

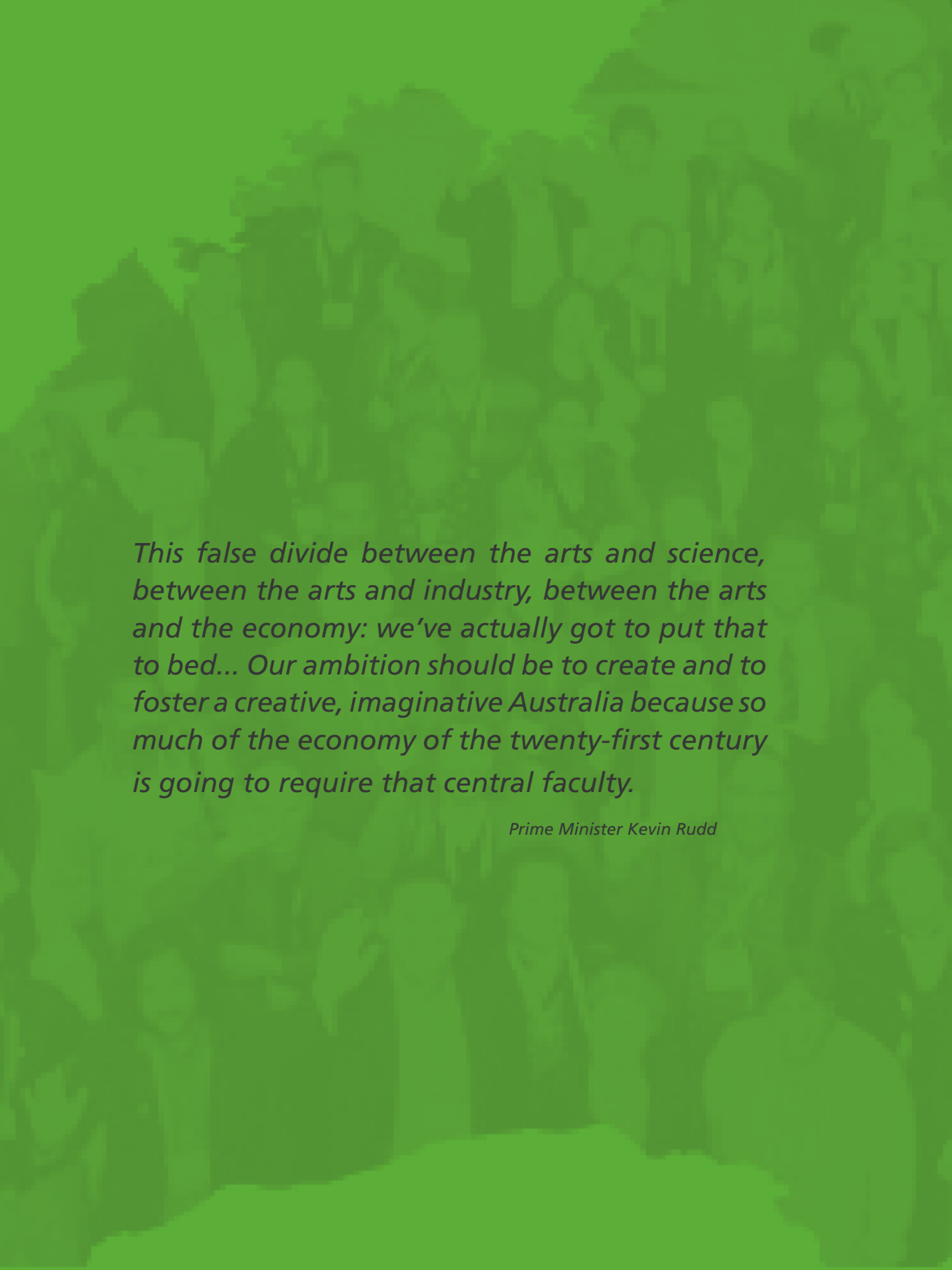
NEW

MODELS

MONEY

A Foundation for the Artist

Art



*This false divide between the arts and science, between the arts and industry, between the arts and the economy: we've actually got to put that to bed... Our ambition should be to create and to foster a creative, imaginative Australia because so much of the economy of the twenty-first century is going to require that central faculty.*

*Prime Minister Kevin Rudd*

# NEW MONEY

## A Foundation for the Artist

### A Proposal

Based on research commissioned by:

Commissioned by the  
Queensland Government  
through Arts Queensland



# FOREWORD

My career, on reflection, has been one of extraordinary good fortune. An academic reborn, I was proud to spend two decades as a senior Commonwealth public servant working on matters of consequence to our national future. I have now been reinvigorated in a new role as head of the Centre for Social Impact. There I have been able to explore how Australia's participatory democracy can be enlivened by mission-driven social enterprise – whether it is to support those in need, to protect the environment or to strengthen artistic achievement and the creation of cultural value.

My luck seems to continue. I was delighted when Leigh Tabrett, Deputy Director-General of Arts Queensland, indicated her interest in partnering a project on funding of the arts. Despite the fact that we have both spent considerable periods in the public sector, our backgrounds, experience and perspective are different. Leigh brings insight and understanding of public support for the arts. I have a strong interest in and growing understanding of the vital role of community organisations in building and sustaining social capital.

Our enthusiasms neatly intersect at the fulcrum that is civil society. We have a sense of a future that goes beyond public subsidy and philanthropy. We share a mutual recognition of the potential social returns that can be garnered by putting money into the arts. Both of us recognise that investment is the tipping point at which

financial sustainability, economic benefit and artistic value meet.

The project was overseen by a strong and committed steering group, for which my bureaucratic experience chairing interdepartmental committees had inadequately prepared me. I learned much from the insights of Robyn Archer, David Gonski, Frank Moorhouse, David Throsby, Cathy Hunt and Julianne Schultz. I benefited, too, from the quiet wisdom of my colleague Mark Lyons. He retained his strong interest in this project until his untimely passing.

In turn, all of us were fortunate that our disparate views and particular interests were informed by the Australian evidence framed by Janet Clayton and Mary Travers, and the international models and trends by Cathy Hunt and the Positive Solutions research team. And, perhaps inevitably, it was Julianne Schultz who was able to bring the ship of argument safely to harbour.

This paper starts from what is certain. Arts, culture and the creative industries are central to life in the twenty-first century. They contribute, often unconsciously but sometimes expressly, to public discourse, social cohesion and national identity. What is far less obvious is how best to sustain this ferment of activity in ways which recognise both its economic value and the cultural power of artistic endeavour in its multifarious forms. The key question, which underpins this paper, is how the institutional,

# WORD

industrial and instrumental role of the arts can be enhanced by investing in the artist.

It is the individual – painter, novelist, composer, performer, sculptor, playwright, musician or photographer – whose work develops and transforms Australia's cultural life, often in challenging and uncompromising ways. It is artists, in isolation or together, who are the creative turbine at the heart of the creation of cultural value. The challenge is how to recognise, support and enhance that activity.

The sad fact is that direct funding for individual artists has fallen by about one-third since the 1990s. Not surprisingly their income has lagged even further behind that enjoyed by other professions. Excellence, innovation and resilience need to be fostered so that the value of artists to society (whether calculated in hard dollars or cultural sense) is realised. It is that unwavering conviction that binds together the diverse persuasions of all of those who contributed to this paper.

