) for negotiating with the States and private sources to broaden assistance to the performing arts.

• The Ministers added that there is a need for public accountability of funds committed to assistance to the performing arts, and the Australia Council is being requested to provide regular assessments of the effectiveness of public assistance for the arts in terms of community benefits. Apart from informing Government and promoting public discussion, the Ministers considered that the assessments would be an important help to the Australia Council in judging the effectiveness of its own activities.

**Changes and initiatives**

In 1976 the Film and Television Board was abolished and its functions were transferred to the new Australian Film Commission.

In September 1977, Mr Fraser announced that a Community Arts Board would be incorporated into the Australia Council. The Australia Council had always had a community arts program but it had not had Board status. The new board had the function of assessing the interests in, and the opportunities for, the arts at the community level. It was to encourage groups like local government authorities, trade unions and so on to become more involved in the education of the community through the arts.

Following the December 1977 election, Mr Fraser announced that the Australia Council and other bodies relating to the arts would be transferred to the new Home Affairs portfolio of Mr Ellicott.

In 1978 the Fraser Government introduced legislative provisions whereby money invested in film could be claimed as a tax deduction. This concession was augmented in 1980 with the announcement of a taxation scheme which included a generous 150 per cent write-off in film investment expenditure. The concession became known as 10BA after the relevant division of the *Income Tax Assessment Act 1936*.19

In 1979 the Government announced that it was adopting one of the main recommendations of the 1975 Report of the Committee of Inquiry on Museums and National Collections, commonly called the Pigott Report, and that a $30 million museum would be built at the Yarramundi reach site in the Australian Capital Territory. Legislation to establish the National Museum of Australia was passed in 1980 and an interim museum council was set up in 1981.

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19 The reader is reminded that Commonwealth involvement in the film will be touched upon but briefly in this paper—the intention being to explore the subject more fully at a later date in another general distribution paper.
In 1980 the Fraser Government created the Department of Home Affairs and Environment, the predecessor of the Department of Arts, Sport, Environment, Tourism and Territories.

In January 1981, after a three year trial period the Taxation Incentives for the Arts Scheme came into permanent operation. The Scheme, which is still running, encourages donations of cultural works of significance from private collections to public art galleries, museums and libraries by offering donors a deduction from their assessable income equivalent to the market value of their gifts, as decided by two approved valuers. The Minister (originally for Home Affairs and Environment, today for the Arts) appoints members to the advisory body, the Committee on Taxation Incentives for the Arts.

In 1983 the Fraser Government announced the creation of the Touring and Access Fund of the Australia Council.

Ethnic arts

In 1982 the Australia Council, which had earlier been criticised in reports from the Administrative Review Committee and IAC, was criticised in a review conducted by the Institute of Multicultural Affairs, a body the Fraser Government had recently established. The Institute found that the Council's response to Recommendation 50 of the 1978 Galbally Report: A Review of Post-Arrival Programs and Services for Migrants was deficient. The Report had recommended:

that the Australia Council develop closer links with ethnic communities and that it reassess its budgetary allocation in order to ensure that ethnic arts receives a more equitable amount. 20

Although various Australia Council boards had discussed how best to reconcile support for ethnic arts and support for excellence, the Council itself had developed no clear policy. The first Ethnic Arts Committee was wound up in 1975 after only a year of operation. Two reports on ethnic arts 21 were largely ignored and a committee set up in 1980 to overview the council's response to the Galbally Report met only twice and did not initiate any new programs or policies.

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The Hawke Government

1983-1985

Initial changes

When Labor assumed office in March 1983 the Chairperson of the Australia Council was Dr Timothy Pascoe, whom Mr Fraser had appointed for a three year term in September 1981. Many criticisms were made of Dr Pascoe's administration in the course of 1982 including that he presided over a dramatic fall (of 29 per cent) in the Australia Council's spending power, that in the name of efficiency he was imposing uniformity and that he operated behind the scenes instead of in clear public view. Praises of Dr Pascoe's administration included that he supported the Community Arts Board and appointed a Chairperson who was considered to be very progressive and that he pushed for reform in the Australian Ballet.

The Labor Government invited Dr Pascoe to work to the end of his term. In this latter part of his term Dr Pascoe criticised the previous Government's policy:

They really had it in for the Australia Council. Its funding slipped back by about 20 per cent over seven years and they cut back its staff by 35 per cent. Over the same period the staff decline in the public service was 3.5 per cent. More bias than analysis led to that.  

Early in 1984 the chair of the Australia Council was offered to Morris West and Gough Whitlam. Both declined it. Thereafter the former Premier of South Australia, Don Dunstan was considered the favourite, but in June 1984 the Minister responsible for the arts, Mr Cohen, announced that Dr Pascoe's full time job was to be divided between a new part time Chairperson, the literary figure and social commentator Professor Donald Horne, and a new full time General Manager, Professor Di Yerbury. The terms of many other appointees of the previous Government expired in 1984 and were filled in the course of the year.

Though the Government never established the overall federal coordinating body which it proposed before the 1983 election and

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23 The Sydney Morning Herald, 22 October 1983.

which was predicted at the time to 'create more problems that it solves' and 'cost the taxpayer a great deal of money which would be better spent directly on the artists and performers', in 1984 moves were made for a closer relationship between the Australia Council and the ABC, Australian Broadcasting Tribunal, Special Broadcasting Service and the Film Commission.

In December 1984 the Department of Home Affairs and Environment which had acquired some new areas of responsibility and shed some old ones immediately after the March 1983 election, underwent further change. A new Department of Arts, Heritage and Environment emerged with responsibility for cultural affairs (including support for the arts), national collections, national heritage and environment and conservations. Mr Cohen continued as minister of the reconstituted department.

**The flagship debate**

The main issue in the arts in the period 1983-85 was whether the limited Commonwealth funds should continue to be directed chiefly towards the large traditional 'flagship' companies (most notably the Australian Opera, the Australian Ballet and the two Elizabethan Theatre Trust Orchestras) or whether in a major policy change funds should be directed away from these 'heavies' and towards the smaller and more experimental groups. In 1985 one quarter of all Australia Council funds went to the four companies noted above.

The arguments in favour of continuing to support fully the larger companies (including large theatre and dance companies) included the following:

- These companies are the showpieces of Australian culture and are important to the development of our nation's image abroad. Their viability ought not be jeopardised at the very time they are starting to receive world recognition.

- It is the government's duty to support excellence and professionalism in the arts, not mediocrity and amateurism.

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• 'If we want Grand Opera and Classical Ballet we must be prepared to pay for them.'

• The investment most States have made in grand new Arts Centres would be wasted if the viability of the major performing companies is not ensured.

• Without a satisfactory level of Commonwealth funding the large companies will not attract the corporate funds upon which they were increasingly expected to survive.

The arguments in favour of a change in funding emphasis included:

• Excellence is too often associated with traditional, costly, extravagantly presented and internationally accepted arts, without the particular merits of the arts being examined.

• Art should not just be a spectator sport for the well off. There should be greater access to and participation in art.

• The 'heavies' should be funded to a greater degree by those who economically benefit from them - State Governments, city councils and the tourist industry.

In the period 1983-84 the Government seems to have supported a policy of change - of shifting the funding emphasis from the large art organisations, which ought to be able to attract private sector and State Government monies to ensure their continue viability, to the smaller, experimental groups. Where the 1982 ALP Policy platform (2B1a) said the Australia Council should:

provide maintenance support to organisations which sustain the highest level of achievement in the arts

the 1984 ALP platform (2B1) said the Government would:

support organisations which sustain satisfactory levels of achievement in the arts.


30 *The Australian*, 7 March 1983.


Where the 1982 ALP platform (2B1c) said the Australia Council should, among other things:

provide comprehensive support for everyone in the community to have access to, and participate in, the arts ...

the 1984 platform (2B3) said the Government would:

ensure that statutory authorities predicate their operations and budget expenditure on the guidelines set by the Government, with particular emphasis on ensuring access and participation.

The Government encouraged the Australia Council to support this new policy by appointing to the Council Boards individuals sympathetic to the new policy and by making the Council fully aware of the Government's policy.

As early as March 1983 Dr Pascoe produced an internal report urging the Council to support a shift in funding from assumed excellence to genuine creativity and in his inaugural speech in January 1985 Professor Horne asked:

... is it not possible that the Australia Council, while still providing some support for the large organisations, should be somewhat in the van, especially concerned with encouraging the risky and the innovative, with providing support for creative individuals and innovating institutions, with experimenting with appreciation, access and participation programs... 34

The shift in funding emphasis drew loud protests however, from the large companies and these protests drew a commitment from the Prime Minister, Mr Hawke, prior to the December 1984 election to provide an extra $802,000 to enable the Council to maintain the real level of funding for companies of excellence in the performing arts and a letter from the Minister for Arts, Heritage and Environment, Mr Cohen, advising the Australia Council of the Government's wish that the funding of the largest companies be maintained through indexation at present levels. 36 The afore-mentioned letter was seen by many, however, to have arms-length funding implications (Issue No.3 below).

33 The Age, 11 March 1983.
34 The speech is reproduced in Australian Foreign Affairs Record, February 1985: 92-102, quotation from p.101.
36 This letter is quoted in a letter tabled along with the Minister's Address or Arts Policy, 17 October 1985.
The geographic bias debate

Another major issue in the period 1983-85 was how best to correct a perceived funding bias towards Sydney-based artists and artistic groups. It was pointed out that the bias in favour of Sydney is far less if the huge sum directed towards the National Companies based in Sydney (the Australian Opera, Ballet and their Orchestras) are excluded from the calculations, but could these sums be excluded when these companies rarely if ever perform outside Sydney and Melbourne?

Several ways of correcting the imbalance were suggested. Firstly, the Australia Council's headquarters could be moved from Sydney to Canberra and small regional offices should be established in the States and Territories. This option was strongly argued by a Melbourne lobby group. In reply it was argued that a move to Canberra would make the Council staff even more remote from the performances and exhibitions with which they should keep in touch and that 'reality in the arts resides away from Canberra'. These are not particularly strong arguments considering that the move would remove the Council only from the Sydney scene but through regional offices keep it in touch with the national scene, that the Board members only gather from their various home States for meetings and that Canberra serves as the administrative capital for all other federally funded activities.

Secondly, it was suggested the Council should restrict itself to developing arts policy and providing resources. Funds, determined by a formula based on tax revenue or population, should be given to the State arts bodies to distribute. This solution was urged by a meeting of arts industry representatives in Melbourne in October 1985, by the West Australian, Bill Warner at the National Screenwriters' Conference in Melbourne in February 1985 and by the Opposition spokesperson on the Arts, David Connolly:

The record of the NSW Government in arts funding is the worst of any State in the Commonwealth. It is for this reason that it is essential that a clear definition of Federal and State responsibilities for arts funding must be achieved.

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To the calls for a shift in the Australia Council's base, Professor Horne replied that the alleged funding imbalances are not solved 'by spreading it around or putting it up into outer space or something. It's a question of policy'.

Though the press at various times virtually announced that the Australia Council was going to move to Canberra or was going to be dismantled, it was decided in February/March 1984 that the Council was to stay in Sydney, but that some staff would be exchanged with those working for the State Arts Ministers, that applications for Council money would be circulated to those Ministers before decisions were reached, and that a regional office would be opened in Melbourne.

**The arm's-length debate**

The third great issue of the first three years of the Hawke Government concerned the degree to which the Commonwealth should direct the arts funding it provides. Mr Cohen was called 'an irascible interventionist' and accused several times of violating the principle of 'arm's-length funding'. This principle, established with the Australia Council, holds that the Government provides but does not direct the funds, that peer groups of artists, not politicians, assess the arts. In 1984 Mr Cohen was accused of favouring the appointment to the Council or its boards of personal acquaintances before those favoured by the industry. In late 1984 Mr Cohen was accused of being responsible for the Australia Council's decision to freeze or reduce funding to the major State theatres the Australian Opera and the Australian Ballet, and to increase funding to the smaller regional and community arts group.

Mr Cohen insisted that the Government had played its part by increasing the total funds available 'but it is for the Council and its Boards to determine the detailed distribution of the funds available according to their assessment of individual needs and priorities' and by reaffirming that

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42 *Pressure Point*, 21 March 1985.


