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COMMONWEALTH OF AUSTRALIA

# Proof Committee Hansard

## SENATE

ENVIRONMENT AND COMMUNICATIONS REFERENCES  
COMMITTEE

**National Cultural Policy**

(Public)

FRIDAY, 14 APRIL 2023

CANBERRA

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## ENVIRONMENT AND COMMUNICATIONS REFERENCES COMMITTEE

Friday, 14 April 2023

**Members in attendance:** Senators Cadell, Davey, Grogan, Hanson-Young, Hughes, David Pocock and Thorpe

### **Terms of Reference for the Inquiry:**

To inquire into:

- (a) the National Cultural Policy released on 30 January 2023; and
- (b) any other related matters

**FIELDING, Ms Kate, Chief Executive Officer, A New Approach**

**CHAIR:** I would now like to welcome the representative from A New Approach to the table. I understand that information on parliamentary privilege and the protection of witnesses giving evidence to Senate committees has been provided to you. Would you like to give us an opening statement, Ms Fielding?

**Ms Fielding:** Yes, thank you. Australia can become a cultural powerhouse whose compelling creativity is locally loved, nationally valued and globally influential. A New Approach, Australia's independent arts and culture think tank, welcomes Australia's new cultural policy, *Revive*, as a good next step towards reaching that potential.

Our research involving middle Australians living in outer suburban and regional locations in every state and territory shows that everyday Australians believe arts and culture are core to being Australian and, indeed, being a human and essential to connection and cohesion. Middle Australians aged 18 to 75 believe that a world without arts and culture would lack colour, expression and freedom. This perception of benefits is matched by a high rate of participation and by credible international and Australian research confirming those benefits.

Transparent, targeted and coordinated expenditure by governments helps ensure that all Australians can access these personal and public benefits. Cultural policies exist in various forms at local, state, territory and federal levels in formal documents such as *Revive* as well as through programs, activities, investments and stated policy positions. I want to highlight this to you today because all three levels of government are active and important in this space.

Here come the figures. As a proportion of total non-COVID cultural funding contributed by the three levels of government in 2020-21, the Commonwealth contributed 38 per cent, the states and territories 37 per cent and local governments 25 per cent. This \$7.2 billion was directed to the full spectrum of arts and cultural activity across the country. However, cultural funding is not keeping up with population growth. Since 2007, the Australian population has grown by 20 per cent, while cultural expenditure by governments has increased by only 10 per cent. Australia now ranks 23rd out of 31 OECD countries for government spending on recreation, culture and religion as a percentage of total GDP.

Growing total financial inflows from government, philanthropic, industry and consumer sources is important for fostering cultural activity, but so is focused and effective use of existing funding across all three tiers of government. To this end, and as outlined in our submission, A New Approach believes progressing the Productivity Commission inquiry recommended by a bipartisan committee in 2021 would be worthwhile to inform the development of future policy and investment decisions. Likewise, we think that further work to foster more intentional and coordinated cross-portfolio investment would be fruitful in the long term. These actions are part of Australia's journey towards becoming a cultural powerhouse. Thank you.

**CHAIR:** Thank you.

**Senator GROGAN:** Thank you very much. You've raised something I did want to explore, which is that cross-portfolio piece. We frequently hear from people saying that this particular art or cultural piece is about health, social inclusion or whatever other portfolio. The expectation is that it then should be funded from those portfolios. Obviously, the observation of the portfolios would be that their core intention is, for example, health, rather than arts or culture. So it's a really difficult piece, because, yes, there are amazing benefits in all sorts of areas, particularly in that health and social space, where arts and culture are so valuable in terms of giving people an opportunity to grow and experience those things without being challenged or limited by their health status, their social status et cetera. As a think tank in this space, which is great, how do you see that conceptually?

**Ms Fielding:** There are two points that I'd like to make there. Firstly, in that year that I was talking about, 2020-21, there were 100 agencies and departments at those three levels of government that reported cultural funding. This tells us that this is already happening across a fairly broad part of government activity. I'd also highlight that we were able to analyse the French government's accounts, and they release a detailed set of accounts—it's a globally significant thing—that allow us to see the cultural funding in portfolios that are not the culture portfolio. The OECD has highlighted this, that the majority of cultural funding in France comes from outside the culture portfolio. My point there is that we are, to some extent, already doing that cross-portfolio work. It would be wonderful if it was made more transparent in terms of that clarity around where that investment is coming from, and the purposes behind it. I think there are some real benefits to being more able to see what is already happening to help inform that very, very needed conversation about cross-portfolio intentions and investment in this space.

