REPORT ON PROCEEDINGS BEFORE

PORTFOLIO COMMITTEE NO. 6 - TRANSPORT AND THE ARTS

INQUIRY INTO THE STRUCTURE AND FUNDING OF THE ARTS, MUSIC, NIGHT-TIME ECONOMY, AND TRANSPORT PORTFOLIOS

UNCORRECTED

At Macquarie Room, Parliament House, Sydney on Wednesday 10 December 2025

The Committee met at 9:15.

PRESENT

Ms Cate Faehrmann (Chair)

The Hon. Mark Banasiak (Deputy Chair)
The Hon. Mark Buttigieg
The Hon. Susan Carter
The Hon. Anthony D'Adam
The Hon. Jacqui Munro

PRESENT VIA VIDEOCONFERENCE

The Hon. Bob Nanva
The Hon. Nichole Overall

The CHAIR: Welcome to the first hearing of the Committee's inquiry into the structure and funding of the Arts, Music, Night-time Economy, and Transport portfolios. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respect to any Aboriginal and Torres Strait Islander people joining us today. My name is Cate Faehrmann. I am the Chair of the Committee.

I ask everyone in the room to please turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside of the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of these procedures.

Mr TROY WRIGHT, Assistant General Secretary, Public Service Association, affirmed and examined

Ms JULIE-ANN BOND, Industrial Manager, Public Service Association, sworn and examined

The CHAIR: Welcome to our witnesses and thank you for making the time to give evidence. I assume one or both of you will be making a short opening statement.

TROY WRIGHT: I might, Chair, on behalf of the PSA. I'm going to keep it uncharacteristically very short and informal. That's not a reflection of our concern with the issues but more a reflection about the breadth and width of the terms of reference for this inquiry. It was impossible, almost, for us to traverse the number of issues that are raised by the Committee today. We are a union with 42,000 members across New South Wales, with large memberships in most of the agencies the Committee is concerned with. We have been engaged in significant industrial work on a number of restructures in a number of these agencies over the year. So, rather than us taking time putting broad brush on our submission, which we hope is taken as read, we're happy to take any questions that the Committee may have of us.

The CHAIR: Okay, thank you. I will kick off and members will ask questions as we go. I want to stick with arts if we could. Arts, Music, and the Night-time Economy is generally what we're doing in today's hearing. Friday's hearing will be Transport. Firstly, focusing around consultation with your members who work, for example, in the arts space, what have they fed back to you around consultation in terms of the restructure and being engaged in those decisions that affect them?

TROY WRIGHT: Consultation is an industrial right that's obviously triggered by restructures. We've probably got three on foot, which we've alluded to in our submission. They are in the arts space: Create NSW, the Art Gallery of New South Wales, and Destination NSW—which is probably not so much in the arts space, although previously it's come under the same super department. I would say broadly, and I think the submission lays this out well, the consultation that we've received has been in line with the industrial obligations of the employer.

We have pursued that, where necessary, through lodging disputes in the Industrial Relations Commission, where we haven't been satisfied with the level of consultation. But I would say—and this is quite apparent; it's in our submission around the Art Gallery restructure—that we were quite surprised to have announcements made about that restructure and the amount of job cuts. Go down and meet Art Gallery management. It was quite apparent that the news of the job cuts and the size of the budget slice were news to them as well. They were unprepared about how they were going to implement the cuts that have been announced by the Minister or by Treasury.

These restructures, largely—in particular, I'll talk about the Art Gallery of New South Wales. That restructure was clearly driven by Treasury and imposed on the institution, rather than the institution driving it themselves. They then had to waste valuable time coming up with a plan about what the restructure would look like once it had been forced upon them. I think that's a very poor way to operate organisations that, certainly, to the taxpayer, appear to have some semi-autonomous role from government. That restructure flies in the face of the success of the Art Gallery in recent years. We've certainly done a number of large public rallies and some media announcements around that restructuring. Visitation at the Art Gallery is through the roof. Rather than being rewarded for that success by having a budget increase, they had a budget cut and that budget cut then materialised as job cuts. We have significant concerns about where those job cuts were and how they were going to impact operations of the Art Gallery moving forward.

Can I also add, when it was announced there was going to be, I think it was, $7 million taken out of the budget at the Art Gallery, one of the proposals our members came back with, which I thought was brilliant, was that one of the major costs at the Art Gallery—and I hadn't been aware of this—is the climate control. You've got to have a very robust air conditioning system to preserve the works of art. They came back and said, "If we can switch to self-generated green energy and have some capital works done, we can reduce that massive electricity bill which the Art Gallery generates because it's having to run very cold air conditioning 24/7, with climate control and humidity control." They said that would be a better way of finding savings, rather than job cuts. Unfortunately, because of the pace that this was imposed, from Treasury and not from the agency itself, they weren't able to have the flexibility to look at that properly and strategically. That's where consultation can fall apart.

The CHAIR: Thank you for that answer. When you say this was imposed by Treasury, that has come across in quite a few submissions. In some ways you could say that's fair enough, because that's where any budget cuts probably do come from in terms of a direction issued. But ultimately, is it the case that there was such haste within which these cuts needed to be made that the consultation—which, really, of course, is up to the Minister and each agency—didn't occur with staff around, "Okay, we've got to find this much savings in our budget, so

let's get together with staff and look at ways in which we can do that"? Obviously, some is around flexibility in terms of working hours and other things. Was it the fact that it happened so rapidly that therefore the blame can't be laid with, for example, the arts Minister or the agency? Again, it's up to them to do that consultation. Was it too quick? Why didn't it happen, do you think?

TROY WRIGHT: I can only speak to our members' perception. They certainly have a great deal of sympathy for the leadership of the Art Gallery, who are relatively new and who have come in with this obligation put upon them. Whether it was put upon them by the Minister or by Treasury or by both, I'm not sure. But certainly, our experience of the consultation was that the announcements were made—and, Ms Bond, you may want to chime in with the timing. You'll be more familiar with it than I will. I believe the announcement was made in August, with implementation before the end of the year. That hasn't really materialised. They're still trying to fumble around with some numbers and we're still negotiating exact positions that we'd like to see retained. But if that's the timeline, it's four months to find cuts of $7 million to an agency without a massive budget. That reduces the capacity for them to engage in genuine consultation and see if they could find savings another way. Did you want to add to that, Julie-Ann? Is that the timeline? Was that correct?

JULIE-ANN BOND: That's most definitely correct, Mr Wright. We were advised in August of the changes and the budget cuts of $7 million that needed to be saved from the Art Gallery. We were again advised, from the director that had taken up that role, that these budget cuts were very clearly driven by Treasury. Again, Mr Wright is correct. The timelines of consultation in that period to actually implement that $7 million saving that has to be found from the budget, which would then go through the 2025 budget into 2026—that consultation period, and the other suggestions that our members came up with in regard to savings that could be implemented, did limit it down to a very, very tight time frame.

I'm very mindful, particularly, as Mr Wright said, there are many restructures that are captured here within our submission that are covered by the PSA. We are sitting here some week and a bit out from the Christmas close-down period, and many of our members are still facing uncertainty as to where and what roles if they are successful. It's a great shame and concern given, again, some $7 million that has to be saved. It's a tough one to swallow in the time frame of a four-month period, or just under a four-month period, to find adequate savings and be completely confident that we've explored all levels under the consultation framework.

The CHAIR: Just to be clear, before I throw to my colleagues, was that $7 million over just one year or over forward estimates? Remind me.

