

20 DECEMBER 2019

Australia Government – The Treasury
PO Box 6021
Parliament House
CANBERRA ACT 2600



PRE-BUDGET SUBMISSION PROCESS FOR THE 2020-21

Regional Arts Australia (RAA) is pleased to present this submission to the Australian Government.

The time is right for the arts and creative industries to take a lead role in regional development. The arts are a crucial element in the make-up of future liveable regions and are central to thriving and healthy communities and sustainable growth across regional, rural and remote Australia.

RAA supports regional development through the arts and champions artistic and creative practice in regional, rural, and remote Australia across multiple platforms and policy agendas. RAA manages the Regional Arts Fund (RAF), on behalf of the Australian Government distributing \$13 million dollars over four years. The objectives of the fund are keyed closely to economic outcomes, leveraged income, community engagement, employment and professional development. Our infographic mapping research demonstrates the depth and breadth of the Federal Government's investment in the sector.

One of RAA's roles is to lift the profile of the arts sector as an important economic driver, not only does the sector create jobs, it creates the environments that make jobs in rural and regional areas attractive.

We recently hosted the Creative Regions National Summit at Parliament House in Canberra facilitating a conversation around cross sector partnerships with speakers from every state and territory. We were fortunate to host Hon Paul Fletcher MP, Minister for Communications, Cyber Safety and the Arts to address the Summit about the Government's vision for the Arts. The Minister highlighted the importance of the arts noting the strong social benefit of an industry that contributes \$111.7bn to the economy or 6.4% of GDP from recent research from the Australian Government Bureau of Communications and Arts.

We are advocating for informed policy development to sustain arts practice and cultural activities in regional communities through an increase in the Regional Arts Fund. This increase will deliver real short, medium and long-term benefits for communities and the regions with measurable impacts across artistic, social, economic and health indexes.

As the national voice for Arts in regional Australia we will continue to promote the importance of the role the Arts play in regional Australia, not only creating jobs and growth but creating liveable, dynamic and resilient communities where people want to live and work.

We would be happy to discuss this submission and welcome the opportunity to provide further information.

Yours Sincerely

A handwritten signature in black ink, appearing to read "Ros Abercrombie".

Ros Abercrombie
Executive Director
Regional Arts Australia

2020-21 PRE-BUDGET SUBMISSION

AUSTRALIA GOVERNMENT – THE TREASURY

DECEMBER 2019

ABOUT REGIONAL ARTS AUSTRALIA

Regional Arts Australia (RAA) was founded in 1943 as the Arts Council of Australia. Today's organisation is a not for profit peak body that is the national voice for arts in regional Australia.

We work to:

RAISE THE PROFILE OF ARTS in regional Australia

ADVOCATE THAT REGIONAL ARTS are considered in the development of National Policy

INCREASE RESOURCES FOR THE ARTS in regional Australia

DEMONSTRATE BEST PRACTICE

We champion the politics and poetics of regional, rural, and remote creative practice by speaking across multiple platforms, policy agendas, and cultural landscapes.

Our research connects the three tiers of partnerships, advocacy and practice. We are actively engaged in research that:

EVALUATES THE SOCIAL IMPACT of the creative arts in regional communities¹

MEASURES AND ARTICULATES THE IMPACT AND OUTCOMES of the Regional Arts Fund²

EVIDENCES A RANGE OF INDICATORS that convey the health and self-care capacity of communities are improved through arts and cultural activities

PROVIDES a national framework and international connection

We recently implemented an intelligence software program, Tableau, with our grants management program and are able to display analytics and responsive infographics that map a visual narrative of the national regional arts landscape.

We seek to ensure the arts in regional Australia are recognised as essential and are embedded within the Morrison's Governments Plan for Regional Australia³. We are working to address the need for the arts and creative industries to be critically positioned across multiple policy platforms; including Digital connectivity, Education and Employment, Health services and drought relief, Tourism and Agriculture, Water and the Environment.