Our answer, or at least one part of a more comprehensive solution, lies in a foundation that can bring together public, private and corporate funding in a manner

that complements and supplements existing sources of financial support. This paper looks to a Foundation for the Artist which will have a singular focus on the talented and innovative individual creating new work, supported by a new approach and sustained by new money.

The Foundation is not intended to be, nor must it become, simply another piece of a bureaucratic jigsaw. It cannot allow itself to be frightened of risk. Risk and innovation are intertwined. Complementing existing organisations, the Foundation's business model must be founded on imagination and creativity.

This is our vision. It is our hope that the creation of such a body could play a significant part in fulfilling the bold ambitions that found their genesis at the 2020 Summit. The role of the artist, as much as that of the sportsperson and the scientist, deserves public recognition and support. Australia will be the beneficiary.

## **Peter Shergold AC**

Macquarie Group Foundation Professor  
Centre for Social Impact, UNSW  
April 2010

# EXECUTIVE SUMMARY

The arts, creativity and culture are central to social and economic life, highly valued and greatly enjoyed by almost all Australians. The creative economy contributes as much to the national economy as agriculture, and the importance of these activities is set to increase in the twenty-first century.

Ensuring that this potential is realised requires robust institutions, successful companies, well-trained and resourced artists in all fields. It also requires knowledgeable audiences and appropriate public, private and corporate funding – to encourage and reward innovation, excellence and participation.

There is a particular need to find fresh ways to support the work of individual artists who are creating new work. These artists are the research scientists of the creative economy, in time their work will fill theatres, cinemas, galleries, bookshops and countless digital devices. But their influence will extend further – impacting on the education curriculum, delivery of health care, the design of public and private spaces and the way Australia is perceived internationally.

Support for the arts and culture comes from the public and private sectors, philanthropists, audiences and family members. In recent years the bulk of public and corporate money has been directed to institutions and companies, which has helped build their resilience, capacity and appeal. Direct public sector support for individual artists has fallen by a third – in number and amount – since the mid-1990s.

Research undertaken for this report documents the decline. It also examines the new models adopted internationally to encourage innovation, sustainable practice and effective cultural enterprises. Many of these new models are incompatible with the models, risk profiles and fund raising mechanisms of existing arts funding agencies in Australia.

The conclusion this report reaches is that there is a need for a new independent organisation, A Foundation for the Artist, to achieve these objectives and diversify and broaden the support available for individual artists and the creation of new work. The Foundation would complement existing agencies, work cooperatively with the Commonwealth, State and Territory governments, and collaborate with the corporate sector and private foundations.

It is recommended that an independent Foundation for the Artist be established using public and private funds and making them available to artists using a wide range of models and partnerships, to enable them to achieve their potential, develop sustainable practices and contribute to the cultural, economic and social well-being of Australia.

The Foundation's mission will be to recognise, foster, promote, reward and celebrate the work of artists in all art forms. As a result the institutions, industries and other agencies that depend on high-level artistic capacity to produce work that appeals to audiences will also benefit.

# ARTIST FIVE STUDY

The optimal structure of the Foundation is a matter for further consideration, although it needs to be able to receive public and private money, directly and indirectly, distribute funds to individual artists using a range of models, and build a strong capital base to ensure long-term sustainability.

The Feasibility Study to establish A Foundation for the Artist will examine and recommend:

- Initial response to the concept for and roles of the Foundation;
- Appropriate corporate and governance structures, including an assessment of independence and accountability issues;
- The nature and scope of the donor market in order to determine realistic targets and timescales for contributions from individuals, trusts and corporations;
- Ways the Foundation would disburse funds and outline the artistic, social, economic and financial benefits expected to accrue;
- How the Foundation would fit into existing and evolving institutional structures, in particular the coordination of its investment and fund-raising activities with those of other organisations;
- A financial plan with a clear forward budget based on realistic revenue and cost assumptions.

*There is a particular need to find fresh ways to support the work of individual artists who are creating new work. These artists are the research scientists of the creative economy.*

# OVERVIEW

*If the capacity of Australian artists is to be realised and Australian society as a whole is to benefit, we need a new language to describe the role of the arts, new models to support artists and new approaches to ensure sustainability.*

It is time to rethink the way that the arts and culture are supported in Australia.

The creation of art and the expression of culture are the mark of a civilised society, essential to public and private sense-making, and an increasingly important source of economic activity and international stature. British arts administrator Sir John Tusa summed this up well when he noted: 'The arts matter because they embrace, express and define the soul of a civilisation. A nation without arts would be a nation that had stopped talking to itself, stopped dreaming and had lost interest in the past and lacked curiosity about the future.'

Culture and creativity are central to life in the twenty-first century. Never before have we been surrounded by so much art – high and popular, visual and aural, original and reproduced, amusing and challenging, bland and exciting. Never before has it been so highly valued by citizens.

We are on the cusp of a major change. Digital technology is making it possible for more people to explore, express and find audiences for their creativity. This is changing the relationship between artists and audiences and challenging many

long-standing business models. It is also presenting exciting new possibilities.

The democratisation of artistic production does not, however, diminish the need for excellence, innovation and the highest professional standards able to win a place on the world stage. Achieving this requires new models of financial support and public engagement.

In times of rapid change the arts are especially crucial to making sense of social and economic transformations. As the global knowledge economy grows, industries based on the arts and sciences will become even more significant.

The importance of research scientists is well understood. Sophisticated, well-resourced and structured programs nurture their development and support their output.

We need to think of the artists at the heart of the creative and cultural industries in a similar way. Writers, visual artists, performers, musicians, composers are like scientists: unique individuals with highly specialised skills, knowledge, discipline and talent, who generate new ideas and new ways of understanding the world.

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Their work not only brings pleasure and insight, but is essential to a successful society. Like scientists, artists have an important contribution to make to public policy and commercial enterprises – some of which we have scarcely begun to imagine.

The arts and cultural sector is well-placed to take a more central role in Australian life. Long-standing investment has provided a strong base of creative knowledge, skill and audience expectation, public support, interest and engagement is strong and growing.

If this potential is to be achieved, if the capacity of Australian artists is to be realised and Australian society as a whole is to benefit, we need a new language to describe the role of the arts, new models to support artists and new approaches to ensure sustainability.

Strong institutions, robust, entrepreneurial and competitive industries are fundamental. So too is public recognition of the benefits of the arts. Skilled artists committed to their profession are essential to the creative resilience of institutions, industries and agencies. Wise investment in them will develop human capital, create new work and help foster a creative and cohesive society.

As we have learnt from Indigenous Australia, art and culture can aid community resilience. In an area of policy-making more noted for its failures, Indigenous art-

making has demonstrated the benefits of appropriate public and private support.

Great, timely and innovative works of art are important on their own terms. They also fill cultural institutions, bring performing arts venues and galleries to life, provide a tool to aid social cohesion, communicate important ideas and create a product which can be sold – a book, CD, DVD, painting, ticket, game or object.

The first step to producing these artworks is supporting individual artists.

