

ArtsPeak Confederation of Peak National Arts Organisations

21st March 2016

Dear Prime Minister

Re: The state of the arts

With news of the impending early election, we are writing to you on behalf of ArtsPeak, the peak Australian advocacy body for arts and culture to convey deep concern regarding changes to your Government's support of arts and culture since 2014. We have witnessed sector budget cuts, funding administration changes and destabilising implementation that we believe is detrimental to the sector.

These changes were made without clearly articulated priorities or a framework which would make evident the government's cultural vision and rationale.

The introduction of a new federal funding program would have been well-received if it had been established through new monies being made available through the arts portfolio. However, this has not been the case.

The resulting distress led to an unprecedented and unanimous response from across the arts and cultural sector during last year's Senate Inquiry, with a record number of almost 3,000 submissions received.

The recurring themes since the arts budget decisions include:

- the deleterious impact on the engine room of the arts (operational funding for the small to medium organisations and support for independent artists)
- the deliberate weakening of the arms-length funding principle upheld for over 40 years by Australian federal governments of all persuasions
- the lack of any evidence based policy framework or consultation with the sector prior to the reallocation of funding from the Australia Council
- lack of Government understanding of the arts sectors' interconnected nature
- the creation of the Catalyst Fund, which still appears to duplicate the role of the principal federal arts funding agency, the Australia Council
- imposition of the efficiency dividend on national cultural institutions, despite previous Government advice to the contrary.

This was not a sign of thought through policy, and the sector greeted the appointment of a new Minister for the Arts with relief and an expectation that good governance would be restored along with funding to the Australia Council. However, while the partial return of that money will mitigate the most adverse impacts, this has not solved the problem nor repaired the lost trust and respect of the arts and culture sector.

Arts and cultural infrastructure will inevitably be lost when the Australia Council announces its new small to medium organisations grants in May, allocated from a funding pool reduced by \$12 million a year. This will reduce jobs, public access to the arts and production of creative capital so vital to an innovative economy.

The net effect of the 'efficiency dividend' budget cuts to the national cultural institutions and the Australia Council is an erosion over time of their ability to do their job. For example, they will impact on the National Library's *Trove*, a world leading digitised repository of Australia's creative output, and a public resource of inestimable value, available to all Australians.

We assert that it is time to take decisive action to restore sector and public faith in the government's management of the arts and cultural portfolio, and to enlist the sector as a vital contributor to achieving your vision for an agile, innovative and socially cohesive Australia.

We advocate for:

- full implementation of the Senate Inquiry recommendations; including
- full return of Australia Council funding removed from the 2014 and 2015 budgets
- the Catalyst program to continue only if resourced with separate new funding
- immediate removal of efficiency dividends on national cultural institutions
- inclusion of the arts in the Government's innovation and STEM agendas (as promised by Arts Minister Fifield in his NGA speech in January 2016¹.)
- development of a strong creative brand to drive the powerful cultural diplomacy capabilities this country can contribute globally
- your backing to prioritise arts and culture as key tools in Australia's future prosperity.

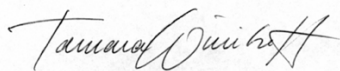
Prime Minister, we know you are fully aware of the cultural sector's potential to contribute to growing Australian innovation and creativity. As Julianne Schultz points out in her powerful article on global culture², the cultural sector "now accounts for about a fifth of GDP in most developed countries and is rapidly growing in others". However in Australia the figure is below 10 per cent, and despite our distinctive advantages, is "one in which we are in danger of falling short". We have work to do.

Australia's cultural sector has always punched above its weight in return on investment. There is a real opportunity for a long-term government vision to grow and intelligently apply this investment, to be enjoyed by all Australians, now and into the future.

ArtsPeak stands ready to work cooperatively with the Government to support the development of a vision for the arts in the innovation economy. We look forward to your positive response to this letter.

Yours sincerely

ArtsPeak Co-Convenors



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¹ Opening address to the National Visual Art Education Conference, National Gallery of Australia, Canberra 20 January 2016 ¹

² Schultz J, Comparative advantage. Culture, citizenship and soft power (2015)