

REPORT OF PROCEEDINGS BEFORE

STANDING COMMITTEE ON PUBLIC WORKS

**INQUIRY INTO THE DEVELOPMENT OF ARTS AND CULTURAL
INFRASTRUCTURE OUTSIDE THE SYDNEY CBD**

At Sydney on Friday 20 February 2009

The Committee met at 10.00 a.m.

PRESENT

Mr N. Khoshaba (Chair)

Ms M. T. Andrews	Mrs D. E. Fardell
Mr A. J. Ashton	Mr G. A. McBride
	Mr D. L. Page

JANE CATHERINE HALEY, Chief Executive Officer, Australia Business Arts Foundation, Level 2, 405 Collins Street, Melbourne, affirmed and examined:

CHAIR: I welcome Ms Jane Haley, chief executive officer of the Australia Business Arts Foundation. Thank you for appearing today to provide evidence to the Standing Committee on Public Works inquiry into the development of arts and cultural infrastructure outside the Sydney CBD. I am advised that you have been issued with a copy of the Committee's terms of reference and a copy of the Legislative Assembly's Standing Orders 291, 292 and 293 which relate to the examination of witnesses. Is that correct?

Ms HALEY: That is right.

CHAIR: Please state the capacity in which you appear before the Committee.

Ms HALEY: I appear in the capacity of chief executive officer of the Australia Business Arts Foundation.

CHAIR: I draw your attention to the fact that your evidence is given under parliamentary privilege. You are protected from any legal or administrative action that might otherwise result in relation to the information you provide. I also point out that any deliberate misleading of the Committee may constitute contempt of Parliament. Would you like to make a brief opening statement before we proceed to questions?

Ms HALEY: Thank you, yes. I am very pleased to have the opportunity to provide advice and information that the Australia Business Arts Foundation [ABAF] is able to contribute to the Committee. I welcome the opportunity.

CHAIR: I will open examination by asking some basic questions. Could you provide a brief overview of the organisation, the work that your organisation does, and highlight information that you feel might contribute to this inquiry?

Ms HALEY: The Australia Business Arts Foundation was set up by the Australian Government in 2000 with a specific brief to promote private sector support of the arts. We are a company that is wholly owned by the Commonwealth Government. They appoint our board of directors and provide approximately \$1.5 million per annum in core operational funding. The organisation has a turnover of between \$4.5 and \$5 million each year. The rest of our money is generated from business investment and sponsorship, state government support and the sale of some of our programs and services.

We run three key areas of activity for private sector support that we refer to as partnering, which include sponsorships and relationships for business with the arts that have a range of business motivations, I suppose one would call them. Volunteering is another area in which we facilitate business expertise for arts organisations on a range of different operational issues and also help them to identify board members from the business sector. The third area in which we work is what we call giving, which refers to donations and tax deductible gifts to artists and arts organisations.

To do this and to help us in this task we have a council of approximately 65 senior business executives. They join up at the invitation of our board. They do three things: they provide financial support for the organisation, they undertake to be advocates for business support of the arts, and they provide example. They lead by example with their own relationships with the arts and provide their venues, catering and staff to participate in the programs that we run. We do a lot of work around building capacity for arts organisations and artists particularly. We run workshops. As I mentioned before, we facilitate business expertise by a program we call Advice Bank by which we get business people to work with arts organisations in a sort of mentoring role to help them improve their business practice. We also have Board Bank where we identify board members for them. The third thing we do is bring arts and business together through connecting activities.

The idea is for business to get a better understanding of the value and importance of the arts to the community and to their own businesses, and for arts organisations to get a chance to perhaps get some business resources for the arts organisations. We are a national company so we have offices in every state and every territory—one person, or two at the most. Unfortunately because of our resources we probably do most of our work in metropolitan Australia rather than in regional and rural Australia, although we have a couple of schemes

that we have introduced to try to expand our work. One of those is the Arts Connecting Communities program that we deliver in partnership with local government. We have done a number of those in New South Wales.

CHAIR: Could you explain how the arts partnership works in Western Australia, South Australia and Tasmania? Would the foundation be looking at setting one up in New South Wales?

Ms HALEY: The scheme is called the Premier's Arts Partnership Funds. They originated in South Australia. It came from an interesting thing because it was South Australia where there were very few headquarters of major corporations. Getting business involved in South Australia, particularly at the level that the Australia Business Arts Foundation tends to work, was a bit of a challenge. Our manager said we needed to find a way to engage South Australia businesses, which are largely small to medium enterprises. The other thing was to help small to medium arts organisations as well.

We had a conversation with the South Australian Government. It put up \$50,000 a year for five years. Harris Scarfe, which is one of the big companies that is headquartered in South Australia, matched that. We then had a fund of \$100,000 a year to provide a matching or incentive fund for businesses entering into first-time relationships with arts organisations at a value of over \$1,000 and up to \$10,000. For example, the local paint company wants to partner up with the local dance company. They have \$3,000 that they could put towards funding in return for getting some branding on brochures and performances. They make an application. If it meets the guidelines, we match it and double the value of it. That has been very, very successful and very popular.

Certainly when talking to government, Ministers in particular, there is the great appeal of government putting in \$1 and business putting in \$3. It was very interesting to me that when we began it in South Australia it was very popular and very quickly became very popular with small businesses. Many of the businesses were putting up \$10,000, which is the maximum. I was curious about that, and I wondered why because \$10,000 to arts organisations would have been quite significant. What motivated that? A couple of things came out of it. One was the fact that the Australia Business Arts Foundation is a government business agency that was managing all of this and promoting it. That gave it a bit of legitimacy that perhaps just an arts organisation, coming to them directly, did not have.

The other thing I have to say that was appealing to the small to medium businesses was being able to extract some money from government to match their money. It was very popular. We did not have too much trouble getting one up in Western Australia and in Tasmania. Both of those have gone very well. The South Australian one has been going for probably just over 18 months. The Tasmanian and Western Australian ones have been going about six months. Already they have put approximately \$750,000 worth of new money into the arts in that period. They have helped. There have been lovely little stories, like the one from Western Australia where a business in Kalgoorlie was going to put some money into an arts organisation—I think it was \$2,000 or \$3,000—but when it found out about the matching fund it upped its contribution to \$8,000. It has brought new sponsors for the arts and has also increased the value of a lot of those sponsorships. It has made a big difference to a lot of smaller community-based arts organisations.

You would imagine that the ballet, the Opera, the Sydney Symphony and Sydney Dance have their own processes for pulling corporate partnerships. Some of the smaller companies just do not have the board networks or the staff expertise to be able to go in and make their case. It has been extremely valuable. We are very optimistic that we will get one up in the Northern Territory, which is really fantastic. As I say, the argument to government for putting up \$25,000, as they are going to do, that we will match with \$25,000 and that small business will match it with \$50,000 is pretty persuasive for them.

Mr ALAN ASHTON: South Australia has had a great record over the years of supporting the arts—for 40 years or so.

Ms HALEY: Absolutely.

Mr ALAN ASHTON: If that is not the best example, then take Western Australia, which is interesting, and the Northern Territory. I am not asking you to speculate, but whereas you have indicated that these organisations are happy to come on board because the scheme is supported by a real government structure, is there any fear, or evidence that you have seen already, indicating that people might be beginning to become a little jumpy about making contributions, or is that yet to pan out?

Ms HALEY: I think that is yet to pan out. Everything that we know, and all the conversations we have had with both arts and business, indicates that anything that was already in place for 2009 is pretty secure. But as the impact of the economic downturn and the global financial crisis really start to have an effect, there will be dilemmas for businesses. If they are putting off staff, they do not want to be seen to be putting money into the arts, which might be seen to be peripheral.

What I found with, say, the Premier's Arts Partnership Fund is that the motivation is the government's money and then we also had the major corporation partner. In South Australia it is Harris Scarfe and it had very particular reasons for wanting to really establish itself as a South Australian company that is investing in South Australian communities because it had gone through some business challenges. Mirvac in Western Australia has a very long history in supporting the arts, but it is doing a lot of work in developing new housing developments, et cetera, and wanted to be seen to be giving back to the community.

Veolia Environmental Services is the supporter in Tasmania. Their motivation is actually about positioning themselves with both government and other businesses; because small businesses will be matching these funds, they are positioning themselves. So, there are still a lot of businesses that are interested in positioning themselves either with government or the community or with other businesses. In many cases the kind of money we are talking about is relatively modest, particularly when you think about the impact that it can have.

Mr ALAN ASHTON: It is major for the arts; it is modest for their structure and whole operation?

Ms HALEY: Absolutely.

Mrs DAWN FARDELL: You mentioned that there have been some partnerships with local government in rural and regional New South Wales. I suppose that was dollar for dollar as well?

Ms HALEY: No. The ones in New South Wales actually relate to an old scheme that ABAF used to run called Councils Arts and Business. In fact, the New South Wales Government through I think at the time it was probably called the department of local government or regional development or something like that—

Mr GRANT McBRIDE: State and regional development?

Ms HALEY: Yes. This would be about five to six years ago, put some money in. So the programs we offered where we went in and worked with local government cost \$15,000 and the State Government supported a couple of councils. I know the Upper Hunter participated and a couple of other councils with that State Government support. We found that that program was too costly for local government; local governments just could not find \$15,000 for something like that. So, we have reframed and redeveloped it and it now costs \$5,000 to participate. We have had quite a degree of interest nationally from local government in getting involved in it. But that is one where we sort of do a little bit of what I call a mini me. So the programs and services that ABAF offers on a national level, when we work with local government our focus is on training local government in how to bring their arts and business together. So, transferring our knowledge and skills into local government so they then become the deliverer of that service at a local level.

Mr DONALD PAGE: My question follows from the point raised about the economic circumstances and the general philosophy of treasuries around the country to concentrate on core business in such circumstances and to be reluctant to give too much money to things like the arts or even tourism. It seems to me, from what you have said, you actually make pretty good use of the \$1.5 million you get from the Commonwealth, given the multiplier effect and the other parties involved. Has anyone ever conducted a decent study on the economic impact of providing money for the arts in terms of the multiplier effect? Unless you have that kind of information it is difficult to convince treasuries around the country that it is a good investment. In fact, a lot of these investments are quite good, but unless someone does some work on them, people sitting in Treasury are operating in a vacuum?

Ms HALEY: That is right. I am aware of some work that has been done specifically in relation to festivals. I am sure there are others that have been done. I remember when I first moved to Victoria in the mid-1990s they just completed an economic impact assessment tool for festivals. I recall in particular there was a very small festival in a town called Mallacoota, which is on the coast—a very popular festival, a sort of summer music kind of thing. When they used this tool of measuring the impact they were able to come back to government, because I was working with government at the time, with a very cogent argument for retaining and increasing their funding because of what was happening. I was aware also when I was working for the Victorian

Government that on a couple of occasions we went to the Victorian Major Events Corporation with a case for arts events becoming part of the Victorian major events calendar as well as the grand prix, tennis et cetera. At that point we did a lot of work around the economic benefit. There was a really thorough economic analysis done I know in particular of the Melbourne Art Fair and the Melbourne Festival because I was involved in both of those bids to Victorian Major Events Corporation. So, there certainly are some case studies. I believe in particular in regard to festivals that there is a regular kind of application of an economic assessment in order to do that.

I was reading some material actually only recently from, I think it was either Flinders or the University of South Australia, where a chap there called Barry Burgman, if I remember his name correctly, is doing a lot of work around this looking at the econometrics of the arts so that it is about value creation as well as just jobs and ticket sales and those sorts of things and in fact it looks at the multiplier effect. In fact, now that I recall it, there were statistics and evidence cited in his paper about the Adelaide Fringe, the Ring Cycle and one other big thing that had happened in Adelaide. When you look at the economic contribution—presumably it has been validly tested if, it has been presented by economists—it is pretty impressive. But it is not an argument the arts makes very well, I do not think: more concerned with art than money.

Ms MARIE ANDREWS: I represent an electorate in regional New South Wales. Can you tell me what percentage or proportion of private sector funding would go into metropolitan areas as compared to regional areas?

Ms HALEY: It is not a pretty picture.

Ms MARIE ANDREWS: I thought that might be the answer.

Ms HALEY: It is 8 per cent into regional Australia and 92 per cent into metropolitan Australia, and that is private sector support.

Mr GRANT McBRIDE: That is a global figure; Australia wide?

