



SUBMISSION: 2020-2021 BUDGET

NAVA welcomes the opportunity to contribute to the Pre-Budget Submission Process.

The National Association for the Visual Arts leads advocacy, policy and action for an Australian contemporary arts sector that's ambitious and fair. We are the professional Membership body in our industry. Through our Code of Practice for the Professional Australian Visual Arts, Craft and Design Sector, NAVA sets national best practice standards in collaboration with the sector. Our network comprises over 50,000 artists, artswriters, galleries, arts organisations and industry bodies.

As well as offering our submission, NAVA endorses the submissions of:

- Australian Museums & Galleries Association
- Arts Industry Council of Victoria
- Regional Arts Australia.

This is a pivotal time for the Australian Government to invest ambitiously in the arts industry:

- Within coming months, the process of reassessment and renewal for a crucial set of multi-year funding relationships will occur, making this the ideal time to invest for targeted impact given the significant industry development work of these organisations;
- Recent research that connects arts investment to innovative industry development for the future of work offers investment opportunities that prepare Australia for the challenges ahead;
- Recent research indicating concerning declines in artists' incomes and career prospects, and worsening prospects for organisations' sustainability, can be redressed through strategic investment for lasting impact.

CONTEXT

Arts and culture contribute \$111.7bn to the economy or 6.4% of GDP according to the Australian Government Bureau of Communications and Arts Research. However, there's been an 18.9% fall in the Australian Government's arts and cultural expenditure per capita across the past decade, a halving of the Regional Arts Fund, successive cuts to our National Cultural Institutions, unclear and sometimes retrospective applications of efficiency dividends including to the Australia Council, as well as significant policy and funding disruption. And yet 98% of Australians participate in the arts according to independent research commissioned by the Australia Council.

Learning from the arts and cultural sector is also a high priority. At a recent McKell Institute Executive Boardroom event, Secretary of the Department of Communications and the Arts Mike Mrdak AO presented an exciting vision for more effective connectivity between government departments in planning strategic investments that prepare Australia for the fourth industrial revolution. With automation set to increase, impacting significantly on jobs as well as social cohesion, the number one skillset for the future of work is creativity – as identified by the International Monetary Fund and the World Bank among many others. When we invest in artists, we invest in future innovations we can't possibly begin to imagine. We invest with courage and with confidence in the future of our nation. Unfortunately, this is not the investment trend. The long-term decline in funding per capita indicates investment that has not kept pace with public demand and industry needs. At the same time, artists'

incomes have fallen 19% across the past decade according to the latest Throsby Report. Compounding this, the underfunded Australia Council has no capacity to identify and invest in strategic sector development initiatives that would redress the situation, building the capacity of independent organisations to strengthen their own sub-sectors, leverage private support and diversify their income. This means that Australia's arts and cultural industries, sought after by Australians and overseas visitors every day, are at risk of perilous decline.

The next Visual Arts & Crafts Framework (VACS), a cooperation of state and federal governments, was recently approved by the Meeting of Cultural Ministers, and key organisations (including NAVA) are in the process of making by-invitation applications. At the same time, the Australia Council's Four-Year Funding Program is in the process of assessing the second of its two-stage application processes (in which NAVA is also an applicant). Each of these come into effect in FY 2020-2021.

INVESTMENT PRIORITIES

- Additional investment in the Australia Council: \$25m per year
 - \$7m to top up the Four-Year Funding program and invest in the nation's industry-leading organisations, boosting the sector's capacity;
 - \$8m to top up the Project Funding program and propel the work of individual artists and small-to-medium organisations, thus driving the sector's innovation;
 - \$5m to support specific sector research and development initiatives, identifying and leading the trends that build long-term success;
 - \$5m to allocate across all funding programs and redress the impacts of past cuts, ensuring that the record-low success rate can once again meet international benchmarks so that excellent work doesn't miss out on being experienced by Australian and international audiences.
- Double the Regional Arts Fund: \$2.5m per year
 - The Regional Arts Fund was halved back in 2008, dropping from \$22m to today's \$13.8m over for years. Success rates have declined while our regions continue to grow. Investment here will have transformative impacts on regional development.

FURTHER RECOMMENDATIONS

- Invest in the Indigenous Art Code as recommended by the Parliamentary Inquiry on Inauthentic 'Aboriginal-style' art;
- Reverse the superannuation changes that have ["devastated the market"](#) and ensure that investors need not put artworks in storage, impacting negatively on artists' careers and community benefit;
- Eliminate of efficiency dividend on the Australia Council and the National Cultural Institutions.

Please do not hesitate to contact me for any further information I can provide.

Sincerely,



Esther Anatolitis
Executive Director