



Arts Industry Council

(South Australia) Inc

2005-2006 Budget Submission

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Introduction

The Arts Industry Council (SA) Inc is an independent, not-for-profit, membership-based organisation, committed to fostering a vibrant and well-resourced arts and cultural sector in South Australia. We welcome this opportunity to inform the government about priority areas for the arts sector.

The AIC commends the new initiatives of the 2004-2005 budget, particularly the increases to the operating budgets of some of our flagship organisations and the provision of \$1 million per annum for facilities maintenance. This is a positive start towards tackling the substantial facilities maintenance issues which have built up over past years in the arts and cultural sector.

In making this submission for increases to the 2005-2006 budget, our primary concern remains the production of original South Australian art. South Australian artists still do not have access to adequate funding opportunities. Without a sustained increase to the pool of funds available for the production of new work there will be less art for people to participate in on a day-to-day, week-to-week basis, and less South Australian arts product to showcase within our arts event calendar. There will also be less talented artists able to sustain their practice in South Australia without the occasional influx of income from project funded initiatives. The key means of delivering funding to artists are Arts SA's Industry Development project funds and the small to medium arts organisations which commission and present new work. We maintain our position that a relatively small injection of funds in these areas can have a big impact on the creation of vibrant new work in our state and on South Australia's reputation as a creative state where artists choose to work and live. An increase in the arts budget must be made to better facilitate this outcome.

Arts SA has shown great commitment and creativity in dealing with the substantial savings it has been asked to make over the past three budgets. During this period there has been a significant loss of flexible funds through Arts SA's Arts Industry Development programs which have previously provided considerable support for 'one off' development initiatives within the sector. In addition to these losses there have been no increases to operating funds to offset considerable rises in operating and production costs within the sector. It is important that the efficiencies achieved across the sector and efforts to build on arts programs without increased funding be recognised. The AIC asks that no further savings be required from the arts budget.

We make these comments mindful of South Australia's Strategic Plan, and look forward to the completion and release of the arts strategy document in 2005. A robust and dynamic arts sector will be a key factor in reaching the key objectives of the strategic plan, and our recommendations feed into these objectives in many broad and specific ways. For example, arts and education partnerships underpin creative education, well-maintained regional theatres help to build communities and the cultural life of regional cities, our festivals and cultural life contribute to economic

growth, and a creative arts environment attracts migration. The arts sector is crucial to fostering creativity.

The key recommendations for the 2005-2006 budget in this submission are:

- An extra \$1 million for the production of new South Australian work to be made available through Arts SA's Industry Development and Carclew Youth Arts funding programs
- \$500,000 to support the arts sector taking a leadership role in arts and education partnership initiatives
- An extra \$1.5 million to enable a full regional theatres refurbishment program to be initiated as step one of a four year program



Deidre Williams

Chairperson

On behalf of the Arts Industry Council

December 2004

Discussion of Issues

1 Investment in South Australian artists

Recent budget cycles have seen a decrease in the level of funds available to support South Australian artists in the creation of new and original art product. The AIC has been particularly concerned at the depletion of funds available through Arts SA's Arts Industry Development Programs, the erosion (in real terms) of commissioning funds within small to medium arts organisations and the lack of opportunities for individual artists to initiate vibrant new work in our state. In addition to this loss of funding, rising costs of production such as insurance, hire of equipment or venues, electricity, transport and advertising, have all had an impact on the viability, and the capacity of South Australia's small to medium arts organisations to commission new work. To this end, the AIC welcomed the redirection of funds within the existing budget perimeters to support youth arts companies and the one-off payments made to a number of small to medium performing arts companies via a redirection of funds from Premier's and Cabinet budget. These initiatives have provided some short-term relief and represent an excellent first step towards addressing these issues.