Ms HALEY: No. We did a survey last year. ABAF conducted the first ever national survey of private sector support for the arts. So, we sent the survey to 700 arts organisations and we made sure that that cohort, that sample, was reflective. So, we had big companies in Sydney and small companies in the Pilbara kind of thing. So, it was as wide ranging and as comprehensive as we could possibly make it. When we looked at the results, where we felt that we had not got enough responses from some companies to really give a true picture, we actually went back and followed up with them and said, "Look, we need you to complete the survey so that the data we produce is actually valid." So, it is a national picture. That would be skewed by all sorts of things. For example, you might find that in the Blue Mountains you have a very high proportion of private sector support disproportionate to the rest of the nation. In fact, one place in New South Wales where I think there is a very high proportion is the South Coast. I think it derives from the fact that there are a lot of artists live down there who are really motivated to get private sector support happening. There are some quite influential people there too I think and some well-heeled folks I think have places down there. So there is a lot of not necessarily corporate support but private support.

Mr GRANT McBRIDE: I am from the Central Coast, as is Marie Andrews. How do you compare New South Wales to other States in terms of the engagement that we are talking about: given someone like your organisation actively engaging the private sector to get funds? Also, looking at the lower level rather than the higher level. Have you any opinions or bias in that regard?

Ms HALEY: There are a few things I would comment on and this is probably more Jane Haley private citizen rather than the CEO of ABAF. Obviously, Sydney has the greater proportion of the premier arts companies in Australia. It has the icon that is Australia in its arts venue at the Opera House. But what is interesting I think is that whilst you have a fantastic mix at the top end of town, if you would like to describe it like that, I think there tends to be less diversity in the mid to micro sector of the arts. I lived in Sydney through the 1980s and worked in the arts in a theatre company not in the mainstream area, in the alternative if you like, and I think it was much more diverse and much more happening in those days. So, I think there has been a concentration in the premium companies, if you like, of resources to the premium companies.

Mr ALAN ASHTON: Sort of like the blue chip?

Ms HALEY: Yes. As a consequence, of course, you have a model of substantial corporate support for the arts in Sydney because a lot of the motivators for business to get involved with the arts are present in Sydney. That said, I think maybe sometimes it is in the absence of anybody else doing it and the people doing it for themselves you end up with some really extraordinary outcomes like the South Coast Living Arts Project, which ABAF supports down on the South Coast. That has been initiated by a group of people who wanted to support artists to be able to take time; to not have to earn a living and working in cafés or call centres or whatever so that they could actually take a year and concentrate on their art.

They have set up this fundraising campaign. Every year they raise \$40,000 from private donations. ABAF has a unique facility where we can give tax deductibility for those sorts of things. They raised \$40,000 and then they select an artist to be the beneficiary of that and that pays the artist's rent and living costs for 12 months so that they can just simply work as an artist. They are now on their second one of those and it is just phenomenally successful. I think it is a great indication of people coming together and doing it for themselves.

In the Blue Mountains there is another terrific example of a community organisation—a bunch of passionate people about the arts. They actually worked very closely with ABAF and did all of our courses and sought all of our advice and now they have established themselves as a company, an incorporated association, I think. They are really starting to generate an independent life for themselves and work and, of course, have a real presence in the Blue Mountains. They are making a community and civic contribution in a way that was probably not as apparent when they were just a bunch of people working at their art.

Mr GRANT McBRIDE: From what you are saying, with the nature of the Central Coast, it does not have a group or structure to do what you are talking about. The Blue Mountains has a history of that for 120 years and is way ahead of the Central Coast, which is about 35 years young. Down south it has been the same as well. Have you any ideas about how to start that when the Central Coast has 300,000 people and in terms of a region Geelong has about 100,000 and it is about zillions in front of us?

Ms HALEY: There could be a role for local government, and we have looked at that. I think you have to have an agency or something. I think if you rely entirely on community effort often there are tensions within what the priorities might be et cetera for that. Effort can be dissipated and people get burnt out. Young people are enthusiastic and then they have family responsibilities and other things take over, older people et cetera. I think if there is some kind of organisation sometimes they come together sort of naturally but sometimes I think local government can be the agency that plays that role, particularly if they have a business development person or a community development person who can see that the cultural life of the community is a responsibility of local government as well. As I say, we have got some tools and some tricks for being able to help turn that into some sort of action and bring in some business. I think particularly when you are able to tell the story to business about the modest investment for a significant impact it excites quite a lot of interest. Sometimes people when they are talking about the arts get a bit blinded by the notion that it is opera, ballet, orchestra—black tie.

Mr ALAN ASHTON: YARTZ—Barry Humphries!

Ms HALEY: That is right. I remember talking to a woman who runs a major corporation selling clothes to women. I was suggesting a matching scheme whereby their employees could make a donation and the company would match it and then that money would be put into an arts initiative. She said to me, "You know, Jane, the women who work in our stores are middle-aged and sell clothes to middle-aged women. They are not interested in the arts." I said "What about a project that actually worked with women of non-English speaking background to help them, through the arts, understand more about breast health and breast cancer?" She looked at me a bit taken aback. I happened to know this because I had done a project about that a couple of years before. Suddenly when she could see that the arts was something not about opera, ballet, orchestra she was able to see how it could connect to the people that she worked with.

Mr GRANT McBRIDE: Did you say you have an office in Sydney?

Ms HALEY: We do. In fact, yesterday a new person started to head that office.

Mr GRANT McBRIDE: It would provide information?

Ms HALEY: Absolutely, as soon as she has her feet under the desk she will out there spruiking the good work.

Mr GRANT McBRIDE: I think the Central Coast should get first access.

Ms MARIE ANDREWS: Gosford City Council has two cultural offices. Would you provide me with a business card?

Ms HALEY: Yes.

CHAIR: On behalf of the committee I thank you for giving evidence today. If you have any more information that you think would help us with our inquiry please feel free to provide us with a written submission which we would welcome.

Mr DONALD PAGE: Would you provide information about regional arts promotion? We are keen to assist those communities as far as possible understand what the arts is all about. I come from Byron Bay where it is already artistic with a lot of things happening. Is there anything your organisation can do to help promote regional arts? You said you had some tools and tricks to help promote arts in the regions. What are they?

Ms HALEY: I think the Premier's Arts Partnership Fund and also the arts connecting communities. They are two things. We have had previous conversations with the New South Wales Government about the possibility of establishing a Premier's Arts Partnership Fund here. I see no reason why we could not make it, whereas in Western Australia, Tasmania and South Australia it is for any arts organisations, I certainly have had the conversation about focussing it into regional New South Wales or indeed at one point we talking about one for Western Sydney. It may be that is an option to consider and presumably it would not be too difficult to find a corporation that was interested in matching with the Government for something that was going to improve circumstances in regional New South Wales.

(The witness withdrew)

(Short adjournment)

MARTIN EDMUND GRAHAM, General Manager, External Relations Policy, Department of Education and Training, Level 6, 35 Bridge Street, Sydney, and

LINDSAY ANNE McGARITY, Director, Social Inclusion and Vocational Access, TAFE New South Wales, Mary Ann Street, Ultimo, Sydney, affirmed and examined:

WILLIAM ANDERSON, Assistant Director, Strategic Initiatives, Department of Education and Training, 36 Bridge Street, Sydney, sworn and examined.

CHAIR: I welcome representatives of the New South Wales Department of Education and Training and TAFE New South Wales. I thank you for attending today to provide evidence on the Standing Committee on Public Works' inquiry into the development of arts and cultural infrastructure outside the Sydney CBD. I am advised that you each have been issued with a copy of the Committee's terms of reference and also a copy of the Legislative Assembly's Standing Orders 291, 292 and 293, which relate to the examination of witnesses. Is that correct?

Mr GRAHAM: Yes.

Ms McGARITY: Yes.

Mr ANDERSON: Yes.

CHAIR: In what capacity do you appear before the Committee?

Mr GRAHAM: I manage Commonwealth-State relations for the department, higher education policy including the registration of private higher education providers and cross-sectoral policy between government and non-government schools.

Ms McGARITY: We moved to Ultimo only this week, so I am not absolutely certain of the address. I am the Director of Social Inclusion and Vocational Access in the Training and Educational Support portfolio for TAFE New South Wales. As the director of that skills unit I have responsibility for curriculum development for vocational access programs and also basically for social inclusion/equity policy.

Mr ANDERSON: I work out of level 3, No. 1 Oxford Street. In that role I have responsibility for school sport, arts programs in schools, sponsorship and conservatoriums of music and a range of other things, which probably are less critical to today's hearing.

CHAIR: I draw to your attention that evidence is given under parliamentary privilege and you are protected from any legal or administrative action that might otherwise result in relation to the information you provide. I point out also that any deliberate misleading of the Committee may constitute contempt of Parliament. Would you like to make a brief opening statement before we proceed to questions?

Mr ANDERSON: I am happy to make an opening statement, which may be relevant as an outline of the Department of Education and Training and also to the relevance of the matters discussed today. The department has responsibility for about 2,250 government schools in New South Wales, both primary and secondary schools. We have almost 750,000 students in our schools. Our schools are grouped into 10 regions, with six rural regions and four metropolitan regions. We provide music education in a number of ways. Firstly, through curriculum we implement Board of Studies' syllabuses relating to both performing and visual arts. We also conduct an arts unit that has carriage of a range of activities and events that are arts related, for example the Schools Spectacular. We also have in each of our 10 regions a regional arts consultant who works with the arts unit and the regional director to implement professional learning and other programs at the local level. That information is a base to the background and might stimulate some questions.

CHAIR: Would you give a summary of the types of funding that is available for arts education?

Mr ANDERSON: Yes. I cannot speak on behalf of TAFE and I will only touch upon funding that comes directly through the department to support our programs. Like all of our other subjects, our schools are globally funded and we employ approximately 60,000 teachers. In secondary schools, all of our high schools are staff by at least one teacher who teaches music and another who teaches visual arts. Through our curriculum

directorates we provide a whole range of materials and resources to support the curriculum and also conduct professional learning courses for teachers. A similar activity happens through the arts unit, which has a staff of approximately 15 plus 10 regional arts consultants and the arts unit conducts a whole range of programs and professional learning opportunities for teachers as well as conducts programs. Our regional arts consultants comprise one in each region, who also runs professional learning programs and also develops resources and so on for students to access.

CHAIR: Earlier you mentioned six rural and four metropolitan groups. When it comes to funding, how are the funds allocated or distributed between the 10 different groups?

Mr ANDERSON: With any funding through the department to our schools, it depends. Some regions would be funded to a greater extent than others, depending on the numbers of schools and other issues such as geography and so on. A funding formula is applied, which I am not able to articulate. Within the department there is a great effort, and a desire, to make sure that all of our schools are treated equitably; that all of our students do not suffer from any particular disadvantage. That will apply through all of our programs and all of our eight key learning areas as well as our music and visual arts programs. We are very conscious that sometimes through geographical isolation there can be some difficulties exposing students to some of the benefits that other students in city areas may have. We also are taking considerable steps—and no doubt Martin will talk about the connected classrooms program—to make sure that all of our students have the very best opportunities that we can offer.

Mrs DAWN FARDELL: Can any of you tell the Committee more about the Art Start Program, which is delivered by TAFE New South Wales and the Access and General Education Curriculum Centre that provides links to the arts organisations in New South Wales? How much funding is provided to that program? What areas receive that funding?

Ms McGARITY: The Access and General Education Curriculum Centre is no more—indeed, that is why I moved locations just last week—it is now Social Inclusion and Vocational Access. That program has been running since 1991. According to my calculations we are to have a 20-year anniversary soon. It provides community initiative for 12- to 24-year-olds. The majority of activity is in the 15- to 17-years-old group and the second highest participation rate is in the 12- to 14-years group. In this particular two-year period the disbursement of \$701,000 was across 15 regions.

Ms MARIE ANDREWS: I am from the Central Coast region, which would be part of that funding disbursement?

Ms McGARITY: Absolutely. A group called Regional Youth Support manages Artstart in that area.

Ms MARIE ANDREWS: Do you have the figure they receive?

Ms McGARITY: \$31,000.

Mrs DAWN FARDELL: I represent the electorate of Dubbo where we have the Macquarie Conservatorium of Music, which has been lobbying the Government. I understand the conservatorium has not even received the CPI for quite a few years. Does anyone know if their funding is to be increased or are there budget restraints?