In recent years, the funding emphasis in Australia has shifted towards arts institutions, major companies and creative industries. This has had tangible positive benefits. Audiences have grown. Institutions and companies have flourished, providing employment and enjoyment for many. It is a funding approach that has been generally welcomed.

But it has meant that proportionately less money was available for individual artists.

Arts funding bodies face difficult decisions about priorities: organisations versus individuals, audience access versus new works, high art versus popular culture, professional versus community artists and so on. This complex and interrelated sector is ill-served by simplistic demarcations and by the limited number of sources of investment available for the creators of new work.

# OVERVIEW

There is a need for a new framework that recognises the connections, and new ways of providing appropriate support so the whole sector can achieve its potential.

Participants in the Creative Australia stream at the 2020 Summit argued that the emphasis in the past decade had had a detrimental impact on the cultural sector and the capacity to generate new Australian work. As a result, they argued, resilience and innovation had been weakened.

The research undertaken for this report confirms that impression. While the number of organisations receiving funding from public agencies has grown, the number of individual artists receiving direct support and the amount they receive has fallen by a third since the mid-1990s. Yet most would agree that artists are at the heart of our cultural life.

Despite the disruptions of the global financial crisis there is a need for new financing and investment models, to help facilitate more original creative, cultural and artistic thinking and productions with long-term social and economic benefits.

*New Models, New Money* argues that there is a need for a new public-private entity – A Foundation for the Artist – to diversify the funding model, complement the strengths of existing grant giving organisations, and operate with singular focus on individual artists and the creation of new work.

The Foundation will not be another government agency. It will supplement the work of the current government agencies by drawing on public and private funds and operate in a collaborative partnership with governments, business, community and individuals. It will herald an important new addition to the arts funding environment to shift the emphasis from ‘surviving’ to ‘thriving’.

To achieve this, and based on an evaluation of past expenditure, the Foundation requires a modest initial investment of at least \$15 million a year for three years from the Australian Government, to be matched by private and State funds and investment income.

The Foundation will also need to create an endowment with the ability to raise money in a tax effective manner, from individuals and corporations and explore the opportunity to operate internationally. It will have the capacity to invest in artist-led creative projects and provide support for individuals. It will aim to generate a financial return that can be re-invested in its activities. It will operate independently of government and be structured as a private-public organisation, directed by board drawn from people with knowledge of the arts and cultural sector, commercial and fund-raising experience and the ability to build capacity.

The Foundation will focus on the entire career path of artists – emerging, mid-career and established – and help them

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prosper. The mechanisms outlined in this proposal range from fellowships to loans, long-term planned business support and finance strategies modelled on the successful international innovations in the social sector.

The argument for more support for individual artists and the creation of original work is grounded in recognition that this is a creative turbine for the nation.

Artists need to be supported more actively and more substantially and with a more diverse range of mechanisms. Those working at the risky edge of the arts need time to conceptualise and refine major projects. They also need the opportunity to explore the potential of new media and means of expression and develop them to the highest possible level. Grants from government agencies alone, should not be the only solution.

Failure to provide adequate support for individual artists risks impoverishing national life and the institutions and industries that depend on original creative work. In turn, this weakens the ability of Australian artists to make a significant mark on the international stage.

This proposal argues that there is a need for a new model that recognises the changing nature and importance of the creative domain and its centrality to national identity, social cohesion, economic growth and personal fulfilment.

*The importance of research scientists is well understood. Sophisticated, well-resourced and structured programs nurture their development and support their output. We need to think of the artists at the heart of the creative and cultural industries in a similar way.*

# A NEW PREMISE

*Encouraging arts organisations to strengthen their 'balance sheets' with a mix of earned and contributed income, as well as government support, has been an important feature of the last decade. There is a need to extend this model to individual artists. With more diverse support their capacity to develop and create important new works will also be enhanced.*

Over the past decade, public and private investment in the arts, culture and creativity has grown. Linkages to the broader economy and social wellbeing have become clearer. Public engagement with the arts has increased.

Indeed the symbolic significance of the creative industries contributing as much to the economy as agriculture should not be underestimated; both provide sustenance and an important sense of national identity. Research by the Australia Council released in early 2010 confirmed strong and increasing engagement with the arts – only seven per cent of those surveyed said that they were not. The Australia Council survey demonstrated that people valued artists for producing work that inspired them, helped them to define what it means to be Australian, cope with stress and understand difference.

Yet international research has shown that while almost everyone reports being greatly moved and inspired by works of art,

few of those surveyed believe that artists contribute 'a lot' to the good of society. People recognise the value of the product, but not necessarily those who created it. In part, the explanation for this gap is the perception of artists as frivolous and risky entertainers, rather than as highly skilled and focussed creators and public sense-makers.

Except for the handful of artists who become celebrities, most have a low public profile. Their work is their passion – that is what they want to see discussed, recognised, enjoyed and celebrated, not their lifestyles or relationships.

The tabloid fury about challenging art highlights public discomfort with the work that some artists produce. This is offset by delight in the achievements of those who succeed internationally. For a nation of sports lovers, Australians are also great consumers, patrons and producers of arts – it is not an either/or choice.

# PREMISE

There is a need to put the artists at centre stage and ensure they have the capacity to achieve their potential and realise the benefits for the nation. A great deal of public money is invested in providing an education in the creative arts at Australian universities and specialist colleges – there are now more students enrolled in the creative arts than in engineering.

These graduates will pursue a range of careers, but we need to devise mechanisms that make it more possible for them to realise their potential. There are a number of initiatives at national and state levels, such as ArtStart, designed to address this need for support in early career.

But as with other professions, there is also a need to ensure that the capacity developed by training and early assistance is actively supported in mid-career. This group needs particular attention to make a living. Only by ensuring that support continues in a more effective fashion into mid-career will we see the full benefits of the early investment.

Australia has a long tradition of fostering mixed public and private sector support in many industries. This is already an important feature of the arts sector which operates both in a commercial and subsidised domain. Encouraging arts

organisations to strengthen their 'balance sheets' with a mix of earned and contributed income, as well as government support, has been an important feature of the last decade.

There is a need to extend this model to individual artists. With more diverse support their capacity to develop and create important new works will also be enhanced.

Achieving this will require government support through direct funding. It also requires incentives so that the commercial sector and private philanthropists contribute to produce a substantial investment fund and access to the skills and resources for sustainable development and access to non-traditional sources of financing.

Yet we must be mindful that it is difficult for governments alone to support individuals through grants and complex for the public sector to directly deal with alternative forms of financing and high-risk innovation.

The need for new models and sources of funding has become more urgent in the wake of the global financial crisis. Arts organisations have been forced to recalibrate their operations with direct consequences for individual artists and the creation of new work.

# NEWSPAPER

THE UNDERLYING premise that has informed arts funding models for decades is that the arts and artists need public support. This was shaped by the widespread view that cultural production could not survive in the market alone. This was true when the sector was very small and poorly integrated into the economy and social fabric of the nation.

In a world dominated by popular culture, the arts play an increasingly important economic, institutional and social role, yet many arts activities need and deserve substantial ongoing public support to ensure that innovative work, and work of the highest standards, is produced.

