



# The Big Picture 4

**Expenditure on Artistic, Cultural  
and Creative activity by governments  
in Australia in 2007-08 to 2021-22**

May 2024

**A New Approach (ANA)**

# Acknowledgements

## About A New Approach (ANA)

A New Approach (ANA) is Australia's leading think tank focused on arts and culture.

Through credible and independent public leadership, ANA helps build an ambitious and innovative policy and investment environment for arts, culture and creativity.

We work to ensure Australia can be a great place for creators and audiences, whoever they are and wherever they live.

ANA acknowledges the cultures of Aboriginal and Torres Strait Islander peoples in Australia and their continuing cultural and creative practices in this land.

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Rupert Myer AO (Chair), Sue Cato AM, Cass O'Connor, Catherine Liddle, Craig A. Limkin PSM and Genevieve Lacey. Board Associates 2023-24: Astrid Jorgensen OAM and Daniel Riley.

### ANA Reference Group

Genevieve Lacey (Chair), Ben Au, Julian Canny, Jane Curry, Professor John Daley AM, Shuba Krishnan, Damien Miller, Rupert Myer AO, Alison Page and Dr Mathew Trinca AM.

### ANA Partners

ANA is supported by a unique collaboration of 12 philanthropic organisations across the country. This national coalition comprises:



# About this report

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This report was produced by ANA. The overall direction was provided by CEO Kate Fielding; authorship was led by Director of Research Dr Angela Vivian with key contributions from Director of Policy Dr Alan Hui; and data analysis was led by consultant Tim Acker and Researcher Dr Sari Rossi.

ANA thanks all the people who generously reviewed this paper for their time and excellent feedback, including Rebecca Mostyn at Creative Australia, staff at the Office for the Arts and members of ANA's Board. However, any errors are our own. If you notice any errors, please get in contact at the contact details provided below.

The opinions in this Insight Report do not necessarily represent the views of ANA's funding partners, the individual members involved in governance or advisory groups, or others who have provided input.

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## The Insight series

This paper is the 12th in ANA's Insight series. Our Insight Reports provide a deep dive into research and analysis of a particular arts and cultural policy topic or other areas of interest.

Explore our previous work at [www.newapproach.org.au](http://www.newapproach.org.au).

Contact us about this work via [hello@newapproach.org.au](mailto:hello@newapproach.org.au).

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# Executive summary

## In this Section

**Key findings**

**Key opportunities**

One hundred and ten agencies (including departments and authorities) across the three levels of government are identified as investing in cultural and creative activities in 2021–22, according to the cultural funding by governments survey. This figure – which represents 10 more departments than in 2020–21 – suggests governments recognise the impacts of cultural and creative activity across their portfolios and on Australia’s economic, social, environmental and cultural vitality.

The **primary purpose** of ANA’s *Big Picture* series is to understand the long-term story of cultural expenditure by governments and identify *strategic* and *structural* opportunities for change. The series provides evidence-based contributions to debates about financing arts and culture in Australia.

## Why this is important

- To empower cultural and creative industries to plan for and invest in their own success.
- To foster awareness that government investment in arts and culture in Australia is part of a wide range of financial inflows that facilitate cultural and creative engagement by people in Australia, with its positive contributions to social cohesion, thriving communities and productivity.<sup>1</sup>
- To provide long-term context for future decisions within governments that support the Australian population’s cultural and creative engagement. This engagement is now being measured by the federal government<sup>2</sup> and Treasury<sup>3</sup> and offers benefits that people of Australia recognise.<sup>4</sup> It is also identified as a cross-curriculum priority for governments in a 2021 bipartisan Parliamentary report<sup>5</sup> and its benefits are well documented in international and Australian evidence.<sup>6</sup>
- To inform national and worldwide efforts to collaborate in financing arts, culture and creativity. These efforts include Australia’s work with other UNESCO members on culture, which 152 countries, including Australia, declared as a ‘global public good’, alongside other global public goods such as health, information, economy, science, digital and peace.<sup>7</sup> This work extends to cultural activities for the Olympics and cultural cooperation through the UNESCO World Forum on Cultural Policies.<sup>8</sup>

This series supports ANA’s broader aim of ensuring creative and cultural engagement for the Australian public and securing Australia’s opportunity to be a cultural powerhouse in the 21st century.

## What we examined

The *Big Picture* series overview of trends in government investment in arts and culture is based on an analysis of Australia's most comprehensive dataset on this topic, the cultural funding by governments (CFG) series.

Specifically, this fourth *Big Picture* report:

- Provides an updated overview of expenditure trends covering the years 2007–08 through 2021–22, based on our analysis of the latest CFG release;
- Explores policy opportunities based on the CFG survey, as well as cross-country comparisons from the Organisation for Economic Co-operation and Development (OECD);<sup>9</sup> and
- Calculates expenditure directed to the cultural and creative industries during the three financial years most impacted by the pandemic in Australia. (See Box 1 below for more information about the different expenditure types and estimates throughout the report.)

## What we concluded

Australia's three levels of government increased investment in arts and culture to \$7.7 billion in 2021–22, up from \$7.4 billion in 2020–21 when adjusted for inflation. This increase took place amid enduring COVID-19 supports for industries,<sup>10</sup> fiscal pressures on governments,<sup>11</sup> rising costs of living<sup>12</sup> and a broadly 'rebounding economy'.<sup>13</sup> The rise indicates that the drop in investment identified in *Big Picture 3* for 2020–21 has not persisted.<sup>14</sup>

Government investment is important revenue for some cultural and creative industries. However, it typically constitutes a smaller proportion of total revenue for these industries compared to revenue from sales and services, including for not-for-profit organisations in the 'advancing culture' subtype, as demonstrated in previous ANA research.<sup>15</sup> Recognising the well-evidenced benefits<sup>16</sup> of cultural and creative engagement, this broader revenue context highlights the importance of a clear-eyed consideration of the roles and capacities of governments, industry, philanthropy and the general public in fostering an effective environment for both public and private investment and income generation. This ensures that Australians can access and benefit from these advantages.

In 2021–22, some trends identified in earlier *Big Picture* reports continued. Per-capita expenditure on arts and culture by all levels of government continued to decline. In 2021, Australia's spending as a share of GDP on 'recreation, culture and religion' remained lower compared to most OECD peers, with Australia ranking 26th out of 33 OECD countries.<sup>17</sup> This ongoing trend raises an unresolved question about the respective roles of governments, industries, philanthropy and other stakeholders in stimulating and supporting arts and culture, both in terms of direct and indirect investment.

This report also includes findings to help understand how governments distributed expenditure to respond to COVID-19 impacts. In 2021–22, COVID-19 vaccinations were rolled out to the general population, new variants emerged and international borders opened.<sup>18</sup> Consequently, 'COVID-19 expenditure' decreased in 2021–22 compared to the two previous financial years. Over the three financial years of the pandemic covered in this data (2019–20, 2020–21 and 2021–22), eligible businesses, programs and initiatives within the cultural and creative industries received \$13.6 billion of this 'targeted' (specifically for cultural activities) and 'wider economy' COVID-19 financial support. Of this, only \$1.0 billion, or 7%, was allocated in 2021–22, notably less than the \$4.5 billion in 2019–20 and \$8.1 billion in 2020–21. However, the impacts of COVID-19 remain part of the context for cultural expenditure by governments and are addressed in this report's Findings and Opportunities. This report highlights COVID-19's continuing impact on the quantum of government expenditure, the operations of the cultural and creative industries and the ways that governments have collected and reported this expenditure data.

## What we recommended

The five opportunities outlined in this 2024 report draw on the evidence and analysis by ANA of available data, as well as a broader ambition for more effective collaboration and coordination, improved transparency through reporting and effective investment that secures cultural and creative opportunities in Australia.

The report's Opportunities and ambition take into account Australia's context of fiscal restraint and acknowledge cost-of-living pressures. Given the close focus in this report on cultural expenditure by governments, the opportunities outlined identify ways governments can leverage the investments they already make and the data about investments they already produce.

## Box 1 – Explaining this Insight Report’s different terms, definitional scopes and expenditure types to understand cultural funding by government

To understand Australia’s government expenditure in arts and culture, ANA’s *Big Picture* series analyses a range of expenditure types and datasets. They each have different definitional scopes in their activities, in the levels of government reporting them, in the treatment by ANA and in their releasing authority.

Three of the four main types of expenditure are from the Australian *Cultural Funding by Governments*:

1. **‘Non-COVID-19 expenditure’** refers to the amount of recurrent and capital expenditure reported by all levels of government for activities, facilities and services in heritage and arts. The more tightly focused activities definition used in this survey was agreed upon between governments.
2. **‘Targeted COVID-19 support’** refers to the amount of expenditure reported by all levels of government in direct response to COVID-19 for cultural and creative organisations and infrastructure, businesses, individuals, support programs and initiatives. It uses the same activities definition as non-COVID-19 expenditure.
3. **‘Wider economy COVID-19 support’** refers to amounts of expenditure reported through the CFG during COVID-19 on a wider scope of creative and cultural industries, in line with the broader definition used within the federal government’s cultural and creative satellite accounts. It includes items such as the federal government’s support for the wider economy through *JobKeeper* and *Boosting Cash Flow for Employers*, as well as some states and territories’ COVID-19 supports.

The fourth type is from the OECD’s *National Accounts of OECD Countries*:

4. **‘Government spending on recreation, culture and religion’** refers to the expenditure that countries compile for the OECD. It is important to acknowledge that while this category of expenditure is internationally comparable, it captures a much wider range of activities than the CFG survey.

Where possible, ANA uses the term ‘investment’ to refer to government spending in the Big Picture series for two evidence-based reasons. First, the OECD notes that financing of cultural and creative sectors ‘should not be considered a cost but rather an investment, with the role of public, private and philanthropic financing continuing to evolve’.<sup>19</sup> Likewise, ANA’s focus groups with Baby Boomer middle Australians indicated that arts and culture should, in their opinion, be supported on the basis that it presents an investment in the community.<sup>20</sup>

The use of these terms throughout the Insight Report and in our analysis is based on ANA’s best understanding of the publicly available information, with more information available in the [Appendix](#). For the most accurate and detailed information about inclusions and exclusions in the CFG expenditure, please refer to the CFG methodology, which is discussed in the [Appendix](#). To better understand inclusions and exclusions in the OECD expenditure type, see [endnote 44](#).



# Key findings

The following findings summarise ANA's analysis of government investment in arts and culture in Australia between 2007-08 and 2021-22, including how the investment has changed over time and how Australia compares with other countries in this area of investment.

<b>Finding 1</b>	<p><b>Government investment in arts and culture increased in 2021-22.</b></p> <p>One hundred and ten agencies across the three levels of government directed \$7.7 billion into arts and culture in 2021-22. This represents a 4% increase from 2020-21 when adjusted for inflation, totalling \$319.6 million.</p>
<b>Finding 2</b>	<p><b>Australia ranks 26th out of 33 OECD countries for government investment in 'recreation, culture and religion'.</b></p> <p>Government spending on 'recreation, culture and religion' in Australia is below that of many of our international peers on a GDP basis. OECD countries, on average, spent 1.2% of total GDP, while Australia spent 0.9% of its GDP. Australia has remained below the OECD average from 2017 to 2021.</p>
<b>Finding 3</b>	<p><b>Government investment in arts and culture is not keeping pace with population growth.</b></p> <p>Australia's population increased by 22% between 2007-08 and 2021-22 to 26 million, while expenditure on arts and culture increased by 14%. Per capita government expenditure on arts and culture was \$295 in 2021-22. For comparison, the figure in 2007-08 was \$314 per person when adjusted for inflation, which represents the highest expenditure in the last 15 years. The lowest was \$273 per person in 2015-16.</p>
<b>Finding 4</b>	<p><b>The scale of state and territory governments' annual investment in arts and culture now matches that of the federal government.</b></p> <p>State and territory governments' contribution to cultural expenditure remains near record levels, continuing a long-term trend towards parity of contribution. In 2021-22, over 37% of expenditure again came from state and territory governments and over 38% from the federal government. The local government share has decreased every year since a peak of over 27% in 2016-17; in 2021-22, it was 24%.</p>
<b>Finding 5</b>	<p><b>Capital expenditure consumes an increasing share of government investment in arts and culture.</b></p> <p>Capital expenditure (e.g. building additions, renovations, restorations) has slowly but steadily increased as a share of expenditure on arts and culture in Australia. Capital expenditure represented 19% of expenditure on arts and culture during 2021-22. This is the highest on record, up from 11% in 2007-08.</p>

# Key findings

## Finding 6

**Federal and state and territory governments have directed various temporary financial supports to cultural and creative industries during the pandemic.**

Since 2019-20, federal and state and territory governments have directed \$13.6 billion to the broadly defined cultural and creative industries in response to COVID-19, in both targeted COVID-19 support and wider economy COVID-19 support. This represents 38% of total government expenditure in the relevant industries in the last three financial years. \$1.0 billion, or 7% of this total support, was in 2021-22.

## Finding 7

**All levels of government invest across a diverse range of arts and cultural activities that contribute to Australia's cultural life.**

Museums, Libraries, Archives and Heritage accounted for 39% of government expenditure on arts and culture in 2021-22 (including targeted COVID-19 support and excluding local government spending). Arts accounted for 33%; Film, Radio and Television accounted for 28%. The long-term decrease in the share of this expenditure on the Film, Radio and Television category continues. Conversely, the Arts category has increased its share, reaching its highest level in 2021-22.

## Finding 8

**Government investment in defined areas of the arts and cultural industry varies significantly by the level of government, whether federal or state and territory.**

The federal government has typically contributed more than 90% of government expenditure on the Film, Radio and Television category. State and territory governments have typically contributed more than 60% of government investment in the Museums, Archives, Libraries and Heritage category and, since 2019-20, more than 70% into the Arts category. These figures include targeted COVID-19 support and exclude local government spending.

# Key opportunities

As noted earlier, in this 2024 edition of *The Big Picture*, ANA is particularly mindful of the cost-of-living pressure on the Australian public and businesses, as well as the fiscally constrained environment for governments. This year, the Opportunities summarised below take a tight focus on the key initiatives governments can pursue to **better collaborate and coordinate** the investment on one hand and **better report** on the investment on the other. Through more effective and purposeful collaboration, including with industry and philanthropy, these investments can better deliver cultural and creative engagement opportunities for the Australian public.

<b>Opportunity 1</b>	<p>Noting that <i>Australia ranks 26th out of 33 OECD countries for government investment in 'recreation, culture and religion'</i>:</p> <p>For the National Cabinet to elevate the existing meeting of Cultural Ministers to a formalised Ministerial Council reporting annually to the National Cabinet, including a seat for local government.</p>
<b>Opportunity 2</b>	<p>Noting that <i>the scale of state and territory governments' annual investment in arts and culture now matches that of the federal government</i>:</p> <p>For governments at all three levels (ideally through a Cultural Ministers Council) to pursue an intergovernmental plan with long-term outcomes, a commitment to genuine collaboration and clear responsibilities for jurisdictions.</p>
<b>Opportunity 3</b>	<p>Noting that <i>capital expenditure consumes an increasing share of government investment in arts and culture</i>:</p> <p>For federal, state and territory agencies investing in arts and culture to consider how discount rates impact their joint investments in multi-year, capital-intensive projects relevant to arts and culture.</p>
<b>Opportunity 4</b>	<p>Noting that <i>all levels of government invest across a diverse range of arts and cultural activities that contribute to Australia's cultural life</i>:</p> <p>For governments at all levels to experiment with accessible reporting about returns on government investment in arts and culture, from stating policy objectives and aligning different statistical data collections (such as ANZSCO and the Cultural and Creative Satellite Accounts) to evaluation and, where possible, releasing data behind this reporting on a consistent, regular basis.</p>
<b>Opportunity 5</b>	<p>Noting that <i>government investment in arts and culture is not keeping pace with population growth</i>:</p> <p>For the Steering Committee for the Review of Government Services, at its next meeting, to consider arts and culture as a service provision sector for inclusion in the Report on Government Services, providing annual information on equity, efficiency and effectiveness.</p>

# Introduction

## In this Section

**Introducing this report**

**How to use this report**

# Introducing this report

This report identifies trends in government expenditure on arts and culture in Australia between 2007–08 and 2021–22. In doing so, it captures investments that underpin a nationwide ecosystem of opportunities for people to create and experience Australia’s heritage and culture, which also contribute to growing Australia’s wealth and prosperity. It examines this expenditure over time and across Australia’s three levels of government (federal, state and territory, and local) and situates the expenditure of governments in Australia against international estimates. It also considers data included in the CFG survey regarding investment in response to the COVID-19 pandemic in the broader cultural and creative industries.

The long-running CFG survey captures expenditure on cultural and creative organisations, individuals and activities of all scales across remote, regional and metropolitan Australia. Examples of the kinds of institutions and events that may be represented in the multi-year survey data include the Back to Back Theatre, Queensland Art Gallery | Gallery of Modern Art, the Aboriginal Arts and Cultures Centre in South Australia (now Tarrkarri), Sculptures by the Sea, Melbourne Digital Concert Hall and the Margaret River Readers and Writers Festival.<sup>21</sup> Widely available services such as radio, television, public libraries and local festivals are also included, as well as the programs that invest in the development and distribution of new creative work, increase access opportunities for different audiences and support Australia’s international cultural diplomacy efforts.<sup>22</sup>

The CFG series provides Australia with the most complete view of expenditure on arts and culture across governments. It serves as our most comprehensive tool for assessing Australia’s cultural expenditure landscape – a financial ‘stocktake’. The CFG series collects and presents aggregated data about this expenditure and involves a coordinated effort between relevant federal and state and territory government departments. Reports are prepared by a consultant from the Australian Bureau of Statistics (ABS).<sup>23</sup>

However, it is important to note that the CFG series does not capture all expenditure,<sup>24</sup> has not been conducted every year and has involved methodology changes over time. This report covers 2007–08 to 2021–22, the years with comparable ABS data after a methodology change in 2007–08.<sup>25</sup> Importantly, the three most recent collections include data about investment in response to COVID-19. See the [Appendix](#) for more details.

This is the fourth report in ANA’s research series on cultural expenditure by governments. The strongest conclusion from past reports is that Australia’s governments recognise the significance and relevance of arts and culture in the lives of Australians, with all three levels of government investing in these activities and infrastructure. ANA’s main objective in analysing and visualising these data is to identify strategic and structural opportunities for change. (Please refer to Box 2, below, for a summary of the *Big Picture* research series and its purpose.)

Disruptions caused by the COVID-19 pandemic frame the last three years, and the 2021–22 release includes these enduring government expenditures in response to COVID-19. Analysing the data about these financial measures and the non-COVID-19 expenditure reported in the CFG series, [Part 1](#) of this report explores the following questions:

1. How much COVID-19-related support did arts and culture organisations and businesses, and cultural and creative industries more broadly, receive during the last three financial years? How was this support divided across the different levels of government and different categories of cultural and creative experience? How does this compare with non-COVID-19 expenditure on arts and culture?
2. Did government expenditure on arts and culture match population growth? Did 2021–22 expenditure on arts and culture as a percentage of GDP grow or shrink?
3. What was the distribution and how much was spent on capital versus recurrent expenditure across each level of government?
4. What is the distribution of expenditure across the three overarching categories: the Arts; Film, Radio and Television; and Museums, Archives, Libraries and Heritage? Which overarching categories do different levels of government focus on?
5. What changes can be observed over time, both nationally and in each state and territory?

[Part 2](#) draws on the findings of [Part 1](#) and the wider policy context for arts and culture policy. It considers the implications for policymakers and identifies the opportunities below for governments to better distribute, preserve and partner in public investments.