Mr ANDERSON: I can talk about that. In 2000-01 there was a review done of regional conservatoriums. At that point in time there was a considerable increase applied—the amount went from something like \$500,000 to \$3 million for the group of regional conservatoriums. For the information of everyone, in rural areas across the state we have 15 regional conservatoriums and two music centres: Central Coast, Clarence Valley, Coffs Harbour, Goulburn, Gunnedah, Macquarie, Mitchell, Murray, New England, Northern Rivers, Orange, Riverina, South West Music based in Deniliquin, Tamworth, Upper Hunter, Wollongong and Young. We have 17 regional conservatoriums or music centres and the funding has increased by about 4 per cent since the first year.

In response to an application from the Association of Regional Conservatoriums—that is the umbrella that represents the conservatoriums—another review has been commissioned and Tanya Gadiel, the Deputy Speaker, is the chair of that. The draft of that review has been finalised. It touched upon a number of areas in relation to the way the conservatoriums conduct their business, and a lot of matters around conservatoriums, but

it also looked very closely at the Grants Program. That report is now with the stakeholders: State and Regional Development, Arts NSW and the chair, and I expect that it will be finalised very shortly. I do not anticipate any reduction in the funding for regional conservatoriums but I guess it would be presumptuous to talk about what the outcomes of that may be until it is actually anointed.

Mr GRANT McBRIDE: I am from the Entrance on the Central Coast. You would be aware that there is a Conservatorium of Music on the Central Coast. The Central Coast has a population greater than the Illawarra. Newcastle has a population of 500,000 people and if you take 200,000 out for Lake Macquarie and put it in the Central Coast we have 500,000 and they have 300,000. I have had the opportunity of seeing the Newcastle Conservatorium of Music, which is a credit to you and everyone else in the past, but if you compare that and the Illawarra to the Central Coast—there is a huge yawning gap between the two. What strategies do you have to provide equity to the Central Coast when you make comparisons with other regional areas?

Mr ANDERSON: Firstly, Newcastle is funded under a different funding program. Newcastle is funded under what is called the non-tertiary program. There are two non-tertiary grants: one is to the University of Sydney to run the conservatorium; and the other one is to the Newcastle University. They are funded on a different model to the regional conservatoriums because of the nature of their business, and the nature of the courses that are conducted through the universities and the accreditation received. As far as a comparison of the regional conservatoriums themselves is concerned, there is a funding formula that is applied.

There is core or base funding, which is the same for all of the conservatoriums, and then there is flexible funding, which depends upon the number of teaching hours that are performed in any particular conservatorium. A formula is applied to the quantum of money which does not change a lot normally but it can change a little bit; namely, if one conservatorium one year had a very large number of teaching hours and the next year in comparison to other regional conservatoriums that dropped a little bit, their flexible grant would indeed go down. That is not ideal but if there is a fixed quantum of money it can only be divided up in so many ways. As the teaching hours of the conservatoriums vary so does the application of the money to the particular conservatoriums.

Mr GRANT McBRIDE: There is always the argument about the railway station; no one travels at the railway station if there is no railway station. To get the hours up you have actually got to have the facility in the first place?

Mr ANDERSON: Yes.

Mr GRANT McBRIDE: We do not have the facility. With respect I do not think that quite answers the question.

Mr ANDERSON: I can tell you where the landlord is at the Central Coast.

Mr GRANT McBRIDE: Would Sydney University have funds from another source as well?

Mr ANDERSON: Yes, all—

Mr GRANT McBRIDE: We were saying earlier in terms of the arts that Sydney metro is the premier location for the whole of Australia and it gets lots of money coming from other sources. If you compare Sydney University with the Central Coast there is not going to be money coming to the Central Coast from other sources, whereas Sydney University will have access through their luminaries and such to raise money. Are those sorts of things considered?

Mr ANDERSON: Yes, they are. Regional conservatoriums are independent, autonomous, not-for-profit organisations. A board runs the conservatoriums: not the Department of Education and Training, but the Government decided some time ago that it would give the conservatoriums a grant. We recently conducted a survey that indicated that the Government grant for the conservatoriums provides 23 per cent of their income across the board and the rest of the income comes from other sources, of which 66 per cent comes from fees; namely, students come in and they pay to do a course. So the bulk of income for regional conservatoriums comes from their fee structure. Some have different fee structures and some charge more than others. Only 23 per cent of it comes from government grant. The average amount that conservatoriums get at this point of time is about \$200,000 per year through the Government grant.

Mr GRANT McBRIDE: For each?

Mr ANDERSON: Yes. The Central Coast last year got \$225,000.

Ms MARIE ANDREWS: Does the department provide the infrastructure, such as the accommodation of those regional conservatoriums?

Mr ANDERSON: Sometimes. A breakdown of the landlords: Central Coast pays \$2,000 per year rent and it pays that to Newcastle University/Gosford council. Clarence owns its own building; Coffs Harbour pays commercial rent; Goulburn TAFE New South Wales pays \$1 a year; Gunnedah, \$16,000 a year; Macquarie, nothing; Mitchell pays \$9,000 a year to Bathurst Council; Murray pays \$25 to Charles Sturt University; New England Conservatorium pays nothing, it is a DET building; Northern Rivers owns its own building; Orange pays Orange council \$1; Riverina pays Charles Sturt University \$40,000; South West pays Deniliquin \$1,500; Tamworth pays New England University nothing; Upper Hunter pays the Catholic Church \$29,000; Wollongong pays Wollongong council nothing; and Young pays the DET nothing.

Ms MARIE ANDREWS: Thank you very much for that breakdown, it was very helpful.

Mr GRANT McBRIDE: Turning to the visual arts, rather than music, is there some directional strategy or policy that looks at integrating all those assets in the school system into the community? This is particularly important in regional areas such as mine and also country areas because in the more distant regional areas we suffer from the collapse of small towns and the growth of large cities in the west. On the Central Coast we do not have that sort of base to build on. As I said before, the Central Coast is 35 years young. In 1970 there were five high schools on the Central Coast; in 2007 there were 30. That is a sixfold increase over 35 years. The infrastructure for arts and all those other areas does not exist. You have a massive resource in the education system. Is there any strategy to use that resource to somehow build the infrastructure that we do not have?

Mr GRAHAM: The important thing is there is a broader strategy. There is acknowledgement that schools, particularly in regional areas, are a major part of the community. Public schools will always be there in each community so they serve as a hub. There are some broader policy directions that would have policy implications for the arts and for areas such as languages, where there is a similar spread across the State and perhaps a thinness of expertise and facilities in regional areas. Each public school is being encouraged to join into a community of schools. You will have seen in some areas, particularly regional areas, that we are groundbreakers in this respect, particularly if there is a declining population or a need for capital works. That became a catalyst for schools to join together to look at their curriculum offerings and so on, particularly at senior secondary level, because a smaller number of schools with fewer kids could not offer courses such as the arts and languages.

There has traditionally been a community use of facilities policy, so community groups have been able to use facilities. That has had greater or lesser success depending on where people are located. With schools coming into communities of schools there is a much greater emphasis on joining together and engaging with the community. You will see that with universities, for example. You may have seen the report of the Bradley review of higher education, which is currently with the Federal Government. One of the matters being pushed there is greater university-school links, and that would include facilities. From the schools' point of view, often in a regional town the university will have better facilities because it is bigger, so university, schools and regional arts groups in places such as Bathurst would join together to undertake things.

With regard to how government might drive that policy, under the Federal Government's new capital works program in primary schools, for example, where a large sum of money is to be spent, there is a requirement for any government or non-government school accessing that money to make facilities such as school halls available to the public for a nominal rent to cover costs, not for profit. You will see a lot more facilities in government and non-government schools that should be available to not-for-profit groups and the community. That is an acknowledgment that there are important resources in the community.

Another development relates to interactive whiteboards and videoconferencing. To start with every government school will have interactive whiteboard and videoconferencing facilities. That will affect not just the immediate community. If some schools do not have the numbers to run a particular program, such as a music program for one instrument or a particular subset of arts, the kids could be pulled together from across the State, not just that area. It is probably more important from a professional learning aspect that teachers in those areas have access to facilities that their city colleagues have, and to access which they would otherwise have to travel.

They are some of the opportunities that are opening up and the policies that are developing to assist those regional hubs in particular.

Mr ANDERSON: I think there are enormous possibilities. It brings with it some problems, but clearly if a school has playing fields, a gymnasium and a library—some may have areas that are dedicated to arts; for example, there are seven performing arts high schools in New South Wales—there is potential for the community to access those facilities. Some of the regions are doing that through our centres for learning. Of course, you then must recognise that there are issues such as insurance, cleaning, who opens up facilities and closes them, who opens the toilets, and whether the lighting is sufficient. There are all sorts of matters but none of them is unsolvable.

Mr DONALD PAGE: Some of the submissions received by the Committee have raised concern about the trend for TAFEs in regional areas in particular to concentrate more on vocational courses rather than arts or recreational courses. Has there been a decrease in the funding for arts-type courses, for example visual and performing arts, in regional areas? My second question is broader and relates to completion rates at TAFE, which I understand are about 50 per cent—of those who enrol only 50 per cent complete their courses. Is that completion rate in part due to the failure of people to complete arts courses as opposed to vocational courses? Can you comment on the completion rate in those two areas?

Ms McGARITY: I cannot comment on that. Your observation about completion rates would appear to be in the vicinity of what I am aware of. There are a myriad of reasons people do not complete courses. I am in no position to attribute reasons for that. Certainly TAFE's position is to have a focus on vocational programs, but I can also say that about 25 per cent of TAFE enrolments are in access-type programs. Within those are programs at Certificate 1, 2 and 3 levels, which are the beginning and upwards in the qualifications framework, which are about skills for work and training. They also have a community capacity building focus. I can advise that in those programs, which are offered from a vocational, general education and access perspective, arts units can be delivered. They are both generalised—developing concepts about art—and also specific units including units such as ceramics, drawing, jewellery, painting, prints and sculpture. These units can be done as electives alongside the rest of the qualification, which is about employability skills and general communication skills, etcetera. People can end up with vocational outcomes on the one hand, but also with outcomes that they need for any phase of their life as a citizen in the community. We find people undertake programs because they want to work in a volunteering capacity, but the skills they need for that are the same skills they need for a vocational outcome. There are programs offered as part of TAFE's outreach community engagement activities that do include arts activities. It may well be that what is available is now sitting under a different banner.

Mr ALAN ASHTON: As a teacher of 20 years I know that so much teaching, whether it be arts, music or sport, depends on the goodwill of the teachers and whether they can be bothered to get there at 7.30 in the morning and train kids to do things before lessons start at nine o'clock, and again after school. It is things such as arts, choirs, bands and school plays. In my area of East Hills we are lucky Bankstown council is in side with the Talent Advancement program, into which it puts a lot of money. Some outstanding performers have come from our region such as Bryan Brown and Human Nature, and they have donated a lot of their time. The mothers are also very involved in that program. I raise that because I have had this argument with Treasury boffins and others before. Has there ever been any attempt to try to assess the number of hours that are put into arts, particularly music, that cost the department nothing? We have had all the figures showing that the conservatoriums cost a certain amount and pay so much in rent. Has anyone ever bothered to work out the goodwill involved in teachers doing all that work out of hours?

Mr ANDERSON: There is no doubt that a lot of things that happen in schooling do so because of the energy of a volunteer army of teachers who help make school sport and arts programs and a whole lot of other things happen. They do it because they really care about the kids and they love what they are doing. They want the students to be as good as they possibly can be and to have the best experience they can have. That is why they have become teachers. You would also have to recognise there are many other people who may not be teachers who are doing good work in the community in other ways. It just happens that our teachers are really passionate about what they do. They love what they do. It would be very difficult to put a price on the number of hours they put in and what they bring to the programs. You referred to Wendy Tierney; you could never put a price on the work she has done for the Schools Spectacular for 25 years. I hope those people feel as good about what they have done as the students feel about what those people have provided for them. I am sure they do.

Mr ALAN ASHTON: That will go into the record and I will let her know!

Mrs DAWN FARDELL: The school arts touring programs have been occurring for a long time. Are they still happening on a regular basis? There is so much more demand on parents' dollars now. This week in Dubbo, for example, we had the Life Education Van, of which I am a great supporter. That cost parents \$5. Has there been any reduction because people are unable to afford to pay for their children to go to those programs?