1 <https://regionalarts.com.au/resources-research/regional-arts-and-social-impact-project>

2 <https://regionalarts.com.au/regional-arts-fund/raf-projects-and-data>

3 <https://www.liberal.org.au/our-plan-regional-australia>

CULTURAL AND CREATIVE ACTIVITY IN AUSTRALIA 2008-09 TO 2016-17⁴

As detailed in the department of communications and the arts working paper october 2018 cultural and creative activity increased by \$25.8 billion or 30.0 Per cent, from \$86.0 billion in 2008-09 to \$111.7 billion in 2016-17.

EXAMINING THE BREAKDOWN

CULTURAL ACTIVITY increased by \$12.1 billion or 23.5 per cent from \$51.4 billion in 2008-09 to \$63.5 billion in 2016-17.

CREATIVE ACTIVITY increased by \$24.5 billion or 32.6 per cent from \$75.2 billion in 2008-09 to \$99.7 billion in 2016-17.

GVA FOR CULTURAL INDUSTRIES increased by \$6.6 billion or 18.8 per cent from \$35.2 billion in 2008-09 to \$41.9 billion in 2016-17.

GVA FOR CREATIVE INDUSTRIES increased by \$19.9 billion or 34.5 per cent from \$57.9 billion in 2008-09 to \$77.8 billion in 2016-17.

The value of **VOLUNTEER SERVICES** to arts and heritage organisations was \$983 million in 2016-17, \$227 million more than \$756 million in 2008-09. This value is identical to the total cultural and creative value of volunteer services due to the cultural and creative overlap of arts and heritage organisations.

NON-MARKET OUTPUT of market producers in cultural industries was \$68 million in 2016-17, with an increase of \$13 million compared to 2008-09.

NON-MARKET OUTPUT of market producers in the creative industries was \$73 million in 2016-17, with an increase of \$18 million compared to 2008-09.

By the gross value-added metric, the contribution of cultural and creative industries to the economy in 2016-17 was \$86 billion, or 5.2 per cent (Australian Bureau of Statistics). That's almost twice the contribution of agriculture, fishing and forestry (\$48 billion), and more than half that of the mining industry (\$148 billion in 2017-18).⁵

The National Farmers Federation recently reported that the agricultural sector at farm-gate, provides 3 per cent of Australia's gross domestic product. Australian farm production was valued at \$60 billion in 2016-17, with 77% of what is grown and produced exported.

Tourism Research Australia (TRA) recently indicated that 1.7 million domestic overnight guests and 939,000 international guests visited farms during their trip for the year ending 2019. The agritourism sector is currently worth approximately \$9.4 billion a year.⁶

All indicators are pointing to a growing regional sector and greater integration of cultural industries with tourism, agriculture, health, education and technology specifically.

4 <https://www.communications.gov.au/publications/cultural-and-creative-activity-australia-2008-09-2016-17>