## Box 2 – The *Big Picture* research series and its purpose

The primary purpose of ANA's *Big Picture* series is to understand the long-term story of cultural expenditure in Australia, recognising the significant debates about financing arts and culture. It aims to assist the nation in making transparent, targeted and coordinated decisions on how to invest finite finances at all three levels of government and ensure all Australians can access the benefits of cultural participation.

The first report ANA published, based on the CFG, was titled [The Big Picture: Public Expenditure on Artistic, Cultural and Creative Activity in Australia](#). That report argued that without strategic and coordinated efforts across all levels of government, Australia risks deterioration in its cultural fabric and a loss of the benefits it provides.

In February 2022, ANA released [The Big Picture 2: Public Expenditure on Artistic, Cultural and Creative Activity in Australia in 2007–08 to 2019–20](#),<sup>26</sup> building on the initial observations about the CFG and highlighting an opportunity to use strategic investment to transform and enrich our cultural landscape to serve and reflect our contemporary public. We called for the development of a National Cultural Plan.

In March 2023, ANA released [The Big Picture 3: Expenditure on Artistic, Cultural and Creative activity by governments in Australia in 2007–08 to 2020–21](#) along with [a new online platform](#) accompanying it. The platform now enables users to explore ANA's analysis of 15 years of cultural funding data by governments, including our analysis of the latest data covered in this Insight Report.

The series can be read in conjunction with overviews published by the Cultural and Creative Statistics Working Group (formerly the Meeting of Cultural Ministers [MCM]). These overviews compare changes from the previous year and use some different labelling compared to ANA's reports, including capturing government expenditure under broader categories such as 'Arts' and 'Heritage'. The 2021–22 overview also reports on total values differently from ANA, particularly regarding COVID-19 supports. The [Appendix](#) provides more information on some of these differences and on ANA's methodology.

# How to use this report

We recommend using this report to better understand trends in government expenditure on arts and culture over the last 15 years in Australia, along with their implications and policy opportunities.

<b>For elected members and policy advisers</b>	Use this report to better understand cultural expenditure trends over the last 15 years in Australia. This may assist you in strategic discussions about effective investment, regulation and policy settings for cultural and creative industries and in exploring new policy opportunities with your stakeholders.
<b>For cultural and creative organisations and individuals</b>	Use this report to better understand which levels of government spend how much on what aspects of arts and culture. This may assist you in preparing advocacy documents and grant applications, as well as in participating in discussions about investment in the cultural and creative economy with your peers and political representatives.
<b>For economists and economic advisors</b>	Use this report to understand and visualise the trends in expenditure on arts and culture in Australia, adjusted for inflation, over the last 15 years. This may provide new insights into the opportunities for more effective investment, regulation and policy settings for cultural and creative industries.
<b>For philanthropists and sponsors of arts and culture</b>	Use this report to understand the context around expenditure on arts and culture and policy settings in Australia, which may help inform your investments and donations to arts and cultural organisations. It may assist you in discussions about how to strategically partner with governments in cultural spending.
<b>For researchers and educators</b>	Use this report as a resource that collates, analyses and visualises the trends in government expenditure on arts and culture in Australia over the last 15 years. This may provide you with data to add to reports, peer-reviewed research and presentations, as well as to assist you in identifying productive areas of further inquiry. It may also be valuable as an accessible introduction to this area for students in cultural and creative industries courses.
<b>For the media, content creators and platforms for creative content</b>	Use this report to better understand trends in cultural expenditure by governments in Australia. Get in touch with ANA about media opportunities using the contact details under Acknowledgements.
<b>For international audiences</b>	Use the international comparisons in this report to explore cultural expenditure in different nations. For international readers, this report can also be used as an example of trend analysis of cultural expenditure by governments at national and sub-national levels.

# Part 1: Findings

## In this Section

- 1.1 Expenditure by level of government, 2019–20 to 2021–22 (non-COVID-19 and all COVID-19)**
- 1.2 Expenditure by category of cultural and creative experience (non-COVID-19 and targeted COVID-19)**
- 1.3 Expenditure (non-COVID-19)**
- 1.4 Expenditure by level of government (non-COVID-19)**
- 1.5 Expenditure by recurrent or capital type (non-COVID-19)**
- 1.6 Expenditure by jurisdiction (non-COVID-19)**



**We know from our research that Australians value arts and culture. For example, middle Australians<sup>27</sup> of all ages have expressed that a world without arts and culture would lack colour, expression and freedom.<sup>28</sup>**

Middle Australians' attitudes about arts and culture translate into action, belief and results:

- The ABS found that 82% of Australians attended at least one cultural venue or event in 2017-18. More recent figures, collected during the COVID-19 pandemic (specifically, from July 2020 to June 2022), found attendance had dropped to 64% during this disrupted period.<sup>29</sup>
- Australia's First Wellbeing Framework, *Measuring What Matters*, recognises that creative and cultural engagement – including both participation and attendance – contributes to a cohesive society and national wellbeing and facilitates monitoring of these levels of engagement.<sup>30</sup>
- Research has shown that 'cultural and creative activity'<sup>31</sup> plays a role in Australia's prosperity and wealth. This contribution can be measured in various ways, including its contribution to GDP. In 2019-20 – the most recent year for which relevant data is available – the GDP contribution was 6.2%.<sup>32</sup>

Governments reflect this understanding through their respective expenditure on arts and culture. But how has this changed over time? Are our investments keeping up with population growth, inflation and our neighbours and peers abroad? Does more government expenditure go to capital or to recurrent expenditure? Which types of cultural and creative experiences do the different levels of governments focus on through their expenditure? And does location impact the extent of assistance from state, territory and local governments?

In Part 1, we look at the big picture of this government expenditure through these questions. Findings in this part are based on CFG data from 2007-08 to 2021-22, unless otherwise specified. Moreover, references to 'expenditure on arts and culture' refer to expenditure in the CFG dataset, as [Endnote 12](#) explains.

# 1.1

## Expenditure by level of government, 2019–20 to 2021–22 (non-COVID-19 and all COVID-19)

Most of this report – and the *Big Picture* series more generally – excludes data on COVID-19 support in its analysis. This ‘non-COVID-19 expenditure’ on arts and culture sheds light on longer-term trends by enabling continuity and comparability with earlier data. To understand the total assistance delivered by governments, the exceptions to this approach are:

- The analysis in this section (Part 1.1), which reviews expenditure on cultural and creative industries in response to COVID-19 and therefore includes these data.
- [Part 1.2](#), which analyses data across three categories of cultural and creative experience. The CFG data do not show COVID-19 support separately for different types of cultural and creative experiences; only the aggregate non-COVID-19 and COVID-19 figures are provided.

The CFG data reflect policy responses to the pandemic by integrating available information on COVID-19 support from diverse collection sources (i.e. a survey of 110 agencies and associated administrative data). This support came in two broad categories:

- **Targeted COVID-19 support** was provided by federal and state and territory governments in response to the challenges faced by the cultural and creative industries. This support was available for eligible organisations, infrastructure, businesses, individuals, support programs and initiatives.<sup>33</sup>
- **Wider economy COVID-19 support** was also provided by the federal government for eligible businesses and individuals, including those in the cultural and creative industries. This included *JobKeeper* payments and the *Boosting Cash Flow for Employers* program. In 2020–21, states and territories also reported some wider economy support, and Victoria reported additional support in 2021–22.<sup>34</sup> Furthermore, an additional \$22.1 million of COVID support was provided to the sector in 2021–22, but it could not be allocated to any specific category or jurisdiction. ANA has included this amount in the wider economy figure. Many wider economy COVID-19 expenditures, such as *JobKeeper*, *Boosting Cash Flow for Employers* and *Backing Business Investment*, reported by states and territories in the 2019–20 and 2020–21 CFG releases, have been discontinued in 2021–22. It is important to note that these figures capture different sectors and sub-sectors, and different methodologies have been used for their collection. The [Appendix](#) compares these data inclusions.

Table 1 demonstrates that governments directed \$8.3 billion to organisations and individuals working in the cultural and creative industries during the 2021–22 financial year, which includes both non-COVID-19 and COVID-19-related expenditure. Specifically, \$7.7 billion of non-COVID-19 expenditure and \$0.6 billion of targeted COVID-19 support by federal, state and territory governments (e.g. Restart Investment to Sustain and Expand Fund, COVID-19 Arts Sustainability Fund, Support Act funding).<sup>35</sup> ANA research indicates that this government expenditure is one of several financial inflows into arts and culture, with the largest proportion of revenue coming from sales and services.<sup>36</sup>

Table 1: Government expenditure on arts and culture (including cultural and creative industries) in 2021–22

	<b>Non-COVID-19 expenditure</b>	<b>Targeted COVID-19 support</b>	<b>Wider economy COVID-19 support</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>Expenditure including targeted COVID-19 support</b>	<b>Targeted and wider economy COVID-19 support</b>
	(a)	(b)	(c)	(a+b+c)	(a+b+c)	(a+b)	(b+c)
<b>Australian</b>	\$3.0	\$0.2	\$0.0	<b>\$3.2</b>	<b>37%</b>	\$3.2	\$0.2
<b>State and territory</b>	\$2.9	\$0.4	\$0.4	<b>\$3.7</b>	<b>42%</b>	\$3.3	\$0.8
<b>Local</b>	\$1.8	\$0.0	\$0.0	<b>\$1.8</b>	<b>21%</b>	\$1.8	\$0.0
<b>TOTALS</b>	\$7.7	\$0.6	\$0.4	<b>\$8.7</b>	<b>100%</b>	\$8.3	\$1.0

Notes: All \$ figures in billions. 2021–22 data only.<sup>37</sup>

Table 2 shows that since the start of the pandemic, governments have directed \$13.6 billion to cultural and creative industries in response to COVID-19, representing 38% of the total expenditure (both COVID-19 and non-COVID-19) described in the CFG survey in the last three financial years. It is also clear that COVID-19 investment tapered significantly in 2021–22, with the \$0.6 billion in support representing 5% of the total COVID-19 support over the last three years.

Table 2: Government expenditure on arts and culture (including cultural and creative industries) in 2019–20, 2020–21 and 2021–22 (adjusted to June 2022)

	<b>Non-COVID-19 expenditure</b>	<b>Targeted COVID-19 support</b>	<b>Wider economy COVID-19 support</b>	<b>TOTALS</b>	<b>Targeted and wider economy COVID-19 support</b>
	(a)	(b)	(c)		(b+c)
<b>2019–20</b>	\$7.4	\$0.1	\$4.4	\$11.9	\$4.5
<b>2020–21</b>	\$7.4	\$0.5	\$7.6	\$15.5	\$8.1
<b>2021–22</b>	\$7.7	\$0.6	\$0.4	\$8.7	\$1.0
<b>TOTALS</b>	<b>\$22.5</b>	<b>\$1.3</b>	<b>\$12.4</b>	<b>\$36.1</b>	<b>\$13.6</b>
<b>TOTALS %</b>	<b>62%</b>	<b>3%</b>	<b>34%</b>	<b>100%</b>	<b>38%</b>

Notes: All \$ figures in billions. Adjusted to June 2022, WPI. 2019–20, 2020–21 and 2021–22 data.<sup>38</sup>

# 1.2

## Expenditure by category of cultural and creative experience (non-COVID-19 and targeted COVID-19)

The CFG includes a breakdown of expenditure on 24 different types of cultural and creative experiences, albeit only at the federal and state and territory levels, as local governments are not required to provide this data. As noted in [Part 1.1](#), this expenditure includes targeted COVID-19 support.<sup>39</sup>

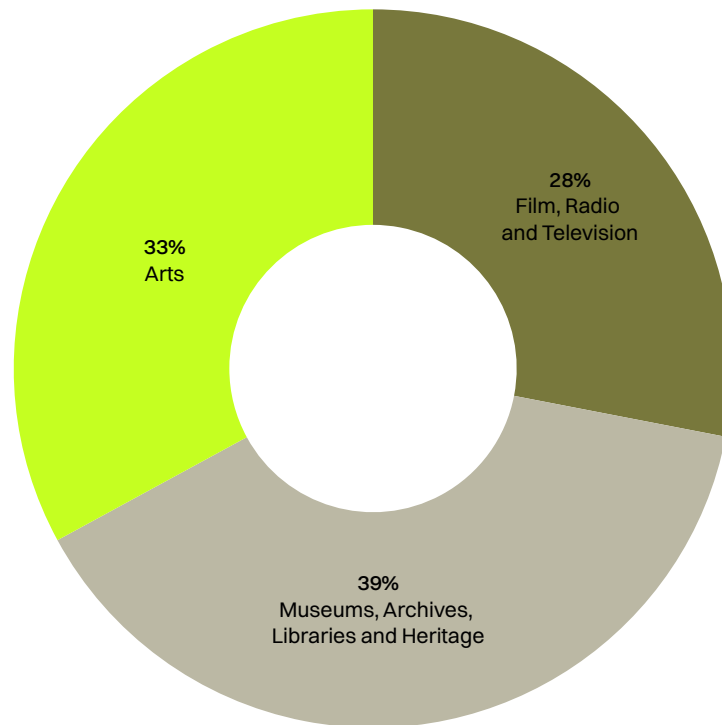
To understand the experiences available to Australians that these investments focus on and whether there have been any significant changes over time, we have grouped expenditure on these 24 types into three overarching categories:

Table 3: Categories of 'cultural and creative experience' captured in the CFG

<b>Film, Radio and Television</b>	Radio and television services; Film and video production and distribution.
<b>Museums, Archives, Libraries and Heritage</b>	Art museums; Other museums and cultural heritage; Libraries; Archives.
<b>Arts</b>	Literature and writing; Music; Theatre; Dance; Music theatre and opera; Circus and physical theatre; Comedy; Other performing arts; Performing arts venues; Cross-art form; Visual arts and crafts; Design; Interactive arts content; Arts education; Community arts and cultural development; Multi-arts festivals; Arts administration; Other arts.

In 2021-22, the proportion of expenditure across the three overarching categories was 39% to Museums, Archives, Libraries and Heritage; 28% to Film, Radio and Television; and 33% to Arts, as shown in Figure 1.

Figure 1: Expenditure by category of cultural and creative experience, 2021-22

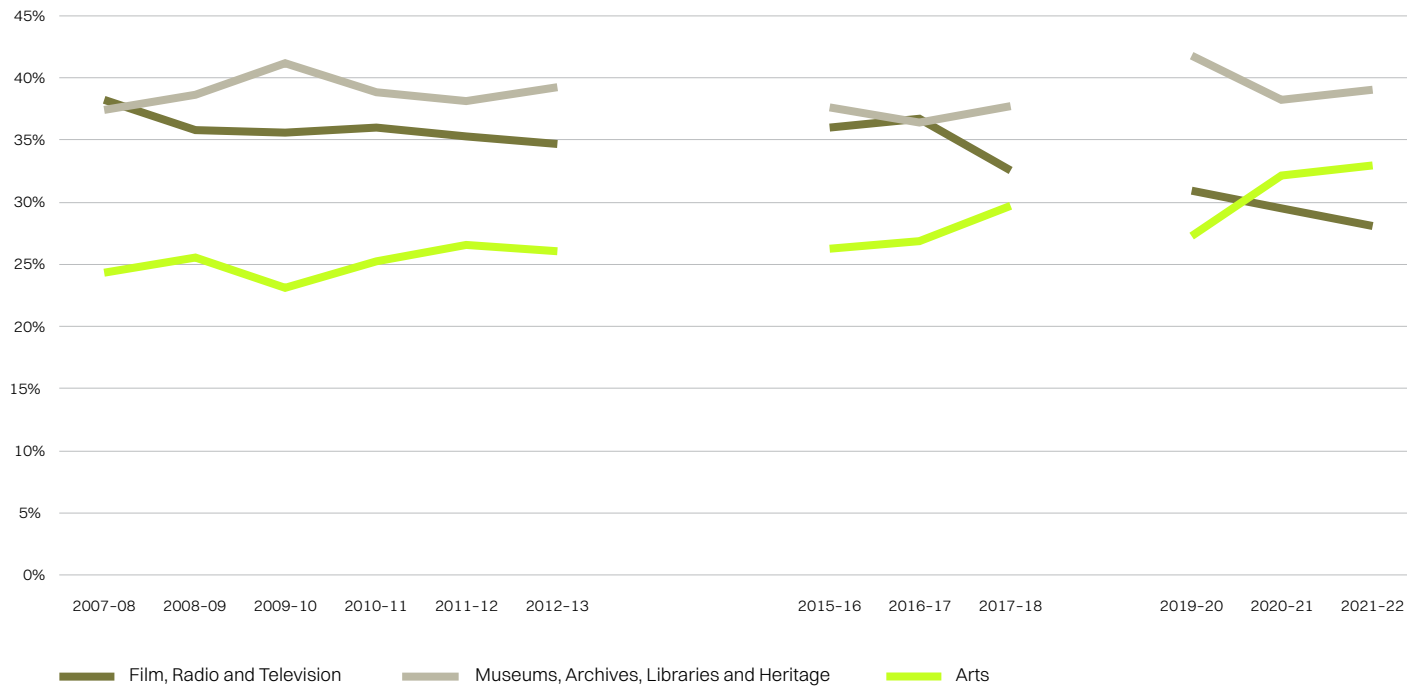


Notes: Federal and state and territory governments only. Includes targeted COVID-19 support.

**Museums, Archives, Libraries and Heritage continue to receive the greatest proportion of the arts and culture expenditure of governments.**

Over the 15 years leading up to 2021–22, the Museums, Archives, Libraries and Heritage category has generally received the largest share of expenditure, which, after a spike in 2019–20, has returned to near the long-term average.<sup>40</sup> Arts has experienced both a steady increase over time and a significant boost in the two most recent years. In 2021–22, 33% of expenditure was in the Arts category, the highest on record and 6% above the 15-year average of 27%. While all three categories received increased funding in 2021–22, the long-term decline in the proportion of expenditure on Film, Radio and Television continues, as the increases were primarily directed at the other two categories. This has led to Film, Radio and Television falling to its lowest share on record, as seen in Figure 2.

Figure 2: Expenditure by category of cultural and creative experience, all levels of government, 2007–08 to 2021–22



Notes: Federal and state and territory governments only. 2019–20, 2020–21 and 2021–22 shares included targeted COVID-19 support.

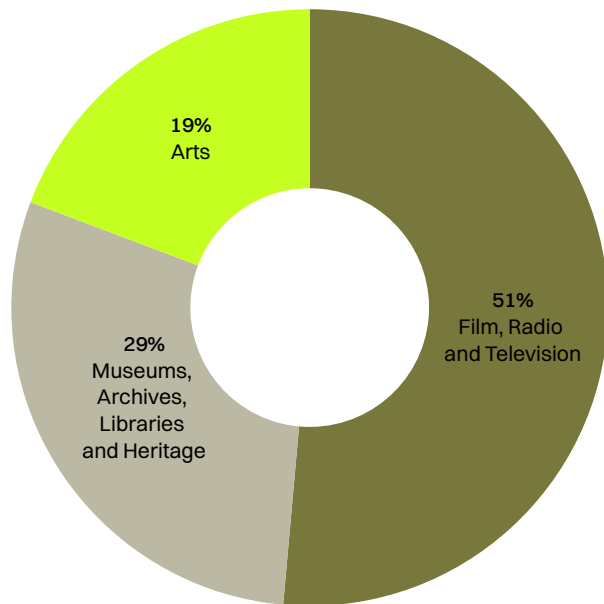
**In 2021–22, the share of expenditure on arts and culture directed to ‘Arts’ reached a record high, while the share of expenditure on Film, Radio and Television reached a record low.**

The data also highlight that federal governments directed their expenditure to different categories of cultural and creative experience than state and territory governments,<sup>41</sup> as seen in Figures 3 and 4. The federal government had a higher proportion of expenditure directed to Film, Radio and Television. State and territory governments focused most expenditure on Museums, Archives, Libraries and Heritage, though only marginally more than Arts.