Mr ANDERSON: I do not know the numbers on that. There are probably two different sorts of programs outside the classroom and outside what the arts unit provides. One would be someone who puts up a shingle and decides they would like to run a gym class in schools or perhaps get in their van and go around and provide music classes. It is a user-pays system. The person does it for a living. They go around and knock on school doors and provide physical activity classes or music classes or whatever it might be. The other type of program is provided by the department in partnerships with other groups to bring in the schools. I think you are probably talking about ConnectEd. That is a partnership program run with Arts NSW. It goes into regional areas. I can give you some figures. Over the last six years it has been into 1,400 rural schools and 60,000 students have benefited from it. Performers and programs are taken into schools—it has a performing arts touring element and an indigenous arts camp element. It also has teacher work placement so that teachers can work in areas of the arts, and outreach programs to build connections between the arts and arts organisations in our schools.

So we are really conscious of the fact that we need to do more in this area. We want to make sure that rural areas get all the benefits of what these sorts of touring programs can bring. I really believe that the Connected Classrooms Program is going to be a great benefit to regional conservatoriums to access schools and for other programs to access schools. No matter how many regional conservatoriums we have, we will not always be able to reach every student in an isolated area. The capacity for conservatoriums to be able to talk to all of our schools through our system and to talk to one another is going to open up enormous possibilities for them to work with our schools.

Ms MARIE ANDREWS: Are you able to tell me what the funding under the Connected Classrooms Program is for the Central Coast?

Mr ANDERSON: No. If Mary is here, she may well be able to do that. Mary is from Arts New South Wales.

Ms MARIE ANDREWS: I also want to know how much of that went to the regional youth support services. I know they are beneficiaries.

Mr ANDERSON: I do not know that. I am sure in Mary's interview she will be able to give you that advice.

Mr GRANT McBRIDE: You raised the issue of the value of sports high schools and performance high schools. Going back to the Central Coast again, because that is the area I represent, we have neither. We have a dud conservatorium of music, we do not have a performance high school and we do not have a sports high school. Are these things on the agenda? I grew up in a public housing estate in western Sydney. I know about the transformation that has occurred in western Sydney. I go up to the Central Coast, I have been there for a while now, and I find that things that are in western Sydney that were not there when I was a kid are right across the spectrum, but they are not on the Central Coast. I lived in western suburbs Sydney circa 1960 when they did not have the facilities. There is the State Performance Centre at Penrith, the Cube at Campbelltown and others right throughout the whole of western Sydney. We do not have any of those. They do exist in Wollongong, which has a population of 300,000 people. We have 320,000 people. Our population is as big as the Australian Capital Territory's. We do not want the National Gallery, but we do want some equity. Are there plans for equity in regard to these services within the Department of Education, given your direction? I also point out that the Central Coast has been a heartland for the development of rugby league players.

Mr ANDERSON: Absolutely.

Mr GRANT McBRIDE: I do not want to influence your answer.

Mr ANDERSON: I do not know that there is any formula within the department that says, "This area qualifies for a performing arts high school or a specialist sports high school." In fact, I think those things are probably driven at the local level and then it sort of works backwards. The first sports high school was Westfields Sports High School. That was totally driven by the principal at that time, Phil Tucker. By watching

his daughter playing netball, Phil Tucker recognised that these kids love coming to netball, why can we not have a sports high school because we have other sorts of specialist high schools? I do not know that there is anything—there may well be that I am not aware of—through our assets management. I do not know that there is anything in the melting pot for a specialist sports high school or a performing arts high school on the Central Coast. I cannot speak on behalf of what is happening in assets within the department. I would think that any area that mounted a really good argument as to why they should have something and was able to make a compelling case, it would certainly be looked at very closely.

Mr GRAHAM: All the initiatives are locally driven. Partly it is a function of when the schools were created and those things. The question is what the development is for the Central Coast from now.

Mr ALAN ASHTON: I do not want to be the devil's advocate. I do understand what Grant and Marie are saying about the Central Coast. I have taught at various schools—Busby, Bourke, Punchbowl Boys and Picnic Point. At different times those schools suffered when the Government under Greiner and later created these special schools and called them performing arts or sports schools, like Westfields. Every time my school at Picnic Point had to go to Westfields, that was it, you might not as well turn up. You lost 10 nil in soccer, 50 nil in rugby league. I take Grant and Marie's point that the Central Coast is probably a great region for them. But there is a view, and I am probably one of those who believes it, that if you keep creating specialist schools everywhere you downgrade the importance of the comprehensive high schools and they lose their best kids. For example, Picnic Point, which is not a sports school, produced great water polo swimmers, Simone Hankin, and a whole lot of others who have won gold medals in various sports. Robbie Slater went there; he has played soccer all around the world. They are top athletes. I make that point.

Mr ANDERSON: The best golf coach in Australia—Gary Barter.

Mr ALAN ASHTON: Exactly. A whole lot of tremendous people went there. Teddy Glossop, from rugby league, was a principal there. While I understand the point that Grant makes about a region of 300,000 people—I am not trying to be different; we all agree on committees—if you create them everywhere or too many of them, you will kill off your comprehensive high schools and they struggle to be competitive. They have to attract kids, since we got rid of the special zone system. I make that comment.

Mrs DAWN FARDELL: James Ruse is creaming off all the top year 6 kids and then scoring well in the Higher School Certificate.

Mr ALAN ASHTON: It is not just happening at James Ruse and other private and well-known schools. It is even happening now in the Islamic schools. They cream off the best kids. Three-quarters of the way through the year they get rid of kids and send them off to TAFE, which you would be aware of, to complete their courses because they are not going to achieve high UAI's and the reputation of their schools will not be so impressive.

Mr GRAHAM: Nothing is perfect. There is recognition that it has an impact on local schools. There is some attempt to try to work out how to aggregate in a meaningful those kids who have a specific talent that goes a bit beyond what a comprehensive school could afford to offer. Interactive whiteboards are not the only solution, because they need to get together. But there is some idea of that. I also mention Kate Graham, a Picnic Point High School graduate, who represented Australia in canoe polo.

Mr GRANT McBRIDE: I do not know who is scoring the most points here.

Mrs DAWN FARDELL: I have a world junior champion at Dubbo.

Mr GRANT McBRIDE: All of what you say is right. But really the argument supports my argument. On the Central Coast the kids with talent leave and go to Newcastle or Sydney. For example, one is going to Westfields Sports High to play basketball. They leave the Central Coast for art, music and sport. As John Monie said to me one time when I asked him about sport performance on the Central Coast, "The thing about the Central Coast is that you have got great natural sports people but you don't have the coaching system to bring them to the top." It does not exist on the Central Coast, so they leave. It is the same in the arts. It is right across the board. From Wyong to the GPO is 100 kilometres and from Wyong to Newcastle is 60 kilometres. It is sort of like Bondi Beach to Penrith.

Mr DONALD PAGE: I want to ask a broader question to do with the links of the various people who provide support for the arts, particularly in regional areas—Arts New South Wales, the Department of Education, TAFE and universities. What can be done to improve the links between those institutions? Are you aware of any examples of where we have been able to create such linkages that have delivered very positive outcomes for artistic possibilities in regional areas? It seems to me there are a lot of people doing a lot of different things here and there. It would be good if we could combine and get some links happening.

Mr ANDERSON: I think you are right. I think that very often government departments operate on their own particular agendas and objectives and things that they need to achieve. About 12 months ago the department sat down with people from Arts New South Wales and started to talk about ways we could better do things. That probably has not been quite as successful as we might have thought. I think that again you tend to fall back into the day-to-day minutiae of what you are doing. The department certainly talks to Arts New South Wales on a couple of different levels. Our curriculum is running programs with Arts New South Wales and through the arts unit we are running different programs with Arts New South Wales. So at that point there certainly is a fair bit of communication and interaction working with another to achieve things. I think what we have actually not done is go to the next step, which is to have a look at other parts of government, whether it be State and Regional Development or whatever, to see if we can come up with a consolidated package that brings all the elements together. There is no doubt that it is something we can do better.

CHAIR: I take the opportunity to thank all of you for making the time to give evidence today. We appreciate that. If you have any further information that you consider is relevant to our inquiry we would welcome a written submission from you.

(The witnesses withdrew)

CAROL MILLS, Director-General, Department of the Arts, Sport and Recreation, Level 3, 175 Macquarie Street, Sydney, and

MARY DARWELL, Executive Director, Arts NSW, Level 9, St James Centre, Elizabeth Street, Sydney, affirmed and examined:

CHAIR: I welcome representatives of the Department of the Arts, Sport and Recreation, and Arts NSW, Carol Mills and Mary Darwell. I thank you for appearing today to provide evidence to the Standing Committee on Public Works inquiry into the development of arts and cultural infrastructure outside the Sydney CBD. I am advised that you have been issued with a copy of the Committee's terms of reference and also with a copy of the Legislative Assembly's Standing Orders 291, 292, and 293, which relate to the examination of witnesses. Is that correct?

Ms MILLS: Yes.

CHAIR: In what capacity do you appear before the Committee?

Ms MILLS: As Director-General of the Department.

CHAIR: I draw your attention to the fact that your evidence is given under parliamentary privilege. You are protected from any legal or administrative action that might otherwise result in relation to the information you provide. I should also point out that any deliberate misleading of the Committee may constitute a contempt of Parliament. Would you like to make a brief opening statement before we proceed to questions?

Ms MILLS: No, thank you.

CHAIR: What is the current funding for the Arts NSW capital infrastructure program? How easily can it be accessed by smaller regional institutions?

Ms MILLS: The amount varies slightly from year to year. In 2009, approximately \$1 million was made available for funding under the program. Eligibility for the program is very broad in terms of access by organisations, but small organisations and local councils are eligible to apply. The average allocation of grants under that program is roughly \$100,000 a year. We can fund up to \$250,000 but applicants must also contribute approximately or not less than 50 per cent of the amount being sought by their planning application.

If I can give an indication of the kind of projects that were funded in 2009, it will probably give an example of how broadly eligibility is able to be established. The programs funded this year include the National Aboriginal Islanders Skills Development Association, which is based on the Central Coast. It received \$130,000 for a capital project in Kariong.

Mr GRANT McBRIDE: That is a dance company.

Ms MILLS: Yes, it is, but they train Aboriginal dancers and it has a national reputation. Tweed Council was funded for \$120,000 for the Tweed River Regional Museum. Campbelltown City Council, as a contribution to further capital development of the exhibition spaces at the Campbelltown Art Centre, received \$110,000. Newcastle City Council, as a contribution to a capital program for the Newcastle Regional Museum redevelopment, received \$110,000. The Bathurst Regional Council for the Chifley Home Interpretation Centre received \$82,000. Auburn Council for Auburn's Arts Studio and Gallery received \$26,000 to help with the development of the concept. The Lady Denman Heritage Complex in Huskisson on the South Coast of New South Wales received, for capital redevelopment of exhibition space, \$95,000. Lismore City Council for the Lismore Regional Art Gallery and construction of Margaret Olley Arts Centre received \$110,000.

Griffith City Council for the Griffith Regional Theatre upgrade received \$30,000. Leeton Shire Council for the upgrade of the cinema, the sound and projection stage of its Roxy Theatre, received \$42,000. Wagga Wagga City Council for the capital project for the lighting upgrade of its Civic Theatre in its Civic Centre received \$45,000. In addition to that, additional capital funding from time to time is made available through the arts department, but not necessarily through that program. One example of that this year has been a \$2 million allocation to the Wollongong Town Hall upgrade. That gives a sense of the types of projects that are funded across the state.

CHAIR: You mentioned earlier that the grants vary from \$100,000 to \$250,000 per annum and that the applicant must contribute 50 per cent of that. Obviously there would be some groups that are not very well resourced when it comes to funds. Is that 50 per cent contribution a requirement, or are there groups that receive grants of \$100,000 without having to contribute 50 per cent? Some groups will be smaller than others and cannot come up with that type of money.

Ms DARWELL: Under the capital program, that is a requirement. That is not a requirement under our other programs where we look for strategic partnerships. Generally the capital funds are used to provide the seed funding or strategic investment fairly early in the process, so it is important, from the point of view of getting a program up, for us to demonstrate that there is a partnership around the development, either with the local council or the arts organisation. That is why that criterion is there.

Ms MILLS: While that covers capital funding that is delivered through Arts NSW, we also have capital funding available for libraries. That is funded through the State Library, which is also part of our portfolio.

Ms MARIE ANDREWS: I understand that the formula for applying grants has changed. Correct me if I am wrong, but some organisations have picked up funding that they never received before and others, which were receiving funding in the past, have missed out. Can you tell me the basis of the change of that formula? Are applications judged on merit—not just purely on arts, but also on the merit that it brings to the community?

