

Senator the Hon George Brandis QC
Minister for the Arts
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Canberra ACT 2600

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31 July 2015

Dear Minister Brandis

Re: draft guidelines for the National Program for Excellence in the Arts (NPEA)

ArtsPeak (the confederation of Australian national peak arts organisations and arts industry councils) welcomes the opportunity to respond to the recently released draft guidelines for the Federal Government's National Program for Excellence in the Arts (NPEA). ArtsPeak particularly welcomes the Government's statement about the *intrinsic* value of the arts:

“While valuing the many secondary benefits which flow from arts activities, the Program seeks to celebrate the intrinsic capacity of the arts to engage, inspire and make meaning for all Australians.”

1. Sustainability

ArtsPeak's first observation is that this program is to be funded out of existing funding allocations instead of new money. In removing \$104.8m over four years from the Australia Council budget, the NPEA will be using resources that were previously allocated by the Australia Council to support individual artists, groups and the operations of small to medium arts organisations, market and audience development activities, international engagement, strategic projects, capacity building, and its own research and operations. Our responses are made in the light of these changes.

ArtsPeak expresses its great concern that the new program excludes individual artists and core funding for organisations. The remaining funds for the Australia Council are now insufficient to ensure the sustainability of those areas of the arts sector for which it has responsibility, critically the individual artists and the small to medium arts organisations that are the lifeblood for new work that speaks about and to this generation.

In 2012, the previous Australian Government commissioned a Review of the Australia Council by consultants Gabrielle Trainer and Angus James. They identified the need for the arts to be properly funded to “stimulate areas of long-term advantage in our economy”. ArtsPeak supports reform in the arts, and was fully supportive of the implementation of the Review's findings, including a complete overhaul of the Australia Council's key organisations program. However, the Australia Council's reform agenda was halted before it had been fully implemented.

Adopting the recommendations made by the Review, in 2013 the Labor government increased its funding to the Australia Council by \$75.3 million over four years which included \$60 million in critical funding for artists and arts organisations. In 2014 the current government cut the funding back by \$28.2m over four years (plus \$6m over 3 years for the National Book Council) and in 2015 has removed a further \$104.8m (plus \$7.3m in efficiency dividend).

This now put arts funding well behind where it was 2 years ago. Many state and local governments and philanthropists have made it clear they will not fill this gap.

ArtsPeak recommends that the Government restore funding to the Australia Council to at least 2013 levels.

2. Duplication

ArtsPeak observes that the new guidelines make it evident that there is duplication between the objectives of the NPEA and those of the Australia Council (strategic initiatives and international), Community Partnerships Australia (endowments), and the Department of Foreign Affairs and Trade (cultural diplomacy), and this diminishes the authority and effectiveness of these three entities and wastes resources. The use of the grant funds to support these programs also represents a cut to arts funding by using the resources to support some programs that were previously supported by other areas of government eg the Australian International Cultural Council.

Endowments

The guidelines state that the endowment program is for grants for “organisations leveraging funds from other sources to realise projects”. Rather than a true endowment, this is another grant round which needs co-investment. Many grants through the Australia Council and state funding bodies also require co-investment. The activity suggested to be funded through this program is very broad: fellowships; infrastructure; or new work – all valuable activity that can currently be funded through the Australia Council which appears to have more rigorous assessment processes. Creative Partnerships Australia’s brief is to help develop the arts sector’s capacity to seek new funding partnerships. The NPEA endowment program is a duplication of that brief.

International and Cultural Diplomacy

This program is for “international tours, exhibitions, partnerships and exchanges”. Again these are valuable activities, but the existing international programs and initiatives offered by the Australia Council are highly developed and effective. They provide support for exchange programs, residencies, development programs, market opportunities and touring support. One of the programs cut already from the Australia Council because of the budget measures is the international status for organisations which had already been doing significant touring internationally. This program could benefit greatly from a major injection of new funds, but instead it has been decimated, and the funding used for the new NPEA which now essentially duplicates what the Australia Council has been doing.