TROY WRIGHT: Per annum, I believe, Chair. It was over one year. The number of jobs being cut were around 51 in the initial proposal. We got it down to 44, so that will be $7 million.

The Hon. MARK BANASIAK: Can I just go to your submission. You state that in relation to the Powerhouse, the Government's 2023 election promises haven't been delivered. Which of those promises do you think has had the greatest effect on the institution's ability to function?

TROY WRIGHT: Again, not just the institution's ability to function but our members that work within it and their job satisfaction, their careers and their passion for the organisation.

The Hon. MARK BANASIAK: It's all intertwined, isn't it? If your staff morale is in the toilet, the institution's not going to function.

TROY WRIGHT: It is, Deputy Chair. You're right. We would definitely say the closure of Ultimo. We feel that was not foreshadowed before it was announced. It came as a massive shock to our members that that had to be closed to the extent it did, and the uncertainty about what Ultimo will look like. I think our members have come to terms that Parramatta is going to be quite different to what the old Ultimo used to be. It appears to have a large focus on performing arts, in addition to what is traditionally a science and technology museum. Our members eventually came to terms with that—that Parramatta was going to be an extension and quite a different organisation to what Ultimo was—but they passionately believe that there is space and importance in New South Wales for a science and technology museum that preserves our history.

Right now, we don't know whether Ultimo is going to look like that at all. The capital works that are occurring there were far greater than were ever foreseen and, from some of our members' perspectives, far greater than they thought were necessary. That has led to a massive disruption. We have members that are basically sitting on ice up at Castle Hill, preserving a collection that they don't know will ever be displayed ever again. These people are highly trained, specialised, passionate people about preserving history. They're not just boring curators. They are people that believe that this stuff is really integral to us understanding who we are as a community and as a society. For them to see their life's work just be sitting there waiting for an organisation to open on an indefinite time frame is extremely frustrating.

The Hon. MARK BANASIAK: What you're saying there leads into my next question. Your submission talks about the CEO's decisions differing from the museum's legislated purpose. What specific actions of the CEO do you think are inconsistent with the Act? How do you think that's been allowed to occur without any ministerial intervention?

TROY WRIGHT: It's a really good question. I think we've outlined there, as far as you can see, the positions that are being funded and the positions that are disappearing give you a real flavour about the direction of the museum. There is a clear direction from the CEO that this should have more of a performing arts focus. There is a clear direction to staff that this is not about displaying the collection and letting the public look at it; it's about interpreting the collection and providing an artistic piece around it. That's what our members say—that is not necessary. The collection speaks for itself.

The Powerhouse has never had a problem drawing on its massive collection up at Castle Hill to put different exhibitions on during the year about different elements of science and technology history. That, for us, is a major departure. You'll see in our submission, as well, there are grave concerns and frustration from our membership about the use of artists-in-residence, which are really consultants that are coming in and doing artistic pieces and designs. Notwithstanding the Powerhouse is not operating at the moment, those positions are continuing. What possibly are those people showing and displaying when there's nowhere to display it?

The Hon. MARK BANASIAK: Even when the museum was continuing—and I've raised this in estimates before—the metrics for the museum were going down and down. Doesn't that speak to an issue with the leadership of the museum—that you want to change the direction, but the direction you're changing it in is seeing a decrease in all those important metrics, which will ultimately mean that the institution doesn't become financially viable?

TROY WRIGHT: Yes, and this isn't a new problem. This is a problem, I think, that's been going on for the last 10 years at least. The director prior to the current one had a very heavy focus on design and fashion. Our members' feedback to us, uniformly, was that does not bring in visitors. Turning this into some sort of Met Gala organisation or Smithsonian where you can have wonderful balls and high society is not what the MAAS has been successful for in the past. It's been about the exhibitions of the core stuff—the core history, science, technology stuff—that they say always brings the school groups in, always brings the families in and always brings the interest. That's what's been waning in the organisation in the last 10 years. It's this drift into arts, fashion, culture and performance that is behind those declining figures, in our members' views.

The Hon. MARK BANASIAK: We already have other institutions that deal with that sort of stuff—

TROY WRIGHT: Absolutely.

The Hon. MARK BANASIAK: —so it's duplication, as well as waste.

TROY WRIGHT: Yes, absolutely. Can I add to the last point that you said. You asked about why you believe this drift is occurring—where the Minister and the people responsible for the legislation are dragging it back. I've had this discussion with the Minister, and we've had this discussion as a union with the Minister. To his credit—and I understand where he's coming from—there is a very clear line to be drawn about the interference in the arts. As a government, you've got to let the arts be the arts. I appreciate that, and I agree with him to a certain extent. Allowing organisations like MAAS to have an artistic direction is one thing, but you've got to pull them back on the governance direction. There have been numerous scandals under the current director in the last 12 months about waste, about parties, about sashimi live carvings—all that sort of stuff. That's not permitting the MAAS to go in an artistic direction; that is poor governance. That's where we believe the Government should have a role in running all these institutions—keeping an eye on them so that they are consistent with good spend of taxpayer money. Our members certainly reflect to us they don't think the MAAS is doing that right now.

The Hon. NICHOLE OVERALL: Good morning to you both. I note that your submission states that the Department of Creative Industries, Tourism, Hospitality and Sport, as the agency with oversight and a key role in the portfolio and decisions coming from the Minister's office, isn't mentioned by name in the terms of reference. The fact that you singled that out—that flags an issue for you?

TROY WRIGHT: I don't know whether it's an issue for us. I had certainly personally hoped the incoming Minns Government would change the structure of the public sector somewhat. It's got a little bit difficult to navigate. We've got super departments with multiple Ministers and then Ministers with multiple departments, so it gets a little bit difficult for us to traverse. That might've been what we were hinting at—that there are parts of that super department that are equally going through similar experiences that don't necessarily align with this Committee's jurisdiction, if you like. I think that might've been what we were hinting at.

The Hon. NICHOLE OVERALL: Okay. Because you state:

> Obviously this Agency, and its Secretary, has a key role to play in the Minister's portfolio and decisions emanating from the Ministerial office.

Are you sort of referring there to the fact that they should be a little bit more answerable to what we're discussing today?

TROY WRIGHT: Yes, and certainly take a more hands-on role. There's an autonomy with the cultural institutions in particular, where we engage with them but not so much the secretary, which is quite different to other departments that we deal with.

The Hon. NICHOLE OVERALL: You also note on that, sticking with the department, that there were staff concerns raised that the executive director had just been appointed to the role and that the restructure was being run out of the department and the Minister's office, and then concerns around, again, a lack of clear and proper consultation in that regard as well.

JULIE-ANN BOND: Yes, again, as I said, we understood that the decision to take particularly—and I'm sure you're referencing there—to the Art Gallery was a decision taken by Treasury.

The Hon. NICHOLE OVERALL: Yes.

JULIE-ANN BOND: The incoming director at the time, Ms Page, had just basically taken up that role on a full-time basis in leading the Art Gallery forward. I have to say, again, in support of our members and certainly the comments that Mr Wright has advised, the staff at the Art Gallery were very empathetic to what she had to undertake, and to come in and implement a budget cut of $7½ million goes to the core that that was completely out of her control and that was imposed upon Treasury. To be facing that and think, "How do I take the Art Gallery forward as one of the most recognised institutions in the world?" did impact upon how we went about consultation and those timeframes, as we've mentioned earlier.