**Federal government expenditure was primarily directed to Film, Radio and Television in 2021-22.**

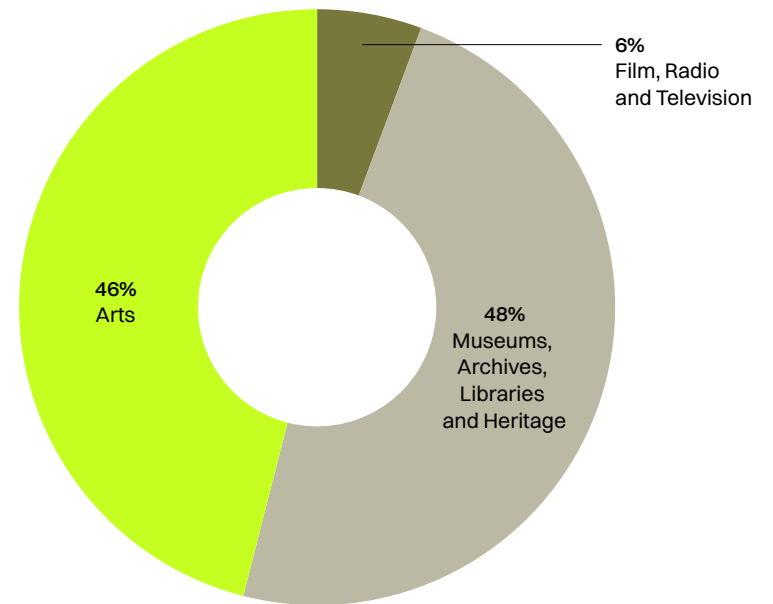
**In 2021-22, state and territory government expenditure on arts and culture was primarily shared between two categories of cultural and creative experience: the Arts category and the Museums, Archives, Libraries and Heritage category.**

Figure 3: Federal government expenditure by category of cultural and creative experience, 2021-22



Notes: Federal government data only. Includes targeted COVID-19 support

Figure 4: State and territory government expenditure by category of cultural and creative experience, 2021-22



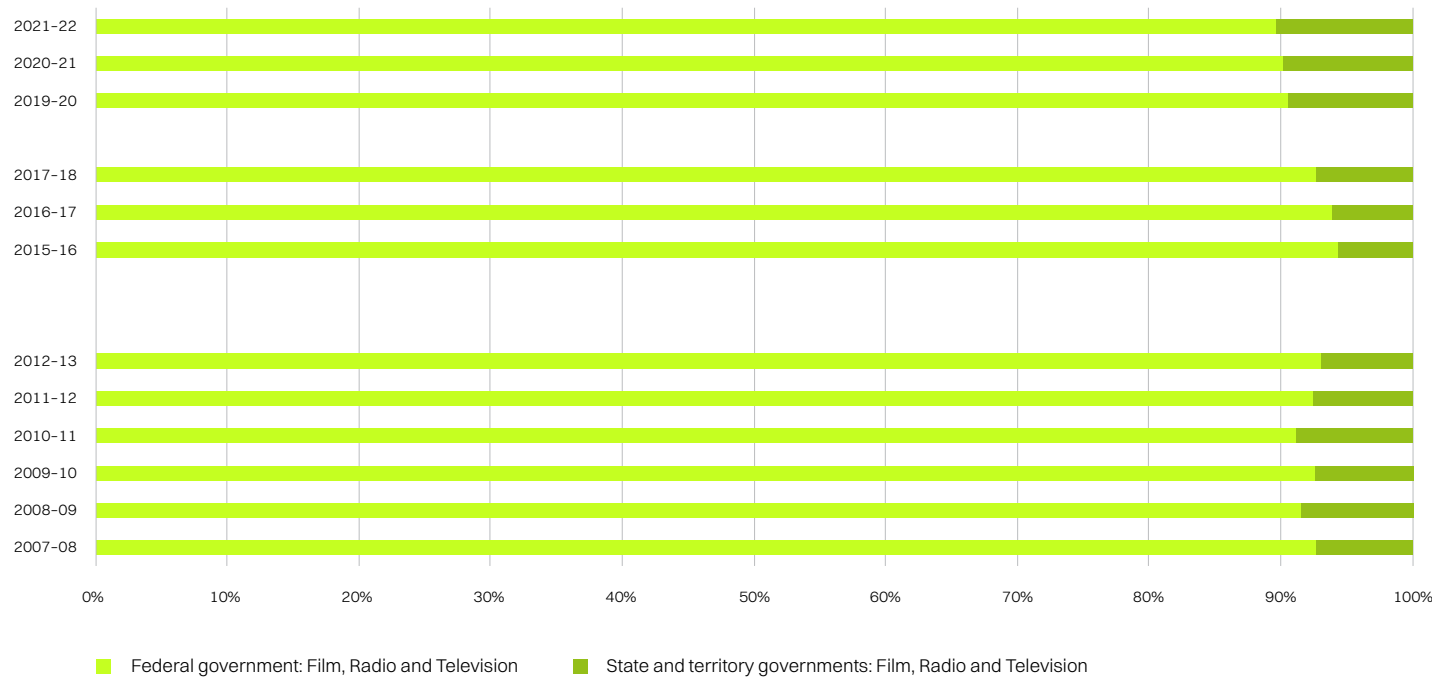
Notes: State and territory governments data only. Includes targeted COVID-19 support.



We can also examine the total expenditure on arts and culture from federal and state and territory governments split out into these categories to compare the investment focus of each level of government since 2007-08.

Figure 5 shows that, since 2007-08, the federal government has contributed at least 90% of the public investment in the Film, Radio and Television category. Figures 6 and 7 demonstrate that state and territory government investment typically comprised over 60% of public investment in the Museums, Archives, Libraries and Heritage category and - over the last three years - over 70% into the Arts category, a level that has been steadily increasing over 15 years.

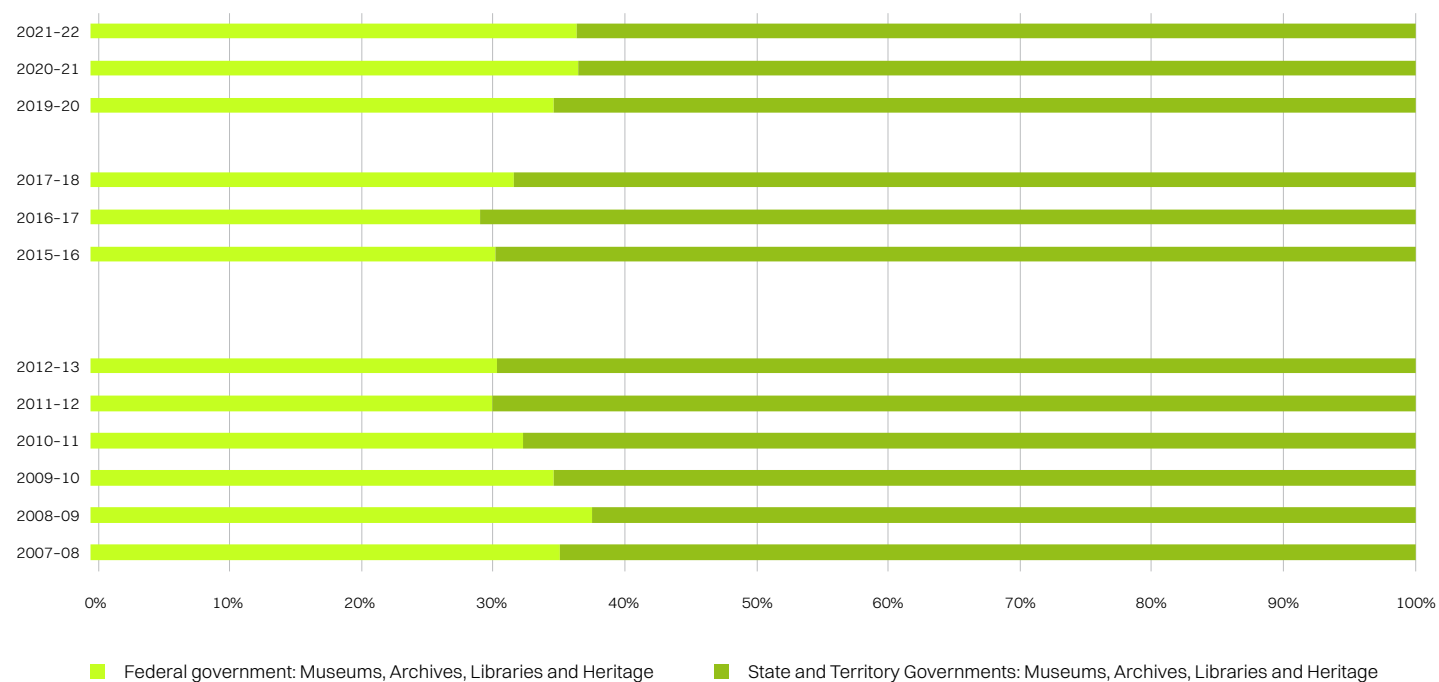
Figure 5: Expenditure (%) on the Film, Radio and Television category by level of government, 2007-08 to 2021-22



Notes: Data from federal and state and territory governments only. Shares for 2019-20, 2020-21 and 2021-22 include targeted COVID-19 support.

**Film, Radio and Television receives a larger proportion of its government investment from the federal government.**

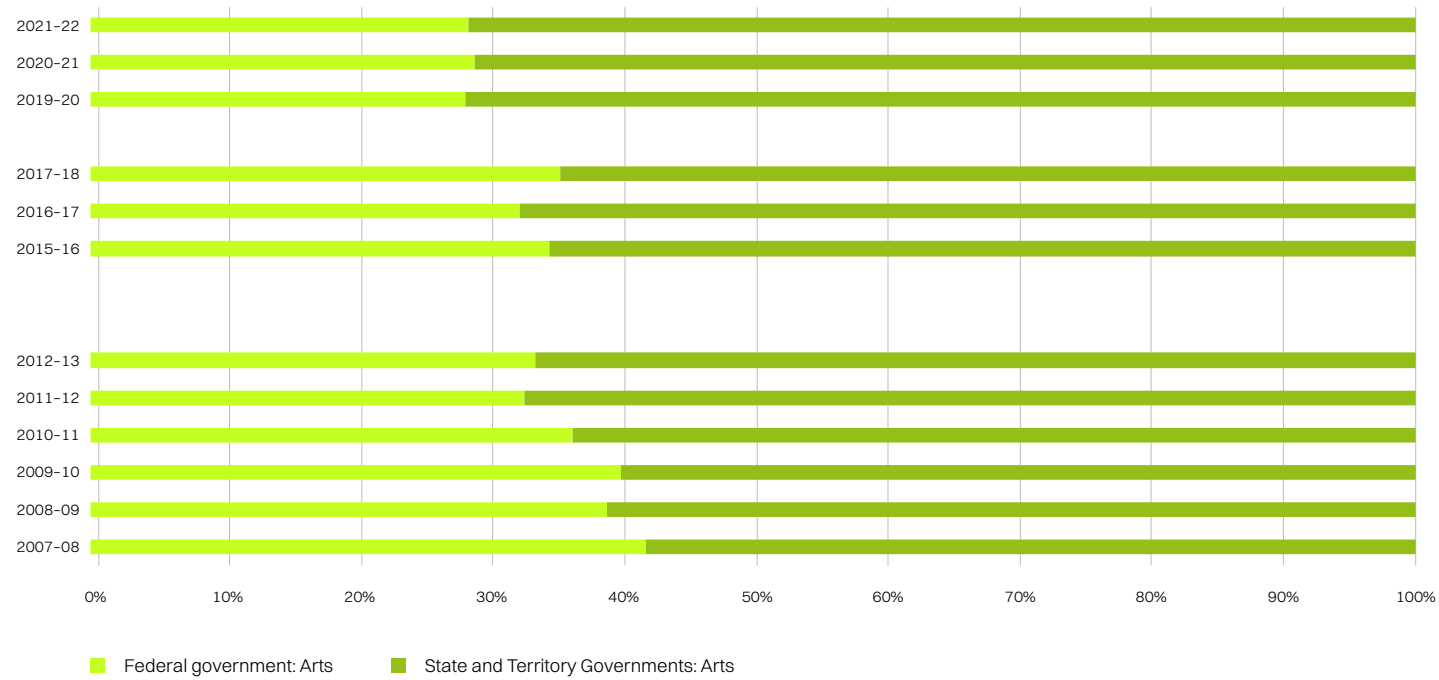
**Figure 6: Expenditure (%) on the Museums, Archives, Libraries and Heritage category by level of government, 2007-08 to 2021-22**



Notes: Data from federal and state and territory governments only. Shares for 2019-20, 2020-21 and 2021-22 include targeted COVID-19 support.

**Museums, Archives, Libraries and Heritage receive a larger proportion of its government investment from state and territory governments.**

Figure 7: Expenditure (%) on the Arts category by level of government, 2007-08 to 2021-22



Notes: Data from federal and state and territory governments only. Shares for 2019-20, 2020-21 and 2021-22 include targeted COVID-19 support.

**The Arts receives a larger proportion of its government investment from state and territory governments.**

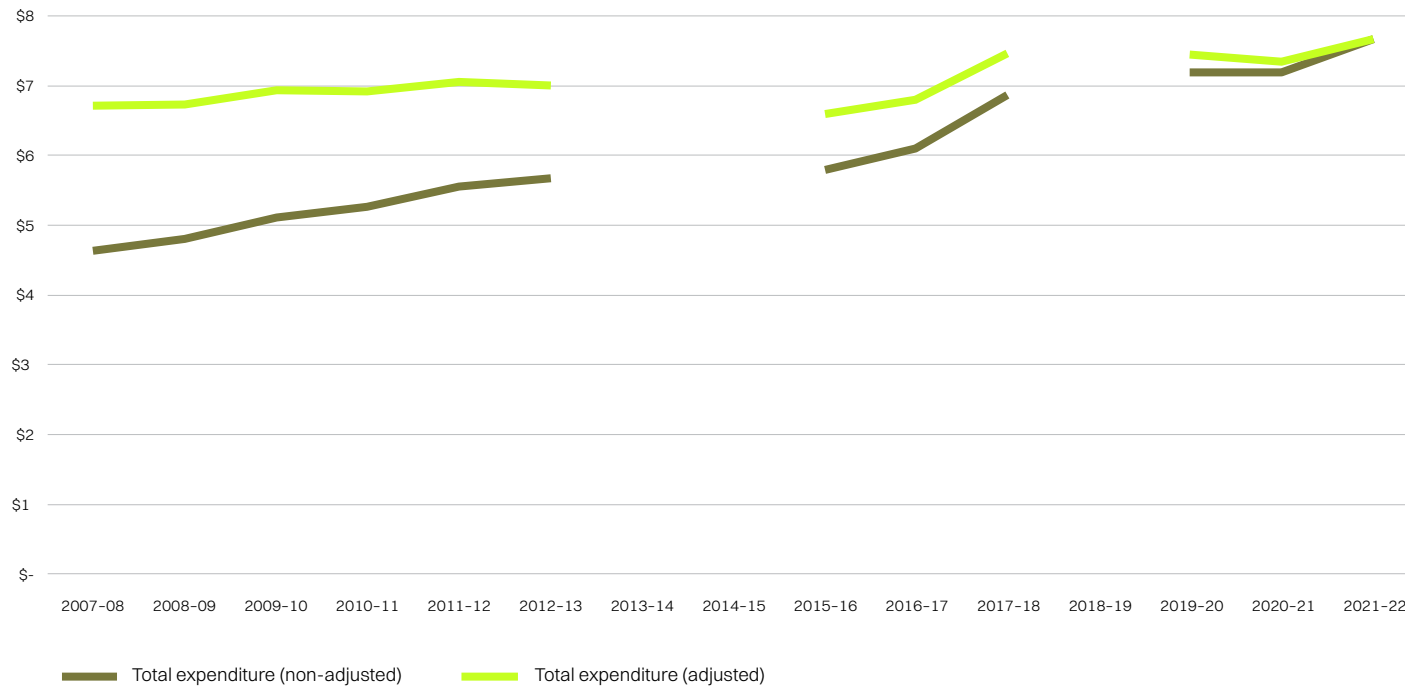
# 1.3

## Expenditure (non-COVID-19)

Our Big Picture reports demonstrate changes over time in government expenditure on arts and culture. This allows us to compare 15 years of data. Each year's results are provided in actual amounts (i.e. the 'raw' dollar amounts) recorded in that year. Over time, however, costs increase and buying power decreases. To account for this inflation, adjustments can be made to the raw figures of previous years of data to enable comparisons over time.<sup>42</sup>

The expenditure on arts and culture across all three levels of government in 2021-22 was \$7.7 billion. As shown in Figure 8, this represents a 4% increase from 2020-21 when adjusted for inflation, amounting to an additional \$320 million in real terms.

Figure 8: Non-COVID-19 expenditure on arts and culture in Australia, adjusted and non-adjusted, 2007-08 to 2021-22

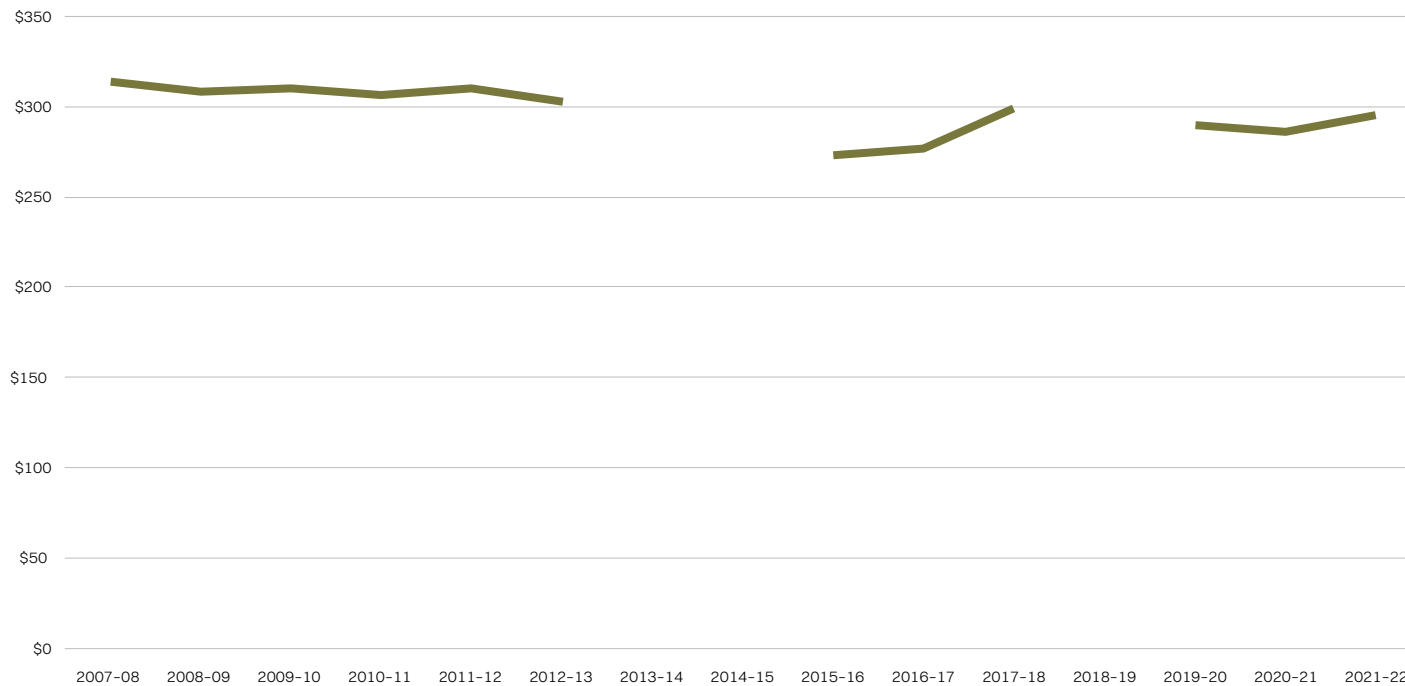


Notes: Adjusted to June 2022, wage price index (WPI). All \$ figures in billions. All levels of government.