Ms MILLS: Yes. In May 2007, a former Minister for the Arts, Mr Sartor, commissioned an independent review of the Arts New South Wales arts funding program. As a result of that review, progressively over the last 12 months we have been implementing a series of the recommendations. Fundamental to the findings was that there needed to be changes to the way in which we administered what was then called the Cultural Grants Program to increase transparency, accountability and clarity of our eligibility and decision making and to simplify the process for both the applicants and indeed for the panels and others to participate in the assessment process.

As a result of the changes, in 2008 we introduced new funding guidelines and new criteria for assessment. The criteria certainly go beyond looking at simply the quality of the arts production. They include the robustness and financial governance and accountability of the organisation submitting the application. From the point of view of looking at benefits to the community, a new criterion was introduced around audience development. Essentially that is an opportunity for organisations to demonstrate the way in which whatever it is they are seeking funding for will engage with the local or state community depending on the program, the aspects of the community they are targeting, and the ways in which their particular program, exhibition or initiative will support the community.

A strong focus in doing that has been to concentrate our attention on the ways in which we can feel confident that there are conscious programs and plans by organisations to engage as widely as possible and to introduce their programs to new audiences, if that is an appropriate model for them.

Mr DONALD PAGE: I seek clarification of the first question. The programs you read out from the infrastructure fund seem to be mainly in regional areas, although I noticed that Auburn and a couple of others were mentioned. One of our terms of reference is to see what more can be done to help regional arts facilities. Am I correct in assuming that the \$1 million to which you have referred is a statewide infrastructure fund that covers both the city and the country, or is there a separate bucket of money for the big institutions, such as the museums in Sydney, whereby they receive infrastructure support?

Ms MILLS: The money is available statewide, but that money is not competed for by the Australian Museum or the Powerhouse Museum, et cetera. The money I spoke about is part of a program that is available to local government and non-profit organisations to bid for capital funding. We have a separate stream of funding through the State budget process to support the recurrent and infrastructure costs of the Opera House, the Art Gallery of New South Wales and other cultural institutions.

Mr DONALD PAGE: Can you give us an idea of how much money goes into metropolitan support infrastructure each year and how much goes into the other? I assume that \$1 million covers not just regional areas but some smaller local government areas in the city. What we are trying to do is get some idea of where the money is going.

Ms MILLS: Of the balance—sure.

Ms DARWELL: Of the \$1 million allocated, the list read out by the Director-General amounts to \$900,000, so an extra \$100,000 has been allocated within the Sydney metropolitan region to smallish groups—for example, the Glen Street Theatre in the North shore. There are a few initiatives, but it does seem that historically the funding trend has been to support more regional and rural initiatives through that. I can certainly provide the trends in funding over time.

Mr DONALD PAGE: What I am trying to do is get some idea of how much money is spent on infrastructure in the city—particularly the inner city because "regional" can include Penrith and those places—and regional centres. Can you give me the answer? How much money goes to supporting the big five or six institutions, such as museums, the Opera House, and so on?

Ms MILLS: For the cultural institutions themselves, the total budget is approximately \$300 million a year but that covers staffing, exhibition and capital costs. There are two ways in which we fund infrastructure for the museums and galleries. We have an annual maintenance allocation as government-owned buildings, and we have periodic funding for them for major initiatives. In March 2008 a former Premier, Mr Iemma, announced, for example, construction of a new storage facility off-site for the Art Gallery of New South Wales, which is valued at \$25 million. That will allow that gallery to take all of the paintings currently in storage from the Domain site. They have a donation from the Belgiorno-Nettis family for funding to refurbish that storage area to turn it into a gallery space. It will house principally a \$35 million donation to the gallery from John Kaldor.

So in a sense that is a very significant amount of money, but it is for a one-off project to allow a significant increase in the exhibition space within the existing walls of the gallery. Recently this year we completed also a \$41 million extension to the Australia Museum, which was funded over approximately four years to enhance their research capacity. So they now have a state-of-the-art research facility, which again allows us to increase the reputation and skill base of the Australia Museum research, but also frees up some other areas of the museum for public display. Two major refurbishments of galleries in the Australia Museum were completed last year as part of that broad process of refurbishment.

So, in a sense, we are working toward a model for the institutions that gives, I guess, a funding certainty of upgrades so that we can actually keep them as appropriately standard for statewide delivery of services. We think about organisations like the Powerhouse Museum, which had a very major rebuild. It was opened in 1988, so, it is now 20 years since that major refurbishment. So, periodically with any State significant organisation you do have to look at upgrades to maintain the basics such as exhibition space, but also we have increasing demand for the services and we have to cater for that as well.

Mrs DAWN FARDELL: This is not a personal insult to you, Carol, but coming from a regional area in Dubbo, and Don is from the Ballina area, it really does not wash well with our communities that only \$1 million is available for all those smaller projects you listed before: it really is a pittance. Although the facilities in Sydney are available to everyone in New South Wales, it does not sit easy. I had a representation from the General Manager of Dubbo City Council yesterday before I left that it is building an \$18 million tiered theatre.

The council is funding it completely. It has received lots of abuse for putting in certain variations of rates. It is very exciting. I was on the site the week before. When they are putting in all that money themselves from the community, to have a \$150,000 request knocked back recently for the theatre does not give confidence in your department and the Government. So, that was more or less a statement from me. You have a variety of projects. It is whoop-dee-do for Wollongong getting \$2 million, but it has a much larger rate base than the areas I represent. What is the priority system? Obviously, Dubbo has put in more than a dollar for dollar, more than a half-way share. I must acknowledge that we received \$60,000 recently for a program director for the cultural centre, and I thank you for that.

Ms MILLS: I will get Mary to speak about the specific case perhaps, but we acknowledge that it is a rationing system. We get very many more submissions for funding than we are able to fund. What I can say is that I believe the model of the panel making recommendations against the criteria for the funding is fair and transparent and there is a ranking system. There are inevitably, because of the scale of bids, a number of organisations who are unsuccessful each and every year. I guess that is part of the challenge of a government

agency, to make sure where the money is made available that we can give confidence to you that a fair process was entered into even if the bucket were not sufficient to fund the project in which you had a particular interest. I will get Mary to speak about that.

Ms DARWELL: As with all our grant processes, we go through a ranking system whereby each of the applications is ranked against a number of criteria. As with the capital program, unfortunately, the funds that are available to us to distribute just ran out before we were able to get to the particular Dubbo initiative. My understanding from previous years is that it is the case that applicants often make one or two applications to the funding program unfortunately before they are able to receive funds because of the available pool, but it really is a question of the amount of funds we have available.

Mrs DAWN FARDELL: Do we encourage organisations? No doubt the Powerhouse Museum, the Opera House and all those places have volunteers—or ambassadors as we call them in regional areas. What input do they have? We do not have the availability, as I mentioned before, of philanthropists to come out to rural areas and donate large sums of money to keep things going. Do we put pressure on those organisations in Sydney that are doing quite well? I accept that they probably need more money themselves, but what pressure do we put on them to contribute more because the inequality of it all is overwhelming to me?

Ms MILLS: I guess we do a number of things. Certainly, it is absolutely true to say, just on the aspect of volunteers, that they are a fundamental part of our institutions and increasingly so as, I guess, financial pressure comes across the entire system. We certainly are aware in the current economic climate that the whole issue of philanthropy and I suppose funding from corporations is something that will be a challenge for all arts organisations over the next couple of years right across New South Wales and Australia. It is something we are obviously going to have to be very attuned to. In regard to what do they do for the rest of the community, which I guess is what I take part of your question to be, we do support very strong regional programming and regional touring.

Places like the Art Gallery of New South Wales have historically played a very active role in helping in the creation of things like the Campbelltown Arts Centre and the Penrith Regional Gallery providing expertise, advice and support in their initial period of establishment, particularly around the governance, collection, management and those sorts of issues that are important to a gallery. Those galleries then tend to stand alone after a period of time. We also obviously regularly do have a lending program from the institution, such as the Art Gallery, right across the regional galleries of New South Wales. That can operate in two ways. Sometimes it is specific works being asked for by loan from, say, for example, Newcastle Regional Gallery and so on.

Other times it is an exhibition designed by the Art Gallery itself, which might tour. We have recently had a very large Brett Whiteley exhibition tour regional New South Wales. In addition, each year the Archibald tours after the exhibition in the Art Gallery of New South Wales, Art Express tours, and a range of other programs occur each year. Programs like the Historic Houses Trust also use their properties across the State to do regional tours. Last year around 80,000 people in regional New South Wales benefited from Mr O'Crowle's trust programming in areas outside Sydney.

We also have a very significant program through the Australia Museum targeted to schoolchildren called Museum in a Box, which tours each year to regional New South Wales. I think around about 65,000 school students participated in that program last year. The Powerhouse Museum has a very strong history of regional touring and support. As you said, all of those organisations are themselves working out how to best deliver those services in fiscally constrained times, but we also have been exploring and agreed upon an annual touring program coordinated by one of the major institutions each year that will allow us to tour regularly some of the highlights of the various collections under a theme.

The other area that I think is fundamental to the question of infrastructure that the museums and galleries are really I suppose at the forefront of being able to do is the whole concept of digitisation and making the collections available right across the State through computer and IT and live projection. Last year the Sydney Opera House had a number of occasions where it actually directly broadcast high-definition quality opera to regional New South Wales and Victoria, which was playing live in the Opera Theatre and then was available in cinemas in various parts of New South Wales simultaneously. That is something else that we want to explore as part of the way of improving access. We have live streaming of things such as the Sydney Symphony, which can be viewed on the web. There is a range of ways in which we are trying to expand our reach to regional New South Wales, not just being about physically visiting.

Mr ALAN ASHTON: The Arts Strategy for Western Sydney I suppose is part of Penrith, Campbelltown and places like that. A couple of years ago Bankstown received a grant to rebuild its art gallery, which was one of the first art galleries probably anywhere in local government. Is there a regional plan that incorporates the idea? Is Penrith and Campbelltown regional? That is Western Sydney. What about when we get to, say, Ballina, which is Don's area, and Dubbo, as Dawn has mentioned? Is there a strategy for what we might call the bush, for want of another term, or the coastal regions?

Ms MILLS: It is something we have identified as a priority. It is quite right. I suppose the Western Sydney strategy was the first of its kind of actually taking a geographic focus and targeting an amount of money to a series of identified projects over a number of years to really build infrastructure, physical and skills and exhibitions capacity et cetera, over a number of years. There have been a couple of evaluations done of the Western Sydney strategy to look at its overall impact. Certainly we have seen an increase in audience participation as a result and, clearly, we have also seen a number of venues that allow things such as high-quality touring because they now have the security, the air conditioning and the other things that are essential to valuable collections.

We are absolutely committed to doing, I suppose, a series of regional audits of New South Wales to understand both what is there now, what kind of programs are being delivered across the full spectrum of arts and to identify where the most, I suppose, pressing gaps may be as part of our forward strategy. Again, I certainly agree that when one looks at the overall resourcing, it is inevitable that you ask why this area and why not another? I think if we can progressively build a very strong picture right across the State of the current strengths, weaknesses and opportunities, we can direct our funding in a very strategic way to try to fulfil that.

Ms MARIE ANDREWS: Earlier today we heard evidence from the Chief Executive Officer of ABAF, the Australia Business Arts Foundation. We are aware that Premier's arts partnerships funds are set up in a number of States. Is Arts New South Wales being proactive in trying to set up something similar in New South Wales? I understand too, unfortunately, that a lot of that funding that comes under that foundation is predominantly in the metropolitan area and that only about 8 per cent goes into regional New South Wales. I was just wondering if Arts New South Wales was being proactive in that area?

Ms DARWELL: It is currently not on our immediate work plan, but it certainly is something I am very keen to explore with ABAF and, indeed, with the Australia Council in terms of opportunity to secure investment by corporate Australia in arts and cultural activities. The Australia Council in particular does work around assisting arts organisations to be able to better tap into corporate investment and philanthropic support. We have had some preliminary discussions with them around that area.

Ms MILLS: I guess the focus of that is more about upskilling the individual organisations to assist them to secure funding. Very often what we find is that philanthropists—it does not matter whether we are speaking about the arts or any other sector in which they commit resources—generally are committed to a particular issue, theme or organisation. So, we believe there is more potential for success by upskilling the organisations to sell their wares in a sense rather than just a general program that hopes to link up as a side benefit rather than upskilling. Certainly the Australia Council program that Ms Darwell just referred to is very much around assisting organisations to understand what they need to do if they wish to engage in sponsorship and philanthropy.