The Hon. NICHOLE OVERALL: Could we just go to, on top of that then, the growing use of consultants and where you've stated that it's more costly and not in line with stated Government policy as well, so coming back to that idea of a lack of fulsome consultation and engagement there and looking at other potential options—as you mentioned, the climate control et cetera—and yet on the other hand they're clearly spending significantly higher amounts in the use of consultants in order to do the jobs that aren't being done.

TROY WRIGHT: The use of consultants in the arts and culture space is a little bit more insidious and hard to track, like I said earlier. They get labelled as artists in residence or some sort of other peculiar positions that we're not familiar with, but technically they are consultants and they are paid a fortune to do work that we believe is public sector work. We're excited, as we flagged in the submission, about the announcement about the core public sector work policy, which we think is going to go a long way towards navigating around the use of consultants. It has been a bleed on the taxpayer for too long and, unashamedly as a union, every restructure we've faced, whether under this Government or the previous Government, we have advocated that the cuts should come firstly from the consultant ranks and the consultant budget rather than core public sector workers.

The Hon. NICHOLE OVERALL: So what you're saying is that that's not happening.

TROY WRIGHT: No.

The Hon. NICHOLE OVERALL: I think you give the figures for additional consultants that have been put on and how that has increased dramatically in terms of that cost. So it's not in line with the Government policy that has previously been stated.

TROY WRIGHT: Was that figure in respect of the Transport restructure?

The Hon. NICHOLE OVERALL: No. There were four artistic associates with a cost to the agency of $142,000 in total for 2021-22, and now this year the costs are on track to be over $750,000 for just two positions.

TROY WRIGHT: That's the Museum of Applied Arts and Sciences, those positions, I think. It's not currently being restructured but it still remains a concern for us on a proactive front that consultant expenditure in that organisation is definitely on the increase.

The Hon. SUSAN CARTER: Thank you both for being here and thank you for your submission. I want to look at the practicality of some of these cuts. The Art Gallery of New South Wales, how many staff has it lost because of these cuts?

TROY WRIGHT: We started with a figure, we understand, of 51 staff. I think we said that's one in 10, in the submission, but it's higher than that, I believe. I don't think there are 500 staff at the Art Gallery. It was certainly higher than that.

The Hon. SUSAN CARTER: A staff cut of over 10 per cent of staff?

TROY WRIGHT: Well over. It was more in the range of 15 per cent.

The Hon. SUSAN CARTER: Fifteen per cent of staff cut?

TROY WRIGHT: Yes. Through negotiation, during the industrial consultation window, we've got that down to 44. Our concern has always been that it was disproportionate on the frontline working level rather than on the managerial class. We always ask that the managerial class, particularly the executive service, receive a cut that is disproportionately large compared to what the workers are receiving. That sort of materialised, but probably not quite. Our concern really is that these people aren't—the Government has a very good policy around redeployment. They should be commended for the work they have done through the Premier's Department about setting up a very effective redeployment process, which we hope will save the Government a lot of money. There were too many people getting redundancies.

The Hon. SUSAN CARTER: Can I just stop you there? The Art Gallery has lost 15 per cent of staff.

JULIE-ANN BOND: Correct.

The Hon. SUSAN CARTER: What about the volume of work at the Art Gallery? Has that also decreased by 15 per cent?

JULIE-ANN BOND: No.

TROY WRIGHT: It's the projection about how many exhibitions are going to be—I think the Art Gallery is saying it's going to be business as usual, but it's going to be impossible for it to be business as usual next year. I think there is a projection that there will be fewer exhibitions next year.

The Hon. SUSAN CARTER: Just to summarise, a 15 per cent staff cut and business as usual. What about visitation numbers?

TROY WRIGHT: They were higher than ever. I can't forecast what they're going to be, but they were higher than ever over the last year. I should have brought the figures down, but we certainly quoted them a number of times. It was in the millions of people that have visited the Art Gallery in the last 12 months.

The Hon. SUSAN CARTER: What's the impact of these staff cuts on the remaining staff in the Art Gallery?

TROY WRIGHT: They know they simply won't be able to perform on the level they have. They have not got the people to establish, build, monitor—all the work that they do around exhibitions. They will not have the same number of people to do it. The program moving forward about how many exhibitions they have, I believe it was 15 this year and it's going to 12 next year, so there is a concession by management that these job cuts will impact the level of exhibitions and, in turn, as you say, probably the level of visitation.

The Hon. SUSAN CARTER: The people who are really losing out, as well as the workers in the Art Gallery, are the people of New South Wales, who are getting access to fewer exhibitions because of these staff cuts.

JULIE-ANN BOND: Indeed.

TROY WRIGHT: I think that's completely right to say. I cannot see the Art Gallery being as successful as it has been with this number of staff leaving. They just simply won't have the capacity.

The Hon. SUSAN CARTER: These aren't just staff cuts; they're cuts to access to the arts in New South Wales, functionally. Is that your concern?

TROY WRIGHT: Yes.

The Hon. SUSAN CARTER: The positions that are being cut, are they across the board or are they primarily frontline staff?

TROY WRIGHT: They're primarily frontline staff. They're people that are concerned with the exact work that you would imagine occurs in an art gallery. It's about the display, the preservation, the securing and the negotiations around exhibitions moving forward.

The Hon. SUSAN CARTER: Would it be fair to characterise it that the Government is asking the frontline workers to work harder with fewer supports?

JULIE-ANN BOND: Correct.

TROY WRIGHT: Yes. I would add that these people are highly specialised, too. They are people that have made it their life's work to get to the position they are in. There aren't other jobs that they can go to. There aren't other organisations that they can use their skills at. They will be a loss to the arts community.

The Hon. SUSAN CARTER: You may be familiar with the criticisms that Lyndon Terracini has made of Creative Australia, that the funding was not going to those arts institutions that the public loved and supported. Given the large public support for the Art Gallery of New South Wales, are you concerned that the current Government's funding priorities could be subject to the same criticisms—that they are not supporting those arts institutions that the people of New South Wales love?

TROY WRIGHT: Very much so. I think we've been on the public record repeatedly saying that.

The Hon. SUSAN CARTER: The Government said that they would strengthen New South Wales' cultural institutions after what they claimed was years of neglect. Based on cuts to the Art Gallery and cuts to other institutions, and the institutional loss of knowledge with these very deep staff cuts, do you believe that the Government is strengthening our State's cultural institutions?

TROY WRIGHT: As a whole, I think there are institutions that are doing quite well. I think the Art Gallery is not being strengthened by it. I don't know. You'd have to weigh it up. There are goods and bads.

The Hon. SUSAN CARTER: Why do you think the Art Gallery has been singled out for that treatment?

TROY WRIGHT: The explanation we received was that they'd run over budget a little bit in the previous years, so this was really pulling back what they'd run over. But that run over had seen enormous success in the organisation. That run over had been well spent—that's what we've consistently said. That had resulted in the best visitation rates ever experienced. I think it was money well spent, not money that should be recouped.

The Hon. SUSAN CARTER: I'm aware that there are volunteer guides at the Art Gallery who fulfil a really important role. Is it your concern that the Government is, frankly, relying on unpaid labour to do the work it should be paying high-quality staff to do?

TROY WRIGHT: It's hard to see the roles that are disappearing shifting into volunteer roles. They're behind the scenes, but doing really invaluable work around preservation and display. We would really hope that's not enough—that that doesn't occur. That said, I think the reliance in all of our institutions on volunteer labour is a little bit dangerous.