**Expenditure by the three levels of government increased in 2021-22, after decreasing in 2020-21.**

Despite the increased investment, government expenditure on arts and culture continues to lag behind population growth. Australia's population increased by 22% between 2007-08 and 2021-22 to around 26 million, while the expenditure over that time increased by 14%, as shown in Figure 8.<sup>43</sup> In 2021-22, per capita expenditure by the three levels of government was \$295 per person, as Figure 9 shows. This was the highest level in 10 years but 4% below the peak of \$307 per person in 2007-08.

Figure 9: Non-COVID-19 expenditure per capita on arts and culture in Australia, 2007-08 to 2021-22



Notes: Adjusted to June 2022, WPI. All levels of government.

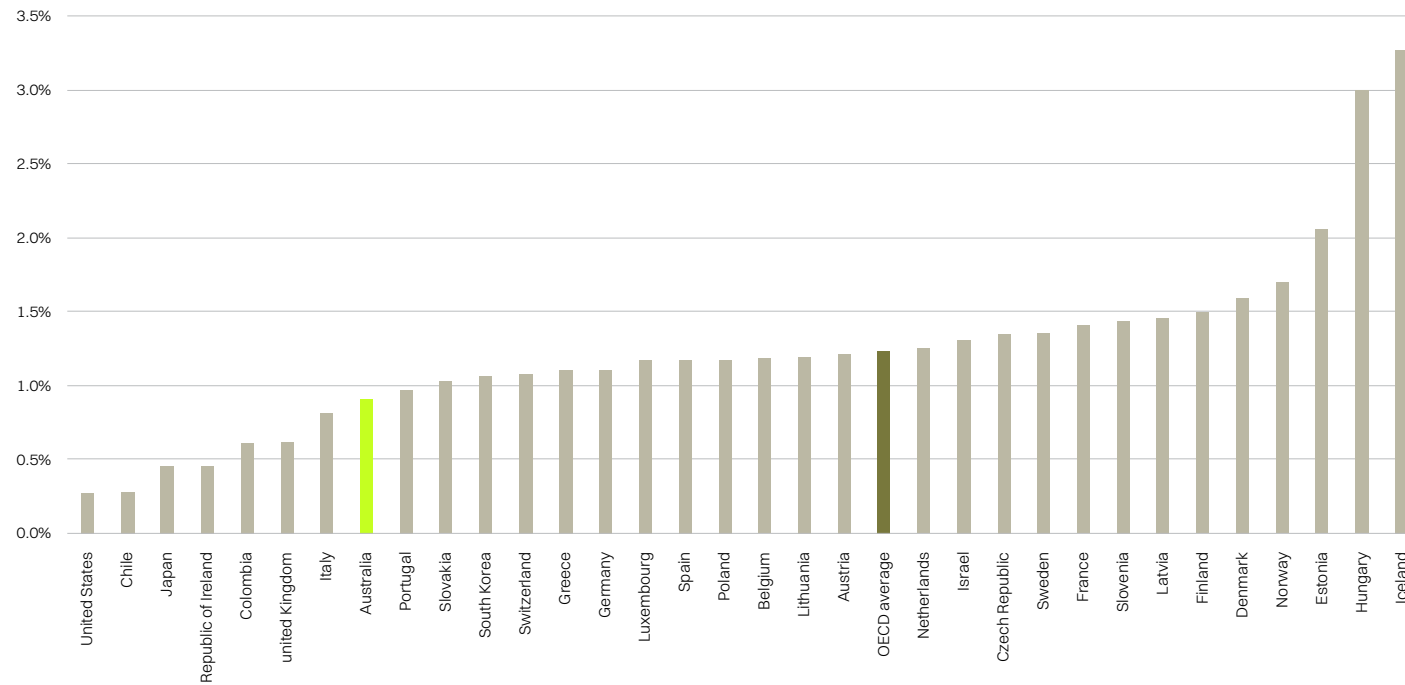
**Expenditure on arts and culture is not keeping pace with population growth, despite increasing in 2021-22.**

To cross-check this trend, we compared Australia's government spending with the government spending of other countries.

The OECD reports on the expenditures of its members (including Australia) against the indicator of 'recreation, culture and religion'. While the scope of the OECD data is broader than the scope of the CFG and uses different data collection methods, it nonetheless provides an indication of how Australia compares to its international peers through an internationally agreed standard based on the share of GDP.<sup>44</sup>

In 2021, the most recent year for which data was available, Australia ranked 26th out of the 33 countries, as shown in Figure 10. Other English-speaking countries (the United States and the United Kingdom) spent less than Australia against this OECD indicator.

Figure 10: Government spending (% of GDP) on 'recreation, culture and religion', 2021

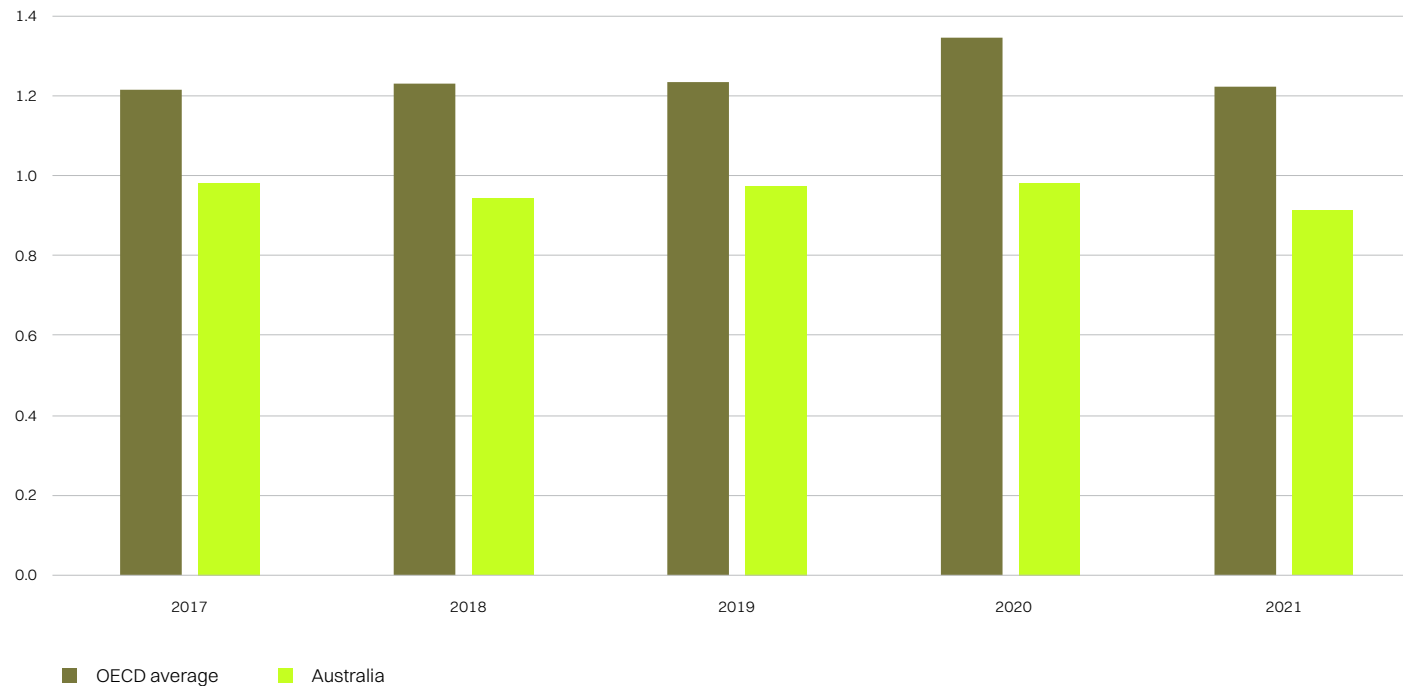


Notes: Data sourced from OECD, General government spending (indicator) (2023), accessed November 30, 2023, <https://doi.org/10.1787/a31cbf4d-en>.

**On a GDP basis, Australia ranked 26th out of 33 OECD countries for its expenditure on 'recreation, culture and religion'.**

Figure 11 shows that between 2017 and 2021, average government expenditure on 'recreation, culture and religion' across OECD member states was between 1.2% and 1.4% of the GDP. It also shows that over the same four years, Australia's governments averaged between 0.9% and 1.0%. These results indicate that, on a GDP basis, Australia is spending less than its OECD peers in this comparable area of expenditure.

Figure 11: Government spending (% of GDP) on 'recreation, culture and religion', 2017-2021



Notes: ANA analysis of data sourced from OECD, General government spending (indicator) (2023), accessed November 30, 2023, <https://doi.org/10.1787/a31cbf4d-en>.

**On a GDP basis, Australian national expenditure on 'recreation, culture and religion' has fared poorly against this OECD standard of government spending since at least 2017.**



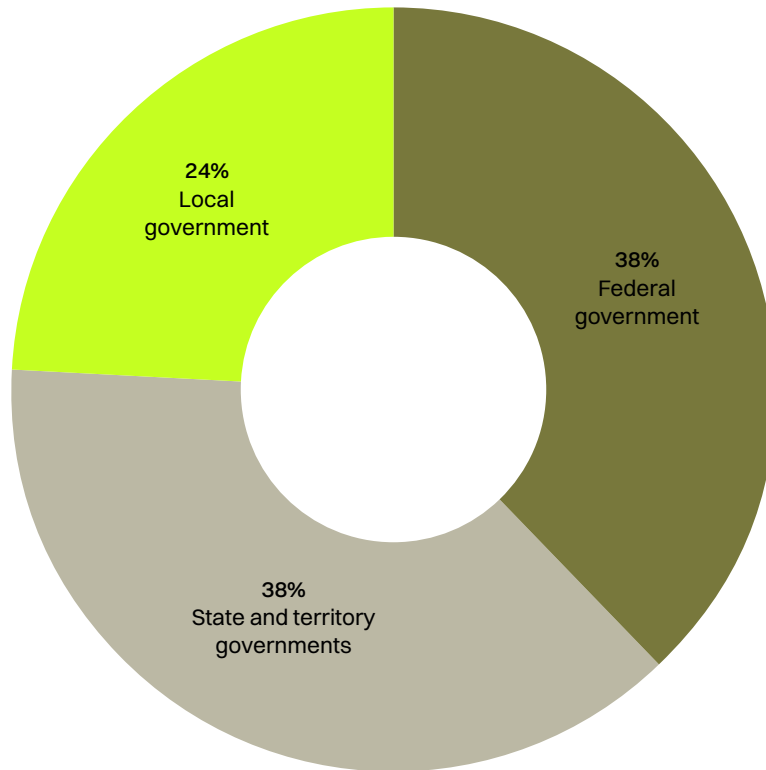
# 1.4

## **Expenditure by level of government (non-COVID-19)**

In this section, we analyse whether non-COVID-19 expenditure on culture is growing, shrinking or staying the same at each level of government.

All three levels of government invest in arts and culture, with the federal government and the state and territory governments each contributing slightly over one third, and local governments contributing around one quarter to the investment, as seen in Figure 12. This is similar to the proportions contributed to expenditure on arts and culture in 2020–21.

Figure 12: Share of non-COVID-19 expenditure on arts and culture by level of government, 2021–22



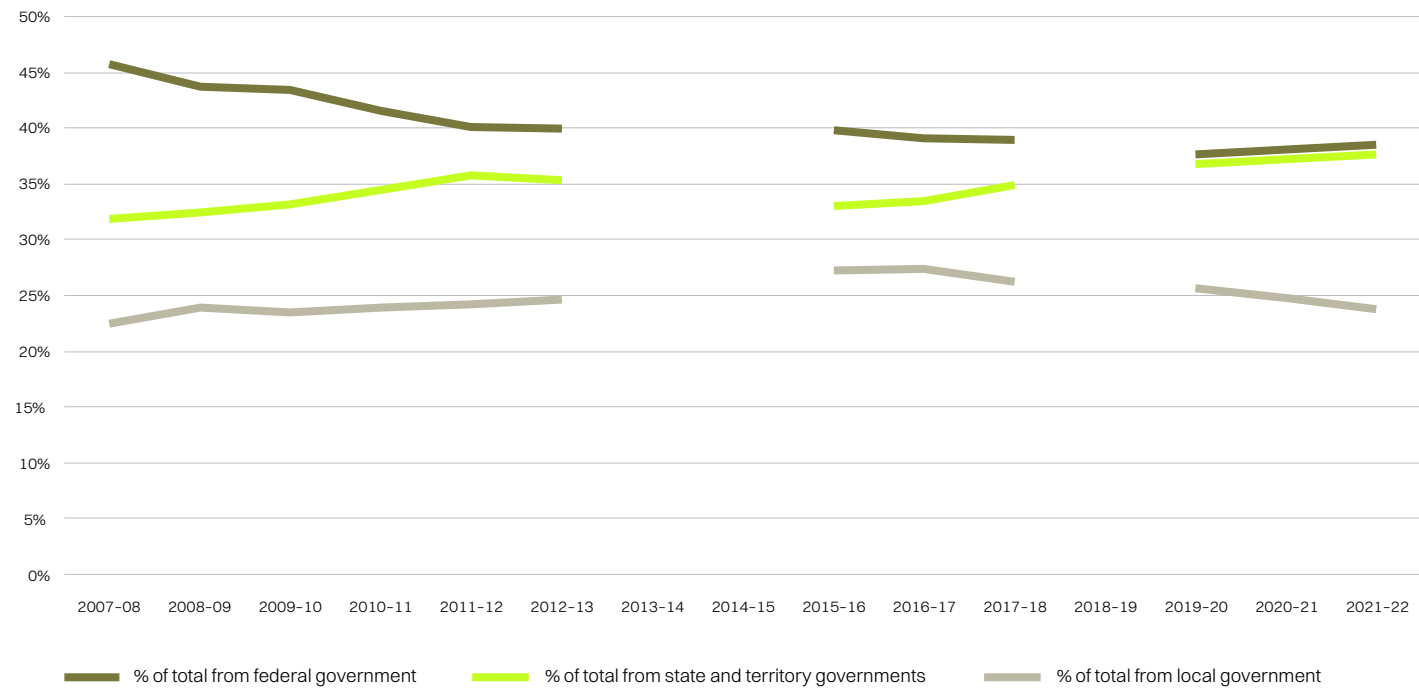
**All three levels of government invested in arts and culture in 2021–22.**

As seen in Figure 13, the share of federal government investment has decreased. In 2007-08, federal government expenditure comprised 46% of total government expenditure on arts and culture. In 2021-22, it comprised 38%, falling by 8% from 2007-08.

State and territory governments have increased their share of total government expenditure on arts and culture by 6%, from 32% in 2007-08 to 38% in 2021-22. Over the last three years, state and territory governments have had a very similar level of investment to the federal government, with a difference averaging \$64 million (in favour of the federal government), or 1%.

The local government share tells a more variable story: increasing for the first 10 years to reach 28% of total expenditure in 2016-17 but, thereafter, decreasing to 24% in 2021-22, the lowest proportion since 2009-10.

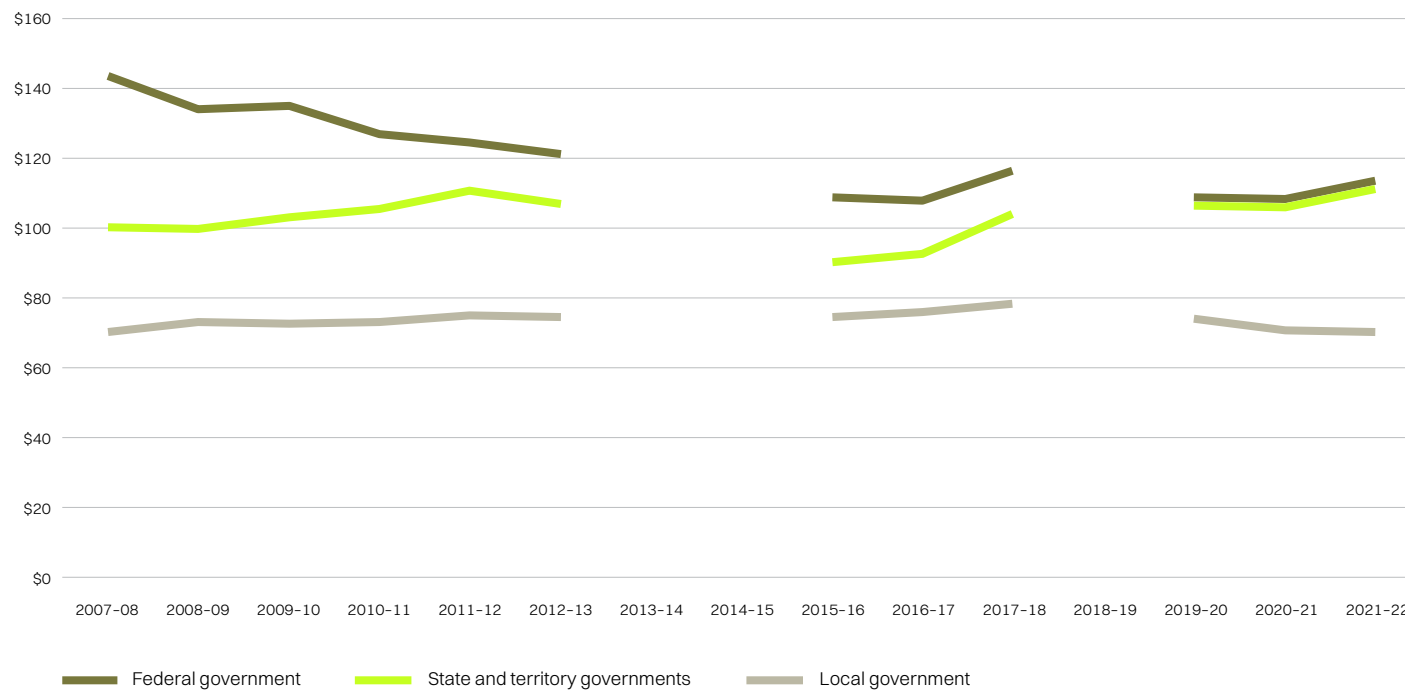
Figure 13: Share of non-COVID-19 expenditure on arts and culture by level of government, 2007-08 to 2021-22



**The federal government and state and territory governments now contribute very similar shares of expenditure on arts and culture.**

Figure 14 shows the changes over time in per capita expenditure on arts and culture by each level of government since 2007-08. In 2021-22, federal per capita expenditure was at its second-highest value since 2012-13, at \$114; state and territory per capita expenditure was at its highest level, at \$111. In contrast, local government's \$70 per person in 2021-22 is the lowest level on record.

Figure 14: Per capita non-COVID-19 expenditure on arts and culture by level of government, 2007-08 to 2021-22



Notes: Adjusted to June 2022, WPI.