One of the interesting things about some of those models is that they are very grassroots indeed. It is not just about trying to find the millionaire who can underwrite the entire program. A lot of them are about trying to think about ways you tap into your current audience, your staff, your current network of supporters in a different way to encourage them to become part of the fabric of the financial contribution. It is a very interesting model.

Ms MARIE ANDREWS: Returning to applications for funding under Arts New South Wales, because of the change in formula a number of organisations are missing out. It was not recurrent funding but some organisations were receiving funding for quite a number of years. Did Arts New South Wales then give them an alternative area where they might be able to apply for funding, for instance, under the Connect-ED program or something like that?

Ms MILLS: With some of the projects that missed funding this year we have been working with to identify alternative sources of funding which may not necessarily be within our portfolio. So some projects that had been funded for sometime were I suppose more community development projects that are not specific

projects. In that case we have been trying to identify and work with some of the other parts of government about "Is there a more appropriate long-term funding sources for those?"

Ms MARIE ANDREWS: Do many organisations, apart from the big icons in Sydney, in regional New South Wales receive recurrent funding under Arts NSW for programs and what have you?

Ms DARWELL: I can certainly provide the numbers. A number of organisations do receive recurrent funding, for example, Fruit Fly gets three-year triennial funding from Arts NSW and it is based in Albury. There are a number of other organisations. This year, because of the changes, we took the decision not to call for new triennial applications because we thought that it was a year of change and we wanted to ensure that funding decisions were not made in the year of transition. So this year we will be looking more closely at organisations on long-term contracts.

Obviously on the one hand it provides stability to the organisation so that it can plan ahead. On the other hand that means there is an additional lock in to available funds for distribution which means that it is very difficult for new entrants. So we do need to find the right balance between the three-year funding arrangements and those that apply annually. It is certainly the case that particularly with some of our regional galleries and museums that have traditionally applied for annual funding and seem to receive essentially the same funds year after year that there is an opportunity there to put them on a more stable footing. That would be a good example of something we would be looking at this year.

Ms MARIE ANDREWS: Are you confident that the new formula will work successfully? Has there been a big outcry from organisations that have missed out on funding because of the changed formula?

Ms MILLS: Organisations that were unsuccessful are obviously disappointed. What I can say is that I have sufficient confidence in the process of the new funding program that we have been able to provide quite coherent feedback to those organisations about where the strengths and weaknesses of their applications were, and the relativity of their application against others. We hope that if they wish to seek further funding they will take that feedback into account in their future submissions.

Mr GRANT McBRIDE: In another role I travel across western New South Wales. My mother grew up in part of that area and it is apparent to me that towns are shrinking. We now have two major inland cities, Wagga Wagga and Dubbo. Every area wants its own facility but Dubbo draws about 170,000 people and Wagga Wagga has about 60,000 and they have their own infrastructure. To turn them into genuine inland cities by providing all the sorts of activities that are available in other bigger cities they should get similar sorts of funding as the major icons do in Sydney. They should have the same formula so that when things are moved out of Sydney they can be taken to a place with similar security, know-how et cetera. The level of skill is built up within those organisations that service half of western New South Wales. Wagga Wagga would get the same result, given the university there and curators and handling. You have a sufficient level of activity to generate its own inertia.

Mrs DAWN FARDELL: I acknowledge that we do receive the Archibald exhibition. They come there because of our new culture centre, and I believe the Powerhouse comes there as well. We are fortunate because it is regional we do draw in 170,000 people who we service and come to the facility. The support to the council running it is inadequate and—it is a bit tough on the ratepayers in the area who are servicing 170,000 people.

Mr GRANT McBRIDE: There are strategic points if you want the hub for the truck industry to go through there. You have the tertiary educational facilities and rather than spread it across like, on the Central Coast. Wyong and Gosford both want art galleries. I just say "No, there is only ever going to be one". It is the same logic. I am talking about the Western Plains and they do not have the funding to build such a facility. If they had funding the facility would be an attraction for that whole region. More importantly, bringing art to the people, I mean it is nice to see the digital picture on the screen but I do not think it comes anywhere within cooee of looking at the artwork itself.

Ms MILLS: Not yet. I agree with both of the comments you have just made.

Mr GRANT McBRIDE: That is what happened with Nepean. It started like that and it was government funded and now it is an icon in that area.

Ms MILLS: I certainly endorse that at a regional level making a plan for where infrastructure, as in bricks and mortar investments needs to be, it is not just about a building in every town because if you build it they will not necessarily come and we do not necessarily have the skills and resources to turn something into a prominent gallery or exhibition space if there is not a base population. So I absolutely agree with you that it is not just about investing broadly but having a target about a hub and spoke type model that is clear about what is a reasonable catchment area. You have spoken about 170,000 being the catchment for Dubbo. We also have facilities in places like Wagga Wagga and Albury that serve quite large catchment areas. When I spoke earlier about wanting to do regional planning and regional audits it is very much along the lines you are speaking about of saying "What constitutes a subregion?" What is a reasonable area for an expectation that—whether it be a multipurpose venue but certainly a sophisticated venue that can allow touring of either theatre and/or exhibition space—can actually have a workforce that can sustain it, can have an income base that can sustain it and can have sufficient impetus from within the community for it to be seen as a valued part of that community.

There is also a long lead time in those things. I was in Queanbeyan the week before last and while I was there I looked at the new Queanbeyan Theatre, which is a performing art space which is next to the council chambers and very close to the library so it is very well located and it is a very attractive and well designed facility. They are running about nine programs a year. This is their second year of operation. They are still struggling to find the right role and the right audience and the difference between them and Canberra. In one sense one could certainly argue that the town of Queanbeyan is large enough to sustain its own theatre but it is actually part of a larger catchment. I think that is where part of our planning needs to be to understand where facilities are complimentary and we do not end up with them being in competition which is certainly the case if we had a major facility in Wyong and a major facility in Gosford. I do not know that the community could sustain that. I do not know if the council and the infrastructure could sustain that either. I very much support the approach you are talking about.

Ms MARIE ANDREWS: I represent the wonderful community of Canowindra to which a lot of people from the Blue Mountains are moving. The Blue Mountains is getting too expensive to live in and a lot of people artistic people are moving to Canowindra. A place called Taste Canowindra is run by Bob and Margaret Craven. Apart from being a restaurant providing local wines every two months approximately he puts on a show by a travelling performer or provides an art exhibition for artists in the area. That is another form of culture provided by smaller places that never ask for assistance but entertainment or education is covered in the meal ticket. We need to be mindful of those individuals in all areas who provide culture for the community. The majority of the community that go there are from Orange or Parkes or Forbes. I go down twice a year. We need to support those little places when they ask for help.

Ms MILLS: Absolutely. A lot of the discussion we have had today has been around the large infrastructure and the co-located or very professionally delivered programs. When I am speaking about doing a regional model it is not about saying we will only support something in Dubbo and if you are not in Dubbo then you have to travel to Dubbo but it is saying if you are talking about the large-scale, high-value, high-audience requirement programming then you do need to have that in a hub but you need to balance that with what is reasonable to have in a local community. We do that in Sydney as well when you think about the difference between people coming to the centre of the city and those more localised events or local galleries.

One could think about places on the North Shore like Manly, Warringah regional gallery and Mosman and so on service their local community and those people can access that or they can come to the city when they want to see the really major exhibitions. I think it is a very similar model. One of the great strengths, I think, of community New South Wales is that we need to absolutely tap into is the local commitment and the sense of community that still exists in those places that can deliver through volunteering and through grass-roots support, perhaps in very disproportionate outcomes in the sort of financial investment into arts in those areas.

Ms DARWELL: It is also true to say that the partnership that we have with Regional Arts NSW with whom you are speaking this afternoon is an important way that we can assist in that localised support through their networks and through devolved funding at a small level that enables that self generated artistic and cultural activity to be supported in a very useful and dynamic way.

Ms MILLS: Coming back to our funding programs we have again been speaking about the Arts Funding Program, which is the statewide program. We also do directly fund Regional Arts NSW around \$750,000 a year to provide very small and localised support in regional New South Wales. We also fund Museum and Galleries NSW for their administration but we also give them a bucket of money to allocate to

small regional museums and galleries. So there are a number of pathways in addition to the major annual call for funding whereby local areas can be assisted.

Ms MARIE ANDREWS: You mentioned earlier that you fund public libraries. About how much per annum do public libraries receive? I think it includes the mobile library that was set up some years ago, which operates from Woy Woy station, which is in my electorate?

Ms MILLS: Yes. The funding for public libraries, which is administrated through the State Library, is approximately \$24 million a year. That is broken into three primary buckets of money. The first is a per capita allocation to all libraries across the State based on the number of residents. The second bucket is designed as, I guess, an access supplementation so that for those areas that have, for example, high levels of core communities or children that might need specialised collection, there is an allocation on top of the per capita for those. The third category is basically a strategic development infrastructure bucket that supports physical upgrades of libraries. It can include security or actually physically contributing to the building of a new library. On top of that funding, as part of Labor's recent allocation to country New South Wales, as announced in late 2008, there is a further \$9 million over five years for regional libraries to be added to that bucket.

CHAIR: The Committee would welcome any further written information that would assist with this inquiry. I note that Carol Mills has addressed this Committee in the past, and we thank her for her ongoing support.

Ms MILLS: The department is more than happy to provide answers to specific questions as well or if there is any way in which we can provide further information to help the Committee, we would be happy to do so.

(The witnesses withdrew)

(Luncheon adjournment)

ELIZABETH ROGERS, Chief Executive Officer, Regional Arts New South Wales, Pier 5, 15 Hickson Road, Millers Point, and

MEG LARKIN, Chair, Regional Arts New South Wales, Pier 5, 15 Hickson Road, Millers Point, sworn and examined:

CHAIR: I welcome the representatives from Regional Arts New South Wales. Thank you for attending today to provide evidence on the Standing Committee on Public Works inquiry into the development of arts and cultural infrastructure outside the Sydney CBD. The Committee has received your submission. As there is no objection, the submission will be authorised for publication. I am advised that you have been issued with a copy of the Committee's terms of reference and also a copy of the Legislative Assembly's Standing Orders 291, 292 and 293, which relate to the examination of witnesses. Is that correct?

Ms ROGERS: That is correct.

CHAIR: In what capacity do you appear today?

Ms ROGERS: As the Chief Executive Officer of Regional Arts New South Wales.

Ms LARKIN: I am here to support Elizabeth in my capacity as the Chair of the Regional Arts New South Wales board, and obviously she will be our spokesperson.

CHAIR: I draw to your attention that your evidence is given under parliamentary privilege and that you are protected from any legal or administrative action that might otherwise result in relation to the information you provide. I also point out that any deliberate misleading of the Committee may constitute contempt of Parliament. Would you like to make a brief opening statement before we proceed to questions?

Ms ROGERS: No.

CHAIR: Could you provide a brief overview of your organisation and its work?

Ms ROGERS: Regional Arts New South Wales is the peak body and service agency for arts and cultural development outside the Sydney, Newcastle and Wollongong metropolitan areas. New South Wales is devolved into 13 independent regions. I have included a brochure with my papers, which gives a map of where those regions are located. Those independent boards are funded with core funding from the New South Wales Government through Arts New South Wales, and contributions from participating local councils. The scale of contributions depends on the population of those local government areas.

It is a devolved program of regional arts and cultural development, which is different from any other State agency or body. It gives a local voice to local people working in the region. It also helps solve some of the questions of the diversity across the State; the size of the State, the diversity and population, the diversity and geographic area, the diversity in arts and cultural infrastructure as well. Regional Arts New South Wales has core funding from the New South Wales State Government. We are a company limited by guarantee and we are a not-for-profit organisation. We have core funding from Arts New South Wales, but we also have funding from the Federal Government through the Regional Arts Fund, which is the Department of Environment, Water, Heritage and the Arts. We also get a small amount of funding from the Australia Council. Other funding that we are able to use to develop our programs is on a project basis and is generally for a finite time.

As an organisation, we represent the 13 regional arts boards in the areas of advocacy, capacity building, communication, and support and services. We administer two major devolved funding programs: from the New South Wales State Government there is the Country Arts Support Program, and the details of that have been handed to members, it is the green one. It is a huge total of \$200,000 per annum divided equally across the 13 boards. That means each board gets about \$14,000 a year for regional grants for arts and cultural activities. That amount has not changed over about eight years.