The CHAIR: Our time is up. Thanks so much for appearing today. The secretariat will be in touch if members have any supplementary questions for you, or if you took anything on notice.

(The witnesses withdrew.)

Dr DARREN HEINRICH, Individual, affirmed and examined

Miss STEPHANIE PETERS, Individual, sworn and examined

The CHAIR: Welcome to you both. Miss Peters, do you have a short opening statement?

STEPHANIE PETERS: Good morning, and thank you for having me here today. I'm here as an independent artist and arts worker. I'm a Sydney-based visual artist, designer, educator and cultural producer with over 14 years experience across cultural programs, public art, community engagement, place making and the creative economy. My work is multifaceted, spanning socially engaged art practices with diverse communities to delivering large-scale public artworks that improve safety, tell local stories and, most importantly, employ local artists. I have worked extensively across Greater Sydney, both within local government and independently as a creative worker for councils, schools, galleries, community groups and cultural organisations. I've also worked interstate and internationally, which has helped shape my understanding of best practice, art governance and art support.

Despite those years of experience, as with most independent artists and art workers, my work remains extremely precarious, shaped by short-term contracts, inconsistent funding, opaque and delayed decision-making, and minimal support for professional growth. Conditions for independent artists in New South Wales are increasingly unsustainable. We lack living wages, affordable and accessible workspaces and safe work environments. State-level structures rarely include us in the decision-making, and this exclusion trickles down into unstable work environments. We work in these precarious environments despite us being working people essential to delivering the cultural outcomes for New South Wales communities. Speaking out about these challenges is risky. Independent creatives are often labelled difficult or ungrateful, with the real possibility of losing future work. I speak today with considerable trepidation, aware that raising these issues can carry real consequences for my livelihood.

This is one of the many reasons creatives remain silent in unsafe workspaces. We are losing independent creators from Sydney and the places that support us. Affordable creative spaces are disappearing, and the few remaining institutions, such as the Australian Design Centre and regional galleries of New South Wales, are facing ongoing uncertainty. This instability flows directly to us, the artists, and the communities who are relying on them. I'm here because I truly believe this portfolio can strengthen the conditions for independent artists and arts workers. With the right structure, transparent processes and sustainable funding and formal recognition of artists as professional workers, we can shift from barely surviving to thriving, and benefit our communities, our cultural life and creative economy across New South Wales. Thank you for having me here today and for the opportunity to provide evidence.

DARREN HEINRICH: Thank you for the opportunity to speak with you all today. I'm a professional jazz musician with 40 years experience. In that time, I've performed over 3,000 gigs across most genres of contemporary music, both in Australia and overseas. I'm a recording artist with four albums with my Hammond organ trio. The latest of those was recorded in Prague and then released by ABC Jazz in August of this year. I hold a first class honours degree in jazz piano performance and the world's first PhD in jazz organ improvisation. I also have 20 years experience teaching at tertiary level, first at the Australian Institute of Music and now at my alma mater, Sydney Conservatorium of Music, where I'm a casual lecturer in jazz. I have my own private teaching studio on Sydney's northern beaches, and I also write commercial production music for the publisher Fable Music, who are based in Melbourne. Despite my instrumental achievements and qualifications, I still find it very difficult to earn a decent living in the Australian music industry. I am here today to elaborate on those difficulties and how the New South Wales Government can assist working musicians. Thank you.

The CHAIR: Thank you very much, both of you. I'll kick the questions off and then go to other members. I'll start with you, Dr Heinrich. I have your submission in front of me. You make a point around the $13.2 million underspend of the Sound NSW budget last financial year and how that could have gone to supporting working musicians. There was also the promise before the last election of $250 for every musician performance—

DARREN HEINRICH: Yes, the minimum fee for a government paid gig.

The CHAIR: Yes. What has been available for you? You make the salient point that $13.2 million could have funded 6,600 paid performances by musicians across the State.

DARREN HEINRICH: Yes, it's a lot.

The CHAIR: From your perspective, what's available now for individual, expert, talented musicians such as yourself in terms of funding?

DARREN HEINRICH: On paper, there are quite a few opportunities available, but there's a very distinct feeling amongst my colleagues that we're outside of the box when it comes to applying. Most of us don't bother to apply anymore. Personally, I've given up. You've only got to read the introductory statements around who the grant program is targeting; I feel completely left out. I received an email on Monday advertising another grant round, which I believe was targeting audience development, and the description from the Sound NSW email says, "Priority will be given to projects in regional New South Wales and Western Sydney, and to initiatives that centre First Nations people, women and non-binary people, LGBTIQ+ community, young people, people from culturally and linguistically diverse backgrounds and people with disability." They're all fantastic initiatives; I don't think anybody would disagree with that, but they're not the majority of musicians.

The CHAIR: Your submission also pointed out the demographic make-up of musicians and the statistics, as well, that nearly half earned less than $15,000 per annum, which is very stark. Is the premise of your submission that the priorities of the Government potentially have shifted and are shifting as a result, potentially influencing the cultural make-up of the State according to what the Government is wanting?

DARREN HEINRICH: There's a lack of understanding about who the musicians are, and I would like to see it a little—I don't think those criteria should be front and centre, necessarily, when it comes to funding decisions. I think it should be really based upon merit and need. That's what I have to say with that point.

The CHAIR: Miss Peters, in your opening statement you said that speaking out about the challenges the sector is facing is risky. We have heard both in this hearing today and in Friday's hearing about transport that people are reluctant or scared to speak out, whether it's their job or potential future funding at risk. Would you care to elaborate on that any more?

STEPHANIE PETERS: Most independent artists work in a very precarious state where we're reliant on funding from State and local governments and cultural institutions. It's incredibly complex and intertwined applying for these funding rounds. They rely on putting applications together which are very labour-intensive and require a lot of work, to have no certainty of any outcome of employment at the end of it. Independent artists are relying on these funding streams that are not set up in a safe way and are taking advantage of artists' ideas and work before they even get the position. It does pose a risk to speak out to these institutions about the format in which this is occurring because this is where our incomes and livelihoods are coming from.

The CHAIR: Do either of you have any views on the make-up of the Artform Boards, or are you aware of them? You can apply for them. I understand they give feedback and assess the grants. Is there any view on that process, the make-up or the transparency?

STEPHANIE PETERS: I'm aware of them. I don't find them particularly transparent. I don't know who is on the boards, and in the process of applying for my last application, which was about this time last year, I was told that there would be no feedback on the application. So there's no way to know how to improve your grant processes and apply again in the future and stand more of a likelihood of getting it. I'm a bit like Darren—I'm probably not in a position to apply for one again. It's also compounded by—I mean, this year alone I've applied for 17 EOIs, or expressions of interest, not all with State. There's a lot of work within that that just doesn't result in work income.

The CHAIR: We assume that it's always been Struggle Street for artists and musicians—which is not good enough; I'm not suggesting it is. But over many years, is there anything different that has happened now with the restructure or with the grants process under this Government over the last couple of years, or is it a steady decline? I'm interested to know if something has shifted.

DARREN HEINRICH: My impression is that, before the last State election, Labor engaged very heavily with the music industry. We were expecting a lot of change but, unfortunately, it seems like business as usual. I can also speak to the lack of transparency around grant applications. We don't know who is on the decision-making boards. We don't know what criteria they look at or even what their qualifications are to be judging the potential projects in front of them. I have sought feedback in the past, but even that feels a bit precarious in that I might be potentially seen as complaining, labelling myself as a troublemaker et cetera.

