

General Purpose Standing Committee No. 1
Budget Estimates Hearing – 14 October 2008
Questions on Notice relating to the portfolio of Arts

ARTS NSW

Question 1: Review of the NSW Cultural Grants Program

Ms Sylvia Hale:

- a. Will an Arts NSW infrastructure audit be undertaken?*
- b. What audience development initiatives will be introduced by Arts NSW to increase audience numbers?*
- c. Will Arts NSW now focus on a small number of shows with large audiences rather than a mix of shows including small innovative productions with small audience numbers?*
- d. How will these audience development initiatives affect funding applicants?*

Answer:

- 1a. Yes.
- 1b. The 2009 Arts Funding Program places an increased policy priority on audience development. It is one of the 8 assessment criteria for funding applications and one of the three key result areas for reporting against by funded organisations.

It is expected that organisations funded in 2009 will have an increased emphasis on audience development. Improved data gathering and reporting requirements as a result of the new Arts Funding Program arrangements will ensure more accurate measurement of audience numbers, a greater capacity to identify trends and better position organisations to implement audience development initiatives.
- 1c. No.
- 1d. There are a number of assessment criteria under the 2009 Arts Funding Program, including audience development and participation, which applicants are required to address. Applicants were specifically requested to provide details of their audience development strategies on their application form. Applications to the 2009 Program are currently being assessed.

Question 2: National School of Art

Ms Sylvia Hale:

- a. *When will the Taskforce Report into the future of the National School of Art be released?*
- b. *Why was this report not released at the end of 2007 as promised?*
- c. *Will the Report ensure that the unique Atelier system of teaching is continued?*
- d. *Will the existing staff to student ratio be continued?*
- e. *Will the Schools independence be guaranteed?*
- f. *Has the State Government begun talks with the Federal Government to ensure that future Federal funding will be guaranteed?*

Answer:

The National School of Art is the responsibility of the Minister for Education and Training. Accordingly, questions about this institution should be directed to the Minister.

Question 3: University of Western Sydney

Ms Sylvia Hale:

- a. *Why has the Drama Program at the University been closed down?*
- b. *Why have the Visual Arts courses been closed off to students?*
- c. *Why are potential students being directed to TAFE courses?*
- d. *How do these cutbacks relate to the Western Sydney Arts Strategy?*

Answer:

- 3a-c. Universities are responsible for their administrative and academic affairs. Accordingly, decisions about the courses offered by the University of Western Sydney are a matter for the University.
- 3d. The NSW Government remains committed to the creative arts in Western Sydney and will continue to monitor developments regarding arts education in the region.

In 2008 the Western Sydney Arts Strategy provided a grant towards the Regional Cultural Development Program Coordinator's position at the Western Sydney Regional Organisations of Councils. This position conducts work that includes exploring options for possible university partnerships and models for delivering creative arts courses in Western Sydney.

Question 4: Fleet Cars

Ms Sylvia Hale:

- a. *What is the percentage of hybrids in the car fleet associated with the Arts portfolio?*
- b. *Is there a mechanism within the agency to reward staff who choose not to exercise an entitlement to a fleet vehicle as a part of their package but use public transport instead?*
- c. *What car does the Director-General drive?*

Answer:

- a. There are no hybrid vehicles in the car fleet associated with the Arts portfolio.
- b. There are no specific mechanisms in the Department or portfolio Agencies to reward staff who choose not to exercise an entitlement to a fleet vehicle as a part of their package but use public transport instead.
- c. The Director-General of the Department of Arts, Sport and Recreation drives a Subaru Forester.

PUBLIC LIBRARIES

Question 5: Library Funding

The Hon Catherine Cusack:

Given that NSW already has the lowest per capita public library funding levels in Australia, how can you justify cutting State Government library funding by more than 5% from 2005-06 to 2008-09? (from \$24.808m in 05/06 to \$23.528m in 08/09)

Answer:

The Government recognises the important service provided by public libraries in our communities. That is why State Government funding to the public library network has increased by over 40% since 1995 to \$23.5M in 2008/09. Over this time, as the

principal funding bodies for public libraries in New South Wales, many local councils have more than matched this increase. The result has been a significant increase in funding to public libraries across the State over the last decade.