In Australia, despite widespread and increasing public support and engagement with the arts, there is a lingering perception that the arts are an optional extra rather than an essential component of a contemporary nation with tangible economic and social benefits. This perception casts those in the arts as applicants and supplicants rather than as serious contributors to national wellbeing. It regards arts funding as discretionary, rather than as an investment in cultural innovation and resilience, or strategic

industry development. It is a perception increasingly without foundation.

Defining the arts in this way has helped ensure that artists earn considerably less than those with comparable levels of skill and qualification. This income disparity has been clearly documented; addressing it is the Australia Council's key priority.

Many successful artists point to the impact of timely grants that helped make or consolidate their career, but most do not receive direct public support – relying instead on their own resources and the support of family.

Increasing public engagement with the arts has not disrupted lingering derogatory public opinions about the role and status of artists. Australians are surprisingly slow to acknowledge and celebrate the great enjoyment, insight and social and economic benefits that accrue from the art they produce.

There is a need for national leadership to begin a new conversation about the intrinsic value of the works produced as well as the economic, social and community benefits that accrue from them.

# PREMISE

The major institutions are deeply enmeshed in national life and the public seeks out and enjoys unprecedented access to a wide range of arts and culture. In the twenty-first century, the arts are essential, cultural institutions are an irreplaceable part of national life, the creative industries are a major contributor to economic wellbeing, and art-making is essential to social cohesion and international perceptions of Australia. None of this is possible without artists of the highest skill and capacity.

*There is a need for national leadership to begin a new conversation about the intrinsic value of the works produced as well as the economic, social and community benefits that accrue from them.*

# CHANGING PUBLIC POLICY

*Supporting the divergent needs of major organisations, emerging industries, training institutions, audiences, micro-businesses and individual artists requires a diversity of funding sources and approaches. It demands nuanced and responsive public policy, in which the arts are treated like other sectors of the economy and social infrastructure, with a clearly articulated rationale. There is no single panacea.*

The arts are where cutting-edge conversations about the nature of humanity are likely to occur – especially in times of rapid social change, economic uncertainty and environmental pessimism.

Every civilisation has sought to find a way to bring such insights to life – traditionally in music, performance, dance, writing, painting, sculpture and drawing, and more recently on screen, in film, broadcasting and photography.

As a result, artists have been supported by patrons, revered by audiences, feared by despots and welcomed by those seeking to make sense of the world, to deal with its despair and enjoy its beauty.

The place of the arts and culture in public life has changed profoundly over the four decades since the existing models of arts support were developed. It is poised to change again as the digital revolution

and the emerging knowledge economy alters the relationship between artists and audiences and disrupts business models by challenging ideas of intellectual property rights.

A snapshot of the priorities provides an insight into this evolution. Those arguing for support for the arts in the post-war years were working on a blank canvas. At the time, there were no national performing companies, scant Australian publishing, no film or television industry and the orchestras were offshoots of the national broadcaster.

In this context, the most persuasive argument for government support for the arts was to bring the benefits of high culture to the public, educating people by exposure to excellence.

Fostering Australian identity did not figure prominently.

# POLIC

Yet the vibrant visual arts of the post-war years hinted at a distinctive Australian sensibility, which achieved critical mass across a wide range of art-forms several decades later. By the 1970s, this produced a showcase of Australian talent. Artistic expressions of the evolving national identity on screen, on stage, and in books and music captured the public imagination. This created an audience and a market.

Over this period, the dominant argument underpinning government support for the arts moved from making international high culture available, to articulating a uniquely Australian cultural identity and incorporating community involvement. In more recent years, the emphasis has shifted to fostering local excellence, ensuring affordable public access and sustaining major institutions and companies.

Patronage of individual artists was always an important component of support for the arts. Devising mechanisms to ensure that this occurred at arm's length from those with political power was and is an important priority. The Australia Council's arts boards developed elaborate processes of peer review, designed to achieve this separation. Importantly they also insulated politicians from contentious decisions.

State governments have recognised the importance of the arts as a source of employment, tourism and civic

engagement. Funding by the states now represents a third of the total allocation, although 80 per cent of state funds go to venues, access and administration. Through the Cultural Minister's Council, the states are also directly involved in deciding funding priorities and contributing funds for the visual arts and major companies.

Corporate support for the arts also has a long tradition.

The Australian Elizabethan Theatre Trust, a private organisation and precursor of the Australia Council, was the original supporter of most of the major performing arts organisations that have now become national institutions. The major companies and galleries all have active corporate sponsorship programs, providing up to a third of annual revenue. The Australian Business Arts Foundation was created to encourage greater corporate support of artistic and cultural organisations.

There is a widespread perception that support for the arts is government-led. In fact the sector operates as a complex ecology in which market forces interact with private patronage, commercial and audience support, corporate and government funding, community engagement, personal passion and entrepreneurship.

# PUBLIC

Supporting the divergent needs of major organisations, emerging industries, training institutions, audiences, micro-businesses and individual artists requires a diversity of funding sources and approaches.

It demands nuanced and responsive public policy, in which the arts are treated like other sectors of the economy and social infrastructure, with a clearly articulated rationale. There is no single panacea.

The arts sector has grown and changed significantly since the Australia Council was established more than forty years ago.

Its clients now range from the national institutions, with some degree of subsidy, to successful commercial enterprises in music, publishing, broadcasting, film and a wide range of related creative and copyright industries, a vibrant community and not-for-profit sector and an internationally renowned Indigenous art market.

The array of organisations hints at the complexity of managing a system with competing priorities and accountabilities and varying capacity for commercial success without public subsidy or private philanthropy. It is scarcely surprising then that support for the arts lacks the clarity of some other sectors and that changing political priorities can skew outcomes in unanticipated ways.

The arts have an importance beyond the objects, insights and experiences created. In addition to the intrinsic cultural value, the arts play an important institutional role. They define life in a civilised society, help build intellectual capacity, aid social cohesion, and are the bedrock of increasingly significant creative industries.

Just as there is a need for both applied and 'blue skies' research in science, so too in the arts. The skills and talents to do this are the product of application and dedication and require both training and time to mature and develop.

Unlike scientists who work in major organisations including universities, research institutes, hospitals and companies, most artists are self-employed and often have portfolio careers. The personal sacrifice and passion which characterise the entrepreneurial working life of many artists is useful in understanding the future of work.

A comparatively minimal level of support is needed to significantly broaden the career options available to artists, to ensure that their potential is realised.

It is difficult for individual artists to make this case in a way that does not sound like special pleading. Artists value the

# POLIC

support they receive from the public purse, but it is much more than a financial gift of government. The arts and cultural sector needs to become a better public advocate. It needs to find a clear voice to describe the contribution it makes to national life. In economic terms it is at least as significant as agriculture, and the social value makes its contribution even more important.

We are proud when our artists achieve international recognition, but are tardy in providing similar national recognition. Yet the most successful artists readily acknowledge that they owe at least some of their success to the opportunities Australia provided. There is a need to celebrate and acknowledge this and ensure that the opportunities continue to multiply.