**On a per capita basis, the share of government expenditure on arts and culture by local governments has decreased to its lowest level.**

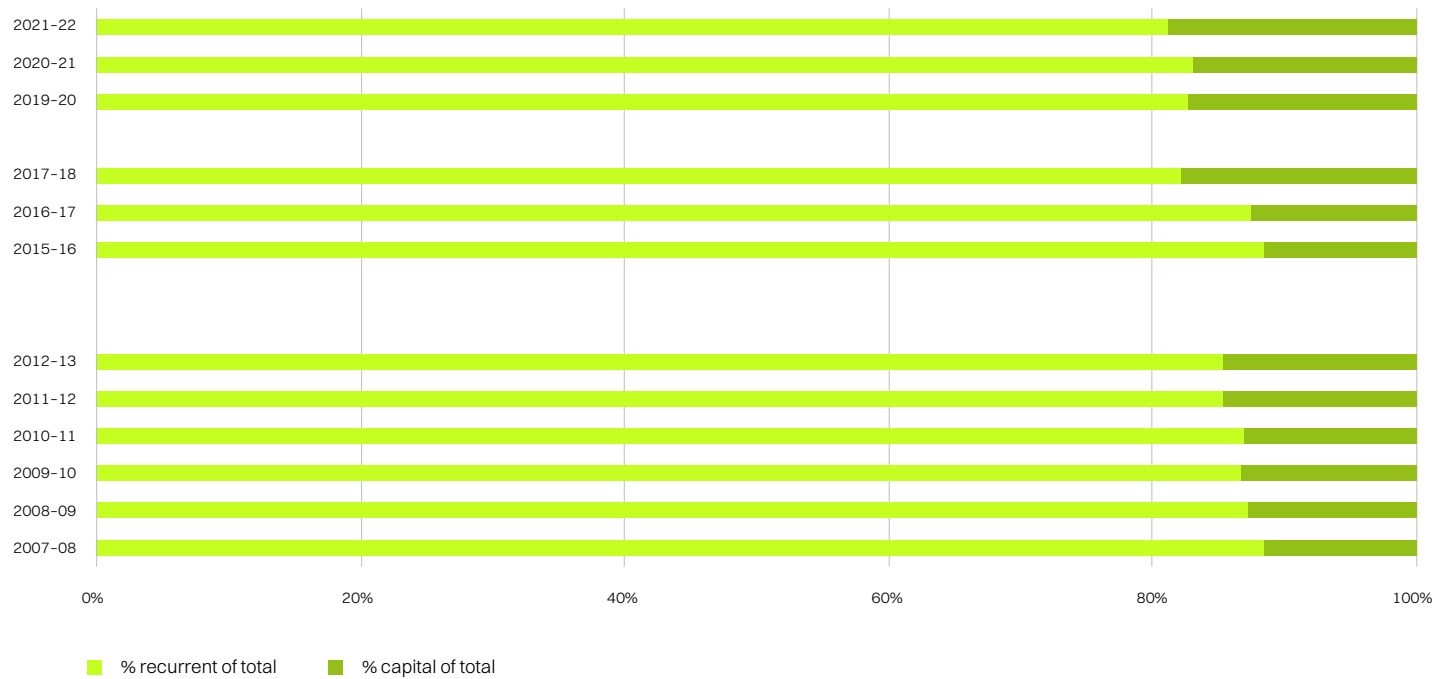
# 1.5

## Expenditure by recurrent or capital type (non-COVID-19)

Government expenditure on arts and culture is comprised of 'recurrent expenditure', which includes activities such as the running of organisations and programs, as well as 'capital expenditure', which encompasses investment in activities such as building cultural facilities.<sup>45</sup>

Figure 15 shows how the share of recurrent versus capital expenditure has changed between 2007-08 and 2021-22. Recurrent expenditure dominates, averaging 85% of total expenditure over the 15 years to 2021-22. However, the share of capital expenditure is slowly but steadily increasing, rising from 11% of total government expenditure on arts and culture in 2007-08 to 19% in 2021-22, its highest level.

Figure 15: Share of non-COVID-19 expenditure on arts and culture by expenditure type, 2007-08 to 2021-22

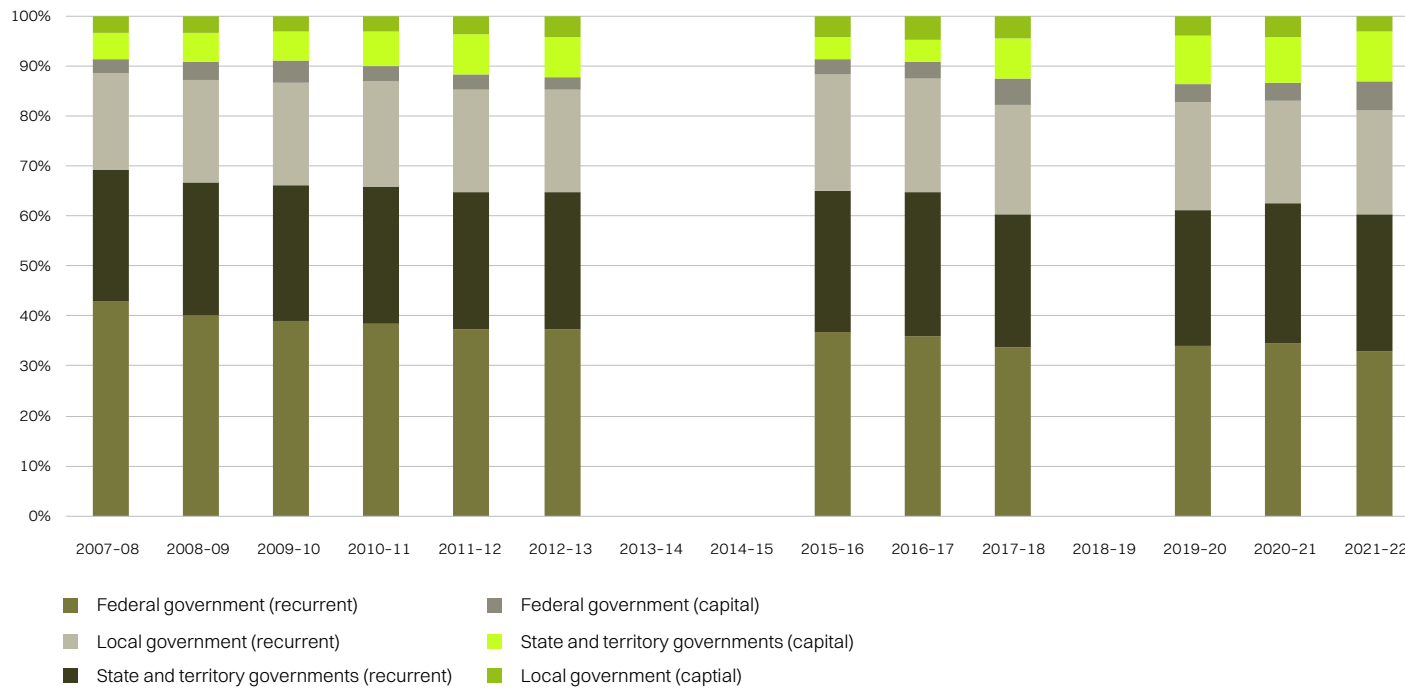


**Capital expenditure has slowly but steadily increased as a proportion of government expenditure on arts and culture.**

Figure 16 shows that the share of the federal government's recurrent expenditure on arts and culture continues to decrease, falling from 43% in 2007-08 to 33% in 2021-22. In the same period, the state and territory governments' capital expenditure had the most significant increase, from 5% of non-COVID-19 expenditure on arts and culture by all levels of government in 2007-08 to 10% in 2021-22. As a share, capital expenditure by state and territory governments is generally between two and three times the federal government's capital expenditure. All other proportions have remained relatively stable over the 15-year period.

It is important to note that Figure 16 refers to the proportions each level of government contributes to total expenditure on culture, not to the amounts.

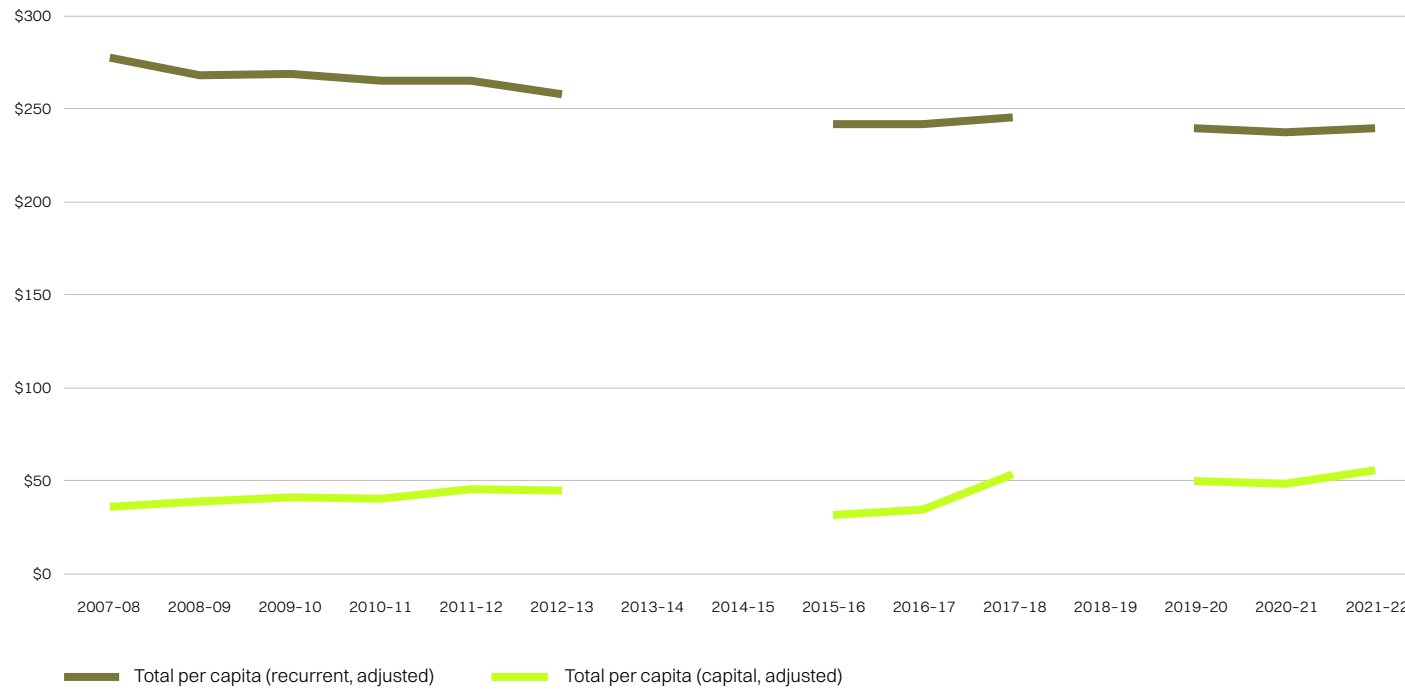
Figure 16: Share of non-COVID-19 expenditure on arts and culture by level of government and expenditure type, 2007-08 to 2021-22



**Shares of capital expenditure have remained relatively stable across all levels of government, but the federal share of recurrent expenditure has declined.**

There has been a steady decrease in per capita recurrent expenditure from \$278 in 2007–08 to \$240 in 2021–22. Over the same period, per capita capital expenditure increased from \$36 to \$56, representing a 54% increase, as shown in Figure 17.

Figure 17: Per capita non-COVID-19 expenditure on arts and culture by expenditure type, 2007–08 to 2021–22



Notes: Adjusted to June 2022, WPI.

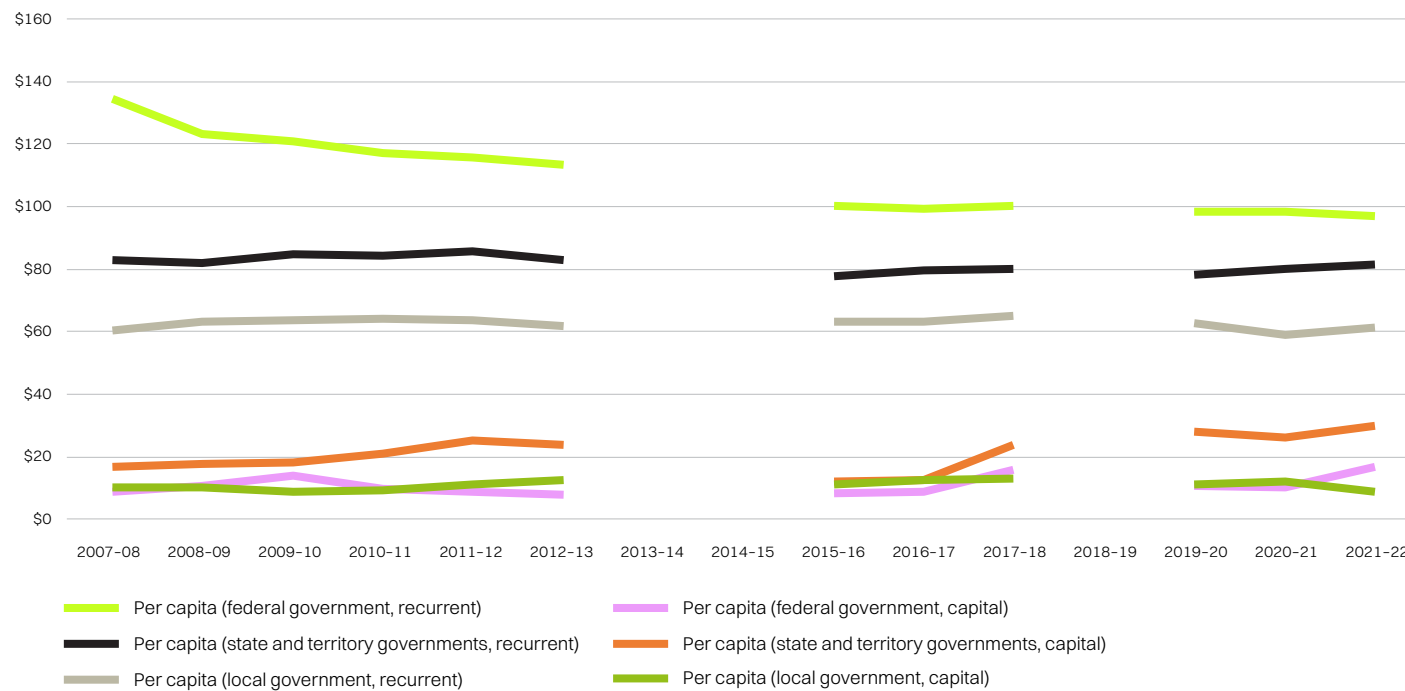
**Per capita recurrent expenditure is decreasing across the three levels of government.**



Figure 18 further analyses recurrent and capital expenditure, comparing the per capita changes across the three levels of government. Since 2007-08, there has been a sustained decrease in recurrent expenditure by the federal government, partly offset by an increase in capital expenditure. By contrast, from 2020-21 to 2021-22, local governments had an increase in recurrent expenditure and a decrease in capital expenditure.

Of the six criteria compared in this analysis, four criteria recorded increases from 2020-21 to 2021-22: recurrent expenditure by state and territory governments (a 2% increase), recurrent expenditure by local government (a 4% increase), capital expenditure by the federal government (a 63% increase, but off a small base) and capital expenditure by state and territory governments (a 14% increase). Capital expenditure by local governments fell 25%, and recurrent expenditure by the federal government fell by 1%.

Figure 18: Per capita non-COVID-19 expenditure on arts and culture by level of government and expenditure type, 2007-08 to 2021-22



Notes: Adjusted to June 2022, WPI.

**There has been a sustained decrease in per capita recurrent expenditure by the federal government.**

# 1.6

## Expenditure by jurisdiction (non-COVID-19)

The CFG provides insight into the expenditure on arts and culture by Australia's eight states and territories. Figure 19 presents the expenditure by state and territory governments on a per capita basis and highlights the significant variation between jurisdictions.

It is important to note that the local government data contained in Figure 20 is not fully comparable to data from other levels of government. Expenditure for zoos and botanic gardens is included in local government data but excluded from the federal and state and territory data.

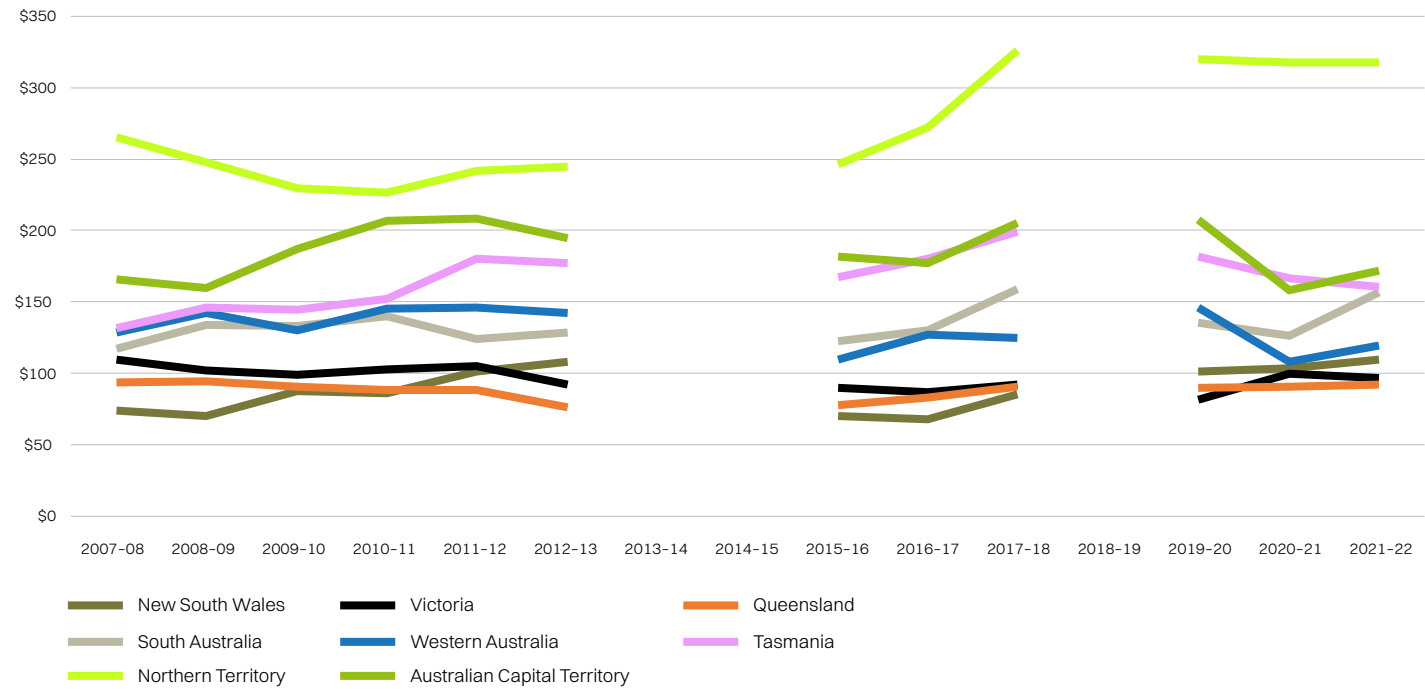
It is also important to note that the Australian Capital Territory (ACT) does not have a local government structure, as the ACT Government fills both a state and local government role. Hence, in the following figures all expenditure for that jurisdiction is attributed to the territory government.

In 2021–22, most states and territories maintained their 2020–21 relative positions, except for a 24% increase in South Australia (SA) and increases of around 10% in Western Australia (WA) and the ACT from the previous year. Tasmania was one of only two jurisdictions to record a fall, a 4% decline to \$160 on a per capita basis. The Northern Territory (NT) saw minimal change, but expenditure on a per capita basis remains two to three times higher than any other jurisdiction.

Such fluctuations in expenditure are to be expected. Some of this variance is due to one-off allocations for particular organisations and projects and the effects of capital projects potentially extending over several years. For example, in 2020–21, the decrease in WA may be explained by the completion of the WA Museum Boola Bardip, as well as by an expenditure model change and extraordinary grants for 2019–20 in that state's libraries.<sup>46</sup>

However, it is also worth noting that the three least populous jurisdictions in Australia – the NT, ACT and Tasmania – have held consistently higher per capita expenditure than other jurisdictions since 2007–08.

