



Theatre Network (Vic)

Submission: Let's Get Creative About Victoria's Future - Developing Victoria's First Creative Industries Strategy

17 July, 2015

Theatre Network (Vic)

Theatre Network (Vic), or TNV, is a national service organisation for the professional, non-profit, performing arts industry. Our work focuses on strengthening the independent and small to medium sectors, and increasing connection between all parts of the industry. We have 190 members and a further 2000 subscribers and constituents who we represent through our advocacy campaigns.

Based in Melbourne, TNV has a dedicated Victorian program and also works nationally. We run professional development forums, including the annual Victorian Theatre Forum and the biennial Australian Theatre Forum, workshops on current issues for the sector including sustainability, touring, diversity in theatre, Indigenous theatre, women in theatre and interconnections, and we provide information and resources through our popular e-news and the online resource library.

TNV welcomes the development of a new Creative Industries Strategy, and looks forward to continuing to work with Creative Victoria and the Victorian Government in the coming years as the Strategy is implemented.

1. Growing the pie – investing in innovation.

TNV commends the Victorian government for initiating a new Creative Industries Strategy, a strategy that “will take the creative capital into the new era...build new audiences, break into new markets and inspire more Victorians to consider an innovative and imaginative career” (Minister Foley, p 3).

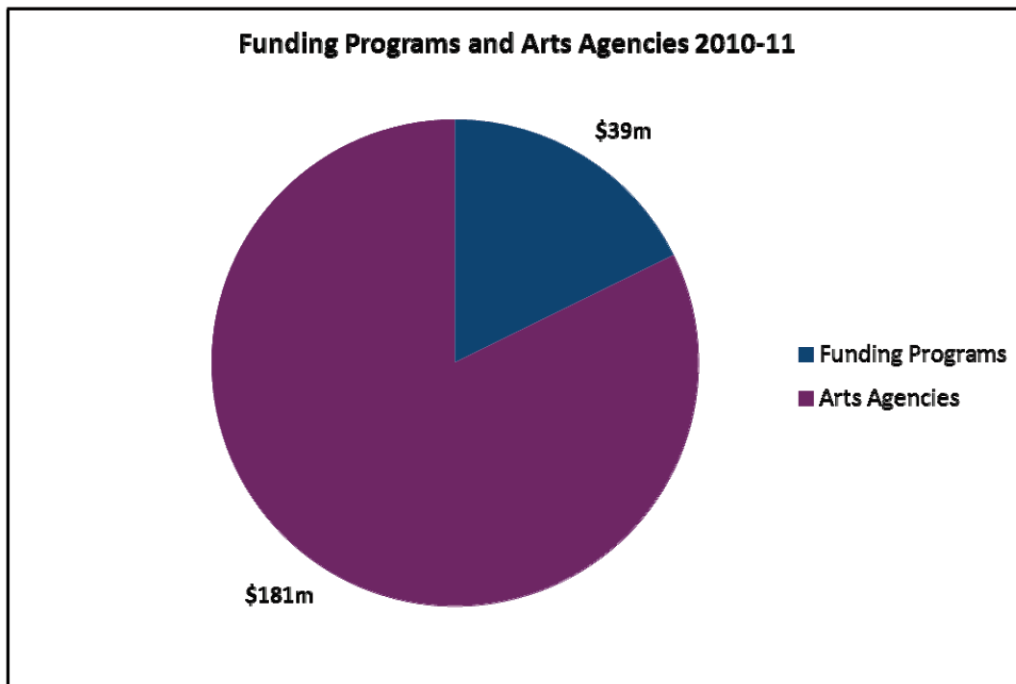
While it is certainly important to develop specific strategies and new initiatives to bring this aspiration to fruition, the most urgent task is to begin the process of increasing the size of the arts funding pool as a whole.

A genuine attempt to take Victoria into the new era must seriously address the inherent contradictions and challenges posed by the current arts funding arrangements. It is still the case that over two-thirds of arts funding is for the heritage arts, and less than a third for contemporary arts. For a Strategy that aims to value and increase innovation, new ideas, new approaches and new work – mentioned throughout the discussion paper as key aims - there must be an additional significant investment in programs that support such innovation and new models.

Of course it is crucial for Victoria to maintain our heritage arts – our museums, libraries and archives – and it is also true that the definition of what is heritage and what is contemporary is not clear, so there is a need for

us as an industry to review current arrangements, be clear about what we want our arts and creative industries to look like in the future, and be brave about investing properly in areas that need increased support.

To demonstrate the current situation, we have included below, the graph of Funding Programs and Arts Agencies funding from 2010-11¹. The Arts Agencies² drew \$181 million of the \$220 million total budget, leaving \$39 million (18%) to all the other funding programs including organisational funding. The point is not that the Agencies are all heritage-based organisations; but that in general they support more heritage work and that the other funding programs support more contemporary work.