46 *The Bulletin*, 17 April 1985


The Government fully agrees with the 'arm's-length' principle and funding decisions by peer assessment, which have been so strongly supported by the very organisations that are now complaining.\(^{49}\)

The General Manager of the Australian Council supported Mr Cohen in November 1984 with an internal paper stressing that 'neither the Government nor the Minister is involved in the day-to-day decision-making process' and that the Minister is not involved in deciding whether a company gets a grant or an artist a one-year fellowship.\(^{50}\)

In August 1985 Australia Council staff and some arts industry organisations criticised Mr Cohen for suggesting in a letter to Professor Horne that, when considering the Australian Ballet, Australian Opera, and the Australian Elizabethan Theatre Trust Orchestras:

... the Australia Council obviously has a special responsibility with respect to funding of these companies and in the circumstances it would be responsible for these companies to expect their funding for 1986 to be maintained at a level consistent with the indexation figures and by the Government in arriving at the real level of funding for the Council, i.e. five per cent.\(^{51}\)

They considered this 'a dangerous indication of Government's incapacity to resist powerful but minority lobbying' and a breaking of the 'arm's length principle'.\(^{52}\) Six arts organisations called on the Government to 'reaffirm its commitment to arm's length funding by the Australia Council as a statutory authority'\(^{53}\) and the Australia Council requested a letter of clarification. Mr Cohen wrote in reply:

I have defended consistently the practice that artistic decisions on individual grants are matters for the Council and not the Government. However, it is important for the Government to indicate its expectations in matters of broad direction, especially where very large sums of money are involved.\(^{54}\)

He reminded the Council that:

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51 See the Minister's *Address on Arts Policy* tabled in the House of Representatives, 17 October 1985.


54 Letter attached to the Minister's *Address on Arts Policy*, tabled in the House of Representatives, 17 October 1985.
It is established by statute and the Government expects it and its Boards to carry out their activities in ways consistent with Government policy. It is fully funded by the Government and funds are provided for this purpose alone.\textsuperscript{55}

In a statement on arts policy in the House of Representatives on 17 October 1985, his first major statement in three years, Mr Cohen made several points with respect to 'arm's-length principle':

Many of my critics are enthusiastic and uncompromising supporters of the 'arm's length principle', as they proclaim it, when it suits them, yet have no hesitation in demanding my direct intervention when it does not....

Governments are elected to govern; to make decisions ... This principle of Ministerial responsibility is generally demanded of governments in Australia. In relation to the arts, the present legislative arrangements make it near impossible to achieve...

The other major patrons in Australia are the State governments and private companies. Neither of these groups practise 'arm's length' funding...

The present system, it can be argued, protects partial patronage and hides prejudice beneath a cloak of artistic integrity.\textsuperscript{56}

The Federal Opposition, far from criticising the Government for too much intervention in the Arts, criticised the Government for too little intervention - indeed, of abrogating its responsibility and giving the Australia Council too much independence. The Opposition spokesman on the Arts, Mr David Connolly, claimed:

The use of a statutory authority in this way is, in my opinion, merely a political subterfuge to protect Ministers from having to make hard decisions which they are either unable to, or unwilling to, later articulate ... The Commonwealth Government has been unwilling to conduct its own investigations into the efficiency and effectiveness of the Australia Council and to develop new objectives for cooperation with the States and local government.\textsuperscript{57}

Mr Connolly proposed doing away with the Australia Council, and directing the $6m he claimed would be saved directly to artists.

The level of funding debate

With rises in Australia Council funding of 14.5 per cent in 1983-84, 16.3 per cent in 1984-85 and 7.8 per cent in 1985-86, a 40 per cent increase in three years, and with expenditure in the arts through other

\textsuperscript{55} Letter attached to the Minister's \textit{Address on Arts Policy}, tabled in the House of Representatives, 17 October 1985.

\textsuperscript{56} \textit{Hansard}, \textit{Representatives}, 17 October 1985: 2387-2388.

bodies having increased by 31 per cent, the Minister could justifiably claim in his letter to Professor Horne on 28 August 1985 that 'We have gone a long way towards the expectations to return arts funding in real terms to 1975-76 levels'.

Some arts organisations believed they should unite in calling on the Federal Government to provide more financial support for the arts in general. A number of reasons for increasing arts funding were put forward:

- Government funding of the arts was still lower in Australia than in almost all other advanced Western countries.

- Arts funding contributes to economic activity across a range of interrelated goods and services.

- Arts funding is high-profile expenditure.

- Research suggests that Australians are not only interested in the arts, they are interested in the future development of the arts in this country, see the arts as being of benefit to the community as a whole and are willing to subsidise the arts with their taxes to a higher degree than they do at present (indeed, two or three times higher).

- Arts are cause for national pride in Australia, and governments ought not underestimate the political gains to be had from being seen to support them.

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Beyond 'ethnic arts'

As has been noted earlier, under the Fraser Government the Australia Council faltered in its attempt to recognise and support 'ethnic arts'. In the first years of the Hawke Government, however, the Council formulated a policy for the 'multicultural arts', gave a Multicultural Project Officer Council-wide access, and established an Incentive Fund for Multicultural Arts (along the lines of the Youth Arts, Art in Working Life and Artists in the Community Incentive Funds and Touring Fund). In 1985 a Multicultural Arts Committee (MAC) was established comprising one Council member, nominees from each Board and six external members. The MAC would:

- monitor policies of individual Boards, evaluate their sensitivity and relevance to multicultural arts and, if necessary, make recommendations regarding assessment methods, criteria and distribution of funding.65

1986-1987

The McLeay Report

In 1985 the House of Representatives Standing Committee on Expenditure's Inquiry into Commonwealth Assistance to the Arts, chaired by Mr Leo McLeay, started to hold hearings and receive submissions. The terms of reference for the Inquiry put particular emphasis on:

- the procedures for the allocation and distribution of funds available for the arts through the Commonwealth Budget;
- the impact of the present level and allocation of expenditure and of other means of support such as taxation incentives;
- current issues and concern in the arts industry;
- the Commonwealth's role in arts funding.

The Inquiry's report, *Patronage, Power and the Muse*, was released in September 1986. In its general comments on the question of the economic benefits of public arts assistance, the Committee could find 'no prospect of any consensus on these complex questions in the foreseeable future', but on the equally vexed perennial of whether the Government should be involved with support the arts, the Committee believed

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... it would be foolish to forego the additional public benefit from the arts that government support can provide merely because we cannot agree on their precise nature or on the best way to maximise them. Most commentators have concluded that the present pattern of assistance has produced benefits which exceed the costs. There is ample evidence that important components of the arts, especially the larger scale performing arts, cannot survive anywhere in the world without some form of public subsidy. The Committee believes that the relatively small public investment in these activities can be justified by the net public benefits which accrue, regardless of what arguments there may be on the best way to maximise these benefits.66

The public benefits the committee identified included that the arts industry:

- offers direct, indirect and multiplying economic benefits;
- is labour intensive and absorbs a full range of job skills;
- is ecologically and environmentally sound;
- attractive to business, consumers and tourists;
- enhances national identity, pride and prestige;
- provides future generations with the threat of cultural continuity;
- acts as a research base for other intellectual and cultural endeavours67

Moving on to the even more vexed question of whether Government assistance to the arts, should be via the 'Arts Council' or the 'Arts Ministry' model, the Committee decided the former was preferable 'for the distribution of grants and as a vehicle for arts community input to policy development' but that the Australia Council's membership should be broader and its operations decentralised.

The report's specific recommendations included the following:

- the Australia Council and its Boards should regularly meet outside of Sydney;

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- the Australia Council should be restructured and the number of Boards reduced;
- the Australia Council should introduce a system of triennial funding for its three largest clients, the Australian Opera, the Australian Ballet and the Australian Elizabethan Theatre Trust and should administer its grants to its major clients through a separate program;
- the Department of Arts, Heritage and Environment should continuously consider the effect of taxation 'subsidies' on overall Commonwealth arts support policy;
- the minister, while not having the power to decide particular grants, should be free to offer the Council directions on policy;
- the Australia Council should devolve some areas of decision-making;
- the Council should assist talented contemporary musicians with the production of demonstration tapes, video clips and first records.

There was immediate public reaction to the report. Most criticism was directed at the specific recommendations (see the following sections of this paper), but Dr Philip Parson, director of the Australian Theatre Studies Centre at the University of NSW and editor of the proceedings of a seminar on the McLeay report, even expressed dissatisfaction with the 'arts is an industry' justifications for Government support which some advocates of the arts had been popularising and which had crept into the McLeay report:

To maintain and increase government funding of the arts these spokesmen turned away from the quality-of-life arguments of the sixties which had identified, accurately, the intangible value of the arts to the human spirit, and instead addressed the political managers in their own language. They pointed to benefits created by past funding - spectacular increase in turnover and job creation, spin-off benefits to the tourism industry - and the rationale for arts funding became pre-empted by its incidental benefits.  

Other general objections to the McLeay report would seem to have included, as Peter Anderson has observed, a concern that the Committee embraced too closely the sentiments of the 1976 IAC Report, dealt with earlier in this paper.  

The devolution of authority debate 

The McLeay Report recommended that the Australia Council should 'within 18 months, have delegated authority for deciding between

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applicants for small grants in ongoing programs to appropriate agencies and authorities closer to the field'. In its responses to the report the Government supported this recommendation (No. 6) and declared that it was 'pursuing discussions with the States and Territories and through the Cultural Ministers Council'. The government also stated that 'transfer to the States of responsibility for grant administration may need to be accompanied by transfer of appropriate administrative resources'.

The States, especially Victoria, were very supportive of 'devolution'. The Australia Council had been frequently criticised for being Sydney-orientated and out of touch with the arts community. In October 1986 the Victorian Premier, Mr Cain, alleged the Council's literature board had a pro-New South Wales anti-Victorian bias, and that the Council itself was 'a wasteful, ineffectual, irritating anachronism'. In November 1986 the director of the Sydney Festival, Stephen Hall, echoed the latter sentiments suggesting the Australia Council...

... sits imperially controlling the Federal Government's arts funding like some great black spider, but also, in its own arrogant and arbitrary way, decides where such monies should go. Arrogant is a strong adjective to use, but I can find no other to describe a body that, to an outsider, appears incestuous, high-handed and sloppy in its administration. For no less than three years the Festival of Sydney has sought support on the basis of a basic grant, to give us the same sort of privileges enjoyed by the other major festivals throughout Australia ... We have read the McLeay Report with great interest, and support many of its contentions, but frankly we don't think it goes far enough....

The Council itself, in its response to the report, supported the devolution. It made, however, two qualifications to its support: firstly, that authority to determine grants would only be devolved if peer group assessment was assured - not currently the practice in State Ministries; and secondly, that authority to decide grants for Aboriginal arts, national organisations, individual artists and innovative projects not be devolved. The Council said it was ready to devolve authority in the area of companies, community arts, contemporary art spaces, National Exhibition Touring Structure, interstate touring, some crafts, artist-in-residence schemes, and literary festivals and workshops. The Council's willingness to devolve some authority may have been due to the fact that with its administrative budget being cut in the 1985-86 Budget Council members and functionaries found their ability to travel and properly assess all applicants impaired.

70 The Age, 7 November 1986.

71 The Age, 22 November 1986.

72 Times of Sunday, 14 December 1986.
It was suggested that devolution of grant decision-making would cost considerably more than the system of concentrating the authority in the hands of the Australia Council and that unless the Government was prepared to commit more money to the arts there would be less for the artists.73

The Ministerial power debate

The 1986 McLeay Report recommended an amendment to the Australia Council Act 'to provide for the issue of ministerial directions to the Council'. The Government accepted this recommendation (No. 4) but Mr Cohen publicly reaffirmed his commitment to 'arm's-length' funding and Professor Horne reportedly accepted Mr Cohen's affirmation and saw no threat in the recommendation.74

Despite the above assurances and the fact that the recommendation was accompanied by the qualifier that the directions should not extend to particular grants and that they should be discussed with the Council and publicised, many commentators believed the recommendation and the Government's acceptance of it vitiated the Council's independence. Several artists and art commentators at a forum in Sydney in October 1986 criticised the McLeay Report for revealing 'a gut suspicion of artists' and 'a very deep fear of artists in the bureaucratic mind'.75 Darain Lewers, a former chairperson of the Crafts Board believed the proposed changes to the Act 'would have the effect of removing the statutory independence of the Australia Council, thus opening the way to political censorship of the arts'.76 Philip Parsons, editor of the Shooting the Pianist volume which included so many criticisms of the McLeay report, suggested that with some of its authority being ceded to the Federal Minister and some to the States, 'the Australia Council is left with nothing in the middle'.77 In a review of Shooting the Pianist, Brian Hoad noted that:

The artists, usually with good reasons, condemn the McLeay report as patronising, simplistic, uninformed, abusive and destructive.

and that artists

73 The Sydney Morning Herald, 3 November 1986.
74 Times on Sunday, 11 December 1986.
75 The Age, 3 March 1987.
76 The Sydney Morning Herald, 3 November 1986.
77 Times on Sunday, 11 December 1986.
are prepared to fight to the last ditch to defend the Australia Council's independence.78

The Australia Council's structure debate

Mr Cohen adopted most of the McLeay Report's recommendations on structural changes to the Australia Council and in May 1987 the Minister announced the following changes:

• the 15-member Council would be made up of a Chairperson, all Board Chairpersons, arts practitioners and public interest representatives. (The Government representatives would be withdrawn from the Council);

• Board membership numbers would be altered to provide a minimum of five and a maximum of nine members;

• the number of Boards would be reduced from eight to five, a Literary Arts Board, Design Board, Performing Arts Board (integrating the Theatre and Music Boards), Visual Arts/Craft Board (integrating the Crafts and Visual Arts Board) and Aboriginal Arts Board;

• the functions of the Community Arts Board would be transferred to a new Community Cultural Development Unit/Committee which would include, among others, Council Chairperson and all Board Chairpersons;

• a separate major organisations unit would not be set up, but biennial and triennial funding would be considered for certain organisations.