STEPHANIE PETERS: Can I just add that I think one shift I've noticed is that we're now not announcing who is getting the funding. We don't know who the recipients are of these grants, at least in the last round that I applied in.

The CHAIR: We're hearing that now. I'll go to questions from the Hon. Susan Carter.

The Hon. SUSAN CARTER: Miss Peters, just to pick up on questions from my colleague Ms Faehrmann, have you got any sort of rough estimate of how many hours you've spent, as you said, filling out those EOIs?

STEPHANIE PETERS: I have done some calculations, and I could probably, on notice, provide more accurate detail, but easily they can take days to weeks to prepare. You also get incredibly short notice. EOIs or government grants will come out and you'll be lucky if you have a month to respond to them. Sometimes there's two weeks. Then it'll take months for you to hear from them again. When you do, you're expected to start immediately and hit the ground running. You kind of have to leave this space that you might possibly get the work and that you can run with it, but then it all might fall through. That is pretty consistent with all applications.

The Hon. SUSAN CARTER: Have you tried to discuss these issues with Create NSW? Have you tried to contact them?

STEPHANIE PETERS: Not for this specific issue. I did try to contact Create NSW. Last year I applied for professional development. One thing I find is that I'd say I'm somewhere between emerging and mid-career, and the support just completely drops off and disappears. I had applied for a professional development opportunity and reached out to quite an esteemed artist, who agreed to support me. I was quite surprised and excited to have that partnership. Within the time, I tried to reach out to Create NSW to have feedback on when the timeline would be delivered. I just never got any phone calls answered, and then quite a delayed email.

The Hon. SUSAN CARTER: You never got any phone calls answered when you reached out?

STEPHANIE PETERS: Yes. I think I rang two or three times about two or three months after the submission to find out when the announcement of funding would be, because it was impacting—the mentor was holding potential places for me to be in some of the masterclasses. She was keeping space, stopping her getting additional income from other people enrolling in that.

The Hon. SUSAN CARTER: Were you successful in that application?

STEPHANIE PETERS: No, I wasn't. I understand they're very competitive, and perhaps my application wasn't what it needed to be.

The Hon. SUSAN CARTER: Did you get any feedback to explain?

STEPHANIE PETERS: No, I wasn't able to get any feedback.

The Hon. SUSAN CARTER: Is feedback ever provided in terms of applications, so that you understand the criteria and can develop your practice?

STEPHANIE PETERS: I haven't had it from the State level. Sometimes locally I've gotten it, but not always. Often you get a very generic email saying, "Thanks for your application. We had a huge number of people." It's pretty generic.

The Hon. SUSAN CARTER: Dr Heinrich, have you had similar issues in applying for funding—I think with Sound NSW, is it?

DARREN HEINRICH: Yes, and with Create NSW. Generally the project start date—and while you're putting the project together, which can take—most times when I put together an application, it's maybe 40 to 50 hours of work and I find it all encompassing. I find it very hard to concentrate on my instrumental practice during those couple of weeks in which I'm putting those together.

The Hon. SUSAN CARTER: Just to clarify, 40 to 50 hours—that's a full week of work.

DARREN HEINRICH: Absolutely, yes.

The Hon. SUSAN CARTER: That goes into an application that you then are not receiving prompt feedback in relation to.

DARREN HEINRICH: That's right. But it's worse than that because you can have all of your co-workers, co-artists lined up in the hope that the project gets funded. Generally speaking, the project start date—I always sequence that after the decision due date. But the decision due date always gets pushed out and pushed out and then you're inconveniencing a whole lot of professionals. They're sitting around, "Are we working or not?" And then you don't get the funding and the flow-on effects are very significant.

The Hon. SUSAN CARTER: And the application process—does it focus exclusively on artistic musical criteria?

DARREN HEINRICH: No. It looks at the financial viability of the projects. In terms of feedback, I've never had any decent feedback that says—there's no feedback regarding the artistic merit of the project. It's very vague, similar to what Miss Peters said.

The Hon. SUSAN CARTER: In your submission I understand that you indicated that the application process often required details about identity, sexuality, gender, other things.

DARREN HEINRICH: Yes.

The Hon. SUSAN CARTER: Is one's gender identity or sexuality relevant to one's musicality?

DARREN HEINRICH: It's absolutely irrelevant. As I think I wrote in my submission, myself and my colleagues—we don't think about those things at all. When I'm hiring other musicians or other creatives, such as graphic designers or recording engineers, I just think about the quality of their work and are they easy to work with, reliable et cetera.

The Hon. SUSAN CARTER: Do you understand why those questions should be asked, need to be asked, are asked?

DARREN HEINRICH: Well, I think there's a social engineering agenda at the heart of all of this. I do realise that minorities have challenges and issues that perhaps I don't have. But, to me, it's very offensive to ask me what my sexuality is. It's a private thing.

The Hon. ANTHONY D'ADAM: I hear what you're saying in terms of the issues around feedback and the process of applying for grants, but what's the alternative? There's always going to be a limited pool of money. There's always going to be a lot of applicants. Would you prefer that there was less money and more feedback? Because obviously there's a capacity issue there in the agency in terms of the more applicants, the more—if feedback is provided, that's an hourly impost on the agency. That's a resource that has to be taken away from somewhere. What's the alternative to that process?

STEPHANIE PETERS: Can I speak to that? My first thought is that having who the recipients of the grants are is not an incredibly intensive resource.

The Hon. ANTHONY D'ADAM: I understand it's published.

STEPHANIE PETERS: Not for the round that I applied in. It was kept private.

The Hon. ANTHONY D'ADAM: Which round was that?

STEPHANIE PETERS: It was for the professional development grant last year. Apologies, I don't know the exact title, but the independent artists were kept private. I don't think that it would be that labour intensive to publish that information. I think those of us that do apply can then look at what type of—even if we aren't getting direct feedback, we can look at and see what type of projects and what type of artists are getting funded and we can tailor our submissions.

The Hon. ANTHONY D'ADAM: If that transparency issue is addressed, then—

STEPHANIE PETERS: Transparency, absolutely.

The Hon. ANTHONY D'ADAM: Are there any other suggestions you have in terms of how the system might be structured differently to allocate a limited resource? There are limited funds. There are multiple applicants. How do we structure that system in a more effective way, from your perspective?

DARREN HEINRICH: I think that the artistic criteria could be made more transparent in the application process and the description of the funding program itself. I also think that we need to know who is on the board—who is making those decisions. I'm sure that—or I hope that—they all have written documentation about their feedback and their evaluation of the applications. That could be made public.

The Hon. ANTHONY D'ADAM: I'm advised that the board members who make the decisions are on the public record—the personnel who are making those assessments.

DARREN HEINRICH: I can't find those on the Sound NSW website.

The Hon. ANTHONY D'ADAM: You made some comments, Dr Heinrich, about the criteria around equity information being provided by applicants. Do you accept that there's an obligation on the State to make sure that systemic biases are addressed in terms of grant making. Do you accept that that's a reasonable public policy objective?

DARREN HEINRICH: I think it's reasonable, but my impression is that there is a big social engineering agenda behind all of this. When you read the Contemporary Music Strategy and the priority areas, the priority areas are directed towards minorities. We have—

The Hon. ANTHONY D'ADAM: If we've had a historic bias in favour of white Anglo-Saxon artists, isn't it just about fairness—trying to readjust where the funding gets allocated?