**Senator GROGAN:** So that comes to your point in your opening statement about intentional activity.

**Ms Fielding:** Absolutely.

**Senator GROGAN:** As opposed to the more—I will just say 'unintentional' because the better word is not coming to my head.

**Senator DAVEY:** Incidental.

**Senator GROGAN:** Incidental—we'll use that. I was going to use a much more negative word, and I thought I really shouldn't. With those 100 agencies, have you done any analysis across that as to what inspired them to do it, whether it was from discretionary grant funding?

**Ms Fielding:** I'd love to do that analysis. That information is not released. Who those agencies are is not released as a part of the dataset.

**Senator GROGAN:** Ah, okay. Just the fact that there's 100 of them?

**Ms Fielding:** Yes.

**Senator GROGAN:** That's very interesting. When you were talking about expenditure and percentage of GDP or whatever that we're spending, Australia is ranked 23rd out of 34 OECD countries?

**Ms Fielding:** Australia is 23rd out of 31. They're the ones that report that information.

**Senator GROGAN:** Okay. Has that moved around much over the years?

**Ms Fielding:** For the years for which we have data we are decreasing at a greater rate than the rest of the OECD countries. We're falling behind.

**Senator GROGAN:** Okay. That is not good, is it? You also talk about identifying a target for government expenditure. How would you see that being scoped?

**Ms Fielding:** This is the type of work that we think needs to be done over the long term. In our submission, we've suggested that might be work that the Productivity Commission could review. The key point there is this is a serious part of Australia's culture and society and, while this new policy is terrific, there are still gains to be made in taking an intentional and serious approach in utilising some of those mechanisms within government to try and answer questions like are we being effective? How can we make this more targeted? What is the purpose of what we're trying to do? If we've got 100 agencies across three levels of government, it's clearly an area of active interest, so how can we better inform that interest?

**Senator GROGAN:** With the funding and the structures that are in the NCP, do you feel like that's going to make a significant difference?

**Ms Fielding:** I think that the new cultural policy is very much a supply-side policy, and that's terrific. It's explicit about the fact that that's where its focus is, that it's a sector focused policy. I think there are some really great measures in that. I would signal, and I hope our submission conveys this, that it's a next step, it's not a first step. It's obviously building on many things. It's a next step in this process. My encouragement is that we treat it as a next step and treat the conversation as, 'And what would the next step be,' to keep building on that.

There was a question I heard one of the committee members ask earlier about bipartisanship. If I said one thing back to you, it would be 'multipartisanship'. This is an area where there is real benefit to the Australian people in having a multipartisan approach. It really doesn't benefit from being a political football. This is our culture, this is our society, this is our nation, and it really should sit as one of the things that we hold dear.

**Senator GROGAN:** Excellent. Thank you very much.

**Senator DAVEY:** Thanks for attending today, Ms Fielding, and thank you for your work. I read your reports, they're very insightful. I just want to come back to—we're 23rd out of 31 in the OECD, in terms of spending on culture. When you did that analysis, did that include the 100 agencies reporting culture? So that is all the incidental—

**Ms Fielding:** Yes.

**Senator DAVEY:** out-of-portfolio spending as well.

**Ms Fielding:** Absolutely.

**Senator DAVEY:** Right. That puts it in a different light. In your submission, you talk about calling for better coordination. Is that what you're talking about when you want to see a bit more transparency in the cross-portfolio, but also a bit more intention behind cultural spending across portfolios? Is that the better coordination piece?

**Ms Fielding:** The better coordination piece is definitely cross-portfolio, but also across levels of government. Like you, Senator, I've spent most of my life living in regional Australia and have seen many instances where there has been amazing regional development investment into cultural facilities that is not necessarily matched or

coordinated with the type of expenditure that is required for the recurrent responsibilities there. Often those fall to either a state or territory or local government. So, when we talk about coordinated, it's about going: 'There is significant investment into the space. There is the opportunity for that to be better harnessed to support the opportunities for Australia, and that goes both cross-government and cross-portfolio.'