Criticisms of the proposed changes included the following:79

• the integration of the two biggest Boards, the Theatre and Music Board, would create an unwieldy, divided Board, place extraordinary demands upon Board Members to keep track of developments in large and relatively unrelated areas, and would mean artists and companies might not get the attention they deserve;

• the small Design Board was left intact and not merged with the Craft and Visual Arts Boards;


• the number of Boards was reduced before, and not after, the devolution of some of their responsibilities to the states.

The Arts commentator Tim Rowse saw the McLeay report as an exercise in marginalising and humiliating the Australia Council. Gay Hawkins agreed:

Although the first recommendation urged "the democratisation of culture" in order to ensure wide community access to a diversity of cultural experiences, this was a very token gesture. The real beneficiaries of many of the recommendations were the flagship companies.

She saw in the subsequent conversion of the Community Arts Board into the Community Cultural Development Committee an attempt to extend the Australia Council's commitment to access despite the McLeay Report, to take the board's program beyond a narrow art focus and to give the program Council-wide relevance.

The structural changes to the Australia Council were accompanied by a dramatic reduction in the Council's administrative budget (cut by $1.5m in 1985-86 and $1m in 1986-87) and staff levels (the number of senior executives or directors was reduced from 13 to 9). In January 1987 Max Bourke, a former senior officer of the Department of Arts, Heritage and Environment and a former Director of the Australian Heritage Commission, succeeded Professor Yerbury as the Australia Council's General Manager.

In October 1987 the general, and perennial, issue of whether the Government should be supporting the arts at all surfaced in the Melbourne press. Professor Mark Codray argued that if art pleases people it does not need state support and that such support only 'strait jackets' the arts. Donald Horne responded by arguing that most Governments support the arts to some degree, that the public endorses Government support of the arts and that this support encourages a strong arts industry, gives the nation a sense of identity and pride, and ensures its citizens have access to their cultural heritage, new art and the means to make their own art.

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83 The Age, 14 October 1987.

84 The Age, 15 October 1987.
The contemporary music debate

The McLeay Report recommended that the Australia Council should help develop business training arrangements for new entrants to the contemporary music (i.e. rock and pop music) industry and establish a scheme to assist young contemporary musicians. Both these recommendations (No. 23 and 25 respectively) were accepted by the Council and the Government. Arguments in their favour included the following:

- the proposal would contribute to 'cultural democracy'. There was a need for wider participation in arts funding decision-making and for an acceptance of a wider range of activities as art;

- rock music is Australia's most popular performance art, is the country's largest cultural industry (larger than all the others put together) and is capable of producing high export earnings.

Arguments against giving assistance to rock musicians and their industry have included the following:

- the cost would be high;

- with thousands of popular musicians working as professionals in Australia, the industry does not need assistance;

- it is not the Australia Council's job to assist export industries. Rock music could receive support in other ways.

- 'the point of funding is that it should go to those arts whose existence is important for a civilised, progressive community but which, because of the nature of the artistic activity, cannot maintain a high professional standard without assistance. Pop music does not fit this definition.'

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Australia's folklife

Folklife issues went unmentioned in the McLeay report, but in March 1986 the then Minister for Arts, Heritage and Environment, Barry Cohen, announced the establishment of the Committee of Inquiry into Folklife in Australia. The committee surveyed Australia's living traditions (games, crafts, customs, tunes, songs, poems, dances etc) and found that these essential yet intangible elements of our heritage have not received the attention from the community and government which they deserve, which is necessary for their preservation, and which is

accorded in most other countries. In August 1987, in their report *Folklife, Our living heritage*, the Committee recommended the establishment of the following:

- An Australian Folklife Centre, to provide a national focus for action to record, safeguard and promote awareness of Australia's heritage of folklife;

- An Australian Folklife Grants Scheme, to be administered by the Australian Folklife Centre, to support urgently needed folklife collection, research and documentation, and the maintenance of traditional arts and craft skills within communities;

- A National Collection of Australian Folklife, under the control of the Australian Folklife Centre, to give identity and stimulus to the development and conservation of folklife materials within the national collections;

- A Folk Arts Committee within the Australia Council, to provide needed expertise and advice in relation to folk arts support; and

- A Folk Arts Grants Program, under the control of the Folk Arts Committee, to provide more adequately within the programs of the Australia Council for the particular needs and circumstances of the folk arts.

The Folklife Centre and Grants Scheme were costed at $1.25m to establish and $1.5m to maintain in their initial years. The Committee also recommended folklife in schools, training in folklife studies, conservation of folklife materials at a state and regional level and support for the communities themselves, to assist them to maintain and pass on the traditions of their culture.

Most press commentators supported the above reports' recommendations but the Government, despite signing a UNESCO Recommendation on the Safeguarding of Traditional Culture and Folklore in 1989, showed no signs of being prepared to act on any of them. In December 1990 the Australian Folk Trust, a representative body for the folk music and dance community of Australia, decided to take it upon itself to co-ordinate the establishment of an Australia Folklife Centre, albeit without a permanent home or funding source. The Australian Folk Trust called for both itself, as the performing body, and the Centre, as the collecting body, to be put on a firmer

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financial footing, possibly under an umbrella 'National Council for Australian Traditions'.

1988-1991

The Coalition Arts Policy

Through all the debate surrounding the McLeay Report, the Coalition parties were silent. In August 1988 commentator Jeremy Eccles noted:

The Liberals played no part in the debate from which they've excluded themselves apart from sniping at the Arts and Working Life program (which are actually bringing in union money) from their waste watch bunker.87

In September 1988 Senator Chris Puplick, the then shadow minister for the Arts, released a new Coalition arts policy. The policy promised increased levels of private sector support for the arts, support for the development of a National Museum over the next five years, special funding arrangements to enable major companies to undertake more touring, changing the role of the Australian Film Commission and possibly privatising Film Australia. The most controversial element of the new policy was to be found under the heading 'Arts Administration':

3.1 The Minister

It is time to reassert the proper responsibility which any Minister in the Westminster system of government should accept for the development and administration of public policy. The so-called "arms length" principle has become an excuse for Ministers to ignore and avoid their responsibilities for defining and promoting a proper national arts policy. In the next Coalition Government the Minister will accept and discharge this direct responsibility.

3.2 Australia Council

The Australia Council will be abolished and its functions transferred to the relevant Department responsible for the Arts, thus bringing Commonwealth policy into line with that adopted in each of the States.

3.3 The Department

3.3.1 The responsibility for advising the Minister on the allocation of grants will lie with the Department assisted by appropriate Boards of outside and independent advisers....

3.3.2. The Advisory Boards will consist not only of appropriate arts practitioners but also of representatives of State governments, arts "consumers" - the ticket buying public, art collectors, critics, etc.

3.3.3. Initially there will be four Advisory Boards: Performing Arts; Literary Arts; Visual and Design Arts and Touring Companies....

3.4 Major Organisations

Within the Department there will be a separate Major Organisations Unit to advise the Minister (in conjunction with the Department of Finance) on the appropriate level of direct funding for the major performing arts bodies and the major national cultural institutions. These will be expanded to include not only the major companies such as The Australian Opera, The Australian Ballet and the various State Theatre Companies but also the major arts education institutions, in particular the National Institute of Dramatic Art, the Australian Ballet School and the Film, Television and Radio School. These organisations will be funded directly by the Commonwealth and will be guaranteed funding on a triennial basis, subject to their continuing to meet standards of excellence. 88

In short, a Coalition government would abolish the Australia Council and give responsibility for all funding decisions to the Arts Minister. Phillip Adams wrote:

The thought of a federal minister behaving like a pre-glasnost East European commissar will, I promise you, prove totally unacceptable to the arts community. The arm's-length tradition of arts funding, at least at federal level, isn't perfect. God knows every funding body makes mistakes. But to put control back into the hands of a minister, to give a politician the final say-so, is the most illiberal nonsense. 89

The Minister for Arts, Mr Holding, ridiculed the coalition's policy. 90

A few months later a spokesperson for the Acting Leader of the Opposition, Mr Blunt, said the Coalition was likely to stop funding artists-in-residence and would certainly stop any grants to those in trade unions. 91

The Australia Council

In the years 1988 to 1990 the Hawke Government made many changes to the structure of the Australia Council, mostly in line with the recommendations of the McLeay Report.

In May 1988 the Government introduced the Australia Council Amendment Bill 1988 to amend the Australia Council Act 1975 to give the Minister the power to give general policy directions to the Council.

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89 Adams, Phillip. 'Beware the arts bully seeking centre stage'. Weekend Australian 15-16 October 1988.


91 The Australian, 3 January 1989.
and to alter the membership of the Council and its Boards. The Bill lapsed at the 1990 election.

In June 1988 the Arts and Territories Minister Gary Punch announced a new three year funding plan for arts organisations such as the Australian Ballet. The new plan was in line with a recommendation in the McLeay Report and an undertaking given by the previous arts minister, Mr Cohen.

In June 1989 the Minister for the Arts, Mr Holding, replaced the dispute-riven Aboriginal Arts Board with three new committees attached to the Aboriginal Visual Arts, Performing Arts and Literature Board.

In August 1990 the Government moved the Australian Opera from under the Australia Council's wing, placed it in line for direct funding from the Federal Department of Arts, Sport, the Environment, Tourism and Territories and granted it an extra $1 million. The move proved controversial. The Performing Arts Board was at the time trying to cope with a $470,000 cut to its music program. Many arts administrators believed the move was driving a wedge between organisations and creating 'haves' and 'have-nots'.

In September 1990 the Government introduced the Australia Council Amendment Bill 1990. The Bill was the same as that which was introduced in 1988 and lapsed. The Arts Minister said:

The provisions of this Bill enable the Australia Council to complete the implementation of those aspects of the Government's response to the McLeay Report which relate to the operation of the Council.

Provisions enabled the Minister to give general written policy directions to the Australia Council, removed the requirement for Government representation on the Council, enabled representatives of the community to be appointed to the Council, allowed for the setting up of a Community Cultural Development Board, enhanced the

92 Gary Punch, Minister for the Arts and Territories, Media Release, 22 June 1988.
94 The Sydney Morning Herald, 23 August 1990.
95 The Sydney Morning Herald, 10 October 1990.
96 David Simmons, Australia Council Amendment Bill 1990, Second Reading Speech.
maximum and minimum Board membership numbers and permitted tele-conferencing.

In March 1991, after months of speculation, author Rodney Hall was named as Professor Horne's successor as chair of the Council. Collaboration with the Department of Foreign Affairs and Trade, Austrade, Asialink and arts bodies overseas increased.

One of the main public controversies of the year erupted over the Australia Council advising the Sydney Theatre Company that it was not staging enough world premieres of Australian work, not employing enough women in creative positions and would receive only a conditional grant for 1992. Unwilling to accept that the Australia Council's concerns were legitimate, the Company considered rejecting the conditional grant. 97 Two other theatre companies, One Extra and the Australian Nouveau Theatre, had had their funding cut two years earlier for not being deemed to satisfy guidelines (the former for not being innovative enough the latter for being perhaps too innovative). 98 One of the results of these disputes was that Max Bourke, the general-manager of the Australia Council, foreshadowed the Council eventually replacing annual grants to performing companies with a system of tied grants or contracts for specific projects within the Council's guidelines of indigenous, risky and innovative. 99

The role of the Government debate

While the Government tinkered with the structure of the Australia Council and its grant making mechanisms, commentators continued to debate the merits of arm's-length funding, the adequacy of present funding levels, the wisdom of underwriting the large flagship companies, and the possibility of a geographic bias. On the latter, Henry Reynolds, Professor of History at the James Cook University, argued that:

Arts spending in the capital cities accentuates existing inequalities between metropolitan and provincial Australia. Public money is invested in those very places where corporate assistance is most readily available. The lobbying capacity of prestigious capital city companies far outweighs the political clout of arts organisations in the bush. They can grab the bulk of any increase in funding and better defend themselves at times of stringency. Arts bureaucrats reside in the cities and are beneficiaries of the industry they support. Peer review, as practised by the Australia Council, often means review by


metropolitan mates with little knowledge of provincial Australia... [Given that arts is also an industry] arts policy must become a major component of regional development. 100

Some commentators in the last years of the Hawke Government, however, went beyond the polite subject of how the Government should best support the arts and started to argue that it should not be involved in supporting them at all. For example, David Clark argued:

The time has come for our "artsocracy" to spit out its taxpayer-provided dummies, crawl out of its gilded cots and tip over its over-flowing, subsidised potties - to abandon its "infant industry" status and grow up. We subsidise too many books that are never read, too many plays with empty seats, too many "flawed masterpiece" films - with "uncompromising story lines" - that never get more than a three-day run in the Gulargambone Rex. 101

Clark further argued that neither our sense of Australian identity nor our small economy needs the purported benefits of such subsidies. Michael Duffy, a freelance writer, argued firstly that a publicly subsidised artist ultimately becomes trapped in 'a velvet prison', writing for tastes of bureaucrats, mimicking past rebellions and supporting the status quo, and secondly the continuing existence of subsidies after twenty years of relatively lavish spending is proof in itself that Australians don't want the art that subsidies are producing. 102

Those commentators who put the contrary case in support of publicly subsidising art included Hugh Stretton:

Some of the arts and most of the educators need some public pay, especially for the more humane and civilising elements of their education. School and university education is expensive, but we have to have it for other reasons. Arts subsidies can be modest and may even be profitable...So why is the public support of creative art and intellect in this country now under continuous attack?... Basically, the attack is an incident in the general lurch to the right, which has become a more effective enemy of intelligent culture that the left ever was. For ten years or more our national party leaders have been competing for votes by cutting taxes and public investment, encouraging as much national short sight and improvidence as they can. The attack on high culture belongs

100 Reynolds, Henry, 'Where's that on the map?', Australian Society, June 1990: 41.

101 Clark, David, 'It's high time we cut off the funds to our molly-coddled "artsocracy"', Australian Financial Review, 2 August 1988.