DARREN HEINRICH: I think it's a misreading of the situation. I can remember being a young musician in the late '80s, and I got to work with a lot of older musicians. In those days the culture was more biased against women and against minorities, but those problems don't exist anymore—not to anything like the extent that the priority areas would indicate.

The Hon. ANTHONY D'ADAM: So you think the funding allocation as it currently stands is reflective of the diversity of our society?

DARREN HEINRICH: Sure. In a recent survey we found that 3 per cent of musicians were LGBTQI+ community; 3 per cent were Indigenous. I think supporting them and addressing any remaining inequities or systemic bias is a really worthy cause, but we need funding programs that support everybody. There's a distinct feeling amongst professional musicians like myself that there is no point in applying.

The Hon. ANTHONY D'ADAM: How can we satisfy the aspiration to have a diversity of funding if we don't collect the data around who the applicants are?

DARREN HEINRICH: That would be really helpful for the Committee or for Sound NSW—to do extensive research into the demographic make-up of musicians in this State.

The Hon. ANTHONY D'ADAM: Isn't that what the criteria that's being asked in the application is doing?

DARREN HEINRICH: That's of the applicants, but it's not representative of the total demographic.

The Hon. MARK BANASIAK: Just on the current funding model, do you think it prioritises outputs that maybe look good on paper—like strategies, branding, festival partnerships—but doesn't really address what you need as a professional musician, which is employment opportunities? Is it geared more towards glossy brochures and fancy announcements rather than giving you what you need as a professional musician?

DARREN HEINRICH: It's very much a top-down, trickle-down economic model. Festivals do not provide ongoing employment for musicians. Even if you are a very successful act, you might do a handful across a year.

The Hon. MARK BANASIAK: Is the Government focusing too much on international, big-name artists rather than promoting local musicians and local artists?

DARREN HEINRICH: We definitely need a much more viable grassroots bottom-up approach, rather than top down.

The Hon. MARK BANASIAK: And Sound NSW isn't currently providing that, in your opinion, in terms of a service delivery agency?

DARREN HEINRICH: No, they're not.

STEPHANIE PETERS: Can I add to that that currently there's some great funding that's coming out of Transport for NSW and the Office of the 24-Hour Economy to revitalise precincts and do activations but, as far as I'm aware, there's no structure that ensures local artists are being employed for that. There are some local artists but I have seen interstate artists being employed under those. There is a great deal of funding that could be utilised to better support independent artists. I also think that currently for independent artists, we're rarely at the table for these decisions to be made.

Currently in Europe there is a Committee on Cultural Education and they're looking at improving the working conditions for local artists and recognising artists as art workers. This isn't seen across a lot of the portfolios. Create NSW is definitely employing local artists but across the portfolios, is that something that's happening? I think closer to home the South Australian Government is leading the way with best practice. They've got a South Australian Artists at Work Taskforce. This is actually putting artists at the table with the decision-makers to put recommendations and structure into how the funding is being spent.

The CHAIR: That's a great place to finish, even though it would be great to continue, but we are out of time for this session. Thank you both so much for appearing and having the courage, frankly, to appear. We really appreciate it. If you took anything on notice, or if members have any supplementary questions, the secretariat will be in touch about that. Thanks again for appearing.

(The witnesses withdrew.)

(Short adjournment)

Ms LISA CAHILL, Executive Director and Chief Executive Officer, Australian Design Centre, affirmed and examined

Dr JUSTINE SHIH PEARSON, Executive Director and Chief Executive Officer, PACT Centre for Emerging Artists, affirmed and examined

Mr CARL SCIBERRAS, General Manager, Dance Makers Collective, affirmed and examined

Ms PENELOPE BENTON, Executive Director, National Association for the Visual Arts, affirmed and examined

The CHAIR: Welcome to our next witnesses. I assume you all have a short opening statement.

LISA CAHILL: Thank you for the opportunity to give evidence. I am the executive director, CEO and artistic director of Australian Design Centre and have held this position since 2016. ADC was established in 1964, initially as the New South Wales Crafts Council and later known as Object Gallery. We are a small organisation operating with a modest staff of currently five full-time equivalent positions. Despite this, we connect the work of hundreds of artists with audiences locally, nationally and internationally across extensive exhibition, touring, retail, publishing and digital platforms. We announced on 30 October 2025 that ADC will cease operations by 30 June 2026, unless alternative funding is found before that time.

As the Federal Government, through Creative Australia—and the State Government through Create NSW—have discontinued adequate core operational funding from 2025-26, the ADC board determined it would not be viable financially for the organisation to continue to trade or operate beyond 30 June, unless a minimum of $350,000 per annum in additional or alternative funding can be found. Through Create NSW, ADC received four-year funding of $300,000 per annum to cover operational costs from 2016 to 2025, cut in 2016 by more than 50 per cent from prior years. This has now been reduced to $150,000 per annum for 2026 and 2027.

In this time, we have also received some competitive grant project funding and COVID rescue funding provided to all multi-year funded organisations, and we are grateful for this support. The decision to close, potentially, means ADC opportunities created for close to 1,000 artists annually will no longer be available. Up to 350,000 people who visit an ADC exhibition annually, either in Sydney or across regional New South Wales and Australia, will no longer have this opportunity to engage with craft and design practice. Exhibition programming at ADC in Sydney—18 exhibitions annually—will cease at the end of February 2026.

Object Shop, supporting 150 makers with retail sales, will cease trading at the end of March 2026. Initiatives such as our partnership with Regional Arts NSW to showcase regional artists in our window gallery on William Street will cease. After a highly successful 2025 festival, the future of the Sydney Craft Week Festival for 2026 is in doubt. This festival is an ADC initiative that has been running across Sydney for nine years. If ADC closes, New South Wales will be the only State or Territory without a government-funded craft and design organisation. I'd like to tender a package of documents—with copies for all Committee members—as examples of ADC activities that will be lost if the organisation closes.

The package includes the *ADC Annual Report 2024* and a catalogue publication produced for an ADC On Tour exhibition that has toured over the past four years to 17 regional galleries across Australia. The final exhibition in the tour opened at Grafton Regional Gallery last weekend. There is a catalogue publication for the 2025 MAKE Award Biennial Prize for Innovation in Contemporary Craft and Design, an ADC initiative funded philanthropically, with a $45,000 prize won this year by New South Wales artist Cinnamon Lee. The exhibition opened in Sydney in October and is now in Adelaide, where I opened it last week. There is a catalogue publication for re/JOY, an ADC ceramic exhibition dealing with stories of migration, which I launched at Tweed Regional Gallery in Murwillumbah in November. It's their feature summer exhibition. And there is a short, emerging insights summary from the first five days of a survey we launched last week to give the community an opportunity to have their say about the value of ADC.

The summary includes the following quote from a survey respondent, which speaks to the importance of ADC. "I will miss the unparalleled access ADC provides to the pulse of Australian creativity, both through the inspirational depth of its exhibitions and the incredible networking opportunities it facilitates with fellow artists and industry professionals. The curation at ADC consistently offers a vital spark, pushing creative boundaries and informing my own practice. Beyond the professional and creative benefits, I will miss the powerful, often unspoken emotional support the ADC extends to artists. It's more than just an exhibition space. It acts as a true champion and advocate, offering guidance and a sense of community to artists at every stage of their journey. The culture of care is invaluable and irreplaceable."