However, we remain concerned that individual artists and small to medium organisations do not have access to adequate funds within the ongoing Arts SA Industry Development budget allocations. While the one-off payments to performing arts organisations were welcomed, they are not supported by long-term policy initiatives or on-going funding that supports the ongoing viability of these organisations and their ability to foster the creation of new work. The AIC maintains its position that a relatively small injection of funds would make a huge and positive impact on South Australia's small to medium arts sector.

The need to address the funding levels within this sector is well-supported by the evidence of local organisations and by a range of arts analysts and studies. Two recent Australia Council studies examining the issues which have an impact on triennially funded theatre companies and youth theatre companies in Australia concisely illustrate the difficulties small to medium arts organisations face if they are to sustain past levels of artistic output without an increase in base level funding. The Australia Council studies (Analysis of Triennial Funded Organisations of the Theatre Board, and Review of Youth Theatre Companies, 2003) report that: earned income is not increasing at the same rate as the increase in production costs and organisations - given the resources they have available - are maximising earned income.

These reports state that if present trends continue the amount of new work being produced will decrease and/or production budgets will be cut with a resulting drop in quality; and if the number and/or quality of artistic outputs fall, it is highly likely that falls will also occur in audiences, box office, sponsorship, national and international touring and other earned income. Without adequate and consistent core funding, a spiral of decline may well commence. These factors apply to all small to medium arts organisations – not only those working in the performing arts.

The Analysis of Triennial Funded Organisations of the Theatre Board also points out that these organisations:

- are the biggest national exporters of Australian Theatre (92 international tours between 1998/2002)
- feed the wider industry with creative talent, ideas and styles of production (46% of new writers of new work performed by Major Performing Arts Board companies began their careers in these organisations)
- provide significant access for the public to Australian Theatre (between 1998/2002 at least 20% of all performances and 70% of all touring performances were outside of capital city CBD's)
- their current work is likely to have a significant influence on the mainstream theatre of the future.

Individual artists are at the heart of a thriving artistic and creative community. Speaking at his public lecture, Thinker in Residence, Matt Adams said:

Over the last 30 years the festival culture in this city has brought the cream of the world's culture here to the obvious delight of locals and visitors. It has given Adelaide a global reputation. I would argue however that in the future there needs to be a shift away from bringing global culture in to Adelaide and towards creating a globally significant culture in the state that is then exported outwards. The episodic nature of festivals may be good for audiences but is not ideal for artists because it leads to feast and famine. Artists thrive in a mixed economy in which there are plentiful creative opportunities at a variety of scales on a persistent basis. In London artists thrive on the piecemeal work generated by other richer industries such as music and advertising. I think it is a critical goal to establish and nurture a community of young artists and recent graduates in this city and to convince them that they can use this city as a platform to international success. For modest amounts of money it is possible to build

a very significant creative community.

This followed the key note address at the Government's 2003 Arts Summit, where Professor David Throsby, Professor of Economics at Macquarie University and a renowned expert on the role of the arts in the economy, put forward a model of the arts which placed a high value on the creation of art as well as on the economic value of the arts.

He discussed the concept of "*cultural capital*", which has its rightful place alongside that of social and economic capital. His model was that of concentric circles, with creation of art by artists at the centre, the subsidised organisational infrastructure of the arts in the next circle, the non-subsidised arts entrepreneurs and businesses which facilitate the arts in the next circle, surrounded by audiences and the marketplace.

The 2004/2004 increased funding for the youth arts sector and the one-off funds for small to medium performing arts companies are themselves an excellent demonstration of the benefits to be gained by prioritising small amounts of money to the small to medium sector. It is vital that these initiatives are sustained and further developed. Small to medium arts organisations and companies are the powerhouse of the arts sector. They make up the arts research and development infrastructure in South Australia, commission much of our new work and provide career pathways for artists each year.

An extra \$1.5 million investment in South Australian art product would enable greater funds to be made available to South Australian artists for the production of new work through the following:

- project funds delivered by the Arts SA Industry Development and the South Australian Youth Arts Board;
- Arts Industry Development small to medium arts organisations annual and triennial funding for program activities;
- the commissioning of new work by South Australia's lead agencies.