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# KEY RESEARCH FINDINGS

*The production and presentation of original, new Australian works is a stated priority, but in most art-form categories it represents a small proportion of the funds allocated – much of the allocation is quite appropriately spent on infrastructure, administration, marketing and audience development.*

Australian governments spend a considerable amount of money on the arts and culture. Most of this money goes to the major cultural institutions and those sectors that attract mass audiences. For instance, in 2006-07, more than half was allocated to film and broadcasting – excluding these industries, the national total was \$938 million.

A comparatively small proportion has been directed to individual artists and the creation of new work.

Australian Bureau of Statistics figures on arts funding reveal a significant increase to \$2,720 million in 2007-08. Commonwealth expenditure reached \$1,856 million and the states contributed \$864 million, including \$103 million for performing arts venues. Most of the \$540 million increase was allocated to broadcasting, which received an additional \$397 million. Even excluding film and broadcasting, total expenditure on the arts and culture grew to \$1,158 million.

Funding for the arts is not confined to the national and state level. Local government contributed \$1.1 billion in 2006-07, and \$1 billion in 2007-08. Nearly two-thirds of

local government funding was allocated to public libraries.

Public money for the arts comes primarily from the Australian Government through the Australia Council; the Department of the Environment, Water, Heritage and the Arts; the Department of Broadband, Communications and the Digital Economy; as well as the state arts ministries.

This money is directed towards venues, cultural institutions, major performing organisations, infrastructure, public access, marketing, industry development, training institutions, new works, cultural diplomacy, festivals, both small and medium organisations and individual artists.

Analysis of the 2006-07 figures using the ABS data categorisation, shows that only one-fifth of the total public funding is allocated to the creation of new works (22 per cent including film and broadcasting, 15 per cent if these are excluded). This proportion increases slightly when funding to support the creative process is also included (26 per cent including film and broadcasting, 21 per cent if they are excluded).

# RESEARCH FINDINGS

The production and presentation of original, new Australian works is a stated priority, but in most art-form categories it represents a small proportion of the funds allocated – much of the allocation is quite appropriately spent on infrastructure, administration, marketing and audience development.

This is illustrated by analysing Australia Council grant recipients. In 2007-08, the Australia Council made 1,736 grants to 4,091 applicants. The 567 successful individual applicants received a total of \$9.9 million – just 7 per cent of the Council's budget.

This pattern was sharper in 2008-09 with 1,846 grants and projects supported with \$175.3 million. The number of individual recipients fell again. Although individual artists were supported from project funds to other organisations – only 459 individuals received direct grants, including 25 fellowships averaging \$36,200 each.

Although individual artists benefit from a wide range of Council programs, the shift in focus is stark.

In the twelve years from 1995-96, the number and value of fellowships and grants fell significantly. At the beginning of this period, 673 individual recipients received \$13.8 million (in 2008 value). By 2007-08, the number had declined to 567, a drop of 22 per cent, and the value of these grants had fallen by 29 per cent.

Indeed the average individual grant was just \$19,000. The average grant for new works was \$20,000.

Despite a widespread public perception of artists receiving grants, only a handful of senior fellowships are awarded in each art-form and each board has developed its own priorities.

In 2007-08, only thirty-five artists received the Commonwealth Fellowship, which had been capped at \$45,000 and designed for outstanding mid-career artists. This was \$15,000 less than the average wage and well below the income of comparable professionals. Even a rank and file musician in a state orchestra, for instance, is paid a base salary of at least \$65,000.

By comparison, it is worth noting that between 2009 – 2013 Australian Research Council Future Fellowships will support a thousand mid-career scientists, with a salary of \$141,000 a year, plus research support for four years. It is a testament to the lack of standing accorded creative artists, that eminence and capacity is not rewarded with a similar level of support that makes it possible for artists to devote themselves to their work.

The Australia Council is aware of the limitations of this approach. In recent years, it has endeavoured to supplement grants to individual artists with funds to producers, community and small organisations who

# RESEARCH

work closely with individual artists in the creation and presentation of new work, and with new and emerging artists.

In order to ensure that more of its allocation reaches artists and arts organisations, the Council has cut administrative costs, although compliance costs to recipients remain high. Its Artsupport initiative has successfully brokered new funding sources and mentored administrators in many small and medium organisations, and its ArtStart program is designed to develop the business skills of new and emerging artists.

The Council's support of major and medium-sized organisations also has a direct impact on individual artists and, to some degree, on the creation of new work. However, the funding model imposed on some of these organisations during the last decade has not enhanced their artistic vibrancy or ability take risk.

There is widespread recognition of the need for public support to enable the production of original Australian content, and to help ensure affordable public access. Beyond those core principles, each art-form has evolved distinctive models of subsidy, economic development and support, and commercial success.

The pattern of subsidy is distinctive – ranging from investment in venues (performing and visual arts), to marketing (performing arts), training (literature and music), and investment incentives (film and broadcasting).

Nonetheless there is a need for a more diversified funding base, to increase the amount available, minimise the risks for artists and government of over-reliance on public sector patronage, and increase the flexibility of sources and models of support.

Arts revenue streams are also changing. Private sector support has grown significantly. Major organisations increasingly rely on corporate sponsorship and other income-generating activities. Successful industries have developed in popular music, commercial theatre, visual arts, publishing, design and computer games. For other genres commercial success remains elusive. The diversity of the sector points to the need for a range of industry assistance.

The 2005 *Giving Australia* report noted that both individual and business donations had been increasing. A survey of private sector support for 276 organisations produced by Australia Business Arts Foundation in September 2009 showed that support had increased by 18 per cent to \$202.2 million – 80 per cent going to art galleries, performing arts and festivals. Over the same period, sponsorships increased 14 per cent and donations increased by 22 per cent to account for just over half of the total private support.

The number of foundations with a focus on the sector has increased, although the arts ranks well below science, medicine, welfare, community relations and Indigenous projects as a destination for philanthropic gifts.

*By comparison, it is worth noting that between 2009 – 2013 Australian Research Council Future Fellowships will support a thousand mid-career scientists, with a salary of \$141,000 a year, plus research support for four years. It is a testament to the lack of standing accorded creative artists, that eminence and capacity is not rewarded with a similar level of support that makes it possible for artists to devote themselves to their work.*

The tax status and regulations of deductible gift recipient (DGR) funds are under examination as part of the Henry Review of the taxation system and the draft Productivity Commission report on philanthropy. The current restrictions inhibit innovative forms of giving widely used elsewhere, including support for individual artists. Australia has fewer tax incentives and vehicles for philanthropic giving than the US, including charitable remainder trusts and lead trusts.

**THE CURRENT MODEL** of Commonwealth and state grant, infrastructure and industry support has evolved over the last four decades.

In this time, the sector has changed profoundly and become more central to the economy and national life. The model is based on formal applications, which are processed through arm's length assessments by peer panels in each art-form.

Although a more strategic approach has been adopted to maximise the benefit of the

available funds, allocating limited money to an ever-increasing number of organisations and within competing priorities is a challenging task.

In practice, the model of arm's length grants has been supplemented by direct grants, tax incentives (philanthropy, film, broadcasting, visual arts), copyright levies (books, music, visual arts) and increasing involvement of the private sector through corporate sponsorship and philanthropy.

The American model of private philanthropy is much admired in Australia. It is, however, a system that has evolved in a specific context, dependent on tax deductibility and deeply ingrained cultural practices.