102 Duffy, Michael, 'Government subsidies for novels and films have failed to produce a single winner. So why don't we get right out of them?', The Independent Monthly, December 1990 - January 1991: 14-16.
with the neglect of long-term capital investment in public business enterprises and national infrastructure. 103

Frank Devine said he agreed with Donald Horne:

In a country of small population, many of Australia's individual artists cannot find a large enough market to earn a living.

and suggested

the concept of State artistry strikes me as a fallacy based on underestimation of the capacity of artists to bite the hand that feeds them. 104

Economists David Throsby and Devon Mills observed in a study of artists' working conditions that poor incomes are a major constraint on the levels of artistic output and that artists who received Australia Council grants had felt temporarily free to concentrate on their artistic work. 105 They further noted that:

in an economic system based on voluntary exchange markets, the social value of art will not be fully reflected in private transactions. The problem for individual artists is that, since they have to sell their output on the free market, they will finish up being underpaid... At the most general level, the disadvantage suffered by our artists should be a matter of concern to all Australians. ... This is not an argument for special or favoured treatment for artists, it is simply a recognition of the fact that when markets fail, alternative action is required. That action is by no means limited to government financial assistance... In ideal circumstance, a plurality of support should be pursued in a mixed economy. That is, whilst there exists a clear obligation on governments to support the arts, an obligation which incidentally is widely recognised by voters, there is also a significant role for the corporate sector in this area. 106

Towards a national arts strategy

In December 1989, partly as a reaction to the impending closure of two Melbourne drama companies, a new national arts lobby group called 'Arts Action: Australia' was launched. Members included such well-

103 Stretton, Hugh, 'What should we do with the rich and powerful?', *Australian Society*, November 1988: 30-31.

104 Devine, Frank, 'Granted it's costly, but art is priceless', *The Australian*, 6 December 1990.


known people as Prue Acton, Professor Hugh Stretton, Janet Holmes a Court, Paolo Totaro, Phillip Adams, Ron Barassi, David Williamson, Martin Ferguson, Donald Horne, Joan Carden, Sir James Killen and Gough Whitlam. Their convenor, George Fairfax, wrote that:

This new driving force has emerged because governments are showing a reluctance to continue to provide sufficient money for artists and arts companies... The irony is that governments are reducing spending on Australian cultural expression at a time when the arts are becoming of more interest to more people... A common government response to requests from arts organisations for assistance has been: 'Go and get private sponsorship.' This has been a most valuable source of income, particularly for the bigger arts companies and institutions. But if governments show more concern for our country's heritage by increasing, rather than lessening, their support, it will be much easier for artists to encourage corporations to help as well.107

In February 1990 Arts Action: Australia launched simultaneously in Sydney and Melbourne its Arts Agenda. Demands included:

- maintenance of a distinctly Australian film industry, local content laws in television and radio and more arts on television
- State support of theatre and music companies and greater utilisation of museum and gallery facilities.
- subsidising the production and availability of quality books
- minimum wages and affordable work space for serious long-term artists108

In April 1990 Mr Whitlam was reported as saying that Mr Hawke 'believes there are more votes in sport than the arts'. He pointed out that while the Australian Institute of Sport and the Australian Sports Commission had been merged within two months of the passage of the enabling legislation, not even a foundation stone had been laid since the National Museum of Australia Bill was passed in October 1980.109

In June 1991 the ALP National Conference amended its arts platform to say that the ALP would 'develop and publish a national arts strategy, consistent with Labor's social justice strategy, after consultation with the community.' Arts Action: Australia praised the

108 Australian, 20 February 1990.
platform change.\textsuperscript{110} The lobby group also expressed some satisfaction that funding of cultural organisations held its ground in the August 1991 budget. Mr George Fairfax, chair of Arts Action: Australia was reported as suggesting that to hold the line in difficult times suggested the Federal Government was showing an interest in culture.\textsuperscript{111} Mr Fairfax intended to hold a series of public consultations over the following 12 months to assist in developing a national cultural strategy.

Beyond 'multicultural arts'

In the process of the restructuring of the Australia Council which followed the McLeay report and the severe budgetary restraint of 1986-87, the Council decided to do without a Multicultural Arts Committee. The intention was that the Multicultural Arts Program would continue in the absence of a dedicated monitoring committee. The notion of 'multicultural arts' (which had replaced 'ethnic arts') was replaced with the notion of 'arts for a multicultural Australia' and in 1989 the Australia Council formally adopted a policy on 'Arts for a Multicultural Australia'. The absence of a monitoring committee was, however, felt. In 1990 a new committee was formed to develop policy, provide support to the multicultural program manager and to develop strong links between the council and the NESB artistic community. The Australia Council Multicultural Advisory Committee was comprised of NESB representatives from all Boards, Committees and a member of Council who had particular expertise in the area of multiculturalism. The new Committee was given responsibility for developing a National Arts for a Multicultural Australia Program. The Committee commissioned research and stimulated discussion on questions to do with definitions of professionalism and excellence and with the adequacy of assessment procedures and of support for NESB artists.\textsuperscript{112}

Other changes and initiatives

In July 1988, in response to the widely acknowledged appalling state of the film and television production industry and as part of a major restructure of the federal assistance available to the industry, the Government established the Australian Film Finance Corporation. The Corporation's principal functions were set out in its Memorandum of Association as:

\textsuperscript{110} The West Australian, 26 June 1991.

\textsuperscript{111} The Australian, 21 August 1991.

• to invest in eligible Australian programs, being feature films, mini-series, telemovies and documentaries as Australian under Division 10BA of the Income Tax Assessment Act;

• to make loans, provide guarantees and underwriting in respect of eligible Australian programs;

• to lead or participate in loan syndicates for the production of eligible Australian programs;

• to form or participate in the formation of trusts and companies formed to produce eligible Australian programs.

In line with its powers the objectives of the Corporation were:

• to underpin a production slate at a high level in each financial year;

• to support projects with demonstrated market interest relative to budget levels commensurate with the potential market and the realisation of returns;

• to develop a committed and active private sector involvement in the financing of Australian film;

• to secure an appropriate return on each of its investments;

• to secure a balanced production slate between cinema and television (including documentary) projects; and

• to assist towards the financing of a body of qualifying Australian films which in the opinion of the Board reflect the diversity of cultural, creative and commercial endeavour in the Australian film and television production industry.\(^{113}\)

The Film Finance Corporation was promised an initial $70m. Commentator Jeremy Eccles saw some irony in the then Prime Minister Bob Hawke, Arts Minister Gary Punch and Treasurer Paul Keating all arguing the merits of having a strong film industry after their Government had whittled down the 10BA tax deductions till the industry showed every sign of collapsing.\(^{114}\)

In early 1989 the then Treasurer, Mr Keating, set up the Creative Fellowship Scheme under which a number of internationally recognised Australian artists and writers would receive a guaranteed income of $50,000 a year for a minimum of four years. The first recipients were named in May 1989. Critics of the Scheme called it elitist, questioned the profiles of the winners and the links of the selection panel.

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113 Quoted from *Australian Film Finance Corporation Pty Limited, Annual Report 1990*: 6-8.

members and argued that the funds would be better spent on young up-coming artists. Others, such as Padraic McGuiness, supported the concept of supporting 'proven producers' who can be trusted 'to continue to do what they are doing without any bureaucrats breathing down their necks, and without any requirement to design, submit and complete a particular project.' Richard Letts, executive director of the Australian Music Centre, wanted to see the Fellowships matched with higher Australia Council funding.

In August 1989 the Department of Finance produced a discussion paper, What Price Heritage?, on the economics of maintaining the federal cultural institutions, the Australian National Gallery in particular. Members of the Australia Council were critical of the report's methodology and conclusions.

In December 1990 the House of Representatives Committee on Environment, Recreation and the Arts, chaired by Jeanette McHugh, was asked to undertake an inquiry into the performance of Australia's films in local and overseas markets. The commentator Robert Macklin believed the inquiry promised to be:

one of the truly monumental exercises in futility... What the devil is a government committee going to discover that isn't blindingly obvious to anyone with the slightest interest in films?

In March 1991 the Government established the Register of Cultural Organisations to allow cultural bodies to offer donors the incentive of a tax deduction. Hundreds of organisations involved in literature, visual arts, performing arts, music, crafts, design, community arts, video, television, radio, film, aboriginal arts and movable cultural heritage have since been listed on the register.

In May 1991 the Minister for the Arts, Tourism and Territories, David Simmons, released Cultural Funding in Australia, a report prepared by the Australia Council using the public finance categories devised by the Statistical Advisory Group of the Cultural Ministers' Council. The

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118 The Australian, 14 August 1989.
120 The Canberra Times, 22 December 1990.
report concluded that nearly $2 billion is spent on 'culture' (everything from radio and television broadcasting, performing arts and national parks to museums and libraries). Of this total the Federal Government contributed 50 per cent, State and Territory Governments 35 per cent and local governments 15 per cent.

In late August 1991 the Minister for the Arts, Tourism and Territories, David Simmons, launched a four-volume report by the Australia Council on youth and the arts. The report was entitled *Ideas, Facts and Futures.*

**The Keating Government**

**1992 - March 1993**

1992 was in some ways a year of transitions. Debate over the proper role of the Commonwealth and the Australia Council reached something of a crescendo. The Government's response was to initiate work on a statement on cultural policy. The Department of Arts, Sport, Environment and Territories' response was to undertake an evaluation of the Australia Council's efficiency and effectiveness. The Australia Council's response was to identify areas in which it had the most to offer and directions in which it might most productively move. The Opposition's response was to reverse its call for the Australia Council's abolition but continue the call for a narrower definition of the Australia Council's role.

Justin Macdonnell's 1992 history of Commonwealth Arts policy might represent the crescendo of the above debate. He concluded his book with the recommendation that the Commonwealth should 'get out of the small grant area altogether', that grants below $50,000 be administered by the States, local governments or private authorities, that the Australia Council be abolished and that a Federal Arts Ministry, comparable with the State ones, be created. His thesis was that the arm's-length model delivers the worst of both worlds. It neither effectively insulates the Council from political interference, nor does it give the arts a strong presence in Cabinet. Two reviewers of the book remained unconvinced and questioned the desirability of the

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Commonwealth moving away from the existing system. The need for a clearer delineation of the roles of Federal, State and local governments is, however, less easily questioned - and is still something which needs to be grappled with.

Cultural Development

Step by step in the course of 1992 the Minister for the Arts and Territories, Wendy Fatin, raised the profile of cultural development issues. In April 1992 she announced the replacing of the Community Cultural Development Committee of the Australia Council with a Community Cultural Development Board. In May 1992 she produced a discussion paper billed as 'the first step in the preparation of a statement of Commonwealth policy in the field of cultural development'. The report attempted to define guiding principles, issues and options but the arts commentator Robert Macklin suggested the report:

is a total waste of forests: it lacks imagination; it lacks thought; it is a make-work document for under-employed arts bureaucrats; it is filled with weasel words, which state the blindingly obvious as though it were newly minted; it's just the sort of nonsense that gives the arts a bad name.

In August 1992, 'as the next step in the development of a comprehensive statement on the Commonwealth's role in Australia's cultural development', Ms Fatin announced the membership of an expert panel to advise the Minister on issues relevant to the development of a Commonwealth statement of cultural policy. Panel members were:

- Gillian Armstrong - film-maker
- Thea Astley - novelist
- Rodney Hall - novelist, poet, Chair of Australia Council
- Jenny Kee - designer
- Jill Kitson - broadcaster
- Michael Leslie - director, choreographer
- Graeme Murphy - dancer, choreographer, director
- Bruce Petty - cartoonist, film-maker
- Peter Spearritt - Director, National Centre for Australian Studies, Monash University.
- Leo Schofield - columnist, businessman.