ArtsPeak recommends that the way in which the funding assistance offered by the NPEA, Australia Council, Community Partnerships Australia, DFAT, the National Book Council and the State and Territory governments will work in relation to one another be clarified and widely communicated to the arts community and should not involve applicants in unnecessary duplication of effort.

3. Definitions

Unlike the Australia Council’s criteria for assessment, there is no definition of some of the critical central terms used in the NPEA against which judgments are to be made about what is worthy of support. The grant criteria of ‘quality’, ‘access’, ‘support’ and ‘partnerships and value for money’ are insufficiently defined and leave too much open to arbitrary interpretation by assessors and the Minister.

ArtsPeak advises that to avoid confusion, waste of time by applicants and confusion amongst assessors, the criteria used to make assessments be more clearly and fully articulate. For example what is meant by: the nature of the project; creative partners, audience appeal; public benefit etc?

ArtsPeak recommends that the criteria be fully and unambiguously articulated.

4. National overview

The NPEA guidelines show that applications will be considered at any time in order of receipt, though confusingly it then goes on to say that the Minister will deal with them quarterly. With the lack of a coherent evidence based arts policy or national overview to guide decision making, it is unclear on what basis the NPEA will contribute to ensuring there is “*an appropriate mix across art forms and types of activity, between regional, urban and international projects and across a range of communities*”. There is a danger that ad hoc choices are likely to be made without regard to how they contribute to a coherent and broad cultural mix. This challenge will be exacerbated by the need to co-ordinate decision making with the Australia Council and state and territory arts funding bodies. The previous government was committed to putting in place an ‘Accord’ to try to streamline co-ordination, but this seems to have been shelved.

ArtsPeak recommends that the Government undertake work on an evidence based arts policy to enable the setting of informed, clear and justifiable priorities to guide wise decision making which builds the capacity of the arts sector and cultural development within the Australian community.

5. Principles of arms’ length funding and peer assessment

The NPEA draft guidelines say there will be around three assessors with one or two of them being ‘independent assessors’ working along with departmental staff. They will be approved by the Minister and directly accountable to him. It does not seem credible that such a small number of independent assessors could have sufficient breadth of experience and knowledge to be able to make informed recommendations across the whole field of the arts. In addition, the workload for such a small number of advisers will be huge. In the guidelines there is no indication about how independent assessors will work with Ministerial staff and what is the hierarchy of decision making on the assessment panels. More information is needed about how the assessors will be selected, appointed and managed and their Terms of Reference. For example: will the Ministry release selection criteria for the assessors; will there be an open public call for involvement as for the Australia Council peer process; what exactly will be their role within the assessment process; will their names be disclosed?

*ArtsPeak strongly urges that a larger pool of **peer** assessors be used appropriately matched to the scope of applications received, in order to be able to make informed decisions.*

ArtsPeak also notes with concern that the lack of independence of departmental staff and the final sign off responsibility of the Minister does not meet the principles of arms’ length funding and genuine peer assessment.

6. Freedom of Expression

ArtsPeak is concerned that with the funding now under the direct control of the Minister, there is doubt about how freedom of artistic expression will be protected, especially for artists whose views may run counter to those of government. The flow on effect would be a denial for audiences to have access to ideas that are not consistent with 'Government policy objectives'.

7. Transparency and accountability

One of the matters of most concern to ArtsPeak is the clause that would enable the Minister to withhold information about which entities have been funded. This raises the suspicion of potentially politically motivated grant giving. ArtsPeak maintains that the community has a right to know how their taxes are being applied and all grant recipients should be publicly disclosed.

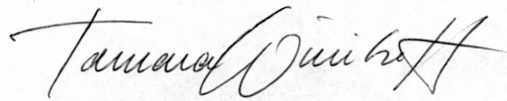
ArtsPeak recommends that this condition be made explicit and a guarantee given that it cannot be used for obscuring grants made for political purposes.

ArtsPeak thanks you for the opportunity to comment and looks forward to your response.

Yours sincerely



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