5 Alison Croggon - The Desertification of Australian Culture -- The Monthly - October 201

6 Domain Age Newspaper 2 November

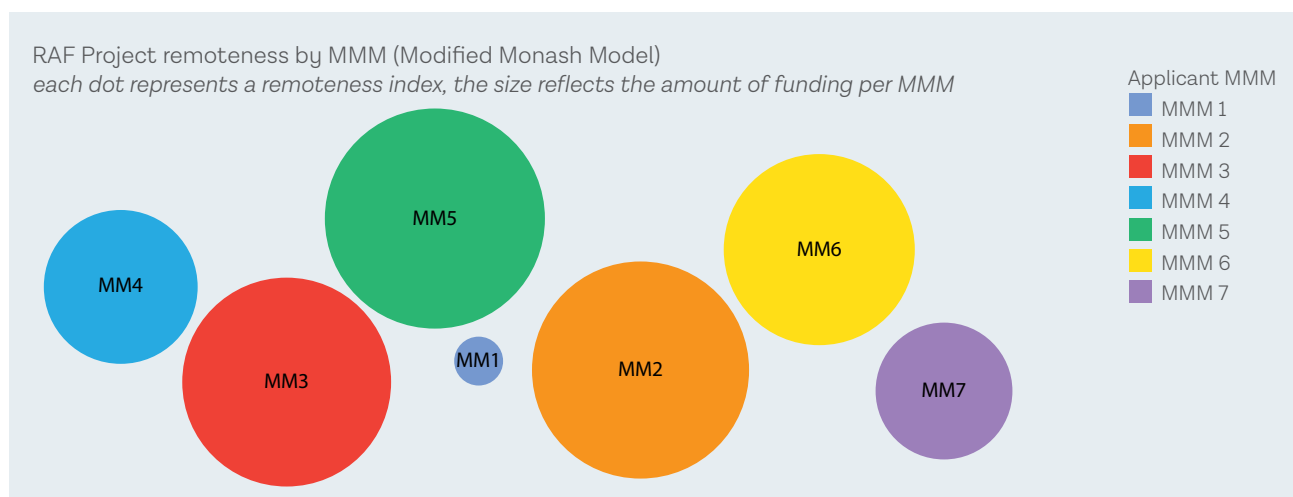
REGIONAL ARTS FUND

THE REGIONAL ARTS FUND (RAF) IS AN EXTENSIVE NATIONAL PROGRAM AND ONE OF THE MOST SUCCESSFUL CULTURAL PROGRAMS SUPPORTING ARTS AND CULTURE IN REGIONAL, REMOTE AND RURAL AUSTRALIA.

RAA manages the Regional Arts Fund (RAF), on behalf of the Australian Government distributing \$13 million dollars over four years. The objectives of the fund are keyed closely to economic outcomes, leveraged income, community engagement, employment and professional development. The RAF helps bridge the geographical divide between Australia’s regional cities and regions. It demonstrates capacity building within local communities and communities of creative practice and connects and builds partnerships with creative institutions while building cross industry partnerships, in health, education, tourism, jobs and growth contributing to regional communities, wellbeing and liveability.

The cultural and creative industries play a critical role in contributing to the creativity, diversity and prosperity of Australia’s rural economy. The arts are vital enablers helping us to explore vibrancy, diversity, accessibility and inclusiveness and are fundamental to nation-building, and to the continual advancement of the economy and environment. Through exhibitions, film, dance, performance and music we can generate stories, connection and narratives of place, community and identity.

The Regional Arts Fund is a vital source of artistic and creative stimulus to regional communities, underpinning community wellbeing and liveability. The RAF program supports professional development and provides employment, leverages significant additional funds and reaches an extensive audience.



Round	Program	# grants	%	\$ amount granted	%
QRG_1819	Quick Response Grants	238	66%	\$475,142.32	18%
18_2	Community Grants	59	16%	\$1,055,578.00	39%
	ACT Community Grants	2	1%	\$34,325.00	1%
19_1	Community Grants	48	13%	\$592,097.00	22%
SP_1819	Strategic Projects	8	2%	\$324,351.00	12%
CW_1819	Cultural Worker Positions	8	2%	\$300,000.00	8%
		363		\$2,681,493.32	

REGIONAL ARTS FUND

VALUE OF THE FUND

2008 the Regional Arts Fund (RAF) was valued at \$22 million across four years.

2012 the fund was half that of 2008 valued at \$12.54 million over four years.

2012–2016 Regional Arts Fund supported;

- 1,458 Projects
- 3,979,899 Participants
- 3,105 Partnerships
- 843 Professional Development Opportunities
- 1,943 Artists and Arts workers received employment
- \$28,230,714 Leverage Income

2016–2020 the fund is currently valued at \$13.853,000 over four years (2016-2020).

In **2017-18** the total annual funding was \$3,472,00 (including indexation).

In **2018-19** a total of \$2,681,493.32 in funding was allocated to 363 projects across all States and Territories.

8

Strategic Projects

8

Cultural Worker positions

109

Community Projects

238

Quick Response Grants

RECOMMENDATION

Demand for the regional arts fund is higher than ever with some jurisdictions seeing an almost 70% unmet need and demand across applications.