The weakness of this single-source model has become clear in recent times. The Obama Administration significantly increased the funding to the National Endowment for the Arts in the 2009 stimulus package, but this did not compensate for the amounts lost from private foundations in the global financial crisis.

# RESEARCH

In Britain, the National Lottery has generated substantial funds for the arts over the past decade. Some of the money gathered was invested in innovative new programs such as National Endowment for Science Technology and the Arts fellowships, and Creative Partnerships through Arts Council England. But most was allocated to improving the cultural infrastructure. The benefits of this investment are now evident in new buildings and precincts, but the under-investment in nurturing creative capacity and resilience is also evident.

There is international recognition of the need for new models and approaches to better meet changing expectations, locate new sources of funding and help to foster individual and industry development. There is some evidence of this new approach in Australia, but it is generally sporadic and confined to local and pilot schemes.

The research highlighted a range of new models that are being tested and adopted including:

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- Multi-year fellowships for mid-career and eminent artists, awarded on a basis of achievement rather than application, sometimes accompanied by business development mentoring.

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  - Fellowships based on social welfare, available to all qualifying artists for a specified period.

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  - Fellowships based on the basic pension or unemployment benefit, supplemented with a modest stipend to facilitate entrepreneurial business development and access to business development mentoring – equivalent to the long-running Australian New Enterprise Incentive Scheme but with a more explicit focus on artists.

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  - Tax exemptions for copyright income, delayed tax payment in development phase of creative project, charitable remainder trusts.

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  - Direct support programs to the artist which subsidise the shortfall in the budget after sales and other income.

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  - Artist-run pension funds in which disbursements are made from mutually invested art works.

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# RESEARCH FINDINGS

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- Infrastructure support for studies and workspaces through subsidised rental in public buildings and tax offset for private property owners.

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  - Investment models based on those developed for the social sector, including venture philanthropy and partnerships with community financing institutions.

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  - Government funding from non-traditional public sector sources such as disability, welfare, health, diplomacy and Indigenous affairs – and commercial and not-for-profit social investment.

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  - Community development investment models based on a financial return, ranging from low-cost loans, to artist run foundations and 'angel' relationships with benefactors and investors.

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  - The provision of micro-loans and mutual credit schemes to artists, either by governments or private financial institutions.
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The diversity of these initiatives and the diversity of public and private sector agencies that manage them, exemplifies a new approach to arts funding which is focused on creating sustainable models for artistic creation and recognising the complex relationship between public, private, commercial and philanthropic sectors.

*There is international recognition of the need for new models and approaches to better meet changing expectations, locate new sources of funding and help to foster individual and industry development. There is some evidence of this new approach in Australia, but it is generally sporadic and confined to local and pilot schemes.*

# A FOUNDATION FOR THE ARTIST

*The Foundation will focus on the development of individual artists across disciplines using a wide range of models and partnerships.... It will seek ongoing, recurrent funding, but with the ability to raise money from a wide range of sources in a tax-effective manner.*

If Australia is to be an international leader in the twenty-first century – as a result of the creativity of its industries, the excellence of its cultural products and the stability of its social relations – there is a need to provide greater support for individual artists and the creation of new work.

It is wrong to conclude that this should be achieved by reducing institutional support. Rather, there is a need for new funding to ensure that individual artists are able to achieve their potential and, where appropriate, work with cultural institutions to realise this.

We are, therefore, proposing the formation of A Foundation for the Artist to fill this gap and bring together public funds, private philanthropy and corporate investment.

The Foundation will work with existing organisations, but complement them with new models and new money. It must be an institution that through its governance and financing structure is able to support individuals which is not risk averse: it must be marked by imagination, creativity and

flexibility. It must have the capacity to undertake work in advocacy and financing that is beyond the remit of agencies solely financed by governments.

The Foundation will focus on the development of individual artists across disciplines using a wide range of models and partnerships. It will operate independently of government and existing government agencies, but with the active involvement of the Australia Council and the states bilaterally and through the Cultural Ministers' Council. It will be structured as private-public enterprise with a board drawn from those with relevant knowledge and experience.

It will seek ongoing, recurrent funding, but with the ability to raise money from a wide range of sources in a tax-effective manner.

It will have the ability to invest in creative projects, with the aim of generating a financial return to be re-invested in the work of the Foundation. It will seek the support of the artistic community, cultural sector and creative industries, and others.

# ATTENTION

While investing in the development of artists, the Foundation may seek repayment of the support received by those who achieve commercial success or encourage them to reinvest in the Foundation.

The Foundation's mission will be to recognise, foster, promote, reward and celebrate the work of artists in all art-forms. As a result the institutions, industries and other agencies that depend on high-level artistic capacity to produce work that appeals to audiences will also benefit.

The optimal structure of the Foundation is a matter for further consideration; however, it needs to be framed so it can receive public and private money, distribute funds to individual artists using a range of models, and build a strong capital base to ensure long-term sustainability.

This proposal has detailed a range of new models which are worthy of consideration, designed to operate within a sophisticated and mature arts and cultural sector where institutional, industry and instrumental roles intersect.

The models which the Foundation should consider will foster, recognise and celebrate the achievements of artists, develop new strategies for investment and build links to other, non-arts specific, sources of public money.

This proposal is not prescriptive. However, there are new approaches emerging around

the world that may become part of the suite of approaches adopted, including the capacity to:

## Recognise achievement

- Create a range of fellowships of sufficient value to appropriately reward leading practitioners across all disciplines. Fellowships would recognise that mid-career and experienced artists need time and financial security to develop and produce new work of lasting value, and be modelled on comparable support available to mid-career scientists. Fellowships would facilitate artist-led partnerships with the national and international cultural institutions and also enable less directed outcomes.
- Draw on successful international examples for fellowships including Creative Capital in New York, MacArthur Foundation and the New Zealand Arts Foundation to develop a model which is appropriate to the Australian context and which complements the support provided by the Australia Council, state governments and private benefactors.
- Develop sustainable artistic practice by ensuring that the fellowships also include access to creative and business mentorship and planning to help maximise effectiveness.
- Create awards for artistic excellence. Such awards would be made to individual artists and would be designed to recognise contributions across art-forms and genres and supplement industry-specific awards.

## Explore new forms of financing

- Trusts and foundations supporting the arts and culture internationally draw on the principles of venture capital to inform decisions. These principles include high engagement by the giver, on-going partnership, multi-year support, and ways to use the intellectual and financial assets of donors to benefit those they support, including providing grants, loans and equity.
- Adapt financing more commonly associated with the market economy including micro-loans at low interest rates; mechanisms to stimulate the consumption of art such as the current 50 per cent investment allowance tax deduction for small companies purchasing visual art; 'angel' relationships based on the possibility of a financial return to the investor; and social investment models to encourage the ownership and exploitation of artistic and cultural assets.
- Provide artists with access to affordable space – from studios to low-cost housing, artist precincts, including short-term use of redundant commercial spaces, or subsidised rental of public buildings. Assistance could involve direct investment, partnership with companies, local government or investors with surplus or underutilised property. Models trialled here and abroad provide a useful framework for consideration by the Foundation.