In relation to Australian Design Centre, we respectfully recommend that the Committee ask the Minister to reconsider increasing emergency funding through Create NSW to ADC from $150,000 per annum to $500,000

per annum for 2026 and 2027 to ensure that New South Wales does not lose this important institution that directly supports craft and design practitioners, and to ask the Minister and Create NSW to advocate strongly to their Federal counterparts for emergency Federal funding for Australian Design Centre. Thank you to the Chair and the Committee members again for this opportunity to speak about the potential closure of ADC due to cuts in government funding.

JUSTINE SHIH PEARSON: I lead a small organisation with a very big footprint. PACT Centre for Emerging Artists is one of the longest running performing arts companies in New South Wales. Founded in 1964, PACT plays a vital role in helping young and emerging artists, technicians and cultural workers take their first steps into the professional sector. We operate a vibrant theatre in inner-city Sydney, an affordable, accessible hub for contemporary performance, dance and live music, serving independent artists, small to medium companies and our local community. In the past reporting year we worked with more than 370 artists, delivered 110 shows, held 16 workshops and developed 26 new Australian works. All of this is achieved by a core team of just 3.1 full-time equivalent staff supported by a casual crew of 20. Our community is young and culturally diverse, with 63 per cent of our employees under 25, 20 per cent of our activities involving deaf and disabled people, 30 per cent involving Aboriginal people, and all of our activities including people from CALD backgrounds. I'm proud to represent them here today.

In April this year we were thrilled to learn that, as an annually funded organisation, we had secured four-year multi-year funding from Create NSW—funding that is regarded as a benchmark for exemplary organisations serving the New South Wales arts and cultural sector. But that excitement quickly turned to shock and confusion. The funding came with a 50 per cent cut from $200,000 in 2025 to just $100,000 per year from '26 to '28. How could we be expected to continue meeting this benchmark on half the investment? For the past eight months we've been in crisis management. Thanks to private sector donations and the City of Sydney, our landlord and a major partner, we have kept our doors open, but only if we restructure, with fewer staff, cut by a third, and with far fewer—more than 50 per cent fewer—creative opportunities for emerging artists.

Our submission outlines key concerns with the New South Wales Arts and Cultural Funding Program: volatile funding rounds, a decline in funds reaching artists, transparency failures, concealed contractual terms and increasing administrative burdens that are shaping the relationship the sector has with the funding agency. PACT is only one example. A third of two- and four-year funded organisations are receiving $110,000 or less next year, an amount equivalent to one full-time equivalent employee on the average Australian wage. This is a symptom of a sector on its knees. Our submission is signed by 19 small to medium organisations from across regional and metropolitan New South Wales and inner and Western Sydney, representing theatre, dance, experimental arts, youth arts and community cultural development.

I'm here today because I'm deeply concerned for my company and the many artists we represent. I'm also concerned for the ongoing cultural health of New South Wales. The arts Minister is speaking later this week to give a report card on the creative economy and the achievements of the Creative Communities policy, but I am here to report from the actual arts and cultural sector. There is no strategic link currently between the Government's delivery of Creative Communities and the actual sector. Public investment is not trickling down to the drivers of arts and culture: the small to medium sector and artists. The reality is that the sector works on a trickle-up, not down, model. We provide the content for the major festivals and institutions. Without us, you risk only having empty buildings.

CARL SCIBERRAS: Thank you for the opportunity to speak with the Committee today. The arts in New South Wales are at a breaking point: chronically underfunded, structurally undermined and dependent on an agency that cannot function under its current resourcing. When the arts ecosystem breaks, it's not just artists who suffer. It's citizens across New South Wales who lose access to culture, education and jobs. When preparing for this hearing, I found myself going around in circles trying to figure out what position to speak from—on behalf of my organisation, my sector or my artistic community? What I came to realise was that these positions are one and the same.

I am the General Manager of Dance Makers Collective, an organisation that was co-founded by myself and nine other dance makers in 2012. We began with a grant of $42,000 from Arts NSW to create a work which was presented at Riverside Theatres, Parramatta, by a team of 25 artists, with support from FORM Dance Projects, Bangarra, Sydney Dance Company and Legs On The Wall. This networked, collaborative way of working remains unchanged today. Twelve years later, despite extremely low State investment, we are the only federally four-year funded dance company in New South Wales. In 2026 our projected turnover is $1.3 million. Our program includes two regional tours, a youth company program, public presentations, creative developments, international and national exchange programs, weekly training programs and more.

Our core investment from Create NSW will be $150,000, enough to staff myself full-time and a very part-time administrator. For every dollar in core investment, we leverage another almost $9. This sounds great but it is unsustainable. My relationship with Create NSW has been from many positions. I worked as an officer for the agency during COVID, administering grants through a competitive grants process. What I witnessed then from within the bureaucracy, which I've experienced since as a Create NSW Artform Board member and over time as an applicant and a client, is an erosion of transparency and a culture of mistrust. When I worked at Create NSW, there were a torrent of complaints made by people whose applications were unsuccessful. These complaints were made almost exclusively by first-time applicants who were running for-profit arts businesses, like private dance schools, who had no idea what competitive arts funding was.

At that time, there was an expectation from those complainants that COVID relief was something they were entitled to. They were genuinely shocked when they realised that when it comes to the arts, it's a competition, not a right. This is a sickness that I combat all the time. The arts have, for my entire career, been chronically undervalued and underfunded by the New South Wales Government, regardless of who is in power. This stems from a persistent belief by successive governments that the arts are nice to have, and not an essential driver of our social, economic and cultural prosperity. Rather than address the root cause of the problem—chronic underfunding of the sector—we see a trend of redistribution rather than serious investment and reform. Shifting money around inside an already depleted system doesn't grow capacity; it cannibalises it.

At the launch of the Western Sydney plan earlier this year, Minister Graham said, in front of a packed room of arts workers and Create NSW staff, that the funding for that plan was being redirected from the cuts the Government was making to Create NSW. Create NSW scrambled to restructure and announce a Western Sydney grants program, with a notice period of three weeks, due at the busiest time of the year and just two days from now. The process has been chaotic, unworkable and unfair to applicants because the agency does not have the staffing or stability to administer major funds responsibly. We rob Peter to pay Paul, where in this case Peter is the starved hand feeding starving Paul. We are not asking for charity. We are asking for the State to stop undermining the cultural infrastructure that generations of citizens rely on—institutions that foster social cohesion, provide measurable economic return and contribute to our collective identity. We are capable, we are collaborative and we are ready to work with government. What we need now is a system that recognises the value we already generate and invests in it accordingly.

The CHAIR: Finally, Ms Benton.

PENELOPE BENTON: Thank you for the opportunity to speak today. I first acknowledge that we are on Aboriginal land, on stolen and unceded land. I pay my respects to the Gadigal peoples, the traditional custodians of this beautiful place where I'm so grateful to live and to work, and extend that respect to First Nations communities, ancestors and Elders across the State. It is also important to acknowledge in this context that artists and makers were the first practitioners on this continent. I'm speaking on behalf of NAVA today, which represents artists, arts workers, galleries, and visual arts, craft and design organisations across New South Wales and nationally.

Firstly, gosh, what a lot of incredible statistics and demonstrations of how much deep passion and hard work so many of these colleagues and everybody working across the sector contributes every day. There is a set of structural pressures impacting our sector and they are just intensifying, as you have been hearing and are hearing. From small regional galleries to our major institutions, arts organisations are carrying financial strain, workforce shortages and rising delivery costs. These institutions form a single ecology. When capacity is weakened in any part of the system, the impacts flow directly to artists, to communities and to the cultural outcomes that the public expects.