Recommendation

An increase of \$1.5 million be provided in the 2005-2006 budget to invest in the creation of new South Australian arts product in order to ensure a sustainable and viable arts sector.

2 Arts and education

The recently released **ARTS*smart*** Arts and Education Partnership strategy demonstrates the Government's commitment to a partnership between the education and arts sectors. The main purpose for the strategy is to build strong and effective partnerships between schools and preschools, and the arts industry and arts practitioners, including performers, creators and administrators.

The AIC commends the Government on the launch of this excellent strategy, however we are concerned that the potential outcomes to be achieved through the implementation of the strategy will not come to fruition without appropriate targeted arts funding driving incentives. Currently the arts budget only provides \$150,000 per annum to drive this strategy across the State. This is a tiny investment behind one of the State's most timely and important arts initiatives in recent years. We believe it is up to the arts sector to take up leadership in the implementation of aspects of this strategy by creating appropriate incentives for partnership initiatives demonstrating future best practice in this area.

Arts organisations are already stretched and will find it difficult to channel resources into information services and arts programs designed to engage children and young people in the arts while at school. And, while fully supportive of the principles expressed in the ArtsSmart document, classroom teachers have little opportunity to access the necessary funds to engage professional artists to work with children and young people in learning environments.

It is clear that the **ARTS*smart*** Strategy could generate immense benefits for the arts sector. This includes increasing levels of appreciation and engagement in the arts among future generations, improving realistic understandings of career path options, and increasing employment options for artists to work in education contexts or to work with/for young audiences.

The current Artists in Schools Program needs to be expanded to support an increase in the number of projects supported annually, and to increase the length and sophistication of these partnership initiatives. Funding is needed for professional development programs to assist practitioners to better understand how to work successfully in partnership with education. There is a concerning lack of arts practitioners and companies with appropriate skill levels in this area.

During the development of the ARTS*smart* Strategy art teachers pointed out that their capacity to work with the partnership concepts in the document, is directly affected by school management policies and resource allocation. Currently arts teachers requests for funding for arts and education partnership initiatives are not given priority in the majority of schools. This concern raised questions about how would an awareness of, and profile for, the ARTS*smart* Strategy be developed among school principals/management/decision makers? This issue has not been addressed and there remains a need for some targeted information/promotional print resources that effectively communicates to school management, parents and teachers why arts learning is key to students reaching their potential, and the benefits to be gained through arts and education partnership initiatives.

The AIC urges the government to provide funds to address these issues.

Recommendation

An increase of \$500,000 be provided in the 2005-2006 budget to support an expanded Artists in Schools program, professional development for artist/educators to work in arts and education partnership programs and the production of print resources to assist the understanding of the value of learning targeted to school management and parents.

3 Regional arts

The four major regional performing arts centres built between 1980 and 1984 are arguably the Government's most significant cultural assets in the regions. Along with Her Majesty's and the Adelaide Festival Centre these regional centres make up the key State Government public performing arts facilities.

The regional theatres have been experiencing the highest levels of use for professional quality performance product since their inception. In addition to providing performing arts product for the benefit of the local communities the centres also house visual art galleries and accommodate film, conference and community meeting facilities.

Over the 2003/2004 financial year the centres continued to be exceptionally well patronised with over 131,000 people purchasing a ticket to attend a performance, film or event during the year.

The allocation of \$500,000 provided in 2003/2004 to address urgent health and safety issues together with the \$2 million commitment over the four year period commencing in 2004/2005 (\$500,000 per annum) to enable the highest priority capital refurbishments to be achieved is welcomed. However, the Government must fully address the considerable capital work required to appropriately refurbish the four performing arts centres.

As the AIC has previously advised, approximately \$8 million is required to fully refurbish these centres.

Recommendation

An increase of \$1.5 million per annum commencing in 2005/2006 for a period of four years to enable these four performing arts centres to be refurbished up to reasonable standards such as those maintained in Government-owned metropolitan theatre facilities.