Figure 19: Per capita non-COVID-19 expenditure on arts and culture by jurisdiction, 2007-08 to 2021-22



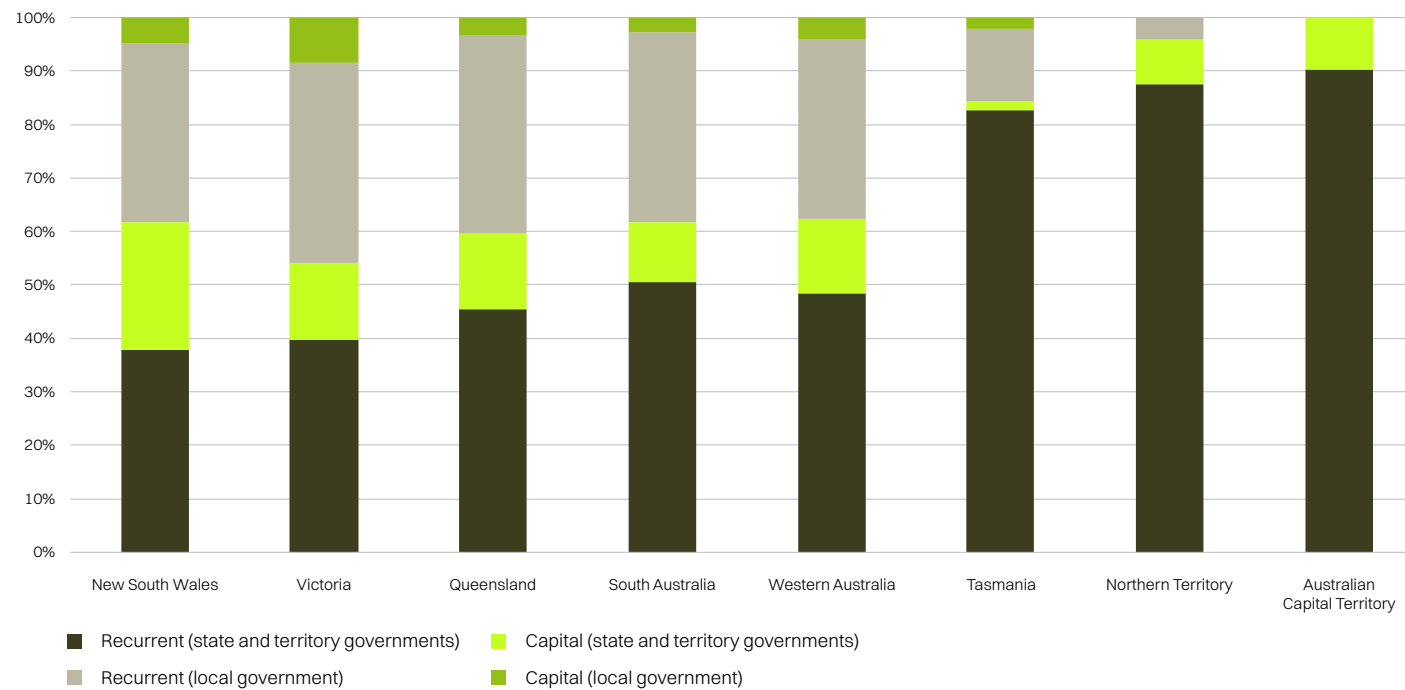
Notes: Adjusted to June 2022, WPI.

**Among state and territory governments, the NT consistently leads per capita expenditure on arts and culture.**

The CFG includes local government data by state or territory, allowing us to compare local government expenditure with state and territory expenditure, as seen in Figure 20.<sup>47</sup> As the ACT does not have a local government structure, this jurisdiction's data is only shown for the purpose of comparing its capital and recurrent expenditure types.

In all jurisdictions (except the ACT), the state or territory government contributed the larger proportion of the expenditure on arts and culture; however, there is significant variation among them. For example, in 2021–22, 16% of Tasmania’s expenditure came from local governments,<sup>48</sup> while only 4% of government expenditure in the NT came from local governments. In contrast, all other local governments contributed a significantly higher proportion, averaging 40% of government expenditure.

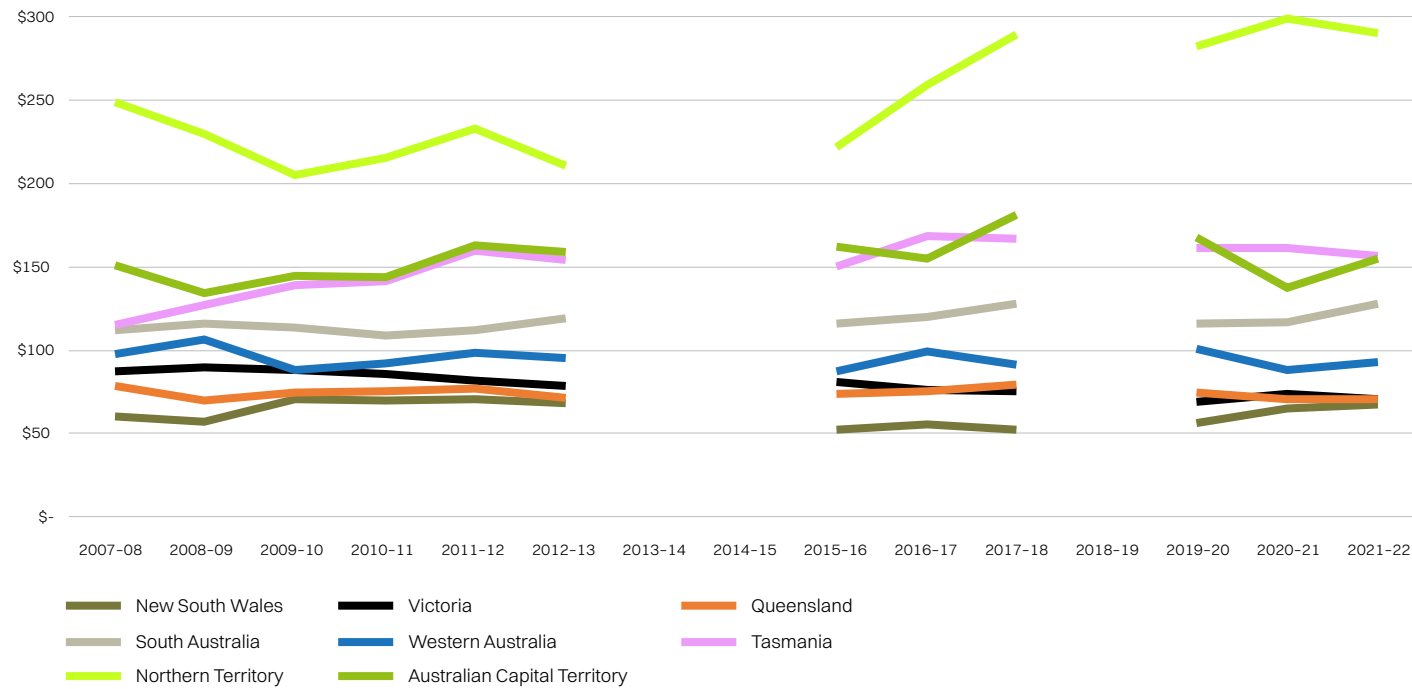
Figure 20: Share of non-COVID-19 expenditure on arts and culture by jurisdiction, level of government and expenditure type, 2021–22



**In 2021–22, the contributions of state and territory and local governments towards recurrent and capital expenditure on arts and culture varied in each Australian jurisdiction.**

Figures 21 and 22 depict the per capita recurrent and capital expenditure by state and territory governments. Separately analysing capital expenditure helps us understand the variations created by the commissioning of larger, one-off capital expenditure projects in each jurisdiction.

Figure 21: Per capita recurrent non-COVID-19 expenditure on arts and culture by jurisdiction, 2007-08 to 2021-22

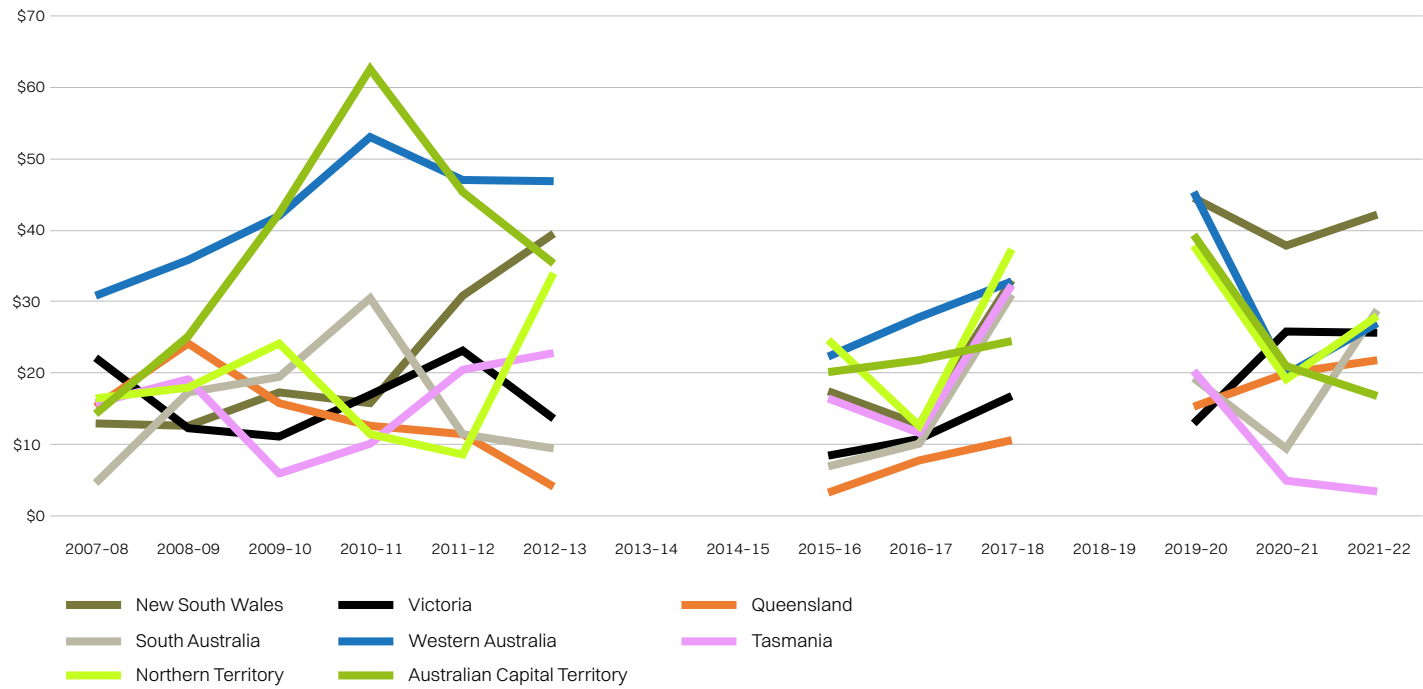


Notes: Adjusted to June 2022, WPI. Recurrent expenditure data only.

**Per capita recurrent expenditure on arts and culture varies across jurisdictions, with Australia's three least populated states consistently spending more per capita.**

Per capita expenditure on capital activities possibly reflects the wider economic volatility of recent times, as well as major capital infrastructure projects that have been commissioned. Six of the eight states and territories recorded increases in 2021-22 compared to 2020-21, led by a significant increase in SA and more modest increases in the NT and Victoria. However, as shown in Figure 22, per capita capital expenditure has always shown significant variation from year to year and among jurisdictions.

Figure 22: Per capita capital non-COVID-19 expenditure on arts and culture by jurisdiction, 2007-08 to 2021-22



Notes: Adjusted to June 2022, WPI. Capital expenditure only.

**In per capita capital expenditure on arts and culture, each jurisdiction has experienced peaks and troughs.**

For a summary of the findings in Part 1, see [Key findings](#).

# Part 2: Opportunities

## In this Section

**2.1 Promoting collaboration and coordination in government investment**

**2.2 Reporting of government investment**

# This report contains many numbers, charts and statistics about trends in government expenditure on arts and culture in Australia and internationally.

## But what should readers take away from these insights?

Part 1 presents a variety of findings about government investment in arts and culture, covering topics ranging from levels of expenditure for different types of activities to the amounts invested by different governments. This section builds upon these findings and the broader policy context for arts and culture policy. Given the focused examination in this report on cultural expenditure by governments, it particularly considers the implications for policymakers and identifies opportunities for governments to better leverage the investments they already make and the data about investments they produce.

Notwithstanding our focus on policymakers and governments, it is important to emphasise that Australians' opportunities to participate in and contribute to the cultural life of the nation are made possible by investment of time, trust and money by the public; by creators; by commercial and not-for-profit organisations; by philanthropy and sponsorship; as well as by governments. ANA's report *To Scale* found that the largest single source of revenue for cultural and creative businesses was sales of goods and services, including for those not-for-profit organisations with a cultural purpose.<sup>49</sup> Making cultural opportunities available to all Australians, and unlocking further investment to keep strengthening Australia's cultural and creative activity, requires commitments from all parts of the interdependent system.

In this part, we complement the findings of Part 1 with opportunities in two key thematic areas:

- The *collaboration and coordination* of government investments. Pursuing these opportunities would improve how governments collaborate on their respective cultural policies, invest jointly, and partner with philanthropy, industry and not-for-profit organisations.
- The *reporting and transparency* of government investment across the three levels in Australia and across various portfolios. Pursuing these opportunities could help understand who currently funds what and why, assisting all stakeholders in planning and making financial decisions, especially when seeking government investment.

Part 2 should be interpreted in the context of mounting fiscal pressures on government expenditures, the implementation of Australia's new National Cultural Policy, the new *NSW Creative Communities* policy and the ongoing development of cultural policies around the country at both state/territory and local government levels. We aim for these opportunities to support collaborative and coordinated decision-making, including for cross-jurisdictional and cross-portfolio policies, and to continue improving understanding of who funds what in arts and culture and why. The opportunities discussed in this part are summarised above at [Key opportunities](#).



# 2.1

## Promoting collaboration and coordination in government investments

Part 1 revealed that public investments in arts and culture have changed over time. For example, while overall government investment increased in 2021–22 (Finding 1), it is not keeping pace with Australia’s population growth (Finding 3). Similarly, the scale of state and territory governments’ annual investments now matches that of the federal government, while the local government share has decreased to 24% in 2021–22 (Finding 4). In addition, government spending on ‘recreation, culture and religion’ in Australia is below that of many of our international peers on a GDP basis (Finding 2). Taken together, these findings raise questions about the appropriate long-term contributions from different jurisdictions towards a range of important national outcomes, such as supporting wellbeing.<sup>50</sup>

As ANA has recommended in our Insight Report *Accelerate*, at our Chair's 2023 National Press Club Address and in our 2024-25 Pre-Budget Submission, there is an opportunity to place greater focus on collaboration between governments' investments in arts and culture to support national outcomes. ANA's suggested mechanism for this collaboration is an elevated meeting of Cultural Ministers reporting to the National Cabinet, akin to the ministerial councils for other portfolios and priorities.<sup>51</sup>

Beyond government collaboration, it is worth noting that ANA will release a further Insight Report on the theme 'Partnerships for a Cultural Life' later in 2024. Noting the diverse investment environment in arts and culture, that report will consider collaboration between a broader set of investors.

As Part 1 explained, governments make investments in arts and culture via 110 agencies. As a further mechanism for better coordination in this context, long-term planning across these different levels of government and portfolios (i.e. a minister's area of responsibility) can help governments set direction and provide certainty for the benefit of cultural organisations and individuals, as well as for non-government investors in arts, culture and creativity, such as philanthropic organisations and commercial operators (e.g. financial institutions, crowdfunding platforms).<sup>53</sup>

Policy objectives and reasons for public investments in arts and culture remain a perennial issue for governments in Australia. A long-term plan would assist jurisdictions in jointly exploring whether differing levels of expenditure remain consistent with these government rationales and with shared or separate responsibilities.

## Opportunity 1

For the National Cabinet to elevate the existing meeting of Cultural Ministers to a formalised Ministerial Council reporting annually to the National Cabinet, including a seat for local government.<sup>52</sup>

## Opportunity 2

For governments at all three levels (ideally through a Cultural Ministers Council) to pursue an intergovernmental plan with long-term outcomes, a commitment to genuine collaboration and clear responsibilities for jurisdictions.

**Box 3 below lays out some of the responsibilities that drive governments to invest in arts and culture.**

## **Box 3 – Responsibilities relevant to government investments in arts and culture**

- **Constitutional responsibilities:** The Constitution of Australia empowers the federal Parliament to make laws about matters listed in the Constitution. One listed matter is 'postal, telegraphic, telephonic and other like services', which includes broadcasting and communications matters generally. As a result, the federal Parliament has enacted laws establishing the Special Broadcasting Service and the Australian Broadcasting Corporation. Having established these broadcasters, the federal Parliament acquires a responsibility to fund their establishment and operation, though the level of expenditure varies from time to time.
- **Other legislative or regulatory responsibilities:** Sometimes, laws or regulations create cultural expenditure responsibilities for governments. For example, disability standards for buildings agreed upon by governments at all levels in 2022 raise accessibility standards for major public buildings, including performing arts venues and cultural institutions operated by governments.<sup>54</sup> These governments will need to invest to ensure these facilities meet such standards for disability access. Similarly, it is the responsibility of state and territory education departments to compensate copyright owners for the use of books, music and other copyright materials in schools, under federal copyright law obligations to provide equitable remuneration.
- **Responsibilities from agreements between governments:** Agreements between governments can establish responsibilities for arts and culture expenditure. For example, memoranda of understanding between the Commonwealth and state-level governments underpin several City Deals and Regional Deals. These agreements commit these governments to collectively fund projects for these areas, including arts and culture precincts.
- **Responsibilities from government commitments:** Often, governments assume responsibility for cultural expenditure voluntarily, in the absence of constitutional or other legal obligations. For example, governments at all levels commit to investing in performing arts venues, galleries, libraries, archives and museums. This creates a responsibility to fund the establishment and operation of these facilities.

Part 1 also found that capital expenditure consumes an increasing share of government investment in arts and culture (Finding 5). This prompts consideration of the mechanisms used to assess these potential investments, including 'discount rates'.

For multi-year capital projects in arts and culture, 'discount rates' are a tool to compare the benefits and costs of a potential project at different points in time and ultimately to determine the best option. For example, such discount rates can help to compare:

- Two options for a multipurpose venue with different upfront capital expenditure,
- Recurrent expenditure to operate the venue and
- Revenue and benefits once operating.

In other words, discount rates enable governments to determine whether a longer-term investment is worth the return. Without considering this evidence, there would be a risk that governments do not invest in ways proportionate to the return for Australians. Discount rates are essential for comparing options for multi-year, capital-intensive projects, such as cultural precincts and the Brisbane 2032 Olympics and Paralympics.

Currently, discount rates are not uniform across Australian jurisdictions – for example, NSW mandates a 5% rate, while the federal government recommends a 7% rate.<sup>55</sup> Different discount rates mean different jurisdictions could see a different return on investment for the same project, which inhibits joint or collaborative investment.

As a result, there is an opportunity to better consider (and potentially better coordinate) discount rates for some cross-jurisdictional investments in arts and culture. Discount rates could be discussed and considered through the National Cabinet's elevated meeting of Cultural Ministers (see Opportunity 1), through existing coordination mechanisms (e.g. memoranda of understanding between jurisdictions) and even on a project-by-project or ad hoc basis.

## Opportunity 3

For federal, state and territory agencies investing in arts and culture to consider how discount rates impact their joint investments in multi-year, capital-intensive projects relevant to arts and culture.

## 2.2

# Reporting and transparency of government investments

In *Big Picture 3*, ANA recommended experimenting with deeper granularity of the CFG data collection and reporting instruments (e.g. 'by portfolio' and 'by postcode'). That opportunity remains pertinent, with potential benefits for empowering industries, fostering awareness and supporting collective efforts (as described in the Executive Summary of this report). More granular reporting on expenditure in the CFG could complement its existing breakdowns and other data that governments already publish, supporting the industry in using that information and informing the opportunities that ANA can identify for governments in the future.