- Pursue investment models ranging from brokering support to direct engagement – for instance, between an art gallery and the artists it exhibits, or as an investor in a production or project.
- Work closely with banks and community financing institutions to explore opportunities for individual artists.
- Explore opportunities for the Foundation to have international partnerships and raise finance overseas.
- Encourage bequests and enable the Foundation to become the recipient of copyright income from deceased estates.

## Explore new forms of public support

- Measure the social returns on cultural investment. The value of arts and culture in fostering social cohesion, community health and civic engagement is widely recognised, but has not been incorporated into the arts funding regime in a systematic fashion in Australia. Documenting the social and instrumental value of the arts and developing mechanisms to broker arrangements between artists and other agencies is a task requiring urgent attention. This is likely to provide many opportunities and non-traditional sources of money for artistic projects with direct social and community value.
- Ensure that where grants are provided through government, they reflect the needs of individual artists.

# ATTENTION

- Work to ensure that artists are actively encouraged to seek support under the National Enterprise Incentive Scheme which provides appropriate mentoring, business development and other support in conjunction with the Newstart allowance.
- Explore ways of providing Foundation artists with access to the Newstart allowance for a specified period without additional job search requirements and evaluate its effectiveness.
- Explore opportunities for artists to be involved in project work in the public sector in areas ranging from education, health and welfare to public diplomacy and the built environment.

## **Advocate structural change**

- Maximise the tax effectiveness of giving to individual artists. Philanthropy has an important civic role, but is underpinned by a tax regime which seeks to maximise the impact of donations while minimising the cost to the public. As the Foundation will be seeking philanthropic donations, its advocacy of a tax effective regime will be important. Measures which have been trialled elsewhere include tax rebates for the commissioning of, or investing in, original and innovative artistic works and making space available for creative purposes.
- Maximise tax benefits to individual artists. The Foundation could investigate the cost-benefit of altering the non-commercial loss provision as they apply to artists, by increasing the 'other income' threshold for artists or allowing 'art employee income' to offset 'art business losses'. The impact of tax exemptions for copyright income and delayed tax payment in the development phase of creative project also needs to be addressed.
- Investigate opportunities for artists to develop superannuation funds including by donating their own creative products or copyright to a self-managed, industry or mutual superannuation fund.

*The models which the Foundation should consider will foster, recognise and celebrate the achievements of artists, develop new strategies for investment and build links to other, non-arts specific, sources of public money.*

# CONCLUSION

There is a need for a new model that supports individual artists and nurtures new creative work, enabling existing agencies to sustain the key organisations and institutions of the broader arts and cultural industries so they thrive.

The new model must be grounded in the achievements of the past, yet embrace an innovative response appropriate to this era where 'high art, popular culture and home made art' co-exist in a digitally connected world.

The shock of the global financial crisis provides a timely reminder that we must not simply emulate what is done elsewhere. The key lesson is that dependence on a single source – be it government or the private sector – is the least appropriate model for sustainability for an individual, an organisation, an industry or the sector as a whole.

Although the arts and cultural industries have received some additional support from stimulus packages here and abroad, the centrality of these industries to the future economy is not reflected in the funding provided. Thus similar discussions about the need for new models of support are taking place in many other countries, as the limits of the old models become clear.

This proposal provides an Australian focus on this discussion. It draws on the legacy of policy-making here with a distinctive approach – with a significant

role for both the public and private sectors. Already the major Australian arts institutions report proportionately higher audience and box office support than in other comparable countries.

The model of arts funding has changed little over the years, although it has been stretched and pushed to accommodate changing political and community expectations.

Amendments to the tax laws have resulted in more philanthropic support for the arts, but this is still a small proportion of the total. There are significant tax and regulatory impediments limiting the capacity of private philanthropists to support individual artists.

The public funding available for the arts is now widely dispersed. While the amount of money is comparatively modest, it must be stretched to satisfy the competing demands for institutional, organisational, public and individual support.

Political risk aversion, especially in relation to individual grants, adds layers of complexity and caution. Funding is dispensed from local, state and federal governments, private philanthropy and commercial sponsorship. Individual artists and organisations must navigate their way through what, at times, seems like a complex and never-ending maze, with entry granted by satisfactory completion of yet another application form and no guarantee of continued support.

# VISION

In recent years, the emphasis of arts funding in Australia has shifted towards supporting the institutions and major companies that are the bedrock of the sector. This has ensured that many artists are employed and has had direct and measurable achievements in quality and audience accessibility. It deserves to be maintained.

A consequence, however, has been that the funds available for individual artists have declined. Since 1996, the money allocated by the Australia Council to individual artists has fallen by a third, as has the number of artists receiving direct grants and fellowships.

Participants in the Creative Australia stream at the 2020 Summit argued that the existing system of grants and institutional support was failing to adequately nurture artists and that this was having a detrimental impact on the creation of new works, and the resilience and innovation in the sector as a whole.

A Foundation for the Artist is needed to complement existing agencies, aggregate private funds from other foundations and benefactors, support individual artists and the creation of new works. Cultural institutions, creative industries and social cohesion will be strengthened and national wellbeing enhanced, by providing increased and diverse forms of support for artists.

It is recommended that a comprehensive feasibility study be undertaken forthwith, examining:

- Initial response to the concept for and roles of the Foundation;
- Appropriate corporate and governance structures, including an assessment of independence and accountability issues;
- The nature and scope of the donor market in order to determine realistic targets and timescales for contributions from individuals, trusts and corporations;
- Ways the Foundation would disburse funds and outline the artistic, social, economic and financial benefits expected to accrue;
- How the Foundation would fit into existing and evolving institutional structures, in particular the coordination of its granting and fund-raising activities with those of other organisations;
- A financial plan with a clear forward budget based on realistic revenue/cost assumptions.

The future of the creative industries, countless individual artists, social cohesion and Australia's international stature, all stand to be enhanced by this modest intervention.

*Cultural institutions, creative industries and social cohesion will be strengthened and national wellbeing enhanced, by providing increased and diverse forms of support for artists.*