Question 6: Library Funding

The Hon Catherine Cusack:

How do you respond to Dr Alan Bundy AM, President of Friends of Libraries Australia, who said “racing ahead in the poor library funding stakes is the State Government of NSW, which contributes less than 7 per cent (of funding) – an inglorious and world-reported charge?”

Answer:

Please refer to the response provided for Q5.

Question 7: Library Funding

The Hon Catherine Cusack:

Is it fair that the NSW Local Councils have been left to fund 93% of public library funding and the NSW Government only contribute 7%, when the next lowest contributor is the West Australian Local Government which contributes 18%?

Answer:

NSW has a strong and robust system of over 300 public libraries operating across the state whose membership covers 47% of the population and is continuing to grow. This position speaks to the strength of public libraries in NSW.

Question 8: Library Funding

The Hon Catherine Cusack:

Are you aware of the anger being expressed by Councils and public libraries right across the state because of the shortfall in government funding for libraries?

Answer:

There is an ongoing and productive relationship between my Department, the State Library and local government and there is extensive consultation with, and input from,

the Library Council. The State Librarian travels widely and works closely with libraries across NSW including those in regional areas which fosters an excellent working relationship between the State Library and the local library system.

Question 9: Library Funding

The Hon Catherine Cusack:

What do you say to councils, librarians, and the communities they serve when a lack of funding forces them to consider either charging to borrow books or even closing the local library down?

Answer:

The only closures or significant changes to local libraries, that have been brought to my attention, have been related to rationalisation where small community numbers have resulted in insufficient patronage. These decisions are made by local councils. In these instances local communities have continued to be provided with access to library resources.

Question 10: Library Funding

The Hon Catherine Cusack:

Government online services have created a demand on public library services which amounts to cost shifting – eg RTA driving licenses, transport booking, school study notes etc. Will your funding review provide a fee for these services libraries provide?

Answer:

As noted in the Parry Report and in many public library publications and information provided by the State Library, modern libraries provide a wide range of services to their local communities well beyond the traditional lending and reference sections. This is a great strength of our library system. Surveys demonstrate that library users value such things as educational and training resources and access to internet services.

The review by Dr. Parry noted these issues and as advised earlier recommended retention of key funding arrangements with additional work to be conducted on providing improved access to disadvantaged communities.

The examples of online services identified in your question relate to access to computers and the internet. Under the nsw.net initiative funded by the State Library, the Government has provided almost \$2M to libraries across the state for the purpose of subsidising computer and internet access.

Question 11: Library Funding

The Hon Catherine Cusack:

Will you respond to requests for longer term funding agreements such as is the case in South Australia and Western Australia – where five year budgets are identified?

Answer:

Public library funding by the State Government is made available through the annual funding cycle that applies to all government agencies. In addition, under the *Library Act 1939*, the distribution of funding – that is the per capita component of the funding – is required to be updated annually based on the most current available population data. It is therefore a requirement of the Act that funding is distributed annually.

Additionally, there is no significant advantage to libraries of longer term funding agreements. Certainty is provided for under the existing agreement that states that library funding is distributed on a per capita basis.

Question 12: Library Funding

The Hon Catherine Cusack:

Internet access at public libraries

i) Has any money been provided in the budget for the installation of Internet filtering technology in all NSW public libraries?

ii) If not, why not?

iii) If so, how much money has been provided?

iv) When will Internet filtering technology be installed in all NSW public libraries?

Answer:

State Government funds have not been provided specifically for the installation of Internet filtering technology. The management of public libraries is a matter for local government. It is therefore a matter for local councils to determine whether the public libraries they administer use internet filters.

PARRY REVIEW

Question 13: Parry Review

The Hon Catherine Cusack:

How do you respond to concerns expressed about the Parry Review into library funding that there was a lack of consultation because the review only accepted submissions from the “peak bodies” rather than individual libraries?