125 Macklin, Robert. 'Words, words, words - but what do they mean?'. The Canberra Times, 2 June 1992.

126 The Hon Wendy Fatin, Minister for the Arts and Territories, News Release, 14 August 1992.
A report was to be prepared by late 1993. As subsequent sections of this paper reveal, it has been postponed at least twice since then and is still awaited.

The 1992 Budget and Grants debate

In the Budget of August 1992 total funding in the Arts and Cultural Heritage area fell by 2.1 per cent from the $334.9m of 1991-92 to the $327.9m of 1992-93. The greatest reduction came in assistance to the film industry. It fell by 7.2 per cent from $91.4m in 1991-92 to $84.8m in 1992-93.127

Throughout 1992 the subject of grant funding to trade union organisations recurred in Senate Estimate Committee hearings and questions on notice. In December 1992 the deputy leader of the Opposition in the Senate, Senator Jim Short, characterised many of these grants as 'a scandalous waste of public money' and as 'doling out largesse to cronies'.128 A spokesperson for Ms Fatin, the Arts Minister, said the working life program, which was a division of the cultural development branch of the Australia Council 'supports and encourages the participation of communities in the development of their own culture' and made up less than 2 per cent of the Council's budget.129

Literary funding

In January 1993 a debate blew up over the direction reform should take in the area of funding literature. The poet Les Murray called for the abolition of the Australia Council's Literature Board, which he accused of discriminating against certain writers. He proposed 'royalty supplementation':

Under this, the Government would simply give every author the difference between the royalty paid them by their publisher and the list price of all books of theirs sold during that year. This payment would be reducible on a sliding scale that would reflect the author's income from extra-literary sources... For authors with no outside income whose books sold extremely well, supplementation would not be open ended, but would cut out at something like $30,000 or whatever a decent authorial wage was felt to be... Basing all Government support for literature on the single mechanism of royalty supplementation would make it possible to replace the board with a couple of finance clerks and a computer. It would cut out subsidy for such things as literary festivals, tours and residencies, but these could easily be made the province of state and local bodies, as they already are... After the savings that

127 Budget Statements 1992-93, Budget Paper No. 1: 3.139
would accrue from abolishing the board and cutting up many of its larger fellowships into a host of smaller slices, costing of my scheme might show that it was not greatly more expensive than what we have now.\textsuperscript{130}

Rodney Hall, the chair of the Australia Council, proposed instead an earn-back scheme for most writers, whereby the writer would be granted a minimum income for three years but be required to pay back as much as possible as money is received from publishers.\textsuperscript{131}

Writer Alan Gould, though not wishing to be critical of the Australia Council, endorsed Les Murray’s scheme as a way to avoid the year to year uncertainty and poet Mark O’Connor proposed replacing the Australia Council with a system of guaranteed minimum funding for all self-employed professional artists.\textsuperscript{132} The present system received support from poet and essayist Judith Wright, who considered it a great advance on the old Commonwealth Literature Fund system, and from publisher Tom Thompson, who believed Les Murray’s proposed system prohibitively expensive.\textsuperscript{133} In an open letter dated 8th February 1993 twenty eight artists described the Australia Council as being a valuable support system for Australia’s art and cultural identity and expressed their alarm at the threats being made against it.

The Future Role of the Australia Council

On 17 February 1993 the Australia Council released a document entitled \textit{The Future Role of the Australia Council}. In the section headed 'The Future Direction' the Council declared its intention to focus on three roles:

\begin{itemize}
  \item the chair of the Australia Council, Rodney Hall, announced a series of initiatives, research and development for the Arts (i.e. promoting innovative companies)
  \item professional development for artists (i.e. assist with infrastructure for employing artists and/or selling their product)
  \item development of national cultural resources (i.e. nurture participation by communities from many ethnic backgrounds).
\end{itemize}

\textsuperscript{130} Murray, Les. 'Time’s up for Literature Board', \textit{The Age}, 6 January 1993.

\textsuperscript{131} Hefner, Bob. 'A new scheme for funding writers'. \textit{The Canberra Times}, 24 January 1993.

\textsuperscript{132} \textit{The Canberra Times}, 21 February 1993.

\textsuperscript{133} \textit{The Canberra Times}, 21 February 1993.
In the section headed 'Areas of Strategic Investment' the Council suggested that it could help reveal the dynamism of contemporary Aboriginal Australia, improve the view peoples of Asia and the Pacific have of Australia, encourage Australians to consider their place in the world, and indirectly benefit the Australian economy.

In the section headed 'New Programs: The First Round' a series of initiatives, foreshadowed in a media release on 16 December 1992 and in press interviews since then, were formally announced. They included:

- Earnback schemes by which some of the money provided as an up-front investment in a project might later come back to the council to enable it to support other projects;

- Bridging Fellowships for artists outside the mainstream of current Australian arts practice;

- Income supplements of $20,000 per year for up to five years;

- Australian Awards for Achievement in the Arts accompanied by a prestigious annual presentation;

- A commitment to multi-year support (triennial) for arts organisations wherever possible and as soon as possible.

Other new programs centred on raising Australia's international cultural profile, establishing new international markets for Australian art and making the Council's Boards more accessible to applicants and the public.

At the time of the launch of the above document, Rodney Hall foreshadowed a range of other innovations, including the following:

- an Office of Cultural Tourism to maximise the involvement of overseas tourism in Australia's cultural life;

- Aboriginal and Torres Strait Islander Cultural Centres (ideally in every major city);

- an Art Export Incentive Scheme;

- a national black music recording label;

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- a 'Country Connections' program, bringing black and white artists together in key rural and regional towns;

- a national incentive scheme for performing arts venues to offer special youth tickets;

- a 'Kickstart Program for Artists' to give those who show promise the opportunity to reveal their fullest abilities as early as possible;

- a 'World Translation Centre' in Australia;

- a 'National Billboard Project' in which artists would work with communities to create images of local identity and a sustainable future;

- an Australian Art Shop in overseas capitals; and

- a national and international touring Arts-Expo.

The lead up to the 1993 election

In the lead up to the March 1993 election the Coalition released an Arts policy document entitled *A Vision for the Arts in Australia*. The document noted that coalition governments have been responsible for the establishment and promotion of many great cultural institutions, that the arts help promote national identity, that the great bulk of arts activity in Australia proceeds without the need for taxpayers support and that the impact of the arts industry in Australia is far broader than simply on the arts and artists. Under the new policy, the Commonwealth would pay more attention to providing tax incentives for private sector involvement in the arts and to supporting overseas tours and exhibitions by Australian artists and cultural tourism to Australia. The Federal Department would fund the large 'national' arts bodies such as The Australian Ballet, The Australian Opera, The John Bell Shakespeare Company and the Australian Chamber Orchestra, and the Sydney and Melbourne-based Opera and Ballet Orchestras. The Australia Council would not be abolished, as it would have under earlier coalition policy, and it would retain its peer review mechanism, but it would be restructured to concentrate on national arts matters and to provide 'incentive-payments' for performances of Australian work, for touring and for innovation. Non-national organisations' performance grants would be handled by the States acting as agents for the Australia Council:
This will remove the present unnecessary and financially wasteful duplication of bureaucracies where many arts bodies are funded by both State and federal authorities.\textsuperscript{135}

\textit{Fightback!} estimated the saving to the Commonwealth at $60 million.\textsuperscript{136} The Coalition also promised to change some of the Film Finance Corporation's prospectus requirements and financing arrangements to make private sector investment in Australian films more attractive. The Coalition was keen to support youth involvement in the arts and the exploration and preservation of our folk heritage (in line with the recommendations of the 1987 Folklife Inquiry), but decided not to fund the Museum of Australia 'during this period of financial constraint'.\textsuperscript{137}

Many in the arts community were not happy with coalition policy as they understood it. An open letter signed by 30 of the nation's leading writers, composers, performers, artists and administrators, expressed concern at the threat to the Australia Council and to the statutory independence of arts funding.\textsuperscript{138} On another front Arts Action: Australia and much of the arts industry in Australia came out against the proposed 15 per cent Goods and Services Tax. They believed costs would go up and the elimination of sales tax, payroll tax and fuel excise would be of little benefit for most (most arts organisations being exempt already from sales tax and too small to pay payroll tax).\textsuperscript{139} Arts Action: Australia did, however, welcome the Opposition's proposal to increase the corporate tax rate to 42 per cent, thereby increasing the value of tax deductions for donations to the arts.\textsuperscript{140}

In the lead-up to the March 1993 election the Government launched a 'Cultural Policy' entitled \textit{Distinctly Australian, The Future of Australia's Cultural Development}. At the launch of the document the Prime Minister, Mr Keating, confirmed an earlier expressed intention to produce a comprehensive cultural policy statement:

\begin{quote}
We believe the time has come to develop a broad cultural policy which takes account of the reality of contemporary life in Australia...
\end{quote}

\textsuperscript{135} \textit{A Vision for the Arts in Australia}. The Coalition Arts Policy, 3 March 1993: 5.

\textsuperscript{136} For an analysis of the figures see Macklin, Robert. 'Hewson's art proposal has crafty mathematics'. \textit{The Canberra Times}, 30 November 1991.

\textsuperscript{137} \textit{A Vision for the Arts in Australia}, The Coalition Arts Policy, 3 March 1993: 7-8.

\textsuperscript{138} McCallum, Peter, 'Why artists are backing Labor', \textit{The Sydney Morning Herald}, 24 February 1993.

\textsuperscript{139} \textit{The Australian Financial Review}, 1 December 1992.

\textsuperscript{140} \textit{The Australian Financial Review}, 1 December 1992.
From a purely economic point of view it makes undeniable sense. Australia's cultural industries, broadly defined, earn 14 billion dollars a year - more than wheat, wool and beef put together, and employing more people. The cultural industries are sunrise industries, because they are in the business of information and ideas and design and innovation. They are also export earners with, in some cases, vast potential for growth in Asia and elsewhere. That is why we propose an industry policy for the arts.

The Prime Minister suggested that a good cultural policy will 'help us imagine ourselves as one people', will 'put the emphasis on taking our arts and heritage out to the people', will 'greatly help the process of reconciliation' and would have a broad base without prejudicing the longstanding commitment to excellence.

The Distinctly Australia document described the Advisory Panel that had already done much work on cultural policy and would continue to work on its development and implementation under a Labor Government after the election, argued that a GST would have a 'drastic' effect on the Arts and outlined series of new initiatives. The initiatives included increased support for national touring programs, the Australian Youth Orchestra and the Australian Children's Television Foundation, and a pledge of $26 million towards the first stage of the National Museum at Yarramundi Reach in the ACT.

Although the Shadow Minister, Senator Michael Baume, attempted to stress the ways in which Fightback! would benefit the Arts and drew attention to the fact that artists and craft people with turnovers less than $50,000 may be exempted from the GST, the Prime Minister Mr Keating appeared to have the support of most in the Arts community. This support, many commentators have suggested, had a significant impact on the outcome of the election. As Virginia Trioli has reported:

Deflated by criticism of his performance during the first television debate and opinion polls that put the Labor Party behind the coalition, a negative Prime Minister walked into the tumultuous reception of a fiercely pro-Labor arts community.

Sources close to the campaign say, at that moment, the change in the Prime Minister's mood, spirit and optimism was palpable. Mr Keating knew he had arts support but nobody expected this: a diverse group of actors, singers, dancers, painters, administrators and hundreds of others that had organised anti-GST letter-writing campaigns, pro-Labor lobby groups and more enthusiasm than anybody had seen during the long and hard campaign.

141 Statement by the Prime Minister the Hon Paul Keating MP released with the Australian Labor Party, Cultural Policy, 1993 Election.

From there, the arts sources say, the campaign's spirit turned a corner. It was a morale booster that Mr Keating has not forgotten. 143

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After the 1993 election

After the election Senator Michael Baume claimed publicly that he had repeatedly called for correcting Fightback!'s 'unfair impact on the Arts' 144. The shadow ministry list issued on 7 April gave responsibility for the Arts to the Leader of the Opposition, Dr Hewson, assisted by Senator Kay Patterson.

On the Government side the Arts portfolio was elevated to Cabinet level. The new Minister for the Arts and Administrative Services, Senator Bob McMullan, was reported as saying he would push along the National Museum project 145 and would be looking at the efficiency of the Australia Council 146.

Upon the opening of the new parliament, the Governor-General, Mr Hayden, made it clear that cultural policy was going to become part of the Government's drive to create a new Australian identity:

The Government's commitment to bringing cultural concerns into the mainstream of decision making is reflected in the appointment of the minister with responsibility for arts and cultural development to a Cabinet position.