**Senator DAVEY:** When you talk about some of the investments in regional—often they're facilities, so they're investments in a new museum space or new gallery space in a regional area. Are you saying better coordination because it is not necessarily then matched by support for putting things in it? It's not a 'build it and they will come' scenario.

**Ms Fielding:** Absolutely. Taking a place based approach to cultural infrastructure would be a step forward.

**CHAIR:** A place based approach?

**Ms Fielding:** To cultural infrastructure, yes. Thinking about cultural infrastructure and cultural access, so the opportunity to participate and contribute to our cultural life right across the country, in our cities, in our outer suburbs, in our regional and remote communities. Looking at that cultural infrastructure from both a build and an operating perspective and treating it as a central part of what is expected in 21st century Australia. Our work with middle Australia tells us really strongly that access to culture in the place where you live and opportunities to participate and contribute is an expectation of our communities.

**Senator DAVEY:** You've done a lot of work in also trying to understand the value that the community puts on art, and not just traditional art, and getting communities to put a value on arts experiences and maybe the incidental exposure to the arts, which has been very informative. Have you also done work on the return on investment or potentially the multiplier impact of regional arts expenditure in particular? I've worked with organisations that literally operate on the smell of an oily rag. They don't have the opportunity to get the big audience income because they're playing in areas with very low socioeconomic advantage, but there is the non-financial multiplier effect for every person touched. Have you done any work on that?

**Ms Fielding:** There are excellent case studies done on that ROI piece. At the moment we're working on a piece looking at a conceptual ROI model. I would say that this is an area of international interest that has not been solved, and that's my polite way of saying that, yes, there are excellent case studies that can be used—and place based case studies—but the broader model, of how we understand this, is still an emerging area. I'm happy to provide, on notice, some examples of that ROI.

**Senator DAVEY:** I'd really appreciate that. I think it comes back to how we're so good at putting a dollar figure on everything but how the dollar figure is sometimes the wrong way to measure it.

**Ms Fielding:** Just on that, and picking up on your point about different communities, I would add that, from the most recent data that we have on household consumption and cultural expenditure, which is unfortunately only from 2016, for every dollar that the three levels of government put into this space, there is \$4 added by household consumption. I would emphasise that, while governments are an important enabler, activator and investor—all of those things—public consumption is a significant financial inflow into this space as well.

**Senator DAVEY:** Right. In your work, have you looked at—and, of course, I focus on the regions; you know that's my area of interest—the funding models that we have used prior to this national cultural policy? Getting multiyear investment into regional organisations has, anecdotally, to me, been more difficult. Have you done work on that piece, and do you advocate for more multiyear funding opportunities for smaller, regionally based organisations who don't necessarily have access to the really good grant writers or the other philanthropic avenues that are often centralised in our urban centres?

**Ms Fielding:** We haven't done specific work in analysing whether it has changed in any way, but we have identified that, within the arts and cultural industry broadly—and I want to keep emphasising that I'm talking broadly about arts and culture—there are long time frames for the development of skills and the recruitment of talent. In particular, in the instances that you're talking about, it may be a long process to develop local audience, as well to develop a product. A lot of funding that is transactional in nature—so, project based—relies on the infrastructure and the cultural infrastructure in a place, by which I mean the people and the buildings, which may not have the kind of stability that they need—

**CHAIR:** And the skills.

**Ms Fielding:** to provide that long-term build for audience and for product. That's a way of saying that this is a space where both private and public investors generally recognise that a long-term approach is required.

**Senator DAVEY:** Definitely.

**CHAIR:** Ms Fielding, with all of the research that A New Approach has done—and some of those figures are very interesting—have you compared the spending on creativity, culture and art to the government spending on sport?

**Ms Fielding:** That's a great question. The answer to that is no, and that's because there is not an excellent comparable dataset available for sport. There are some estimates that I can draw on, but I'll provide them on notice because they'll need some context to help highlight where they are and aren't comparable.

**CHAIR:** I was quite taken by an article in the *Canberra Times* a few weeks ago in which the Chief Minister, Andrew Barr, announced that the ACT government was going to spend money on a new theatre. To those who might have suggested that that's not the role of government, he pointed out the several millions of dollars that go from the ACT government to the various football clubs and that the territory government hadn't spent anything like that in terms of arts and cultural institutions. If you could take on notice some of that information, that would be helpful.