Answer:

As a strategic review intended to consider broader policy parameters in relation to the distribution of funding, rather than individual grants, the general approach was to direct the discussion and dialogue through the peak organisations and the Library Council of NSW. The review did not reject submissions from individual libraries and all submissions received were accepted.

It should be remembered that individual libraries are well represented by their peak bodies. Individual libraries elect the representatives to the Public Libraries Consultative Committee which is a committee of the Library Council of NSW – both of which were consulted as a part of the Review.

Question 14: Parry Review

The Hon Catherine Cusack:

Why did the review not look into the quantity of library funding?

Answer:

The Parry Review was commissioned to give confidence to the previous Minister that the method of distributing State Government funding was as efficient and effective as possible. The terms of reference of the Review considered the effectiveness of funding arrangements to ensure that State Government funding is allocated in the most appropriate way.

Question 15: Parry Review

The Hon Catherine Cusack:

The review recommended that proportion of funding going to Access Funding should be 25%. However that is less than the amount currently directed to Disability and Geographic Adjustments (26%), Vision Australia (0.6%) and the Outback Letterbox

Library (0.4%). How will you guarantee that the Parry Review's recommendation will not have a negative outcome on the equity of library services across NSW?

Answer:

The objective of the overall recommendations of the Parry Review was to achieve a more equitable approach to the distribution of library funding across NSW.

Question 16: Library Legislation

The Hon Catherine Cusack:

Have you given any consideration to removing legislative restrictions to allow libraries to be legal entities in their own right?

Answer:

I understand that it has been considered previously.

Question 17: NSW Film and Television Office

The Hon Catherine Cusack:

I understand Linda Burney's visit to the Cannes Film Festival in May this year was to announce the \$60,000 Sydney Film Prize. Given that the trip cost taxpayers \$35,471.37, wouldn't it have been better to have the Minister for Arts announce the \$60,000 prize at the Sydney Film Festival which opened a few weeks later on 4 June 2008 in Sydney at no cost to the taxpayer?

Answer:

No.

Question 18: NSW Film and Television Office

The Hon Catherine Cusack:

Only 3 of the 14 meetings Linda Burney attended in Cannes were with foreign companies or representatives. Do you believe it was really necessary to travel all the way to Cannes at a cost of \$35,000 to taxpayers to meet with:

- a. *Tania Chambers, Chief Executive of NSW Film and Television Office and Renato Rispoli, Events NSW*
- b. *NSW-based film producer Alexander Herhet*
- c. *Sydney based film producer Rosemary Blight*
- d. *Australian film makers Mario Andreaccio and John Wild*
- e. *Lori Fleckser, Australian Film Commission*
- f. *Representatives from Sydney based firm Omnilab*
- g. *Clare Stewart, Sydney Film Festival*
- h. *Australian Reception hosted by Australian Film Commission*
- i. *Representatives from the Screen Producers Association of Australia*
- j. *A Sydney Film Festival Jury Member*
- k. *Australian Filmmakers Joel Edgerton and Matthew Newton*

Answer:

Yes.

Question 19: NSW Film and Television Office

The Hon Catherine Cusack:

What were the outcomes of Linda Burney's junket? Are there any new productions being filmed in NSW as a direct result of her trip?

Answer:

As a result of this trip the Government achieved the following outcomes:

- A substantial media profile for the Sydney Film Festival and the new Sydney Film Prize;
- Valuable meetings with representatives of international screen agencies representatives to encourage international co-productions and research world's best practice for screen industry investment;
- Meetings with international joint venture partners of NSW's screen industry companies to attract increased business investment and demonstrate the Government's determination to reduce red tape including:

- See-Saw Productions
 - Omnilab Media
 - AMPCO
 - Aquarius Films (UK and Italy)
 - Goalpost Pictures
- Major feature films at an advanced stage of financing have expressed serious interest in production (whether shooting or Digital Effects work) in NSW including:
 - a major animation feature (estimated budget A\$30 million)
 - a UK/Australian co-production animated feature (estimated budget A\$40 million)
 - an Australian/German live action feature film co-production with European finance (estimated budget A\$30 million)

Question 20: NSW Film and Television Office

The Hon Catherine Cusack:

One of the stated objectives of the trip was to “demonstrate the Iemma Government’s determination to cut red tape”. The trip was in May, but legislation to actually cut any red tape wasn’t introduced until June. Wouldn’t a better way of demonstrating a determination to cut red tape have been getting on with the job and cutting the red tape, rather than spending \$35,000 on a junket to talk about it.