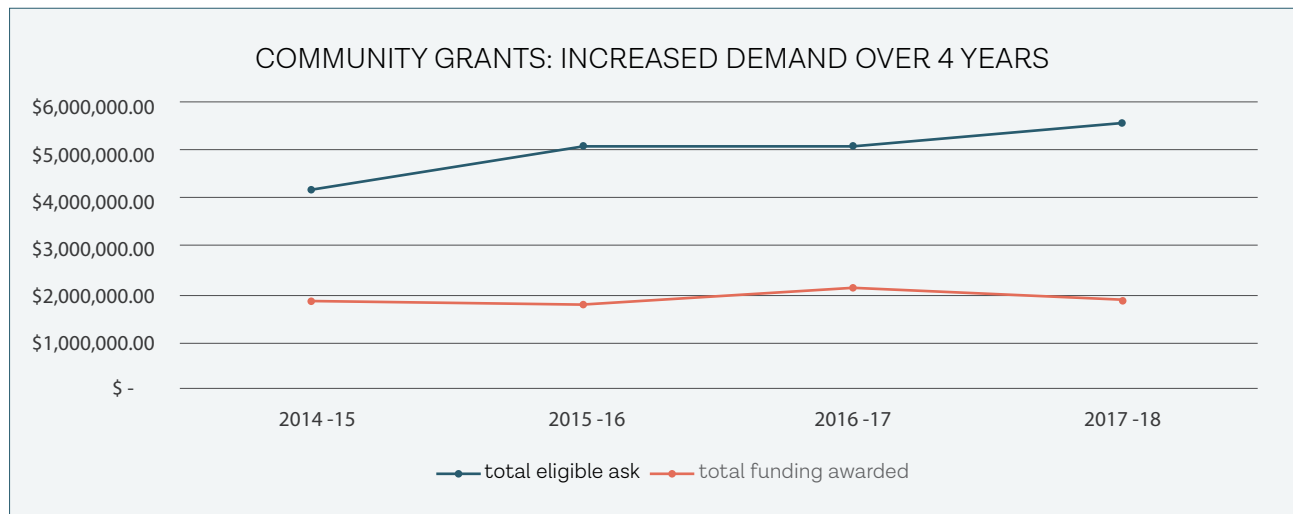
We recommend the Regional Arts Fund be increased in value and restored to its pre 2010 value by lifting the total value of the fund to \$22.5 million over four years. This is a commitment to increase the fund by \$8million over 4 years beginning in July 2020.

We are also calling for an investment of \$250,000 a year (\$1 million over 4 years) as core funding to Regional Arts Australia. This funding will ensure arts and creative industries continue to bridge a cultural and geographic divide by respecting and valuing contemporary regional practice across the national regional landscape and regional, rural and remote communities.

Our submission is based on feedback through Regional Arts Australia's national survey and data from recent Regional Arts Fund rounds. These sources highlight the demand across states and territories.