It will continue to give a high priority to the review of its role in Australia's cultural life, developing a cultural policy to be released by the end of 1993.

The Government recognises its responsibility to maintain and develop Australian culture. It will encourage and assist what is distinctly Australian in our cultural life and it will do this in combination with two other goals. It will aim to conserve our heritage in all its diversity, recognising the heritage of Aboriginal and Torres Strait Islander peoples and that of the many ethnic, regional and social groups which make up our society. It will also aim to give all Australians, whatever their background, age, or wherever they live, access to varied cultural experiences and understandings.

In the arts, the Government will pursue these goals through continued strong support for its existing programs and through a series of new initiatives, some

146 The Australian, 26 March 1993.
directed specifically at children and youth, which aim to promote excellence and innovation.

The Government will also pursue its cultural goals through a continuing commitment to the development of a distinctly Australian film and television industry. As a further stimulus to the creative endeavours of Australian film and television program-makers, the Government will give increased support in the key areas of script development, producer and marketing support and, importantly, Australian children's television.

The nation's cultural heritage must be accessible to all Australians. A landmark step here will be the development of the National Museum of Australia. The Government will also pursue other important initiatives, including establishing the Foundation for Australian Cultural Development, which are designed to help all Australians locate themselves within their country's rich, ancient and diverse cultural landscape. 147

Commentator Frank Devine suggested the Government's new arts policy seemed to leave little room for departure from political correctness by artists hoping for material benefits and suggested:

Shaping the formless minds of the masses appeared to be the central role for the arts foreseen in the Governor-General's speech... [the last of the above quoted paragraphs] at least cleared the Governor-General of any suspicion of having written the speech, since Mr Hayden's term in office has been distinguished by his clear language. 148

The 1993 Budget

In the August 1993 Budget the Arts received a modest funding increase. The Arts and Cultural Heritage table in Budget Paper No. 1 3.142 (based on function) put actual expenditure in 1992-93 at $336.0m and estimated expenditure in 1993-94 to be $346.2m. The Cultural Development table in the Arts and Administrative Services' 1993-94 Program Performance Statements for 1993-94 (based on portfolio) put actual expenditure in 1992-93 at $305.6m and estimated expenditure in 1993-94 to be $343.1m.

The Government's funding of existing arts programs and organisations remained virtually unchanged. The Australia Council allocation went from $56.9m to $58.7m, the Australian Opera from $7.1m to $7.2m, Film Australia from $5.9m to $6.5m, the National Library from $30.6m to $34.4m and the National Institute of Dramatic Art from $2.9m to $3.01m.

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New allocations announced by the then Minister for Arts and Administrative Services, Senator McMullan, in his Budget package entitled *Delivering Distinctly Australian*, included the following:

- $5.5m over four years to help establish a Foundation for Australian Cultural Development in Melbourne.

- $6m over four years to sponsor the national travelling exhibitions program.

- $4.9m was allocated over four years for the development of a national portrait gallery at the Old Parliament House.

- $3.3m in 1993-94 for preliminary design and documentation work associated with the proposed construction of the National Museum of Australia and for the pursuit of private sector support for the project (release of the rest of the $26m pledged over four years was to be conditional upon the ACT Government and private sources being able to meet the rest of the anticipated $60m bill).

The Minister also announced that the Government would be delivering a comprehensive statement of Cultural Policy within six months.

No response was made to the recommendations of the 1987 Folklife inquiry but spokespeople for both the National Museum and the Australian Folk Trust have suggested a 'National Council for Australian Traditions' could be attached to the National Museum in the same way the American Folklife Centre is independent but attached to the Library of Congress.

Both the Minister for the Arts and the Prime Minister claimed the Government was increasing expenditure on arts and culture by 12 per cent. Senator Michael Baume noted, however, that federal funding available through the Australia Council in the form of arts grants was cut in the Budget by $733,000 or 1.42 per cent to $50.8m and suggested that 'the only funding area where there will be a rise is in the so-called 'Keating' fellowships whose allocation rises by 20 per cent

The Minister for the Arts and Administrative Services, Media Release, 17 August 1993; Age, 18 August 1993; *Address by the Prime Minister, the Hon P J Keating, MP, Opening of Colin Lanceley Exhibition, Sherman Galleries, Sydney, Friday, 27 August 1993.*

In August the Aboriginal and Torres Strait Islander Board of the Australia Council was re-established (as mentioned earlier, three committees attached to other boards replaced the dispute-riven Aboriginal Arts Board in 1989). The then Minister, Senator McMullan, said the function of the new Board would be:

> to assist Aboriginal and Torres Strait Islander people to revive and maintain their cultural practices through visual arts/crafts, performing arts, literature and multiform arts/crafts (community festivals and ceremonies) and international programs.\(^{151}\)

In early October 1993 the Australia Council's Performing Arts Board announced several policy changes.\(^{152}\) More companies would receive multi-year as opposed to annual funding. More grants would go to youth arts groups. Most significantly of all, however, more of the Board's resources would be concentrated at 'the research and development end' of the theatre, dance, music and opera industries, obliging the large companies to compete more intensely with the smaller ones for the available grant money. The Board's aim was to create a 'level playing field'. No longer would most of the Board's grant budget be 'locked up' by 'big ticket clients'. Instead of issuing general purpose annual grants the Board would support those components of a program which would not occur without funding. Commentator Rosemary Neill speculated that the Council's heightened emphasis on innovative, risky work might end up pushing such large established organisations as the Australian Ballet, Musica Viva and the State theatre companies out of the Australia Council ambit and along the Australian Opera road of seeking direct federal funding.\(^{153}\) Direct funding did not, however, prevent the Australian Opera reporting a deficit for 1992-93 of between half a million and a million dollars.\(^{154}\)

Another development in October 1993 was the announcement of the first 'Earnback' arrangements (whereby some or all of a grant would be payed back if the project earns the artist an good income) in the performing arts area.\(^{155}\)

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152 *Australian*, 9 October.


155 *Sydney Morning Herald*, 12 October 1993. The first arrangements in the literature area were also announced at this time (*Australian*, 9 October 1993).
Employment in cultural industries

In early November 1993 Senator McMullan made a submission to the Federal Government's task force on long-term unemployment in which he suggested:

It is important that employment, training and income support policies explicitly recognise and build on the changing nature of our workforce rather than seeking to recreate an out-of-date employment and income pattern suited to a different generation and a previous social and economic structure.\footnote{156}

He was reported as arguing that cultural industries give regions a sense of identity and pride, are a major component in the tourism and leisure industries, and should be seen as essential to creating jobs over the next decade.\footnote{157}

To illustrate the economic importance of the arts, the then Minister for the Arts was able to use data from several earlier studies:

- In January 1991 a Cultural Ministers Council Statistical Advisory Group study found that cultural activity was one of Australia's largest industries, employing 200,000 people and contributing $7.6 billion annually to the gross domestic product.

- In February 1992 the fourth edition of the Australia Council publication \textit{The Arts: Some Australian Data} identified an increase of 39\% in average household expenditure on arts and entertainment between 1984 and 1988/89 and of 224\% between 1975/76 and 1988/89. The value of the total supply of goods and services produced by the cultural industry in 1986/87 was estimated at $14573 m, slightly more than the comparable figure for either the Residential Building Construction industry or Motor Vehicles and Parts industry.

- In October 1992 Hans Hoegh Guldberg of Economic Strategies Pty Ltd produced for the Australia Council \textit{Artburst, Growth in arts demand and supply over two decades}. A summary of the report prepared by Gary Martin noted that between 1971 and 1991 there was a dramatic rise in arts consumption, a quadrupling in the number of listed arts organisations, a quadrupling in the number of cultural centres and performing venues and an average annual growth in number of people employed in the arts sector of 5.7\% compared with 2\% for the total workforce.

\footnote{156} Australian Financial Review, 8 November 1993; Canberra Times, 14 November 1993.

\footnote{157} Australian Financial Review, 10 November 1993.
In his November 1993 submission, Senator McMullan recommended providing employment and training opportunities for the unemployed in cultural industries and allowing artists to qualify for a special unemployment benefit while they tried to establish themselves in the difficult two-years following formal studies.

The National Party Senator Julian McGauran called the proposed exemption of unemployed artists from Jobsearch criteria so long as they were working in their field as discriminatory and unworkable, and said ‘the promise of a dance or theatre-led recovery is a long way off.'

A month later Senator McMullan found new support for his assertion that there was a large workforce behind every cultural activity in Australia in an Australian Bureau of Statistics publication which found that 1.6 million people or 11.8 per cent of the Australian population aged 15 years or more were involved in selected culture and leisure activities and that 34.7 per cent of these people received some payment for their involvement.

The National Museum and the National Portrait Gallery

In November 1993 the process of choosing an architectural firm to design the National Museum complex, a process which began immediately after the Commonwealth’s August budget commitment of $3.3m, was put on hold pending a resolution of renewed uncertainty over the site. The National Capital Planning Authority rejected the Museum’s proposal for a private-sector housing development on part of the museum’s Yarramundi Reach site (intended to help raise the private-sector funding upon which the rest of the Commonwealth funding was contingent) but seemed to support a mixed use concept for Action peninsula, the old Royal Canberra Hospital site.

In January 1994 the president of the Friends of the National Museum of Australia, Jack Thompson, urged the Prime Minister to give his official imprimatur to the museum, as without it, raising $26 million from private sources would be impossible. Supporters of the National Museum have been disappointed that not only has the Prime

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159 Australian Bureau of Statistics, Work in selected culture/leisure activities, Australia, March 1993, Cat. no. 6281.0, embargoed until 13 December 1993; The Age, 14 December 1993.


Minister's withheld his official imprimatur, he has continued to express his doubts about the desirability of the museum- most recently at the official opening of the new National Portrait Gallery in the Old Parliament House.

A national portrait gallery was not mentioned in the Keating Government's pre-election Distinctly Australian policy document, but money was allocated for the development of such a gallery in the August 1993 Budget. At the official opening of the gallery in March 1994 the Prime Minister said:

It can always be said, and often with irresistible logic and passion, that we need one more gallery or museum. One more place to put our heritage on show. It may have reached the ears of some of you that I have sometimes resisted this logic and this passion. It is true. I have not always been persuaded that another huge and hugely expensive building on the banks of Burley Griffin ranked high among the things we need for a better national life. ... I have long known the reasons why a National Portrait Gallery is desirable, but many things are desirable and some things are essential and there is only so much money to go around. And generally I have felt it was better to spread it among those who are presently creating. So I remained a less than passionate advocate. I have nothing against portraits. I'm all for them. It's almost unAustralian not to be for portraits. What other country has an annual nationwide barney about a portrait contest? Perhaps it has something to do with the perennial question of identity in Australia - the old "who are we?" question. The question that should have been settled a long while ago. And I suppose that is how - at least in part - I came to the conclusion that a portrait gallery was one more gallery worth having.\[162\]

The Prime Minister took the opportunity to reflect further on the question of role of the collecting institutions:

You see I have become a convert to the National Portrait Gallery. The more so because it is not going to be left sitting in Canberra locked up in yet another massive mausoleum. The works on display here are all on loan from both public and private collections ... Even better, these exhibitions will not be confined to Canberra. Under the Visions of Australia program which we announced during the last election campaign, the National Portrait Gallery will be able to offer this and future exhibitions to other venues in metropolitan centres and through the network of regional galleries and museums. ... It seems to me that in a country of our size and demography, all our collecting institutions - all our cultural institutions - should be exploiting modern transport and technology to take our heritage out to the people.\[163\]

\[162\] Speech by the Prime Minister, the Hon P.J. Keating, MP, Opening the National Portrait Gallery and Inaugural exhibition "About Face: Aspects of Australian Portraiture", Old Parliament House 30 March 1994: 2.

\[163\] Speech by the Prime Minister, the Hon P.J. Keating, MP, Opening the National Portrait Gallery and Inaugural exhibition "About Face: Aspects of Australian Portraiture", Old Parliament House 30 March 1994: 5.
Rights issues

In 1993 half-a-dozen 'rights' centred issues emerged or re-emerged as significant to the arts community and the Government has signalled that some of these issues will soon be addressed by legislation or legislative amendments.\footnote{164}

The first issue has concerned book copyright. In April 1993 the leader of the NSW Opposition, Bob Carr appealed to the Prime Minister's 'republican spirit' to bring down the cost of books from British publishing houses. Mr Carr complained that some years after reports from the Prices Surveillance Authority, the Copyright Law Review Committee and the National Consumer Advisory Council prompted copyright law reform, there has been little change in the publishing industry's pricing policies.\footnote{165} Many bookshop owners have also complained that despite some improvements since the copyright law reform, most books are still British and prices have not fallen.\footnote{166} The Prices Surveillance Authority is due to review the effectiveness of the 1991 \textit{Copyright Amendment Act} at the end of 1994.