Answer:

No.

The Government is seriously committed to reducing red tape. As an example of the Government’s commitment to this end, on 6 June 2008 the film friendly package of legislation was introduced to Parliament.

Question 21: NSW Film and Television Office

The Hon Catherine Cusack:

The NSW Film and Television Office had its budget cut by 5.5% or \$588,000 from 2007-08 to 2008-09. How can you justify cutting its budget when at the same time Ministers are spending \$35,471.37 to jet set to Cannes to announce a \$60,000 prize?

Answer:

There has not been a decrease in total Grants and Contributions revenue which includes NSW Government Grant Funding to the NSW Film and Television Office in 2008-09. It was allocated \$9,055,000 in the 2007-08 budget (which was subsequently revised to \$9,074,000). In the 2008-09 budget, the NSW Film and Television Office has been allocated \$9,210,000.

The movement in the total expenditure between the Revised Budget 2007-08 and the 2008-09 budget is primarily due to timing variances associated with underlying project flows, not a decrease in funding across the years.

ART GALLERY OF NSW

Question 22: Cultural Institutions – Art Gallery of NSW

The Hon Catherine Cusack:

The revised 2007/08 budget for the NSW Art Gallery was \$40,647,000, but the 2008/09 budget has been cut by 2% to \$39,648,000. Which projects/initiatives have been cut as a result of the budget cuts?

Answer:

No projects or initiatives have been cut.

MUSEUM OF APPLIED ARTS AND SCIENCES

Question 23: Cultural Institutions – Museum of Applied Arts and Sciences

The Hon Catherine Cusack:

The revised 2007/08 budget for the Museum of Applied Arts and Sciences was \$46,648,000, but the 2008/09 budget has been cut by 5.3% to \$44,177,000. Which projects/initiatives have been cut as result of the budget cuts?

Answer:

The reduction to the Museum's recurrent and capital budget has contributed to a reduction in staffing, a reduction to the maintenance program and the deferral of some temporary exhibition proposals.

HISTORIC HOUSES TRUST

Question 24: Cultural Institutions – Historic Houses Trust

The Hon Catherine Cusack:

The revised 2007/08 budget for the Historic Houses Trust was \$28,439,000, but the 2008/09 budget has been cut by 1.4% to \$28,052,000. Which projects/initiatives have been cut as a result of the budget cuts?

Answer:

No projects or initiatives have been cut.

ARTS NSW CULTURAL GRANTS

Question 25: Arts NSW Cultural Grants

The Hon Catherine Cusack:

According to SMH report on 1 August 2008 “NSW, state of big audiences but of little arts funding” cultural grants have been cut by \$3 million or 10% from \$29 million last year to \$26 million this year. Is that correct?

Answer:

No.

Question 26: Arts NSW Cultural Grants

The Hon Catherine Cusack:

Why have you cut funding for important cultural programs?

Answer:

The new 2009 Arts Funding Program maintains the Government’s commitment to important arts and cultural activity across NSW.

Overall funding via grants to the arts sector in 2008/09 is \$39M. This is in line with the level of general funding provided in 2006/07 and 2007/08. The revised 2007/08 Budget Papers figure of \$46.7M reflects the Government’s \$10M contribution towards the Museum of Contemporary Art’s building redevelopment.

Question 27: Arts NSW Cultural Grants

The Hon Catherine Cusack:

How are Arts NSW cultural grants allocated? What is the timeframe between an organisation making an application for a grant and a determination being made?

Answer:

In general, funding under the 2009 Arts Funding Program is made on an application basis as part of a competitive process. Applications are assessed against a set of identified criteria by independent panels. The panels make recommendations to the Premier and Minister for the Arts for approval.