There is an additional opportunity to improve the transparency of cultural expenditure by governments across jurisdictions and portfolios. This involves aligning CFG reporting with information about the returns that government investments are delivering for cultural organisations, creative individuals and communities accessing cultural and creative goods and services in Australia.

Many areas of impact are already considered in available Australian and international evidence. However, governments typically do not consolidate this information in one place. ANA's existing research can support this definitional and conceptual work of governments. For instance, ANA first explored the available evidence about transformative impacts of arts and culture in 2019, finding they fall into thematic areas ranging from 'Society and Place' to 'Economy', 'Innovation' and 'Health and Wellbeing'.<sup>56</sup> ANA will refresh and update understandings of these impacts in late 2024 based on available studies and reporting.

As fiscal pressures mount, transparently and deliberately demonstrating the return on investment across society may support global efforts to strengthen and preserve the financing of culture.<sup>57</sup> Put bluntly, understanding these returns informs the business case for investing both inside and outside governments. This would better inform decision-makers about how investment in arts, culture and creativity contributes to a wide range of policy objectives beyond arts and culture, including health, education, productivity and social cohesion.

Reporting on returns could also help public officials to:

- Measure Australia's wellbeing in frameworks across the country and internationally.
- Report on the long-term cultural and other impacts of major events, such as the Brisbane 2032 Games, the Legacy Strategy of which currently recognises the wide-ranging impacts of 'arts, culture and creativity'.<sup>58</sup>
- Better evaluate policy options, in line with the Australian Government Guide to Policy Impact Analysis.<sup>59</sup>

Some jurisdictions have already committed to more transparency about impacts of and returns on government investments over the life of a cultural policy. Examples include the triennial 'State of Culture' report under the new National Cultural Policy *Revive* and the triennial 'Creative Statement to Parliament' under the *NSW Creative Communities* policy.<sup>60</sup>

## Opportunity 4

For governments at all levels to experiment with accessible reporting about returns on government investment in arts and culture, from stating policy objectives and aligning different statistical data collections (such as ANZSCO and the Cultural and Creative Satellite Accounts) to evaluation and, where possible, releasing data behind this reporting on a consistent, regular basis.

The previous discussion outlined arguments in favour of reporting on impacts of and returns on investment in arts and culture, for the benefit of stakeholders and governments, as did the discussions in *Big Picture 3*. Achieving financial, economic and socio-cultural impacts is a much larger priority, expectation and area of government activity in Australia and in OECD countries, regardless of regulatory portfolio. Typically, impact analyses can be and are undertaken 'before' a decision, so that all relevant information is presented to the decision-maker when a decision is being made, or 'after' a decision, to 'support better policy and programs that improve the lives of Australians'.<sup>61</sup>

For example, the Productivity Commission's Report on Government Services (RoGS) provides information on the equity, effectiveness and efficiency of government services in Australia. Since *Big Picture 3* raised this opportunity for reporting on government's cultural expenditure, the 2024 RoGS report was released.<sup>62</sup> That report included new data on the cost and availability of a range of services. It has shed important light on cost-of-living impacts affecting access to a range of services. However, arts and culture services are omitted as a distinct area of reporting. This information may be valuable to help consumers, policymakers and governments plan for and respond to demand for these services.

Noting the multi-billion-dollar investments by the federal government in arts and culture (Findings 1 and 4), and its functions in whole-of-government reporting frameworks, there is renewed opportunity to expand arts and culture in whole-of-government reporting on government services, as part of the reporting that governments undertake after decisions.

## Opportunity 5

For the Steering Committee for the Review of Government Services to consider arts and culture as a service provision sector for inclusion in the Report on Government Services, providing annual information on equity, efficiency and effectiveness.

# Appendix: Research design and methods

## In this Section

**Datasets used in this report**

**Data collection – federal, state and territory governments**

**Data collection – local governments**

**Data collection – COVID-19 and non-COVID-19**

**Analysis and presentation of data**

**Endnotes**



## Datasets used in this report

The key datasets used in this report are:

- ABS 4183.0 cultural funding by government for arts and cultural expenditure data from 2007–08 (including detailed expenditure by local government for the first time) up to 2012–13.<sup>63</sup>
- Cultural funding by government (for 2015–16, 2016–17, 2017–18, 2020–21 and 2021–22 data), prepared by the ABS on behalf of the Department and previously the now-disbanded MCM Statistical Working Group.
- ABS national, state and territory population (June quarter of each year, formerly ABS 3101.0 Australian demographic statistics for population until 2019).
- ABS 6345.0 WPI, using the hourly rates of pay reported in the public and private arts and recreation services category (June quarter of each year).

## Data collection – federal, state and territory governments

Data collection for the survey of CFG has been completed by consultants from the ABS on behalf of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) and previously the now-disbanded MCM since the 2015–16 financial year. Previous collections were conducted by the ABS under the *Census and Statistics Act 1905*. It captures the expenditure for organisations at all scales and across the following categories:

*Art museums; other museums and cultural heritage; libraries; archives; literature and writing; music; theatre; dance; music theatre and opera; circus and physical theatre; comedy; other performing arts; performing arts venues; cross-art form; visual arts and crafts; design; radio and television services; film and video production and distribution; interactive arts content; arts education; community arts and cultural development; multi-arts festivals; arts administration; and other arts.*

The category 'other museums and cultural heritage' covers the acquisition, collection management, conservation and exhibition of heritage objects. This category includes indigenous cultural heritage and keeping places, historical houses, historical museums, war memorials and national trust organisations.

While the CFG is considered the most complete dataset available, it does not cover all expenditure on arts and culture by the government. Several specific programs may not be captured (e.g. the Australian Screen Production Incentive is not included). Additionally, expenditure on infrastructure that has a significant cultural component, such as regional museums, may be identified as expenditure on tourism rather than culture. It includes both recurrent and capital expenditure and breaks down expenditure both by total and per capita amounts.

The CFG data collection occurs at both the federal and state and territory levels via an electronic survey from relevant government departments, who self-report on the cultural expenditure that has occurred in their jurisdiction over the financial year. These figures are then collated and analysed.

The ABS advised in the earlier iterations of data collection that, while the survey instrument asks for Goods and Services Tax-exclusive (GST-exclusive) figures, it cannot guarantee that the data returned is GST exclusive.

No data is available for the 2013–14, 2014–15 and 2018–19 periods. No data was collected for this series by either the ABS or the MCM Officials Statistics Working Group during these years.

# Data collection – local governments

See the extract below from the CFG 'Explanatory Notes' tab on how local government data was collected.

## Box 4 – How local government data was collected for CFG

Local government expenditure estimates were obtained from state and territory Local Government Grants Commission data, or equivalent sources. The data was sourced as a customised extract from ABS Government Finance Statistics, Annual, 2021–22.

Data was based on the Classification of the Functions of Government – Australia (COFOG-A), which groups operating expenses and expenditure by government function or purpose. From 2017–18, COFOG-A replaces the ABS Government Purpose Classification (GPC). Local government data reported in this publication are comparable across the three time references. *Data for 'recreation, culture and religion' was totalled for each state and territory using the following four highlighted categories:*

- 0811 – Recreational and sporting services
- **0821 – Film production services**
- **0829 – Cultural services nec<sup>64</sup>**
- **0831 – Broadcasting services**
- **0832 – Publishing services**
- 0841 – Religious and other community services
- 0851 – Research and development – recreation, culture and religion nec
- 0891 – Community centre and halls
- 0899 – Recreation, culture and religion nec

The ABS primarily quality assures the data at the two-digit GPC level or higher. Purpose expenditure data at the three- or four-digit level remain largely as reported by councils to the relevant Grants Commission.

Note that the local government data was not 100% comparable with data from other levels of government, as they included expenditure for zoos and botanic gardens, which was excluded from federal government and state and territory level data.

# Data collection – COVID-19 and non-COVID-19

The 2020–21 CFG financial tables identified two types of government expenditure in response to COVID-19:

## 1. Targeted COVID-19 support:

This uses the same inclusions as the non-COVID-19 expenditure on arts and culture.<sup>65</sup> The 2021–22 financial tables continued to report this.

## 2. Wider economy COVID-19 support:

This is based on the Australian and New Zealand Standard Industrial Classification (ANZSIC) codes for creative and cultural industries.<sup>66</sup> The 2021–22 financial tables discontinued reporting this for federal government.

The table to the right summarises what these two types of government expenditure include.

Table 4: Comparison of inclusions and scope of data on government expenditure on arts and culture, in CFG financial tables

Scope of targeted COVID-19 support (same as non-COVID-19 expenditure on arts and culture)	Scope of wider economy COVID-19 support	
<ul style="list-style-type: none"> <li>• Art museums</li> <li>• Other museums and cultural heritage</li> <li>• Libraries</li> <li>• Archives</li> <li>• Literature and writing</li> <li>• Music</li> <li>• Theatre</li> <li>• Dance</li> <li>• Music theatre and opera</li> <li>• Circus and physical theatre</li> <li>• Comedy</li> <li>• Other performing arts</li> <li>• Performing arts venues</li> <li>• Cross-art form</li> <li>• Visual arts and crafts</li> <li>• Design</li> <li>• Radio and television services</li> <li>• Film and video production and distribution</li> <li>• Interactive arts content</li> <li>• Arts education</li> <li>• Community arts and cultural development</li> <li>• Multi-arts festivals</li> <li>• Arts administration</li> <li>• Other arts</li> </ul>	<ul style="list-style-type: none"> <li>• Clothing manufacturing</li> <li>• Footwear manufacturing</li> <li>• Printing</li> <li>• Printing support services</li> <li>• Reproduction of recorded media</li> <li>• Jewellery and silverware manufacturing</li> <li>• Clothing and footwear wholesaling</li> <li>• Jewellery and watch wholesaling</li> <li>• Book and magazine wholesaling</li> <li>• Entertainment media retailing</li> <li>• Newspaper and book retailing</li> <li>• Clothing retailing</li> <li>• Footwear retailing</li> <li>• Watch and jewellery retailing</li> <li>• Newspaper publishing</li> <li>• Magazine and other periodical publishing</li> <li>• Book publishing</li> <li>• Other publishing (except software, music and internet)</li> <li>• Software publishing</li> <li>• Motion picture and video production</li> <li>• Motion picture and video distribution</li> <li>• Motion picture exhibition</li> </ul>	<ul style="list-style-type: none"> <li>• Post-production services and other motion picture and video activities</li> <li>• Music publishing</li> <li>• Music and other sound recording activities</li> <li>• Radio broadcasting</li> <li>• Free-to-air television broadcasting</li> <li>• Cable and other subscription broadcasting</li> <li>• Internet publishing and broadcasting</li> <li>• Libraries and archives</li> <li>• Video and other electronic media rental and hiring</li> <li>• Architectural services</li> <li>• Other specialised design services</li> <li>• Advertising services</li> <li>• Professional photographic services</li> <li>• Computer system design and related services</li> <li>• Arts education</li> <li>• Museum operation</li> <li>• Performing arts operation</li> <li>• Creative artists, musicians, writers and performers</li> <li>• Performing arts venue operation</li> </ul>

The 'Explanatory Notes' for the 2021-22 CFG provide substantial information and caveats for COVID-19-related support. Box 5 below provides a summary of relevant information.

## Box 5 – Impacts of COVID-19 and CFG

The COVID-19 pandemic had a substantial impact on the cultural and creative sector in Australia during the 2019-20, 2020-21 and 2021-22 collection cycles.

Federal, state and territory governments provided targeted COVID-19 support for cultural and creative organisations and infrastructure, businesses, individuals, support programs and initiatives. This data was captured for the 2019-20, 2020-21 and 2021-22 collections.

COVID-19 support data was captured for April, May and June 2020 for the 2019-2020 collection. Data for 2020-21 and 2021-22 covers the full financial year. Please take caution when comparing the three financial years.

Data for 2019-20 have been revised for both the federal government, and state and territory governments.

In 2019-20, wider economy and targeted COVID-19 support was allocated in direct response to the impact of COVID-19. This expenditure was reported against Total Recurrent and Total Heritage and Arts value of expenditure 'only' and not broken down by category for the federal, SA, Tasmania, and ACT governments. Data included for the Victorian Government was reported against categories and totals. All data is comparable for Total Recurrent and Total Heritage and Arts figures.

In 2019-20, wider economy and targeted COVID-19 support was only able to be reported for the Victorian, SA, Tasmania, and ACT governments. The Queensland Government also reallocated and brought forward COVID-19 support funding.

In 2020-21 and 2021-22, targeted COVID-19 support was reported against Total Recurrent and Total value of expenditure and broken down by category. Data for 2019-20, 2020-21 and 2021-22 are comparable at the Total Recurrent and Total Heritage and Arts figures.

Please take caution when comparing the targeted COVID-19 support between states and territories. Different states and territories had different impacts and responses to COVID-19.

Additional expenditure has been identified from the federal government for the wider economy *JobKeeper* and *Boosting Cash Flow for Employers* payments and appear separately from the survey collection data. The data reference the payment year and are based on the ANZSIC codes identified in Explanatory Notes-Appendix A as creative and cultural industries. Data for 2019-20 and 2020-21 have been footnoted in the relevant tables for reference.

*JobKeeper* payments ceased in March 2021 and *Boosting Cash Flow for Employers* payments ceased in September 2020, therefore these payments were not applicable in the 2021-22 survey.

# Analysis and presentation of data

All figures provided in this Insight Report are in Australian dollars.

Government expenditure is often indexed using a variety of Wage Cost Indices (WCI) rather than the WPI. The WCIs used vary across departments, programs and levels of government, and the details are not released in a collected format. Within this report, we have used the ABS's published WPI series – ABS 6345.0 – as a proxy for WCI.<sup>67</sup> We note that this methodology may create slight variations in the figures across different programs and levels of government.

For several of the years considered in this Insight Report, the CFG included environmental heritage. We excluded this from the federal, state and territory government figures, but it was not possible to exclude this category from the local government figures. Because of this, several of the figures in this report (in particular, the per capita figures) differ from those published in the CFG.

There was some difficulty comparing data due to category changes and inconsistencies.

Several releases include corrections to data from the previous years. The updated figures were used.

Minor variations between the per capita figures presented in this document and the government CFG reports are attributable to each analysis using population data from different points in the year. The CFG uses figures from the September 2022 release; this document uses June quarter population figures.

The ABS updates earlier quarterly population estimates as new information becomes available to it, as ANA learnt as part of the analysis of the 2021–22 data. In keeping with the CFG approach, ANA has chosen not to revise the population data of previous years as part of the analysis (and consequently any per capita data is also unchanged). Further, the changes in the ABS's population data are small (averaging less than 0.5%) and have a negligible impact on the results. More information about the methodology that the ABS uses to estimate resident population can be found on its website: '[National, state and territory population methodology](#)'.

This Insight Report reports descriptive statistics only, and therefore the use of the word 'significant' throughout the report does not refer to statistical significance – we are not testing any hypotheses.<sup>68</sup>

# Endnotes

- 1 Kate Fielding, Iva Glisic, and Jodie-Lee Trembath, "Transformative: Impacts of Culture and Creativity," Insight Series (Canberra: A New Approach and The Australian Academy of Humanities, November 2019), <https://newapproach.org.au/wp-content/uploads/2021/07/2-ANA-InsightReportTwo-FullReport.pdf>; Kate Fielding, Aakanksha Sidhu, and Angela Vivian, "Intergenerational Arts and Culture: Lessons across Middle Australia" (A New Approach (ANA), October 2023), <https://newapproach.org.au/analysis-papers/intergenerational-arts-and-culture-lessons-across-middle-australia/>; Kate Fielding, Angela Vivian, and Sari Rossi, "Accelerate: Reframing Culture's Role in Productivity" (A New Approach (ANA), November 29, 2023), <https://newapproach.org.au/wp-content/uploads/2023/11/ANA-Accelerate-Productivity-Insight-Report-2023.pdf>.
- 2 In this report, ANA refers to the central government of Australia as the 'federal government', instead of a commonly adopted form of 'Australian Government' or 'Commonwealth Government'. This term is standard in international comparisons, including in research by organisations such as the OECD.
- 3 Commonwealth of Australia, "Measuring What Matters: Australia's First Wellbeing Framework," 2023, [https://treasury.gov.au/sites/default/files/2023-07/measuring-what-matters-statement020230721\\_0.pdf](https://treasury.gov.au/sites/default/files/2023-07/measuring-what-matters-statement020230721_0.pdf).
- 4 Fielding, Sidhu, and Vivian, "Intergenerational Arts and Culture: Lessons across Middle Australia."
- 5 House of Representatives Standing Committee on Communications and the Arts, "Sculpting a National Cultural Plan: Igniting a Post-COVID Economy for the Arts" (Canberra: Commonwealth of Australia, October 2021), [https://www.aph.gov.au/Parliamentary\\_Business/Committees/House/Communications/Arts/Report](https://www.aph.gov.au/Parliamentary_Business/Committees/House/Communications/Arts/Report).
- 6 Fielding, Glisic, and Trembath, "Transformative: Impacts of Culture and Creativity"; Fielding, Vivian, and Rossi, "Accelerate: Reframing culture's role in Productivity."
- 7 UNESCO has defined global public goods as follows: 'Global public goods are those marked by non-rivalry of consumption and non-exclusion. Moreover, their benefits are near-universal in terms of geographical coverage, people (benefitting all) and generations (present and future)'. UNESCO, "Reshaping Policies for Creativity: Addressing Culture as a Global Public Good" (Paris: UNESCO, 2022), 29, <https://unesdoc.unesco.org/ark:/48223/pf0000380474>; MONDIACULT-2022/CPD/6 UNESCO World Conference on Cultural Policies and Sustainable Development - Final Declaration (September 28, 2022), [https://www.unesco.org/sites/default/files/medias/fichiers/2022/09/6\\_MONDIACULT\\_EN\\_DRAFT%20FINAL%20DECLARATION\\_FINAL\\_1.pdf](https://www.unesco.org/sites/default/files/medias/fichiers/2022/09/6_MONDIACULT_EN_DRAFT%20FINAL%20DECLARATION_FINAL_1.pdf).
- 8 The Brisbane 2032 Olympics and Paralympics Legacy Strategy includes 'arts, culture and creativity' as a focus area. State of Queensland (Department of Tourism, Innovation and Sport), "Elevate 2042 - Brisbane 2032 Olympic and Paralympic Games Legacy Strategy," November 2023, [https://q2032-public-assets.s3.ap-southeast-2.amazonaws.com/documents/ELEVATE%202042%20Legacy%20Strategy\\_FULL%20LENGTH.pdf](https://q2032-public-assets.s3.ap-southeast-2.amazonaws.com/documents/ELEVATE%202042%20Legacy%20Strategy_FULL%20LENGTH.pdf).
- 9 The OECD 'produces independent analysis and statistics to promote policies to improve economic and social wellbeing across the globe. Australia has been an active member since 1971'. Australian Government Department of Foreign Affairs and Trade, 'International Organisations - The OECD', accessed February 7, 2023, <https://www.dfat.gov.au/trade/organisations/oecd>.
- 10 While many of the federal government's COVID-19-related measures ended in 2020-21, measures across many industries persisted. Productivity Commission. "Trade and Assistance Review 2021-22." Accessed January 11, 2024. <https://www.pc.gov.au/ongoing/trade-assistance/2021-22/tar-2021-22.pdf>.
- 11 During the period covered by this year's data release, government fiscal support in the June quarter of 2022 targeted the rising cost of living and inflationary pressures faced by households and businesses, as well as funding for healthcare and assistance for those affected by floods in Queensland and NSW. Crucially, the ABS noted in September 2021 that 'The impact of the COVID-19 pandemic continues to drive the largest fiscal response to an event in modern Australian history', Australian Bureau of Statistics (30 November 2021), [Insights into Government Finance Statistics, September 2021](https://www.abs.gov.au/insights-into-government/2021/09/insights-into-government-finance-statistics-september-2021), ABS Website, accessed January 11, 2024; Australian Bureau of Statistics (1 March 2022), [Insights into Government Finance Statistics, December 2021](https://www.abs.gov.au/insights-into-government/2022/03/insights-into-government-finance-statistics-december-2021), ABS Website, accessed January 11, 2024.
- 12 Over the period covered by the cultural funding by government reporting period, cost of living indexes monitored by the ABS across different groups of households in the Australian population rose by between 4.6% and 5.2%. Australian Bureau of Statistics (June 2022), [Selected Living Cost Indexes, Australia](https://www.abs.gov.au/selected-living-cost-indexes-australia), ABS Website, accessed January 11, 2024.
- 13 Productivity Commission. "Trade and Assistance Review 2021-22." Accessed January 11, 2024. <https://www.pc.gov.au/ongoing/trade-assistance/2021-22/tar-2021-22.pdf>. 14
- 14 In *Big Picture* 3, ANA committed to monitoring the drop in expenditure seen in 2020-21.
- 15 Kate Fielding, Angela Vivian, and Sari Rossi, "To Scale: Mapping Financial Inflows in Australian Arts, Culture and Creativity," Insight Report (Canberra: A New Approach, 2023), [https://newapproach.org.au/wp-content/uploads/2023/08/ANA-64088-To-Scale-Report\\_Combined\\_AW.pdf](https://newapproach.org.au/wp-content/uploads/2023/08/ANA-64088-To-Scale-Report_Combined_AW.pdf).
- 16 Kate Fielding, Iva Glisic, and Jodie-Lee Trembath. "Transformative: Impacts of Culture and Creativity." Insight Series. Canberra: A New Approach and The Australian Academy of Humanities, November 2019. <https://newapproach.org.au/wp-content/uploads/2021/07/2-ANA-InsightReportTwo-FullReport.pdf>.
- 17 The OECD ranks countries' government spending in other ways for areas other than 'recreation, culture and religion', such as spending per capita. ANA is continuing to explore this for future releases.
- 18 Australian Institute of Health and Welfare. "Health System Spending on the Response to COVID-19 in Australia 2019-20 to 2021-22 - Appendix COVID-19 Timeline for Australia," November 29, 2023. <https://www.aihw.gov.au/reports/health-welfare-expenditure/health-system-spending-on-the-response-to-covid-19/contents/about>.
- 19 OECD. The Culture Fix: Creative People, Places and Industries. Local Economic and Employment Development (LEED). OECD, 2022. <https://doi.org/10.1787/991bb520-en>.
- 20 Angela Vivian and Kate Fielding, "Lifelong: Perceptions of Arts and Culture among Baby Boomer Middle Australians". Insight Report No. 2022-02." Canberra: A New Approach (ANA). Accessed January 19, 2023. <https://newapproach.org.au/wp-content/uploads/2022/09/Lifelong-Perceptions-of-Arts-and-Culture-among-Baby-Boomer-Middle-Australians-1.pdf>.