REGIONAL ARTS FUND

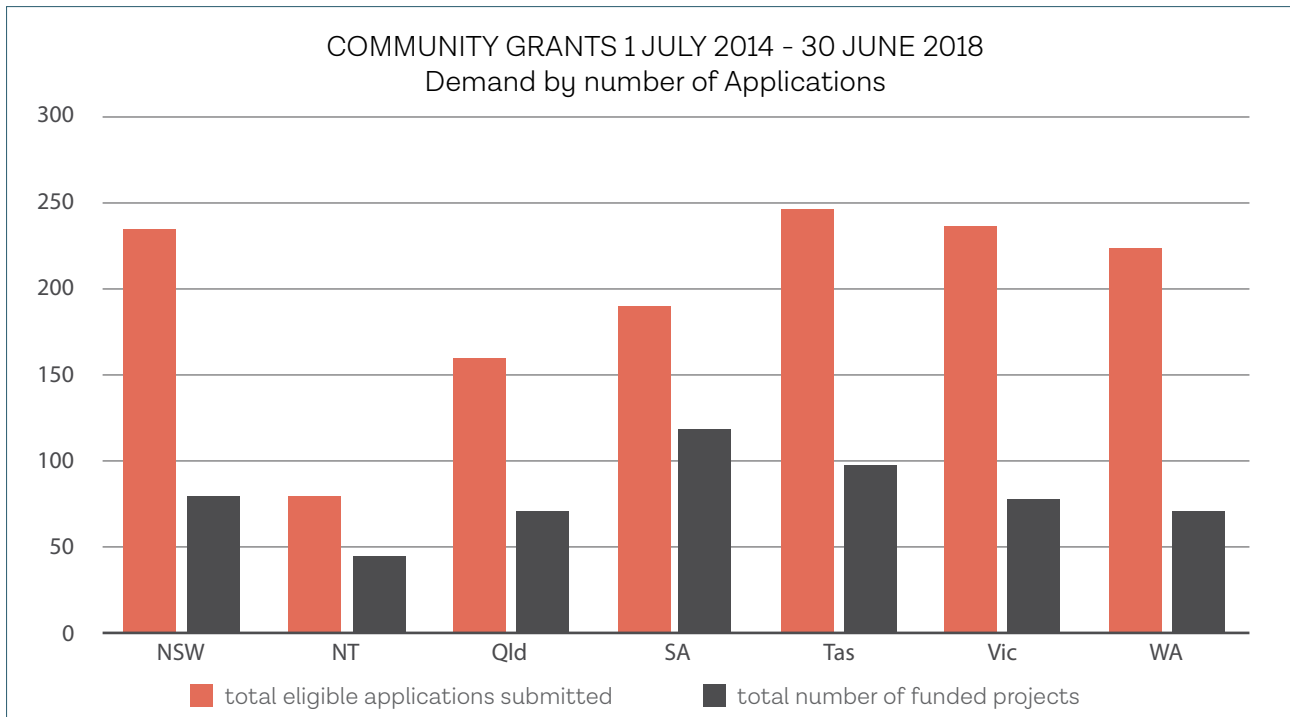
INCREASE IN DEMAND OVER FOUR YEARS



DEMAND PER STATE

	TOTAL ELIGIBLE APPLICATIONS SUBMITTED	TOTAL NUMBER OF FUNDED PROJECTS	PROPORTION
NSW	232	79	34%
NT	79	44	56%
QLD	159	71	45%
SA	190	118	62%
TAS	245	96	39%
VIC	236	78	33%
WA	222	69	31%
	1363	555	

REGIONAL ARTS FUND



DEMAND BY FINANCIAL YEAR

	total eligible applications received	total eligible ask	total no of funded projects	total funding awarded	proportion # projects	proportion \$ funding
2014-15	311	\$4,166,819.96	146	\$1,834,508.78	47%	44%
2015-16	360	\$5,060,246.67	143	\$1,838,861.40	40%	36%
2016-17	329	\$5,030,464.66	142	\$2,162,198.30	43%	43%
2017-18	363	\$5,584,338.92	124	\$1,844,404.75	34%	33%
	1363	\$19,841,870.21	555	\$7,679,973.23		

AUSTRALIA COUNCIL FOR THE ARTS

We support our colleagues in calling to enhance Australia Council's capacity to invest in programs to support sustainability and growth of multi-year funded performing arts organisations, individual artists and arts workers, and increases capacity to project fund the high level of unfunded excellence and new ambitious work.

This proposal seeks an investment of \$15million in 2020-21 to increase the resources available to the Australia Council to invest in innovation and to support Individual Artists and Small-to-Medium Organisations.

This is made up of:

\$7m for the Australia Council Four-Year Funding Program Initiative

An increase of \$7m per annum to the four-year funding program would enable the Australia Council for the Arts to continue to invest in an equivalent number of small to medium, four-year funded companies (124) in 2020/2021⁷. Without this investment, there will be a drop of up to 28% in the number of organisations supported through 2021-2024.

\$8m for the Australia Council Project Funding Initiative

This initiative is one of the principle tools through which the national arts funding body can encourage individual artists and small organisations – not supported through other means – to try new ideas. Alongside the Four-Year program investment, \$8m p/a to the grants program would increase the investment in individual artists and small-to-medium organisations above 40% of the total Australia Council funding mix⁸, ensuring these contributors to innovation are better represented at a national level.