It strikes me that there's a lot of money going into our education institutions, our schools, our after-school activities and our youth programs in terms of hard infrastructure. There's a lot of public debate every bloody state election on whether a new stadium is going to be built or not and where it should be built, but where is the big debate about how much money should be spent on the new exhibition space or a new program that teaches kids how to write songs or play music or do art? There must be ways you can draw that information.

**Ms Fielding:** As I said, we have looked into it before because it's obviously an area of interest. Unfortunately, there's not excellent comparable data, but we'll give you what we have that will help inform that. If I may, one of the things that I found personally very interesting out of the extensive work we've done in the middle Australia sentiment work is that within those communities very clearly the idea that sport is part of life is there but also that arts and cultural opportunities are part of life. That comes out really clearly in the conversations around opportunities for children and young people to develop well and live a good life in the places where they live.

**CHAIR:** Yes. Some parents are spending their Saturday mornings taking their kids to soccer and other parents are spending their Saturday mornings taking their kids to dance classes and sometimes you have parents doing both. So, yes, the public is voting with their feet, but I'm concerned that the public spending side of it doesn't seem to be matching, let alone the rhetoric.

A New Approach previously called for a creativity commission. Is that still a policy that you have or are promoting? I know you've asked for a Productivity Commission review, but I'm interested in how that dovetails to a creativity commission?

**Ms Fielding:** The idea of a creativity commission is one that has been around for a few years. I think that it arose from the idea of looking at Sports Australia, the sports commission, and looking at different mechanisms for fostering opportunities and access for people across Australia as well as those pathways into professional opportunities. That is one mechanism and it is one model that could work quite well. At this point, the thing that we're focusing on is that Productivity Commission inquiry because we think that it is so clear when we look at the figures that the three levels of government are significant players in this space together, but not always in a particularly intentional way, and that's probably where there's a space of gain.

**CHAIR:** Senator Cadell?

**Senator CADELL:** Arts and creative stuff are not my home ground, but I've been immersing myself trying to get up to speed on them. The definition I like is that the arts are a manifestation of human intellectual achievement. The problem I'm having is defining where arts becomes industry and industry becomes arts through these different things, and I'm going back to first principles. Where do you see that?

For me, I have a problem because we're losing regional community newspapers to national voices and multinationals, and a lot of those journalists write stories that become movies and that become plays. We're losing a lot of grassroots things from industry. Where do you see that coming in? Obviously, we're not talking about newspapers here, but I see so much evolving out of that into the arts industry.

**Ms Fielding:** My and our approach to arts and culture—which is a phrase that we use—is broad and inclusive. It takes in the Sydney Opera House and it also takes in the mullet festival in outback New South Wales.

**Senator CADELL:** That's in Kurri Kurri, my electorate.

**Ms Fielding:** I'll be there next year!

**Senator CADELL:** I'm now comfortable here!

**Senator GROGAN:** Do you know there's a tuna festival in South Australia?

**Ms Fielding:** I didn't actually know that, so I'm going to take that as a lucky one. Arts and culture includes everything from those grassroots community volunteer based organisations through to a multinational film company producing a global blockbuster. I guess the point is that it is inclusive of all those things, and the questions for government are around where you focus your intention in that very broad industry and community crossover. It's both a public and a private space.

**Senator CADELL:** Specifically I spoke to number people just trying to get up to speed—different barriers. I think entry is quite difficult on some stuff, but those declining ones are what's concerning me in all these ways. When you go back through, if I want to look at my family tree, I can go to these regional papers. I see the old stories that happened. We're going to lose that as we lose these country papers, so we're losing part of our history. We're losing part of our culture, as the big guys take on more, and we don't see that. If we're talking regional, we're talking about that. Can you see anything to help the declining industries preserve these arts, as well as promoting new stuff?

**Ms Fielding:** Absolutely. On notice I'll provide some data. We have done some analysis breaking out the broad cultural and creative industries and the trends in that over time. Certainly the drop in media is visible in that material. We'll pull that in.

**CHAIR:** We might leave it there, Ms Fielding. Thank you so much for your time. We appreciate it. We have a response date for questions on notice of 18 April, but if you have any problems with that, contact the secretariat.