- 21 These institutions and events are listed as examples only; it is not possible to confirm if the CFG captures them because the dataset is aggregated. ANA has confirmed these are examples of government expenditure through the following sources:
- Back to Back Theatre: Department of Jobs, Precincts and Regions, "Annual Report 2021-2022," 2022, 214, [https://djsir.vic.gov.au/\\_data/assets/pdf\\_file/0004/2154406/DJPR-Annual-Report-2021-22.pdf](https://djsir.vic.gov.au/_data/assets/pdf_file/0004/2154406/DJPR-Annual-Report-2021-22.pdf). Back to Back Theatre also received 2.5 million Norwegian kroner, equivalent to approximately 300,000 US dollars, from the Norwegian Government for winning the International Ibsen Award in September 2022. Nationaltheatret, "Back to Back Theatre," The International Ibsen Award, September 2022, <https://www.nationaltheatret.no/international-ibsen-award/winners/back-to-back/>
  - Aboriginal Arts and Cultures Centre: Government of South Australia, "Budget Overview – Budget Paper 1," 2021, 3, 8, <https://www.treasury.sa.gov.au/budget/current-budget/previous-budgets/budget-2021-22>.
  - Darwin Festival 2022 and the Margaret River Readers and Writers Festival: Department of Infrastructure, Transport, Regional Development, Communications and the Arts, "RISE Fund Grant Recipients—Batch Seven Summary of Projects," February 2022, 4, 10, <https://www.arts.gov.au/funding-and-support/restart-investment-sustain-and-expand-rise-fund>
- 22 The CFG dataset includes expenditure in the following categories: Art museums; Other museums and cultural heritage; Libraries; Archives; Literature and writing; Music; Theatre; Dance; Music theatre and opera; Circus and physical theatre; Comedy; Other performing arts; Performing arts venues; Cross-art form; Visual arts and crafts; Design; Radio and television services; Film and video production and distribution; Interactive arts content; Arts education; Community arts and cultural development; Multi-arts festivals; Arts administration; Other arts. The category 'Other museums and cultural heritage' covers the acquisition, collection management, conservation and exhibition of heritage objects. This category includes Indigenous cultural heritage and keeping places, historic houses, historic museums, war memorials and National Trust organisations.
- 23 Overviews are published under the purview of the Cultural and Creative Statistics Working Group see <https://www.arts.gov.au/cultural-data-online/government-cultural-funding-and-participation/cultural-funding-and-participation-national-overview>
- 24 While the CFG series is considered the most complete dataset available, it is expenditure-based and therefore does not capture the full details of government investment and support for the arts and heritage sectors. For example, in addition to direct investment, the federal government supports the sector through several indirect measures, including the Australian Screen Production Incentive and the Cultural Gifts Program; however, these are outside the scope of the CFG survey, as these initiatives are not counted towards expenditure. Other jurisdictions also have indirect initiatives and incentives. Prior to the 2015-16 financial year, the survey was collected under the *Census and Statistics Act 1905*. This Act gives the Australian Statistician the authority to conduct statistical collections and, when necessary, direct a person to provide statistical information. Since the 2015-16 period, the CFG survey became a MCM collection and no longer has this authority. Consequently, the ABS stated, 'While the survey methodology is similar to past collections, time series comparisons should be made with appropriate caution, due to category changes'.
- 25 Australian Bureau of Statistics. "Cultural Funding by Government, Australia Methodology, 2012-13 Financial Year," May 30, 2014. <https://www.abs.gov.au/methodologies/cultural-funding-governme-nt-australia-methodology/2012-13>.
- 26 The CFG survey was not conducted in 2013-14, 2014-15 and 2018-19.
- 27 ANA defines 'middle Australians' as people who are from low- and middle-income households, living in outer suburban or regional locations and politically unaligned (i.e. they have changed their vote to a different major party more than once and at both state and federal elections).
- 28 Fielding, Sidhu, and Vivian, "Intergenerational Arts and Culture: Lessons across Middle Australia," 6.
- 29 Australian Bureau of Statistics (2021-22), [Cultural and creative activities](#), ABS Website, accessed February 22, 2024.
- 30 Based on Commonwealth of Australia data, "Measuring What Matters: Australia's First Wellbeing Framework," 16.
- 31 In this instance, the definition of cultural and creative activity is the same as that given in the ABS 2014 publication *Cultural and Creative Activity Satellite Accounts, 2008-09* and refers to 'activities that involve human creativity as a major input', broadly described as activities 'connected with the arts, media, heritage, design, fashion and information technology'. Bureau of Communications, Arts and Regional Research (BCARR), *FAQ: Cultural and Creative Activity in Australia, 2010-11 to 2019-2020* (Canberra: Department of Infrastructure, Transport, Regional Development, Communications and the Arts, 2022), 1, <https://www.infrastructure.gov.au/sites/default/files/documents/bcarr-faq-cultural-and-creative-activity-in-australia-2010-11-to-2019-2020-overview-october2022.pdf>.
- 32 More information about this estimate can be found in BCARR, Cultural and creative activity in Australia 2010-11 to 2019-20: *Visual summary* (Canberra: Department of Infrastructure, Transport, Regional Development, Communications and the Arts, 2022), <https://www.infrastructure.gov.au/sites/default/files/documents/bcarr-visual-summary-cultural-and-creative-activity-in-australia-2010-11-to-2019-20-october2022.pdf>.
- 33 As noted in footnote (c) of Table 2 of the CFG financial tables, in 2019-20, this expenditure includes \$38.4 million targeted COVID-19 support funding for cultural and creative organisations and infrastructure, businesses, individuals, support programs and initiatives. This value is reported in total figures only and was revised for the 2020-21 release. As noted in footnote (l) of Table 2 of the CFG financial tables, in 2021-22, the expenditure included \$436.3 million targeted COVID support funding for cultural and creative organisations and infrastructure, businesses, individuals, support programs and initiatives.
- 34 As noted in the last note of Table 8 of the CFG financial tables, in 2021-22, the Victorian Government reported an additional \$359.8 million of wider economy COVID-19 support for eligible businesses in cultural and creative industries. Footnote (l) of Table 2 of the CFG financial tables also notes an additional \$22.1 million in COVID support that could not be allocated to any category or jurisdiction; ANA has added this to the total wider economy support.
- 35 Expenditure is reported at an aggregated level, and therefore funding cannot be precisely attributed to specific programs or levels of government. Examples of the Australian Government's targeted COVID-19 support are available at <https://www.arts.gov.au/funding-and-support>.
- 36 Fielding, Vivian, and Rossi, "To Scale: Mapping Financial Inflows in Australian Arts, Culture and Creativity."
- 37 Note: Rounding has been applied to the listed figures. All monetary values, unless otherwise indicated, are shown in Australian dollars. Where figures have been rounded, discrepancies may occur between the sums of the component items and totals. Where used, the term 'billion' means 'thousand million' in line with Australian standards. Also note that the figures for 2021-22 include \$359.8 million of wider economy COVID-19 support. See Endnote 29 for details.
- 38 Note: Rounding has been applied to the listed figures. Where figures have been rounded, discrepancies may occur between the sums of the component items and totals. Also note that the figures for 2021-22 include \$359.8 million of wider economy COVID-19 support. See Endnote 30 for details.

- 39 The treatment of targeted COVID-19 expenditure in the analysis of expenditure in this section is based on our best understanding of the publicly available information. However, some caution is needed when comparing the data from the three 'COVID-19 years' (2019-20, 2020-21, 2021-22) with earlier years. This is because, unlike the raw data from earlier years (e.g. expenditure on capital and recurrent activities by levels of government), the 'COVID-19 years' CFG data do not separate out COVID-19 expenditure from non-COVID-19 expenditure for specific activities. In addition, the revisions to the state and territory governments data from 2019-20 create uncertainty of whether the COVID-19 support is included across activities or just in totals. However, as this report analyses the proportions of funding for different categories and by different levels of government over time - not the amount of funding - ANA believes that the overall trends observed remain valid. Details of the inclusions or exclusions can be found in footnotes (c)-(m) of Table 2 of the 2021-22 CFG financial tables.
- 40 This spike most likely reflects the allocations for the substantial capital upgrades underway at the Australian War Memorial.
- 41 These different focuses partially reflect the different levels of governments' areas of responsibility. For a brief overview of the responsibilities of the three levels of government for different arts and cultural areas, see [Box 3: - Common responsibilities relevant to government investments in arts and culture](#).
- 42 Adjustments for inflation use the ABS 6345.0 WPI and the hourly rates of pay reported in the public and private arts and recreation services category (June quarter of each year). Figures adjusted in this way are sometimes referred to as 'real', while non-adjusted figures are sometimes referred to as 'raw' or 'nominal'.
- 43 See the [Appendix](#) for the source of population data used in this report.
- 44 The scope of the OECD data is significantly broader than the scope of the CFG. It includes recreational and sporting services; cultural services; broadcasting and publishing services; religious and other community services; R&D recreation, culture and religion; and recreation culture and religion not elsewhere classified. The OECD table only includes member nations from which data is available; notably, data is not available for Canada and New Zealand. Data collection methods vary between the CFG survey and the National Accounts data, which are used by the OECD in its calculations.
- 45 The CFG survey uses the following definitions of recurrent and capital expenditure:
- **Recurrent:** expenditure of governmental funds on programs, specialist areas and special projects, including operational costs, wages and salaries, goods and services, current grants and transfer payments, specific purpose grants and subsidies. Includes non-capital grants or payments to individuals, groups, organisations or other entities.
  - **Capital:** expenditure of government funds on the creation of fixed assets (e.g. buildings, additions, renovations or restorations), land, buildings and intangible assets, including expenditure on second-hand fixed assets, land acquisitions and capital grants for capital works on projects. Includes capital grants or payments to individuals, groups, organisations or other entities. Excludes loans. *Cultural Funding by Government, Australia Methodology, 2012-13 Financial Year* (Australian Bureau of Statistics, 2014). <https://www.abs.gov.au/methodologies/cultural-funding-government-australia-methodology/2012-13>
- 46 Cultural and Creative Statistics Working Group, *Cultural Funding by Government—2020-21—Western Australian Government* (ABS, 2022), <https://www.arts.gov.au/sites/default/files/documents/cultural-funding-by-government-2020-21-western-australia.pdf>.
- 47 Note: The ACT does not have a local government structure, as the ACT Government fills both a state and local government role. Hence, all expenditure in that jurisdiction is attributed to the territory government.
- 48 Note that the Tasmanian Government funds public libraries, while in other states, libraries are predominantly funded by local governments. See MCM Statistics Working Group, *Cultural Funding by Government 2015-16 Report* (Australia: Commonwealth of Australia), 25, <https://www.arts.gov.au/sites/default/files/documents/cultural-funding-by-government-report-2015-16.pdf>.
- 49 Fielding, Vivian, and Rossi, "To Scale: Mapping Financial Inflows in Australian Arts, Culture and Creativity."
- 50 Based on Commonwealth of Australia data. "Measuring What Matters: Australia's First Wellbeing Framework," 2023. [https://treasury.gov.au/sites/default/files/2023-07/measuring-what-matters-statement020230721\\_0.pdf](https://treasury.gov.au/sites/default/files/2023-07/measuring-what-matters-statement020230721_0.pdf).
- 51 Commonwealth of Australia 2021. "Australia's Federal Relations Architecture." Accessed October 11, 2023. [https://federation.gov.au/sites/default/files/2023-06/federal-relations-architecture\\_0.pdf](https://federation.gov.au/sites/default/files/2023-06/federal-relations-architecture_0.pdf).
- 52 ANA understands that federal, state and territory cultural ministers have agreed to invite a senior representative of the Australian Local Government Association and the New Zealand Minister for the Arts to participate in current meetings. As a national think tank focused on Australia, ANA has no specific comment on the inclusion of New Zealand but generally supports collaboration between Australia and other countries.
- 53 For a typology of investments in arts and culture in Australia, see Fielding, Kate, Angela Vivian, and Sari Ross. "To Scale: Mapping Financial Inflows in Australian Arts, Culture and Creativity." Insight Report. Canberra: A New Approach, 2023. [https://newapproach.org.au/wp-content/uploads/2023/08/ANA-64088-To-Scale-Report\\_Combined\\_AW.pdf](https://newapproach.org.au/wp-content/uploads/2023/08/ANA-64088-To-Scale-Report_Combined_AW.pdf). For a typology of funding sources across the OECD, see OECD. *The Culture Fix: Creative People, Places and Industries*. Local Economic and Employment Development (LEED). OECD, 2022. <https://doi.org/10.1787/991bb520-en>.
- 54 Australian Building Codes Board, "National Construction Code 2022," accessed February 6, 2024, <https://ncc.abcb.gov.au/editions/ncc-2022/adopted/volume-one/f-health-and-amenity/27-accessible-adult-change-facilities>, Volume 1 - Building Code of Australia Class 2 to 9 buildings, Section F Health and amenity, Specification 27 Accessible adult change facilities.
- 55 Discount rates differ across jurisdictions. For example:
- The federal central rate is 7%, with sensitivity testing at 3% and 10%. In addition, the federal rate is under review.
  - The Queensland rate central rate is 7%, with sensitivity testing at 4% and 10%.
  - The NSW central rate is 5%, with sensitivity testing at 3% and 7%.
- NSW Treasury, "TPG23-08 NSW Government Guide to Cost-Benefit Analysis," February 2023, <https://www.treasury.nsw.gov.au/documents/tpg23-08-nsw-government-guide-cost-benefit-analysis>; Department of the Prime Minister and Cabinet, "Cost Benefit Analysis," July 2023, <https://oia.pmc.gov.au/sites/default/files/2023-08/cost-benefit-analysis.pdf>; Department of State Development, Infrastructure, Local Government and Planning, "Cost Benefit Analysis Guide: Business Case Development Framework," June 2021, [https://www.statedevelopment.qld.gov.au/\\_data/assets/pdf\\_file/0013/55030/further-guidance-04-cost-benefit-analysis-guide.pdf](https://www.statedevelopment.qld.gov.au/_data/assets/pdf_file/0013/55030/further-guidance-04-cost-benefit-analysis-guide.pdf).
- 56 Kate Fielding, Iva Glisic, and Jodie-Lee Trembath, "Transformative: Impacts of Culture and Creativity." Insight Series. Canberra: A New Approach and The Australian Academy of Humanities, November 2019. <https://newapproach.org.au/wp-content/uploads/2021/07/2-ANA-InsightReportTwo-FullReport.pdf>.
- 57 MONDIACULT-2022/CPD/6 UNESCO World Conference on Cultural Policies and Sustainable Development - Final Declaration (September 28, 2022).



- 58 Based on Commonwealth of Australia data, "Measuring What Matters: Australia's First Wellbeing Framework"; State of Queensland (Department of Tourism, Innovation and Sport), "Elevate 2042 – Brisbane 2032 Olympic and Paralympic Games Legacy Strategy."
- 59 Department of the Prime Minister and Cabinet, "Australian Government Guide to Policy Impact Analysis," March 2023, [https://oia.pmc.gov.au/sites/default/files/2023-05/oia-impact-analysis-guide-march-2023\\_0.pdf](https://oia.pmc.gov.au/sites/default/files/2023-05/oia-impact-analysis-guide-march-2023_0.pdf).
- 60 *The Big Picture 3* provided the French example of cross-portfolio reporting on government expenditure on arts and culture. The federal government's Women's Budget Statement provides another domestic example that could be adapted to arts and culture.
- 61 Department of the Treasury. "Australian Centre for Evaluation." Department of the Treasury, September 18, 2023. <https://evaluation.treasury.gov.au/>.
- 62 Productivity Commission. "Report on Government Services," January 22, 2024. <https://www.pc.gov.au/ongoing/report-on-government-services>.
- 63 See <https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4183.0Explanatory%20Notes12007-08?OpenDocument>.
- 64 'nec' stands for 'not elsewhere classified'.
- 65 See tabs Definitions – Arts and Definitions – Heritage in Cultural Funding by Government 2020–21.
- 66 List extracted from 'Cultural Funding by Government 2020–21 Explanatory Notes (Appendix A)', which notes that this is based on Appendix 1 Industry Coverage and Classification, ABS Australian National Accounts: Cultural and Creative Activity Satellite Accounts, Experimental, 2008–09 [https://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/EF547EC51F5AACA257C78000C1B53/\\$File/52710\\_2008-09.pdf](https://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/EF547EC51F5AACA257C78000C1B53/$File/52710_2008-09.pdf)
- 67 The *Big Picture* series has indexed government expenditure using WPI, following discussions with the Bureau of Communications and Arts Research at the inception of the series.
- 68 For an accessible overview of statistical significance, see Amy Gallo, "A Refresher on Statistical Significance," *Harvard Business Review*, February 16, 2016, <https://hbr.org/2016/02/a-refresher-on-statistical-significance>.