The second issue has concerned the blank tape levy. In March 1993 Government plans to compensate recording artists for breach of copyright were thrown into disarray. In 1989 the Federal Government legalised private copying in the home of Compact Discs (CDs), records and pre-recorded tapes but to raise money to compensate recording artists for the income loss they had been suffering and would continue to suffer, it introduced a levy on the sale of blank audio tapes. In March 1993 the High Court ruled the levy unconstitutional as Section 55 of the Constitution says 'Laws imposing taxation shall deal only with taxation...' but the \textit{Copyright Amendment Act 1989} dealt with all sorts of other things.\footnote{167} Since then the Attorney General's Department, in conjunction with the Department of Arts and the Department of Industry, have been working on a different way of imposing a levy on blank audio recordings and provisions covering this are expected in a Copyright Amendment Bill in mid-1994.

\footnotetext{164}{For a fuller discussion of all the following rights issues, see the current issues brief which Brendan Bailey of the Parliamentary Research Service's Law and Public Administration Group plans to produce later in 1994.}

\footnotetext{165}{\textit{The Sydney Morning Herald}, 13 April 1993.}

\footnotetext{166}{\textit{The Sydney Morning Herald}, 13 April 1993.}

\footnotetext{167}{\textit{Australian Tape Manufacturers Association Ltd v. The Commonwealth} (1993) 67 ALJR 315; Hull, Crispin. 'Taxing question of enforcing the copyright law'. \textit{The Canberra Times}, 18 March 1993.}
The third issue, or cluster of issues, has concerned performer's rights. In September 1993 the Federal Court revealed a legislative loop-hole which enabled a small Adelaide company (Apple House) to produce unauthorised CDs of pre-1992 live performances of overseas stars.\(^{168}\) The Australian Recording Industry Association (ARIA) has estimated that '1.5 million sales of legitimate CDs have been displaced by sales of bootlegs in the last six months alone' at a cost to the Australian recording industry of $10m\(^{169}\). As the Government has recently tried to show its commitment to securing international protection for sound recordings by acceding to the Rome Convention for the protection of performers, record producers and broadcasters\(^{170}\), and as the loop-hole which allows the sale of the unauthorised CDs may breaeh other international agreements and, in any case, makes the Australian law look weak, legislative amendments are widely expected. On the wider subject of performers rights a subcommittee of the Music Industry Council prepared an issues and options paper on performers' rights - what was meant by performers' rights, how they might be structured and world developments in the area\(^{171}\). A a working group has been set up within the Attorney-General's Department to examine the 'Trade-Related Aspects of Intellectual Property Rights' (TRIPS) treaty decision and the effects of CD rentals on rights of artists and sound recording copyright owners. On the subject of performance rights collection agencies, in April 1994 the Federal Government launched an independent investigation into the operations of such copyright collecting agencies as the Phonographic Performance Company of Australia and the Australasian Performing Rights Association. The inquiry, which will also review author and publisher copyright collecting agencies, will consider the new ways Australians are accessing their entertainment and the implications new technology has on copyright collection.\(^{172}\)

A fourth rights issue has centred on music copyright and parallel importation. In 1992 the Government formulated legislation which would accommodate the recommendations of the former Prices Surveillance Authority chair, Professor Allan Fels, and, from 1 July 1994, allow parallel imports for commercial purposes. At the moment

\(^{168}\) Sony Music and Michael Jackson v. Robert William Tanzing trading as Apple House Music, heard by the Full Bench of the Australian Federal Court; The Canberra Times, 4 October 1993.

\(^{169}\) ARIA, Media Release, 12 April 1994.


\(^{172}\) Fray, Peter, 'Hunting the collectors', The Bulletin, 19 April, 1994.
parallel importation is only possible when the firm with the exclusive importation rights agrees to sell another Australian firm a licence to import a recording they themselves are not currently importing. The fee ensures that the other firm is unable to sell the recording for less than the holder of the exclusive right. Exclusive importation rights leads to considerable mark ups on imported recordings and the decision, strongly supported by the former Treasurer, Mr Dawkins, was forecast to bring down the price of a CD in Australia by $4. The music industry has lobbied strongly against the decision, arguing that the mark up by companies with importing rights enable these companies to carry more Australian artists on their books and that record companies are reducing their investment in local artists because of the uncertainty surrounding the parallel importation issue. In the Music Industry Advisory Council's first Report to Government in May 1993 the Council argued that parallel imports would have a negative impact on industry growth, employment and export development. The Council's November 1993 bulletin reproduced a paper which argued that the trend overseas was to introduce rather than repeal parallel import rights (i.e. the right to restrict parallel imports).173 In December 1993 the then Minister for Industry, Technology and Regional Development (DITRD), Mr Griffiths, the Minister for Justice, Mr Kerr, and the then Minister for the Arts, Senator McMullan, were reported as putting a joint submission to Cabinet arguing for a reversal of the previous year's decision (lest the new working relationship with the arts community becomes unstuck) and for a recorded music industry blueprint.174 Alan Oxley, managing director of International Trade Strategies in Melbourne, has argued DITRD proposals are counter productive:

They would restrict competition, inhibit the capacity of new businesses to start up and lock the Australian music sector into a business structure which the industry - in the rest of the world - is evolving away from.

and though it might be desirable to support Australian recording artists:

Why not use the less distorting instruments, like in the book industry - direct bounties for Australian products - or even better, direct income support for Australian artists?175

A Government announcement is still awaited.


A fifth copyright issue has centred on 'Droit de Suite', a royalty system by which a percentage of the resale price of a work of art goes to the artist (or their estate) following a public sale. Such systems have been operating in many European countries for decades.176 In Australia at present there is no Droit de Suite and no collecting agency dedicated to serving visual artists. In September 1988 the Australian Copyright Council produced a draft report for the Australia Council (Arts resale royalty and its implications for Australia) recommending the introduction of a Droit de Suite and in recent months the National Association for the Visual Arts has sought changes to the Copyright Act 1968 and $1.1m of federal funding over a four year period to help establish a copyright collecting agency for visual artists. Arguments against Droit de Suite include that it may prove a disincentive to public sale, imposes another administrative task upon galleries and auction houses, and may create a new bureaucracy. Arguments against a new stand-alone copyright agency include that it might be simpler to simply extend the terms of reference of one of the many existing agencies (e.g. the Copyright Agency Limited which makes licence agreements for photocopying in educational institutions, government departments and other organisations and collects revenue on behalf of publishers, authors and journalist, or the Audio-visual Copyright Society Ltd which collects from educational institutions for the copying of audio-visual material and which intends to expand its operations to include Federal and State Government departments). As mentioned earlier, there is currently a review of Copyright Collecting Agencies underway.

A sixth rights issue has been that of moral rights - the right of the artist to be attributed as the maker of the artwork and to have the integrity of their artwork protected. Most members of the Copyright Law Review Committee which reported in 1988 recommended against introducing moral rights legislation at that time177 and newspaper publishers have reportedly warned against such legislation178. Commentator Anne Davies envisaged advertisers, publishers, gallery owners and film producers having to think twice before they adapted a song, syndicated a story, displayed an artwork or changed the end of the film script, but suggested 'there is no reason why workable


solutions cannot be found, as there have been in Europe...179. Australia is one of the few countries without Moral rights laws. There is a 'Code of Practice' which the Australian Council developed but Australia has yet to enshrine in legislation all the rights established by the 1886 Berne Convention, to which Australia is a signatory. Moral rights legislation was foreshadowed in the Government's Cultural Policy statement released during the March 1993 election campaign and the Arts Law Centre director, Ian Collie, suggested such legislation was seen by the Government as a relatively uncontroversial way to give the arts community one thing for which it has long campaigned180. Justice Michael Kirby, the president of the New South Wales Court of Appeal, doubted, however, that it would come in as planned:

Speeches are made and press releases issued which promised action. Hopes are raised. Praise is given for the politician's forward-looking vision. From the point of view of the political process this is ideal. People remember the promise. They tend to forget the reality.181

On 26 August 1993 the then Arts Minister Bob McMullan and Justice Minister Duncan Kerr issued a joint statement announcing that the Government had established a joint departmental working group to develop moral rights legislation. Senator McMullan, who was described as having responsibility for copyright policy as it relates to the arts, said:

“As a signatory to the Berne Copyright Convention, Australia is obliged to protect the moral rights of our artist. The only effective means of protecting an artist's right to be attributed as the creator of a work and the integrity of the artwork itself is to develop appropriate legislation. The rapid technological advances which enable reassembly and reproduction of art works has increased the vulnerability of artists and heightened the need for moral rights legislation.”182

Justice Minister Kerr said the Attorney-General's Department will prepare a discussion paper outlining the form moral rights legislation may take. The press release was welcomed by Mr Justice Sheppard who suggested in an address to the Sixth Biennial Copyright Law and Practice Symposium in October 1993


180 Trioli, Virginia, 'The buck starts here', The Age, 23 July 1993


that the introduction of moral rights will be likely to have a long term benefit to the copyright community in that it will tend, not quickly but over a period, to instil [in] the community generally a greater understanding of, and a greater respect for, authors' rights... It seems to me that the Australian legislation at present lacks completeness. It requires the complement of moral rights to be added to the economic rights for which it provides in order to confer on creators of works a full and proper protection for their intellectual endeavours. 183

The Government's promised paper on moral rights is still awaited.

Towards a Commonwealth Cultural Policy

As has been noted above, in 1992 and 1993 the expression 'cultural development' began to appear with increasing frequency in Government discussions of the arts. 184 In May 1992 the Government foreshadowed a statement on cultural development, in March 1993 the Government produced a 'Cultural Policy' in place of an 'Arts Policy' and in August 1993 $5.5m was allocated over four years to help establish a Foundation for Australian Cultural Development in Melbourne. In late August 1993 Senator McMullan said he saw the Foundation for Australian Cultural Development as being important in defining "who we are" and said he envisaged the Cultural policy statement as providing a ten-year planning framework

which identifies fundamental principles for the development of Australian culture and which clarifies the Commonwealth's role and responsibilities vis-a-vis those of other levels of government, cultural organisations, the business community and, of course, individual practitioners, performers and consumers. 185

Some of the views expressed over the following months indicated a degree of scepticism in some parts of the arts community over the need for these new instruments. How do you have a Cultural Policy without the State dictating taste? Was the Cultural Foundation in Melbourne going to duplicate some functions already performed by the Australia Council in Sydney? Theatre and festival director Barry Kosky said he would be critical of any cultural policy which went beyond a few points

183 Quotation from the end of an edited version of the speech published in Copyright Reporter v.11 (2), November 1993: 6-11.

184 For some of the reasons offered by the Government for this new rhetorical direction see the Governor-General's May 1994, quoted on p.45 of this paper.

and felt the money allocated to the proposed Foundation could be better spent on music and drama in secondary schools.\footnote{ABC's Review special 'The Art of Politics, Politics of Art', 8 November 1993.}

To clarify the role of the Foundation for Australian Cultural Development, the Department of the Arts and Administrative Services released a pamphlet with the following section under the title 'What will the Foundation do?':

The primary aim of the Foundation is to stimulate intellectual debate and community engagement in discussion about the nature and history of Australia, the diversity of Australia's heritage and the central issues of nationhood and Australian identity.

The Foundation will focus on projects that fully involve the community in reflecting upon issues of major national importance. The Foundation will also support projects that stimulate but do not confine intellectual debate to an academic elite, and which provide discussion that is accessible and responsive to the community.

The Foundation will work with national institutions, such as museums, galleries and libraries, organisations such as the Australian Heritage Commission, the Australian Film Commission and Film Australia, and also with community groups and local government bodies. These collaborative projects will be aimed at extending Australians' understanding of their own country and at increasing their active engagement in the cultural and intellectual life of the community.

The Foundation will support the writing, publication and production of other work which contributes to its objectives. It will not act as a grant-making body, but rather as a broker and project developer. It will use its funds to improve and extend single projects and to encourage relationships between a range of national and local organisations. It will work to enable funding and project partners to come together in activities that might, without the intervention of the Foundation, remain one-dimensional, one-off events.

The section 'How will the Foundation work?' included the following:

The Foundation will be fully operational in early 1994 and in the meantime it would be able to expand on projects already initiated by the Federal Government. This might include taking over some existing projects funded by Ideas for Australia. The Foundation could also pick up on some of the ideas to come out of two Commonwealth Government Committees, namely the Inquiry on Museums and National Collections and the Review of Australian Studies in Tertiary Education. The work of the Committee of Inquiry into Folklife in Australia would also be relevant to the Foundation.

To clarify Government policy Senator McMullan explained in an interview on 10 December 1993:

The Government doesn't perform works of art and we don't want to choose what is performed. What we do is make it possible for Australians with talent to
develop their talent, to perform and make it available to other Australians and, if they're good enough, to turn that talent into a career.