# ENDNOTES

- i. The figure of \$15 million is derived by indexing the sum that was allocated directly to individual artists in the mid-1990s, before the funding emphasis shifted. As the accompanying research on Australian expenditure on the arts shows, since 1996 the amount of money provided directly to individual artists has fallen by a third, as has the number of individual grant recipients and the value of the grants they received. The role of the Australia Council in supporting individual artists through its boards remains important; this Foundation is designed to supplement both the money and the models available to support the work of individual artists and broaden the base of support. It is proposed that the additional annual allocation of \$15 million be matched by private funds, and be devoted solely to supporting individual artists and the creation of new work.
- ii. More than bums on seats, Australian Participation in the Arts, Australia Council February 2010, [www.ozco.gov.au](http://www.ozco.gov.au)
- iii. Throsby D and Hollister V (2003) *Don't Give Up Your Day Job*; see also *One Arts Sector: One Arts Council*, Australia Council Annual Report 2008-9, <http://www.australiacouncil.gov.au> (accessed December 2009).
- iv. Centre for International Economics, *Creative Industries Economic Analysis, Final Report*, 30 June 2009, [www.TheCIE.com.au](http://www.TheCIE.com.au) commissioned by the Department of Innovation, Industry, Science and Research and the Creative Industries Innovation Centre. PricewaterhouseCoopers concluded in a report for the Copyright Council in 2008, that the 'copyright industries' account for 10 per cent of Australian GDP, see [www.griffithreview.com/essentially-creative](http://www.griffithreview.com/essentially-creative). The lack of consistency in classification is a persistent problem in ensuring robust statistical data.
- v. Clayton J and Travers M (2009) *Arts Plus: New Models New Money (Australian Survey)* Report, p. 9-11, and Appendix 1 to this report available at [www.artsqueensland.gov.au](http://www.artsqueensland.gov.au) and [www.csi.edu.au](http://www.csi.edu.au) (accessed December 2009). State and Commonwealth funding for the arts in 2006-07 totalled \$2,184 million. The Commonwealth contributed \$1,480 million and the states \$704 million.
- vi. The bulk of the total increase of \$540 million between 2006-07 and 2007-08 went to radio and television (\$327 million, including \$70 million extra in capital). \$103 million more was spent by the states on performing arts venues (including \$25 million more on capital) and \$107 million more across all other forms (including a capital increase of \$41 million). Outside broadcasting, the big growth in arts spending from 2006/7 to 2007/8 was in the states. See ABS (2007) *Cultural Funding in Australia: Three Tiers of Government 2006-2007*.
- vii. ABS (2007, 2008) *Cultural Funding in Australia: Three Tiers of Government 2006-2007 and 2007-2008*.
- viii. *Arts Plus: New Models New Money (Australian Survey)* Report, p. 9-11, and Appendix 1 to this report.
- ix. Australia Council for the Arts Grants List 2007-08,. The Grants List 2008-09 was not available as this report was being written. It has since been released and shows the pattern has not changed. <http://www.australiacouncil.gov.au> (accessed March 2010).
- x. *One Arts Sector: One Arts Council*, Australia Council Annual Report 2008-09, p. 4. As a result 5,414 works were presented with Australia Council support and attended by 13 million people.

# TES

- xi. For sources of funding, see Australia Council Annual Report 2007-08. For breakdown of figures, see *Arts Plus: New Models, New Money (Australian Survey)* Report, p. 25.
- xii. Three Indigenous artists, three writers, seven visual artists, two musicians, three community artists, two dancers, four actors/directors, seven visual artists and one multi-form artist, based on analysis of Australia Council Annual Report 2007-08.
- xiii. Some equivalent annual incomes in mid 2008 are \$44,380 for full time workers in retail and \$59,327 in construction (not including overtime and bonuses). Compounding the decline in the value of grants for senior, established artists is the rise of over 40% in the Australian Average Weekly Earnings in the past 25 years. Although in 2007-08 all boards had the same ceiling of \$45K, but in 2008-09 they varied, ranging from \$22,500 to one fellowship of \$50,000. Some Council boards have increased the value of fellowships offered in 2010 to \$60,000.
- xiv. The Australian Government announced the creation of a new scheme, ARC Future Fellowships, to promote research in areas of critical national importance by giving outstanding researchers incentives to conduct their research in Australia. The aim of ARC Future Fellowships is to attract and retain the best and brightest mid-career researchers. At present, many highly qualified mid-career researchers choose to work overseas to further their careers due to lack of opportunities in Australia. The scheme addresses this problem and will significantly boost Australia's research and innovation capacity in areas of national importance. Over a five-year period (2009-2013), ARC Future Fellowships will offer four-year fellowships of up to \$141,000 a year to 1,000 outstanding Australian and international researchers in the middle of their careers.
- xv. *One Arts Sector: One Arts Council*, Australia Council Annual Report 2008-2009.
- xvi. Vallentine M (2005) *National Survey Report of Theatre Companies 2005*; International Federation of Arts Councils and Culture Agencies (2008) *A Sustainable Arts Sector: What Will It Take?* Platform Paper 15, <http://www.ifacca.org/publications/2008/01/22/sustainable-arts-sector-what-will-it-take/> (accessed December 2009).
- xvii. Australian Government Department of Family and Community Services (2005) *Giving Australia: Research on Philanthropy in Australia*.
- xviii. Australia Business Arts Foundation (2009) *AbaF Survey of Private Sector Support for the Arts 2009*, [http://www.abaf.org.au/files/Research/AbaF\\_Survey\\_of\\_Private\\_Sector\\_Support\\_for\\_the\\_Arts\\_2009\\_\(accessed December 2009\)](http://www.abaf.org.au/files/Research/AbaF_Survey_of_Private_Sector_Support_for_the_Arts_2009_(accessed%20December%202009).).
- xix. The Australian Centre for Philanthropy and Nonprofit Studies, <http://www.bus.qut.edu.au/research/cpns/publications/#WorkingPapers> (accessed December 2009).
- xx. Advance, <http://www.advance.org/en/art/?2363> (accessed December 2009); RBC Centura, <http://www.rbcbankusa.com/about/file-156184.pdf> (accessed December 2009).
- xxi. Jenkins Simon (2009), 'Let The Elite's Building Funds Dry Up', Simon Jenkins, *The Guardian*, 23 July 2009 <http://www.guardian.co.uk/commentisfree/2009/jul/23/arts-funding-elitism-policy> (accessed December 2009).
- xxii. New Enterprise Incentive Scheme, <http://www.neis.com.au/about.htm> (accessed December 2009).
- xxiii. *Arts Plus: New Models New Money (International Research)* Report provides greater detail on models being adopted internationally.

# ACKNOWLEDGEMENTS

This report has its genesis in discussions at the Prime Minister's 2020 Summit in 2008.

In considering the options discussed at the summit it was clear that there was a need for further research. The Centre for Social Impact (UNSW) and Arts Queensland recognised this need and have been actively involved in the development of this proposal.

The committee which oversaw the project included Peter Shergold, Leigh Tabrett, David Gonski, Mark Lyons (dec), David Throsby, Frank Moorhouse, Robyn Archer, Cathy Hunt and Julianne Schultz.

The Australian Survey was conducted by Janet Clayton and Mary Travers, and the International Research by Positive Solutions. This Overview has been written by Julianne Schultz with contributions from the researchers and the committee.

Many people have been consulted during the course of the research and development of this proposal, and although they may not agree with all the conclusions, we are grateful for their willingness to engage in the discussion.

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Thanks to Simon Koger for the brochure design and Andrea Lewis for editorial assistance.

Responses are welcome in the spirit of encouraging a fresh discussion about the best ways to ensure that the arts continue to flourish in Australia.

The research reports can be accessed through the following websites:

→ [www.arts.qld.gov.au](http://www.arts.qld.gov.au)

→ [www.csi.edu.au](http://www.csi.edu.au)

# WLEEDG

*The arts are not somehow apart from national life, the arts are at the heart of national life... In times of war and sacrifice, the arts – and artists – remind us to sing and to laugh and to live. In times of plenty, they challenge our conscience and implore us to remember the least among us. In moments of division or doubt, they compel us to see the common values that we share; the ideals to which we aspire, even if we sometimes fall short. In days of hardship, they renew our hope that brighter days are still ahead.*

*President Barack Obama*



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