The previous Director of (then) Arts Victoria, Penny Hutchinson, acknowledged the challenges of this: “Currently Arts Victoria’s operating grants are distributed about 2/3 to heritage arts and 1/3 to contemporary arts”. She also said that the funding for the heritage arts is “somewhat locked in and continues to be committed for essential support, as heritage arts are the least self-sustainable, therefore requiring more support from Arts Victoria”³.

We are aware that with the inclusion of Film Victoria and Design Victoria into the overall Creative Industries portfolio, the proportion will now be different, but we argue that this strengthens the case for new investment in contemporary programs – so that activities previously supported by Film Victoria and Design Victoria can grow and develop alongside the programs previously run by Arts Victoria.

The discussion paper is clear about prioritising innovation: the word innovation/innovative appears 14 times, and there are several more mentions of new ideas, new ways, new approaches and new work throughout each of the themes. The paper acknowledges that the vast majority of arts businesses are sole practitioners or small to medium enterprises; and that small businesses are under threat: “The total number of Victorian creative businesses in 2013 was estimated at around 42,000, but this is declining” (p.12).

¹ Organisations Funding Program Review Discussion Paper, Arts Victoria, 2012, p. 3.

² Arts Centre Melbourne; Australian Centre for the Moving Image; Geelong Performing Arts Centre; Melbourne Recital Centre; Museum Victoria; the National Gallery of Victoria, the State Library of Victoria; and Public Record Office Victoria

³ Creative Capacity +, Arts Victoria, 2002.

Previous research has also demonstrated that the small to medium sector (individuals and organisations) is the principal source of new work and innovation, but is financially vulnerable⁴. Cuts to this sector by the previous Victorian government have exacerbated this, so it is not surprising that the number of arts businesses overall is declining.

If the final Creative Industries Strategy aims to “increase the benefits that flow to the State from a vibrant creative and cultural sector [and] make a major contribution to Victoria’s future as a liveable, inclusive, prosperous and vibrant society” (p. 4) then it MUST include detailed, funded, new strategies for the funding programs, or it will risk being an empty set of rhetorical statements.

2. Initiatives to strengthen the small to medium and independent sectors.

Theatre Network (Vic) believes that the Creative Industries Strategy should value and invest in the independent and small to medium arts sectors as the major contributors to contemporary culture, as the drivers of innovation, and as resourceful economic contributors to the Victorian economy, through the following key initiatives.

INITIATIVE 1: Organisations Investment Program and VicArts Grants Review

We welcome the Victorian government's current review of the Organisations Investment Program (OIP). We consider this review essential. We propose the following:

Initiative	Budget Allocation
a) A shift in structure to remove the unsustainable bottleneck built into the system as Developing Organisations (A) move to Established Organisations, currently requiring one third of all organisations to be defunded every three years.	<p>⇒ \$9 million (\$3 million* p/a over 3 years), to remove the bottleneck and enable new OIP funded organisations. *Refer to Table 1 below.</p> <p>⇒ No cost to allow Developing Organisations to remain in that category for an additional 3 years.</p>
b) Restoration of access to international travel funds for OIP funded organisations. Extension of international funds for independent and OIP orgs to include support for international artists to undertake incoming exchanges and residencies.	<p>⇒ No costs associated with changing existing rules to enable organisations to access international travel funds.</p> <p>⇒ No costs associated with changing existing rules to enable reciprocal travel funding to benefit Victorian artists and audiences.</p>
c) One-off increase of core funding to OIP funded organisations of 7.5% (to reverse the decline in funding in real terms since 2010).	⇒ Budget allocation: \$1.98 million per year.
d) A commitment to reinstate indexation on recurrent grants to OIP funded organisations.	⇒ \$624 000 annually for indexation for Developing and Established Organisations.

⁴ Arts Victoria – September 2007: Small Arts Organisations Research And Evaluation, Précis Of Research Conducted By Deloitte for Arts Victoria.

e) Increase funding to VicArts grants for independent artists.	⇒ \$2 million VicArts funding increase annually.
f) Enable artists to hold multiple grants simultaneously to reflect contemporary artistic practice and allow sustainable employment opportunities for independents.	⇒ No costs associated with changing existing rules to enable individuals to hold multiple grants simultaneously.
<p>INITIATIVE OUTCOMES</p> <ul style="list-style-type: none"> ✓ Increases return on investment by supporting cultural infrastructure over time, ✓ Generates employment and enables living wages for artists, ✓ Creates career pathways for artists, ✓ Addresses in-built sustainability problems inherent in the current funding system, ✓ Cements Victoria’s leading position in international engagement, enabling strategic goals to be met, such as Victoria’s international reputation, ✓ Builds the knowledge base for Victorian artists, ✓ Expands Victoria’s creative economy, ✓ Builds public and media understanding of the value of the sector. 	