The Minister gave the objectives of the awaited Cultural policy as to:

- co-ordinate the cultural activities of different federal departments
- encourage co-operation between organisations working in the same field
- maximise the industry and economic benefits to be gained from cultural activity
- retain the Australia Council as the principal funding body
- make best use of the revolutions in communications and technology
- acknowledge the pluralist nature of Australian society
- improve access to cultural activity for participants and consumers

In this same period the Australian Cultural Development Office undertook to investigate the value of cultural mapping. In October 1993 consultants were sought who could develop a methodology and trial it in the Latrobe Valley and the Blue Mountains.

After the ministerial reshuffle at the end of January 1994, release of the government's cultural policy, promised for March 1994, was to be postponed till the second half of 1994. Expressions of scepticism over its necessity have continued to be heard. Will it help link arts policy with developments in the areas of national identity (e.g. as a multicultural country) and economic orientation (e.g. increasing links with Asia) or will it simply project the self-serving cultural ideals of a few? Padraic McGuiness has suggested that cultural policy in the narrow sense of Government sponsorship of the arts is but a form of manipulation:

... with the Australia Council effectively conscripting an army of mediocre artists, writers, musicians, practitioners of various crafts, actors, directors and playwrights into the service of cultural policy.

As under communism, there has been a proliferation not just of grants but of an arts bureaucracy which acts as collective censor as well as patron, while even the provision of collective facilities ... has begun to follow the classic pattern of State control of the arts. There also has been a not very subtle shift from sponsorship of the arts to sponsorship of artists, with quality, always difficult to judge, giving way to earnestness, dedication and politicking as criteria for awards. This is often unconscious, and fiercely denied, but unmistakable.

... the Australia Council might have long outlived whatever usefulness they [sic] might have once had, and become the cultural instruments of the dominant mediocrities of the arts. In this respect, cultural policy is really being made by

the amorphous groups who have successfully set themselves up as the arbiter of
culture.

He sees those who talk most about cultural policy in the broader sense of national identity are either:

direct beneficiaries of such a process (actors, film-makers, writers and so on) or those who have an agenda for Australian society and its future. At the same time, many of the characteristics of Australian culture in the sense of national identity which can be identified are actively deplored and discouraged (beer, meat pies, gambling, xenophobia, sexism, etc). It is clear that the desired national identity is not necessarily a definition of what exists, but an ideal identity.\(^{188}\)

Do these sweeping generalisations, however, beg more questions than they answer? For example, even if the only Government support to the arts is that offered through tax concessions for private donations or paying for cultural infrastructure, the Government still has to decide which artforms to support (flagship companies, community organisations, touring programs, export projects?). Is it inappropriate for the Government to try to strengthen those dimensions of Australian culture which go beyond the meat pie and sexism? Is the double prescription of replacing the Australia Council with tax deductions and simply accepting the encroaching global metropolitan culture perhaps too simple and idealistic? No-one has ever argued that existing funding mechanisms are perfect or that Australians isolate themselves from outside cultural influences. With respect to Government sponsorship of the arts, however, there is a growing consensus that different mechanisms can run side-by-side and with respect the broader issue of cultural identity Mr McGuinness' anonymous 'cultural arbiters' might be urging no more than a broadening of the context in which arts issues are debated.

Ministers, Shadows, Heads and Managers

Senator McMullan was given responsibility for the Arts after the March 1993 election, but in the ministerial reshuffle at the end of January 1994, responsibility for the Arts passed to Mr Michael Lee, Minister for Communications. The ministerial change was accompanied by speculation on the possibility of a policy tug of war between the free-market, technologically orientated Communication bureaucrats and the more protectionist Arts officials.\(^{189}\)

\(^{188}\) McGuinness, Padraic, 'To be an arts bureaucracy... or not to be. How far should the government go in sponsoring the arts and what role should the private sector play', The Australian, 29 March 1994.

Dr Hewson assumed the title of Opposition spokesperson for the Arts after the March 1993 election, but did not formally meet with the Australia Council until six months later. In early October 1993, in his first interviews as Arts shadow, he claimed that the Coalition had been misrepresented at the last election and that the Liberals had a strong history of support for the arts. He acknowledged that funding levels were not adequate but did not commit himself to increases. He reaffirmed a commitment to encouraging greater private sponsorship, ensuring greater regional access to the arts, assisting Aboriginal artists, increasing cultural ties with Asia and setting up a National Theatre and National Museum in Canberra. 190

Senator Patterson became Shadow Minister assisting the Leader of the Opposition on Arts matters after the March 1993 election. She attracted media attention when, in November 1993, she questioned the Prime Minister's involvement in the appointment of the original advisory panel to the Creative Fellowships committee (in the light of Mr Tozer, receiving a second four year fellowship) 191 and then in February 1994 when she criticised the postponement of the Cultural policy and suggested the Government's frequent changing of Arts Minister was having 'a serious adverse impact on its ability to make informed decisions about important issues affecting the Arts community.' 192

In February 1994 the Minister for Communications and the Arts, Michael Lee, announced that leading Australian publisher Hilary McPhee would follow Rodney Hall as the next chairperson of the Australia Council. When she took up her new part-time position on in late March 1994 she became the first woman to head the nation's peak arts funding body in its 29-year history. Ms McPhee was reported as being pleased to come to the job at a time when the Australia Council was 'in good shape'; the arts portfolio had been joined with the communication one, the Arts Minister was in Cabinet and the Prime Minister was enthusiastic about the place of arts in Australian culture. 193 She was also reported as planning to continue the more entrepreneurial approach to funding introduced by Rodney Hall. 194

190 Canberra Times, 7 October 1993; The Australian, 15 October 1993.
Max Bourke's second term as the Australia Council's General Manager came to an end at the beginning of 1994. At the Minister's request he stayed on for a couple of extra months to help smooth the transition from the old to the new chair. Ms McPhee will be appointing Mr Bourke's replacement.

Corporate Support for the Arts

In February 1994 the Prime Minister, Mr Keating, was reported as calling private enterprise support for the arts 'lamentable':

With the enormous accretion of wealth in the stock market, many [corporations] should be doing much more. This is one reason the Government does as much as it does. Private endowment of the arts is not a tradition in this country. This is more the pity.

Although the generous support of many large companies has been reported in 1994, an Australia Council report launched by the new Arts Minister Mr Lee in March 1994, confirmed a disturbing trend. The report revealed that between 1989 and 1993 the percentage of large companies (ones with more than 250 employees) supporting the arts fell from 43 to 34 per cent, the percentage of all companies supporting the arts fell from 11 to 9 per cent (continuing an earlier trend as the percentage in 1986 was 13 per cent), the percentage of corporate sponsorship which goes to the arts fell from 12 to 9 per cent (as opposed to sport which rose from 35 to 40 per cent) and the total amount of corporate support for the arts fell by 7 per cent (in 1993 dollars, from $64.8m to $60.3m. The report suggested that in a time of recession companies sought short-term gains and these were more readily found through sport sponsorship. Although the report noted the increasing number of small companies supporting the arts (by approximately 30 per cent) and an overall strong (73 per cent) corporate belief in the vital role business has to play in supporting the arts, there was no indication of a resurgence in arts sponsorship as the economy recovered. Mr Lee was reported as suggesting arts administrators 'look at business sponsorship of sport as an example of how promotions can be made more attractive to the corporate sector'.

195 Mr Bourke subsequently took up the position of head of the Office of Multicultural Affairs.
'Arts for a Multicultural Australia'

In July 1993 the Australia Council published the 'Policy on Arts for a Multicultural Australia', current from 1992 to 1995 and applicable across all Boards and Units of the Council:

The Council's policy on Arts for a Multicultural Australia aims to:

- support and develop the artistic activities of persons and communities of non-English speaking background;
- encourage exploration of all aspects of Australian life through a diversity of cultural perspectives;
- ensure the maximum contribution of our cultural diversity to the development of a multicultural Australian identity;
- encourage and assist major arts and cultural organisations to reflect the cultural diversity of Australia in both their management and their programming and to increase the participation of artists and communities of non-English speaking background;
- sponsor and promote discussion and critical debate on issues of multiculturalism and the arts;
- identify and remove the barriers to equal participation of artists of non-English speaking background;
- help to establish and develop cultural organisations, networks and other resources which are owned or controlled by specific cultural communities;
- support artistic activities which promote opportunities for cross cultural understanding and interaction.\(^\text{199}\)

The policy statement enumerated strategies related to participation, assessment of applications, policy development and implementation, research, staffing, training, information and monitoring.\(^\text{200}\)

The following year, in March 1994, Senator Nick Bolkus, the Minister for Immigration and Ethnic Affairs and Minister Assisting the Prime Minister for Multicultural Affairs, launched Access to Excellence, a report on issues affecting artists of non-English-speaking background (NESB) commissioned by the Office of Multicultural Affairs (OMA).\(^\text{201}\) The report suggested more still needed to be done to

\(^{199}\) Policy on Arts for a Multicultural Australia, Australia Council, July 1993: 5.

\(^{200}\) Artforce, Issue no.82, December 1993: 12.

\(^{201}\) Office of Multicultural Affairs, Access to Excellence: A Review of Issues Affecting Artists and Arts from Non-English Speaking Backgrounds, Centre for Multicultural Studies, University of Wollongong, January 1994, 4 vols: Stephen
recognise the contribution of NESB artists and to remove barriers they encounter. The report came in four volumes.

The *Overview Report* included 51 recommendations. Arts management bodies were urged to: stimulate a debate on the cultural content of conventional ideas of excellence; initiate a questioning of the idea that only that which has already been accepted by the market and is linked to full-time paid work, can be considered professional; encourage debate and research on the nature of arts audiences and consumers; encourage debate on the links between society and art and the way contemporary artforms have evolved through the incorporation and transformation of many specific cultural influences; examine the assumption that artwork by NESB people is generally traditional, group specific and less universally valid than the 'high art' of Europe; co-operate to stimulate debate on the above issues through a series of special events; ensure equitable representation of various groups that make up our society; explore, in consultation with OMA, the possibility of establishing a national body to stimulate cultural diversity in Australian arts; set-up special programs to support 'showcase projects' for the arts in a multicultural Australia; and support, in accordance with the Government's National Policy on Languages, artwork in languages other than English. The report also called for: greater participation by NESB artists in decision-making; more equitable representation of NESB artists in all mainstream programs; funding bodies to make their training policies more relevant to a multicultural Australia; the resourcing of multicultural arts organisations to provide an information and advisory service to NESB artists and communities; the resourcing of agencies responsible for portraying Australia's artistic heritage so that the multicultural nature of this heritage is adequately represented; the influencing of broadcasters so that NESB artists have equitable access to arts programs and Australia's cultural diversity is reflected in their program production; and realising the full export potential of the work of NESB.

The *Writers Report* included 10 recommendations. The first five were intended to encourage greater examination of NESB literary issues and writer's works in cultural journals, literary festivals and universities and to encourage the participation of NESB writers in public cultural celebrations, cultural committees and literary organisations. Other recommendations included the establishing of an Australian Centre for Literary Translation and the investigating of the feasibility of establishing a special bureau to encourage and facilitate multicultural writing.

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Castles and Mary Kalantzis, with the support of Bill Cope, *Overview Report*, Nikos Papastergiadis, Sneja Gunew and Annette Blenski, 2. *Writers*; Eugenia Hill, 3 *Community Arts "But I Don't Dream in English"*; Anna Messariti, Nick Tsoutas and Chandrabhanu, 4. *Performing Artists "We are Here, We are Visible"*. 
The Community Arts Report included 22 recommendations - most covering similar ground to that covered by the Overview Reports' recommendations - e.g. ensuring support for and resourcing of NAMAM, increasing NESB representation on arts boards, making arts bodies more responsive to the NESB sector, collecting data on the NESB arts sector and its economic importance.

The Performing Arts Report included 19 recommendations. The Federal Government was urged: to allocate funds to major Performing Arts training institutions so that they could encourage NESB participation; to sponsor documentary films on the work of emerging NESB performing artists; to play a part in ensuring the Multicultural Arts Officers better serve NESB artists; to consider supporting activities with a multicultural focus in the youth performing arts sector; to establish cross cultural training for members of arts panels; to liaise with representatives from the Australia Council's Performing Arts and Community Cultural Development Boards to come to an understand of who should fund folkloric work; to encourage the Australia Council to develop inter-board cross-over programs; to promote individual NESB arts and companies; and to fund writing for the theatre, film and television which embraces multiculturalism.

Conclusion

Since the March 1993 election arts policy issues have received a lot of attention both inside and outside Federal Parliament. Challenges facing the Government as it approaches the 1994 Budget Sitting include responding to the suggestions that more needs to be done to support young artists, to open up funding avenues for NESB artists, to exploit fully the economic potential of the cultural industries, to increase corporate arts sponsorship, to preserve our non-tangible folkheritage and to make the National Museum become a reality. Lack of progress in the last two areas sits uneasily with Government rhetoric on the need to define who we are.

With the Government expected, in the course of 1994, to release its Cultural Policy and reveal its legislative position on a raft of artist-rights issues (book and music copyright, moral rights, visual and performing artists' rights), interest in arts policy issues is set to increase.
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