We also will hold a small amount back at our Sydney office for the non-contributing councils. On the map you will notice that there are two areas marked white that are not part of the program at this stage. One is the Griffith-Leeton-Narrandera area, and the other is the Shellharbour-Shoalhaven-Kiama area. At this stage both regions are looking to form a regional arts board. At this stage, and until the formalities have been

completed, any arts organisation in those regions will apply for the Country Arts Support Program [CASP] directly to our office. The Regional Arts Fund is a Federal grants program that has been devolved to Regional Arts New South Wales to manage. It is managed by our office. That allows for large grants for organisations, and there are some really nice stories where a project has been funded by a CASP grant and has developed and gone over to a Regional Arts Fund grant. Where those two programs are integrated, a program can have multi-year funding, which allows a little more development of an arts project. It is amazing what a small community can do with \$300.

Mr ALAN ASHTON: You even had time to print off some little dodgers.

Ms ROGERS: Obviously the Regional Arts Fund has very strict guidelines and criteria, these brochures contain brief information about the funds we manage on behalf of both governments. That is a little indication of the criteria and programs that we fund.

CHAIR: Approximately how many staff do you have within the organisation? Where are the majority based?

Ms ROGERS: We are a very small organisation. We operate out of an office on Pier 5 at Millers Point, near the Sydney Theatre Company and other arts organisations. We have a number of part-time staff, and two full-time staff. I think that is 4.1 full-time equivalent. The regional staff are employed by the independent boards. Each board, depending on the needs and the budget of the organisation, employs one full-time regional arts development officer and, depending on their needs, some ancillary staff who are generally part-time. There will be an administration person or bookkeeper, some boards have a communications officer, some have a project officer. Individual boards decide on staffing needs. Of course, it is very restrictive with the amount of money that they have to operate.

Mrs DAWN FARDELL: Do the boards have to run all the programs from the \$14,000 they individually receive?

Ms ROGERS: No, they do not run the programs. It is a grants program so people apply.

Mrs DAWN FARDELL: I mean promotional work and—

Ms ROGERS: The core funding for the boards is \$85,000 from the State Government, which basically pays for a staff member and a car—they need cars, we all know that. The Country Arts Support Program grant is for arts organisations within that board's region and arts organisations apply for those grants and then those grants are given to do small projects.

Mr DONALD PAGE: Is the \$85,000 for the employment of the regional arts development officer?

Ms ROGERS: Yes.

Mr DONALD PAGE: One for each region?

Ms ROGERS: One for each region.

Ms LARKIN: We need to add that the local governments in all of those areas contribute as well. In most regions the local government contribution would equal the State Government contribution. The Orana one, for example, that runs from Dubbo to Gilgandra would have double that budget for the running of the office and then any grants that they can acquire to distribute they do in addition to that.

Ms MARIE ANDREWS: The regional arts boards are listed 1 to 13 in the brochure. What areas would the South Coast and the Central Coast regional arts boards come under?

Ms ROGERS: The regional arts boards do not cover from Newcastle to Wollongong—that is a definition that has been in place for a very long time. The Federal Government definition will not allow us to fund projects in those areas because they are not considered regional, in view of the size of the population. By definition they have to be so far away from a major metropolitan area and they have to have a population of less than 100,000 people.

Ms MARIE ANDREWS: Less than 100,000 people?

Ms ROGERS: Yes.

CHAIR: I should mention that the brochures that you have provided the Committee with today: Regional Arts NSW Funding Programs and the Regional Arts New South Wales Advocacy, Capacity Building, Communications, Support, together with your submission, will be tabled and included as part of the inquiry.

[Documents tabled]

Mr GRANT McBRIDE: I am from the Central Coast. What is the role of the board and how is it constituted?

Ms ROGERS: Our organisation board?

Mr GRANT McBRIDE: Well tell us about both, the ones that exist in the regions and yours.

Ms ROGERS: Regional Arts NSW is the head office mothership board, if you like, although we have a collegiate and cooperative relationship with the regional boards. At the moment it is made up of representatives from the 13 regional arts boards plus we also have the power to co-opt the need for skills of up to five members. For example, our Treasurer is actually based in Sydney and is a partner in HLB Mann Judd—very important. Recently a lawyer has also volunteered to come on to the board who is also Sydney-based. We do not have those skills in the people who are sent in from the region. We actually have on the table for the board to move to a more skills-based board. It is very expensive bringing them to Sydney three times a year, which is all we can afford on our budgets. There will be a regional representation based on skills—this is the idea but it obviously has to go through the formal process—of five regional board members and four other board members depending on their skills base, but it does not say whether they should come from regional areas or Sydney areas.

Mr GRANT McBRIDE: How many people are on the board for the whole organisation?

Ms ROGERS: At this stage there are 15.

CHAIR: Are they paid?

Ms ROGERS: No.

CHAIR: Voluntary positions?

Ms ROGERS: All voluntary positions. As we are a not-for-profit organisation—it is in our constitution—most not-for-profits do not pay for people to sit but we do pick up accommodation and travel costs, and that is really having an impact on our ability to function.

Mr GRANT McBRIDE: And the regional boards?

Ms ROGERS: The regional boards vary depending on their constitutions. If I can say generally, some have representative boards—particularly the smaller ones where it is manageable—where they have a representative from each of the contributing councils and a representative from each shires community arts organisation. Other boards have chosen to go for a skills-based board.

CHAIR: Earlier you mentioned the funding of \$200,000 was split amongst the various areas—

Ms ROGERS: —of the state.

CHAIR: Evenly split. You mentioned a figure of \$14,000. Why are the funds split evenly when some areas may have a bigger need than others? Who makes the decision? Is it a generic decision where you divide by 10, 14 or however many areas there are and give everyone an equal amount to work with, or do you look at what they have in plan for the next six or twelve months?

Ms ROGERS: It is a very small grant program when you consider how far it has to stretch. The equal division across the boards is the Government's decision. There has been considerable debate about the merits of that system but a general agreement or consensus has been arrived at by the regional arts development officers that areas of high growth, such as the mid-North Coast and the northern rivers, have also a high human capacity to deliver programs whereas in the more remote parts of the state there is a lack of infrastructure and human capacity. Every area has its own challenges and for the amount of money the even distribution is pretty fair.

Mr ALAN ASHTON: And it would be a useless waste of your time trying to work out whether someone should get \$15,000 and someone should get \$13,000?

Ms ROGERS: It is just not worth it. It is a competitive grant program for small local grants. For example, in Wilcannia they brought in an elder who was a recognised indigenous artist who had left the area. He came back and did an arts workshop. It cost \$1,200 to pay for his transport and have him work with the community over a couple of weeks. That project was able to then develop because of the community need to have an arts workshop. There were issues about inappropriate iconography and the relationship of having an elder coming back to the community but that was resolved and they then reapplied and got three years of regional arts funding. They have had a pile of different artists go there and who work in a residency—a funny little fibro shack attached to the church hall that they use as an arts centre. The community accepts that and the community use it. What has come out of that after three years—and I was speaking to Central Darling Shire this morning—is it now looks like there is a relationship between the arts centre and TAFE in delivering accredited programs out there. That is how a little bit of money can actually build capacity and go a long way.

CHAIR: Apart from the funding itself, is there any other in-kind support that you receive from the Government? For example, were these brochures paid for from the funding or did the Government do that?

Ms ROGERS: We have a budgeted amount of money each year and we spend that money according to our budget. Regional Arts NSW receives \$330,000 from the New South Wales State Government, which pays for two full-time people and a part-time finance manager—because of the complexity of managing these grant programs we have to have a finance manager. The rest of the staff are paid for by scrounging between the various buckets of money that we have. We are very good and creative about finding money to pay people. Things like that would be paid for out of our communications budget. We would budget and produce those documents ourselves.

CHAIR: Do you receive any other in-kind support, such as being able to use council premises?

Ms ROGERS: Not in Sydney. There is a lot of in-kind support provided by councils across the regions. Again it depends council-to-council and region-to-region.

Mrs DAWN FARDELL: Are the regional boards allowed to spend their monies as they see fit?

Ms ROGERS: Absolutely.

Mrs DAWN FARDELL: They do not have to report to you and be accountable?

Ms ROGERS: No, they report to whoever is the source of the funding. They are all on triennial funding agreements and they report to Arts NSW on their core funding. They report to their councils on their council funding and if they have earned grants and they put grants together for projects that they deliver themselves they report to whichever government agency has provided that funding.

Mrs DAWN FARDELL: I raised this matter earlier with other witnesses: the conservatoriums of music, such as Macquarie, which is in my area, are lobbying for funding, particularly if they have not had consumer price index increases for some time. Does Regional Arts get strong and lobby at times or because you are federally and state funded—

Ms ROGERS: We spent all last year lobbying.

Mrs DAWN FARDELL: I must say it is a very insignificant amount for what you are expected to do.

Ms ROGERS: We had a very difficult year last year because with the change of government at the Federal level, there was a great threat that the Regional Arts Fund would be cut. The Regional Arts Fund puts a

lot more money into regional New South Wales for grant programs than the Country Arts Support Program. At one stage we thought we would lose the lot. In the Federal budget the Government went back to a previous level of funding. These are four-year agreements. The only good thing was it became ongoing funding, which means that we will not have to go and fight the Federal Government again for the Regional Arts Fund. I think there was a lack of understanding of the importance of that fund to regional communities. Every one of the State agencies sits on the board of the national body, which is Regional Arts Australia, so we get feedback from the regions and take it to a national level.

If you would like some figures on the impact of the cut on the Regional Arts Fund—this fund has some core money that is kept by Regional Arts NSW for administration and the rest is dispersed across the State in grants. It is not evenly dispersed; it is a competitive program. In 2007-08 the total allocation to New South Wales from the Regional Arts Fund was \$619,680 and in 2008-09 the total allocation is \$42,100. That has had a big impact on us. The board of Regional Arts NSW decided to put as much of that money as possible into the regional grants because that is where the work is done on the ground in the regions. It means we have had to cut our programs to be able to put that money on the ground in the regions. I did make a request to Arts NSW to make up the shortfall. Obviously there are not sufficient funds in the budget and that has not happened. We are looking at other avenues of raising income.

Mr DONALD PAGE: That is a huge reduction, \$619,000 to \$42,000.

Ms ROGERS: No, \$619,000 to \$421,000.

Mr DONALD PAGE: You said \$42,000. It is still a large reduction. It is a \$200,000 reduction. What is the rationale for that? I take it that it is not being picked up anywhere else with other Federal money?

Ms ROGERS: It is a cut. Did not like the previous Government's programs. I do not know. It is arts funding.

Mr DONALD PAGE: It is not being picked up by the New South Wales Government? What sorts of programs will not go ahead this year?

Ms ROGERS: Our communications program. Part of the Regional Arts Fund over the previous four years had paid for us to have a communications officer. We produced a magazine promoting best practice. Website administration, project reports—we no longer have the budget to do any of those publications. We are fortunate in some ways that my background is in marketing so I have those skills myself but there is a limit to how many days in the week somebody can work. Certainly there is no budget for print publications. There are also great opportunities for promoting the value of regional arts through various media that we cannot pick up because we do not have the skills or the person on the ground to be able to do it.

Mrs DAWN FARDELL: So has your communication program just stopped or has it been slashed?

Ms ROGERS: We are using more electronic means of communicating. We are able to maintain our e-bulletin. Another program that was cut across the nation was a skills development program called Creative Volunteering. It was about building business skills for arts organisations, volunteers and arts managers in regional areas. That was cut completely. Our administration officer managed that for our organisation so she has been able to take up some of the work that was done for Creative Volunteering in producing the e-bulletin. Professional development is part of our capacity building and support services for regional arts boards. Again, we are trying to scrounge money from other areas but there is none in our core funding to be able to deliver that key result area.

Ms MARIE ANDREWS: While we are on the subject of funding, we had evidence from the Australian Business Arts Foundation [ABAF]. It looks as though what they call the partnership fund operates quite well in a number of other States but has not been established in New South Wales. Do you see value in pursuing that and would that assist Regional Arts NSW?

Ms ROGERS: One of the challenges I found working with ABAF, if I can be frank and fearless—

Mr DONALD PAGE: They told us 92 per cent of the money goes to the city and 8 per cent to the country.

Ms ROGERS: Yes. One of the challenges of working with the Australian Business Arts Foundation is that the partnerships—sponsorship by another name; it is just new language—mostly go to the cities. There are bigger audiences and people get a bigger bang for their buck. There are certain organisations that are positive about supporting regional programs. Country Energy is one. For example, they supported the launch of the mosaic ute in Edwards Park, Deniliquin, by supplying lighting infrastructure so it can be lit at night to prevent vandalism. The actual ute was funded by a Country Arts Support Program grant to get an artist to do the design. The entire community over a period of three years stuck mosaic tiles on the ute and it has now become a tourist attraction and a feature of Deniliquin. The council put down the concrete platform and the fence around it to prevent vandalism. So those sorts of partnerships with Country Energy help the local community and that makes sense because that is their remit. But there are no big amounts of cash out there.