Table 1. Analysis of the current OIP program

Assumed Change		2014 – 2016 Triennium	2017 – 2019 Triennium
Developing Orgs	Assume same level of need and same success rate plus CPI @ 2% p/a	20 organisations = \$1,022,100 p/a	20 organisations = \$1,083,426 p/a
Established Orgs	Assume 5 organisations are defunded, and only 15 developing orgs are successful. Plus CPI @2% p/a	58 organisations = \$8,061,800 p/a	68 organisations = \$10,018,871 p/a
Lead Orgs	Assume same cohort plus 2% CPI p/a	10 organisations = \$17,368,540 p/a	10 organisations = \$18,410,652 p/a
TOTAL		\$26,452,440 p/a	\$29,512,949 p/a

TNV’s analysis shows that to maintain some ‘renewal’ of organisations (a key reason OIP was established) and to defund only 10 organisations, there needs to be an increase of around \$3million per year for the next triennium (2017-2019). To defund no organisations, there would need to be a \$5million increase per year.

INITIATIVE 2: Big ideas investment Fund

Initiative	Budget Allocation
<p>The investment of a major arts commissions fund available to both OIP organisations and independent artists to enable significant new works of scale to be developed for premiere in Victoria. This fund would enable the most ambitious artistic ideas to be created at a scale that will have genuine local, national and international impact. It would allow projects to have a long development phase to enable works of world significance.</p>	<p>⇒ \$ Budget allocation: \$4 million per annum, enabling eight major commissions of \$500,000 each.</p>
<p>INITIATIVE OUTCOMES</p> <ul style="list-style-type: none"> ✓ Generates cultural tourism, developing the local economy, ✓ Attracts co-funding and co-investment from business and philanthropy, ✓ Attracts global artistic talent to Victoria, ✓ Positions Victoria as the state of innovation and creativity, ✓ Enables broad local, national and international audience reach, ✓ Significant returns on investment – employment can be leveraged for up to a decade afterwards through major touring. 	

INITIATIVE 3: Investment in Creative Industry Collaboration

Initiative	Budget Allocation
<p>Initiate a Cross Sectoral Collaboration Fund, for collaborations across creative industries (e.g. a dance company with gaming company). This would be seen as a seed investment opportunity, leveraging public investment, private investment and more than one creative industry organisation.</p>	<p>⇒ \$ Budget allocation: \$5 million annually.</p>
<p>INITIATIVE OUTCOMES</p> <ul style="list-style-type: none"> ✓ Enables innovation across sectors, ✓ Positioning the creative industries for changes in digital technology, ✓ Strengthening the creative ecology through connection and collaboration, ✓ Enhance Victoria’s profile as the state of creativity, ✓ Increase investment in creativity will develop Victoria’s creative economy. 	

INITIATIVE 4: Creative Enterprise Fund

Initiative	Budget Allocation
<p>This Creative Enterprise Fund will resource shared knowledge building across the sector. For example, initiatives for shared cultural infrastructure, and innovative uses of technology that are of benefit across the creative industries and which change behaviour and structures to better reflect future focused ideas.</p>	<p>⇒ \$ Budget allocation: 2-year pilot at \$4 million, followed by an evaluation to assess its ongoing impact.</p>
<p>INITIATIVE OUTCOMES</p> <ul style="list-style-type: none"> ✓ Enable new operating models that encourage shared resources across the creative industries and better reflect the opportunities of contemporary technology, ✓ Increases return on investment on cultural infrastructure, ✓ Enabling sustainability and collaboration across creative industries, ✓ Responding to changing models of art-making which sometimes preference flexible, pop-up and shared structures alongside traditional organisational models. 	

INITIATIVE 5: Diversity Initiatives

Initiative	Budget Allocation
<p>Launch a Diversity Fund to assist small to medium organisations to increase artist and audience diversity via increased participation from CALD communities, Aboriginal and Torres Strait Islander people, people who are Deaf or have a Disability, LGBTIQ people and young people. The fund should support innovative approaches to employment and audience development including but not restricted to consultants, training, diversity project implementation, access requirements, research, and targeted access and participation staff.</p>	<p>⇒ Budget allocation: \$3 million annually.</p>
<p>INITIATIVE OUTCOMES</p> <ul style="list-style-type: none"> ✓ Ensure our artists and audiences better reflect the demographic diversity of Victoria’s population, ✓ Provide expertise and targeted investment in a complex area with significant cultural, economic and social benefit in both the short and long term, ✓ Enable increased innovation in audience development frameworks, ✓ Investing in the future by changing the way Victoria’s citizens engage with the arts, ✓ Embed creativity across Victoria’s population, ✓ Realise the value embedded in diverse communities, ✓ Expand reach of Victoria’s creative industries across the economy. 	