⁷ <https://www.tna.org.au/wp-content/uploads/2019/10/TNA-FYFO-Modelling-2021-2024.pdf>

⁸ <https://www.australiacouncil.gov.au/workspace/uploads/files/australia-council-annual-repor-5dca054eeefc.pdf>

REGIONAL ARTS AUSTRALIA RECOMMENDATIONS

TIMEFRAME

Immediate (2020-21)

Regional Arts Australia has been managing the RAF since 2001. 2019/20 is the final year in our four year deed with the Australian Federal Government through the department of Communications and the Arts. Negotiations are currently underway for a new Four-Year Deed from July 2020 (2020-24).

The Australia Council for the Arts current round Four-Year funding initiative is due for renewal in 2020-21.

Now is the ideal time for this investment.

OUTCOMES

The demand for support for creative community activity is substantial. The number of unsuccessful funding applications for high quality cultural projects in regional Australia through the Regional Arts Fund approaches 70% in some jurisdictions.

A substantial increase in funds would facilitate an expansion of the RAF program with financial support, professional networks and institutional connections across art forms, creative industries and geographic locations. The additional funds would increase artistic and creative activity across regional, rural and remote Australia through multi-artform, cross-industry and multi-location projects and professional development.

KEY OBJECTIONS INCLUDE;

PARTNERSHIPS WITH PHILANTHROPIC AND CORPORATE COMMUNITIES

BUILD CROSS-INDUSTRY PARTNERSHIPS, IN AREAS SUCH AS HEALTH, EDUCATION, TOURISM AND AGRICULTURE

SUPPORT DROUGHT EFFECTED AND AGRICULTURE COMMUNITIES

DEMONSTRATE CAPACITY BUILDING WITHIN LOCAL COMMUNITIES AND COMMUNITIES OF CREATIVE PRACTICE

PROVIDE NETWORKING, PROFESSIONAL DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES

EVALUATE THE SOCIAL IMPACT OF THE CREATIVE ARTS AND CREATIVE INDUSTRIES IN REGIONAL COMMUNITIES

A CATALYST FOR POLICY DEVELOPMENT TO INFORM A NATIONAL REGIONAL ARTS STRATEGY

CONTRIBUTE TO THE ECONOMIC, ARTISTIC, CULTURAL AND COMMUNITY CAPACITY OF REGIONAL, RURAL AND REMOTE AUSTRALIA

PRESENT HIGH LEVEL OF RETURN ON INVESTMENT

REGIONAL ARTS AUSTRALIA RECOMMENDATIONS

An investment in the Australia Council mechanism for investment provides a tested, rigorous, competitive national process that prioritises new thinking. Both Regional Arts Australia, the Regional Arts Fund and Australia Council provide the government with a direct, cost effective and fiscally responsible means to boosting innovation within the national cultural ecosystem.

IN CONCLUSION

It is Regional Arts Australia's belief that the arts are essential in regional, rural and remote Australia. Sustainable and vibrant arts and creative industries deliver real short, medium and long-term benefits for all communities and the regions in which they work with measurable impacts across artistic, social, economic and health indexes.

Measures that ensure our regional communities have access to culture, ideas and knowledge must be included in any planning considerations to improve the likelihood that people will continue to work and live in our regions.

We note that there are many and varied ways in which the arts continue to shape regional Australia beyond those provided here. We would welcome the opportunity to discuss these in more detail, and can be reached at any of the details below.

SUMMARY OF RECOMMENDATION

The thriving national regional arts sector demands a crucial dialogue on the impact created by regional arts and artists. Partnerships are critical in this model and are key in leveraging cross industry support and championing regional arts beyond the regional arts sector.

We recommend that

1. The Regional Arts Fund be increased by \$2million a year (\$22.5 million over four years)
2. RAA core business be funded at \$1 over four years (\$250,000 per year)
3. Australia Council for the Arts funds be increased to \$15 million a year x 4 years

For further information or to discuss the submission please contact

Ros Abercrombie Executive Director Regional Arts Australia.

SUBMISSION CONTACT

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