Mr ALAN ASHTON: We have some standard questions that our researchers prepare to help politicians like us to throw at you, but given the amount of money you have there is not much point asking 15 hard questions! In Milton, an area I visit as often as I can, there is a cinema that used to show movies but now is used to put on shows. Some very good performers go there and present plays, and there are people such as Tim Freedman and The Whitlams who do shows. That is good. I have read what you wrote about RSL clubs and bowling clubs. They are great because they provide a venue, but then you have the problem of setting up to do six performances of *Oliver*, or whatever, over three days. How hard is that! It is not compatible with the poker machines.

As you say in your submission, community halls are great. In Sydney they are probably of modern standard with air conditioning and so on whereas small venues in the country, such as Country Women's Association halls, could be 40, 50 or 60 years old. It seems you have very big infrastructure problems as well as the problems with the grants you give for performances. We are all learning a lot from reading your submission. You are really up against it. I am interested in the cuts. We have an Independent member and Government and National Party members on this Committee. Obviously the Federal budget had to cut here and there and put more money into things such as health. Is the problem that they are regional areas and maybe National Party areas and perhaps the boards consist of 15 people who hate the Labor Party? Do you need to change your approach to the way you work with the Federal Minister for the Arts?

Ms ROGERS: I do not think the regional arts boards in New South Wales are; I just think there is a lack of money. Certainly that was the case in the Federal arena. The previous board of Regional Arts Australia was very strongly aligned with the Liberal Party and Senator Kemp was the Arts Minister and he increased that fund quite substantially over the previous four-year period. I think we were a sitting duck, really.

Mr ALAN ASHTON: It might take a year or two to reinvent yourselves with the new Government.

Ms ROGERS: The board of Regional Arts Australia has recognised that and is taking steps to do that. As I said, the positive thing is that it is now an ongoing fund, not a lapsing fund, so we do not have to argue for it every four years. We can now just go and argue for making it bigger.

Ms LARKIN: You were asking about infrastructure and truly neither the State nor the Federal Government has done a great deal for infrastructure in country towns. It is always local government and volunteers. Just recently the Federal Government, as you know, bypassed the States and handed out money for community development. We did a roundup of how much of that went into cultural infrastructure, but of course a lot of it went into sporting fields. Community halls did benefit in some regions. Often it is as basic as re-stumping them or bringing them up to current fire regulations. We are talking about coming from a long way behind the eight ball for cultural activity.

Mrs DAWN FARDELL: Funding for community halls has been announced but I have not seen who has qualified.

Ms ROGERS: That is a different bucket of money. There is a State bucket of money for community halls but there also was—

Mrs DAWN FARDELL: So long as they are owned by the community more so—

Ms ROGERS: There was also a direct injection of funds by the Federal Government straight into local government for regional infrastructure. I have just done a quick survey, because nobody knows, but in the Greater Taree City Council, for example, some money has gone into the Manning Entertainment Centre for things it needed such as repairs to the hearing loop, a fire upgrade and a digital advertising sign. The council

also put some money into the regional gallery for a new humidifier. Those sorts of things really needed doing. Some councils have put some of that money into infrastructure but it tends to be for repairs more than anything else.

Mr GRANT McBRIDE: When did this program originate?

Ms ROGERS: The Regional Arts Fund or the Country Arts Support Program?

Mr GRANT McBRIDE: The Regional Arts Fund.

Ms LARKIN: We are up to the third iteration of the Regional Arts Fund, so it was eight years ago. We are into the ninth year. They are four-year funding programs. Regional Arts NSW itself was reconstituted from the old Arts Council of NSW in 1999 or 2000.

Mr GRANT McBRIDE: Was this program originally driven by funding from the Federal Government or was it augmenting a State program?

Ms LARKIN: The Regional Arts Fund originates with the Federal Government and is distributed across the nation.

Mr GRANT McBRIDE: That was about eight years ago?

Ms LARKIN: Yes. We have just started the third four-year funding.

Ms ROGERS: Is that not when it was devolved to the bodies? It was a small fund administered by the Australia Council. Then the Federal department—I think it was the Department of Communications, Information Technology and the Arts at that stage—decided to devolve it to the regional arts agencies rather than have it at the Australia Council because there was a feeling that the Australia Council was a city-centric organisation and did not have an understanding of the needs of regional and rural communities.

Mr GRANT McBRIDE: The position was they structured it on a regional basis to make sure it went to the region?

Ms ROGERS: Yes. That is why we manage the fund for the Federal Government. We have a whole grants management program in our office.

Mr GRANT McBRIDE: What role does the State Government play in this?

Ms ROGERS: It is a separate entity that comes directly to us from DEWHA. The State Government is another isolated bucket of money, if you like.

Mr DONALD PAGE: How big is the State Government bucket of money?

Ms ROGERS: The State Government bucket of money for arts and cultural development programs in regional New South Wales is \$200,000.

Ms LARKIN: I think we should clarify that because you are not as familiar with it as we are. The New South Wales Government, Arts New South Wales, does have a funding program that it administers directly. That has just been delivered for 2009. That goes largely to institutions like regional galleries, regional performing arts centres and some projects, as well as to the city. So we are competing against the city in the distribution of that fund. I know that is not the question you want to discuss today. So it is not as though the \$200,000 that we administer for small grants is the only money going to the regions from the State Government. There is other money.

Mr ALAN ASHTON: You mentioned local government. As I said, many of us have served on councils. Councils are asked to pick up more and more, yet their rate base is defined by how much the State Government will allow them to charge and there are costs for fire levies and so on. That is a difficulty as well. You made the point about the small audience for a performance at Deniliquin Shire Hall, compared to at the Opera House. Unfortunately, that is the nature of a big country and the difficulties of the regions, which are

declining in population. You have to factor in the money that local government and the community put in and the contribution of volunteers. The whole operation at Milton is run by volunteers because they love doing it.

I spoke before about the teaching element, where teachers put in extra time. Years ago on both sides of politics the Premier was the Minister for Arts. Neville Wran was the Minister for Arts as well as the Premier, as was Nick Greiner. I do not know whether Morris Iemma was, but Bob Carr certainly was. Perhaps we are suffering from Premiers not being focused on the arts because it is not seen as a big vote winner in tough economic times. We can all be sympathetic, but if you believe the *Daily Telegraph* the nurses in Dawn's area are being set out to buy their own hospital gloves, then it is harder to generate money for arts programs. I only make that observation. I am not trying to defend it or be critical. I represent the city electorate of southern Bankstown where we have our own issues.

Ms ROGERS: As I say, our remit is outside the Sydney-Newcastle-Wollongong area. So that is where my knowledge and focus are from. I note that the outer western Sydney, Newcastle and Wollongong have fairly substantial resources in the way of arts centres and the performing arts centres and even things like transport infrastructure, although obviously that has problems. I will give you an idea of the 2009 Arts New South Wales annual grants. That is the grants that are given out from the New South Wales Government, not our devolved grants program, and excludes the peak organisations with triennial funding and capital funding. This is Arts New South Wales programs and projects right across regional New South Wales. There was 84.7 per cent of this year's funding went to the Sydney-Newcastle-Wollongong region and 15.3 per cent to the rest of the State. So it is certainly not compatible with the population. There is no parity with the size of the population in regional New South Wales. There are challenges faced by distance and travel time, and the further west you go obviously the less infrastructure there is.

Mr ALAN ASHTON: And the less easy it is to get people to go out there and put on shows and plays and be involved in doing things. You have to say, "Would you like to come out to Bourke?"

Ms ROGERS: They do go to Bourke. In fact, I was in Bourke last year and saw a performance of the *Pitch*, which was toured by Critical Stages, a company that is funded by the New South Wales Government. The challenge is when you are touring into those areas that do not have any infrastructure, the touring companies have to take more staff with them than they do to go to places where there are already established performing arts centres or theatres. There is no money to tour to volunteer managed venues. You are looking at \$20,000 to go to community halls. There are theatre companies who are willing to take a professional product to regional areas—and I am talking outside the professionally managed venues—to perform in bowling clubs and RSL clubs and community halls. But because they need to take their gear with them and also have to work their actors and crew within the legislation for work safe work practices, it becomes more expensive. You think, "They are only setting up in the town hall or community hall, so it has to be less." But to take the production out, it is more.

Mr ALAN ASHTON: When you think about it, it has to be more.

Ms ROGERS: I have to tell you that the audience in Bourke had a really good time. There was a bit of sounds spill from the kitchen.

Mr ALAN ASHTON: I taught in Bourke.

Ms ROGERS: They did want the bar open during the show and could not understand why the performance did not want it.

Mr GRANT McBRIDE: Was it because they did not provide an interval?

Ms ROGERS: No, you are allowed to take your takeaway Chinese into the auditorium with you. That was a new one.

Mr ALAN ASHTON: Like *Priscilla*.

Ms MARIE ANDREWS: Could either of you provide the Committee with some information about a cultural asset mapping for planning and development in the regional Australian project being conducted with the University of Technology, Sydney, the University of Wollongong, the University of New England and 10 other community partners, funded by the Australian Research Council?

Ms ROGERS: Do you mind if I read?

Ms MARIE ANDREWS: Not at all.

Ms ROGERS: I am happy to table this piece of paper, if you like. It is the cultural asset mapping for planning and development in regional Australia. It is for cultural consumers and producers alike. Regional Australia offers opportunities for enhanced productivity and quality of life. But these opportunities have not been thoroughly described or analysed. The cultural asset mapping for planning and development in regional Australia is a major \$2.5 million Australian Research Council and industry-funded project running from 2008 to 2013. So we are getting real data, which we do not have. The project aims to provide planners, policymakers and communities in regional Australia with the knowledge they need to make better informed planning decisions for more effective development of their local arts and cultural industries.

It will do this through developing sustainable models of data collection and documentation that map local cultural industries using a range of methodologies specifically appropriate to regional, rural and remote settings in New South Wales; building a geographic information system and a relationship database to store this information and allow it to be interrogated, analysed and used at local, regional and peak levels; and enable greater systemised interaction between national and international experts in regional cultural planning through the culturemap.org.au online and off-line community as a key site and knowledge exchange and information repository.

It is a partnership between 16 organisations. Regional Arts New South Wales is a partner in that, and we contribute financially and in kind to this project. It is led also by the University of Sydney, the University of Technology, Sydney, the University of Wollongong and the University of New England. It is concentrating on a set of selected communities—Albury-Wodonga, Armidale-Uralla, Central Darling and Wollongong. That gives different types of regions in New South Wales so that the information can be usefully transposed on a national scale. The partnership will give us the knowledge we need to determine the future of regional Australia. That is the object anyway.

To date, the project commenced in May 2008. The culturemap.org.au online community will be launched in March this year after a 10-month development, building and user-testing phase. A survey of residents of Armidale and Uralla local government areas asking them to define their local cultural assets has been piloted and will be rolled out from March to May 2009 to provide the first data set for developing the database framework. Leading national and international experts have agreed to convene a national research advisory group for the project. Their first meeting, accompanied by a public forum on the project themes, will be held during 2009.

Ms MARIE ANDREWS: Do you think it will ultimately benefit your organisation?

Ms ROGERS: Yes, I do. It is very important because it is a rigorous academic examination in forensic detail of four different localities in New South Wales that will give us hard data, which we do not have, about cultural development in regional New South Wales.

Ms LARKIN: If I may add about its uniqueness. There are no longitudinal studies. This will go over six or seven years and will map the changes that are happening.

Ms MARIE ANDREWS: It is quite in-depth.

Mr GRANT McBRIDE: Is it primarily directed at assets?

Ms ROGERS: It is cultural asset mapping. It is looking at soft assets and hard assets, so built infrastructure and human infrastructure.

CHAIR: I thank you both for your time today and for giving evidence. We appreciate the additional information you have provided. If there is any further information you would like to provide to the Committee, please feel free to write to us.

Ms ROGERS: If I could make one small point. We have been talking very much in the focus of this about built infrastructure. We need to remember that human infrastructure is equally important in regional areas.

CHAIR: We appreciate your time. I also take the opportunity to thank all the members and the Committee and Hansard staff for their efforts.

(The witnesses withdrew)

(The Committee adjourned at 1.57 p.m.)