Assessment criteria for both program and project funding include the artistic merit of the initiative, the intended benefit of the activity, the organisation's history and experience, governance and financial management arrangements and the proposals estimated budget. Intended benefits include how the proposal supports professional and artistic development, contributes to innovation, improves performance and production standards, and improves industry capacity and sustainability.

Additionally, under the Arts Funding Program, a number of organisations (such as Sydney Festival, Sydney Writers' Festival and the Biennale of Sydney) are identified as State significant. These organisations are eligible for negotiated funding, rather than being required to apply for funding within the competitive round.

The aims of the 2009 Arts Funding Program include simplifying and streamlining processes, and providing greater certainty for artists and arts organisations around the State.

The closing date for funding applications was Friday 10 October 2008. Arts NSW is working to ensure that all applications are assessed appropriately and within a timely manner.

Question 28: Arts NSW Cultural Grants

The Hon Catherine Cusack:

A number of art groups in NSW have complained about the confusing process and extended waits for Arts NSW Cultural Grants. In February this year one organisation described the extended waits for grants as "a crisis" saying "We need to know what our funding situation for this year will be. We've had to postpone a workshop for young people that was supposed to happen in March, and we haven't been able to confirm the contracts of some of our performers." Have you taken any actions to ensure the arts community will not suffer as they did last year waiting anxiously for grants?

Answer:

Following the review of the Cultural Grants Program, a new Arts Funding Program for 2009 has been introduced. Guidelines and application forms for the 2009 Arts Funding Program were released on 28 August 2008.

To assist arts organisations, the Executive Director, Arts NSW, held briefing sessions on the new program. Over 400 people attended the sessions which were conducted 10-19 September in Wyong, Wollongong, Campbelltown, Parramatta, Newcastle, Wagga Wagga, Dubbo, Lismore and Sydney. The sessions provided an overview of the new funding program including the guidelines, application forms and process and participants had an opportunity to ask questions regarding the new arrangements. Detailed fact sheets, answers to frequently asked questions and a copy of the session presentation have been made available on the Arts NSW website.

The closing date for funding applications was Friday 10 October 2008. Arts NSW is working to ensure that all applications are assessed appropriately and in a timely manner.

Question 29: Arts NSW Cultural Grants

The Hon Catherine Cusack:

How do you respond to advice that “Artists and performers chasing success in Sydney should pack their bags and leave. Head to Melbourne, Perth or Brisbane. Anywhere really, as long as it is outside NSW. That is the advice from some of Sydney's most experienced independent artists, fed up with delays from the state's leading arts funding body.” (SMH 1 August 2008, NSW, state of big audiences but of little arts funding, Louise Schwartzkoff)

Answer:

I would discourage anyone from following that advice. The facts are:

- NSW has the largest proportion of jobs in the cultural industries;
- Over 36% of people employed in cultural occupations and/or cultural industries live in NSW.
- Our cultural institutions house extensive, world class collections.
- NSW has the largest museum in Australia (the Powerhouse), Australia's first museum (the Australian Museum) and the Sydney Opera House, a World Heritage listed icon.
- NSW is home to more national major performing arts companies than any other state in Australia and has the largest proportion of national box office.
- Around 50% of Australian screen production companies and industry personnel are based in NSW.

- A substantial proportion of post-production and visual effects work on features and TV dramas in Australia is undertaken in NSW (accounting for approximately 67% of total Australian spending in the two years 2005/06 and 2006/07).

As a result of the Review of the Cultural Grant program a new Arts Funding Program has been introduced for the 2009 funding year. This Program will make an important contribution to sustaining a viable and vibrant arts and cultural industry and infrastructure in NSW, whilst also fostering greater community engagement in the arts.

Question 30: Arts NSW Cultural Grants

The Hon Catherine Cusack:

Why has the Australia Council for the Arts been advising grant applicants “not to hang around NSW as there are better opportunities for funding in the other states and territories?”

Answer:

Comments attributed to the Australia Council are a matter for the Australia Council.