Across the visual arts sector, we are seeing rising costs, heightened expectations and declining resource stability. Local government investment has fallen over the past decade, and the recent Create NSW restructure led to the loss of a large number of highly experienced staff whose institutional and sector-specific knowledge has been central to delivering the arts and cultural funding program. Within the space of a month, three senior administrators departed. This is a significant loss for a program already operating with limited capacity. These staffing reductions slow decision-making and affect program delivery. Although expertise can be rebuilt over time, the immediate impact is substantial. Recent changes to the ACFP left many long-established organisations—including regional galleries, the Australian Design Centre, PACT and many that you're hearing from—without support until some two-year allocations were made, further highlighting the instability facing the sector.

New South Wales' per capita cultural investment sits slightly below the national average, despite having the largest population and cultural budget in the country. A significant share of that budget is committed to major institutions and heritage infrastructure. These institutions are fundamental to the State's cultural life, but they too are under acute pressure. Funding cuts have reduced staffing, narrowed programming and increased organisational

risk. The small to medium sector is facing the same strains, compounded by precarious employment, volunteer labour, rising production costs and persistent instability in funding programs. All parts of the system are stretched and all require greater stability if New South Wales is to meet its cultural ambitions.

The visual arts, craft and design sector is one of New South Wales' most active creative workforces, with high participation, high self-employment and a strong regional footprint, yet it remains structurally underfunded. Artists and organisations operate on extremely lean models and rely heavily on unpaid labour, masking a fragile workforce that is struggling to meet public demand. We know the public value of this work. The National Arts Participation Survey shows that more than 90 per cent of people in New South Wales engage in the arts and nearly half of them create art themselves. Residents overwhelmingly believe that the arts strengthen wellbeing, boost creativity and contribute to healthy, connected communities. This is social value at scale. It happens because organisations and artists and arts workers make it possible.

When cultural investment is strengthened, the social infrastructure of the State is strengthened too. New South Wales has incredibly extraordinary creative talent, strong community demand and a network of organisations delivering incredible and highly valued work. What's missing is a stable funding base that allows the work to be delivered with confidence. There is a growing gap between State ambitions and the resources available to realise them. We can do better than this. Boosting investment across all scales of funding, strengthening the ACFP and ensuring that Create NSW is adequately staffed to administer funding will help stabilise the system and restore alignment between government ambition and sector capacity.

The CHAIR: We'll go straight to questions. I'll kick off with a few. I'll start with you, Ms Cahill. I read with interest in your submission and the attachments your correspondence with the Minister. As the State's only government-funded design centre that's been run since 1964, have you met with the Minister or has he visited the centre in William Street?

LISA CAHILL: No. We've invited the Minister on many occasions and he has been unable to attend.

The CHAIR: So he's been the Arts Minister since this Government became a government in March 2023. The Minister has not met with you, despite repeated requests?

LISA CAHILL: That's right. Julia Finn represented the Minister at our sixtieth birthday celebrations in 2024 and I have met with the Minister's advisor Clara Klemski.

The CHAIR: I also just want you to expand on something in your submission. I'll get others to potentially give their point of view on this as well. You do imply quite strongly that you believe that the decisions to not grant funding to the Australian Design Centre were potentially more of a decision made by staff than made by peer assessment. Could you expand on that? Is that what your submission potentially suggested? As well as whether the Minister had any role, whether the staff have any role or maybe it's the lack of transparency anyway in terms of knowing—you did make that point.

LISA CAHILL: I think transparency is definitely a concern, because we don't really know on what basis funding decisions are made. Sure, peer assessment is really important and that gives advice to the staff in Create NSW and, presumably, the Minister, but we don't really know that process. There's no transparency around that process. What I think I was implying in my statement is that in regard to Creative Australia—so, federally funded visual arts and craft strategy funding—there was a discussion in 2023 or the end of 2022 between Creative Australia staff and Create NSW staff about which organisations in New South Wales would be invited to apply for Visual Arts and Craft Strategy funding to Creative Australia, which administers that funding. My understanding is that there's a certain amount of money that's made available to each State. I don't know what that is, and we were not invited to apply for Visual Arts and Craft Strategy funding despite being in receipt of that funding since the program began almost 25 years ago.

The CHAIR: There's a lot more questions, but I'm sure other members will have some. Dr Shih Pearson, I want to ask you about—you specifically note as well the importance of a peer assessment in terms of grant funding. You suggest that the involvement of Create NSW and potentially the Minister wasn't clear, or opaque. Why are you worried about that? Could you expand a little bit on your concerns in that area?

JUSTINE SHIH PEARSON: Yes, I think that's in the part of my submission where I'm talking about a lack of transparency. This is very much, as Lisa just described as well, that we—I have previously been a peer assessor for not this round but previously under Arts NSW. We know in the sector from our colleagues that the peers—there's a lot of regard for the peer assessment process. However, peer assessors do not have oversight—they're not given information about budget allocation—so they make no decision-making about level of funding because they have no knowledge of what the budget is. How funding is actually apportioned in the assessment process, we in the sector have no idea how that is done. Immediately on receiving the news of our 50 per cent cut I wrote to the Minister. I didn't receive a message back until after the embargo, which was a very long period—

between the notification of our funding and when we could publicly say anything about it, including to other funding partners. I was given a meeting with Clara Klemski, in which she confirmed at that time to me that all decision-making was done by the peers, but we know in the sector that's not the case.

The CHAIR: Can I ask about the fund? It is usual, in your experience, that the budget and the peer assessors would be making a decision with a budget in mind as well? Something like, "This is a good organisation or this person is a worthy artist for these reasons, and we think out of the allocation of this round of $2 million, something around $15,000 for this person." Is that usually the case? You're saying that that has disappeared?

JUSTINE SHIH PEARSON: That used to be the case. Years ago that was the case—in which the budget allocation would be roughly known. As part of the very rigorous discussion that happened amongst peer assessors, you would be discussing, essentially, where the cut-off line might sit. Is this company or applicant that we really believe in and that we see a lot of value in—this project—going to sit above or below the line? What we understand now is that is not the case anymore and that there is a ranking of projects or applications, but with no knowledge. The peers don't go away with a knowledge of—so they're making recommendations for funding, but not knowing who actually will get funded.

The CHAIR: Yes, I was going to ask you as well because you're on the Artform Board, aren't you, Mr Sciberras?

CARL SCIBERRAS: I was previously, but not in the current structure. What I understand is, or what I feel to be, the problem in the current situation is that what peer assessors are doing is they're ranking applications, as Justine has explained, but there is a process that then is undertaken—that we're completely unaware of—that then determines what amount of funds are being distributed to different organisations. In my instance, my application to Create NSW for four-year funding was for $400,000 a year. Then I was notified that I was successful, and I received $150,000. There's no transparency as to why that decision was made. It certainly wasn't the case that the people who were assessing that process were aware that that was what was going to happen.

I think the other thing that's really troubling about the process at the moment is the conflict of interest process has been tightened really extremely to the point that people who actually have knowledge and sector experience are not able to contribute to that process anymore. So when it came to multi-year investment, those people who are on the current Artform Board, who actually have experience running organisations, were not able to assess because they themselves were applicants in the round. That meant that the people that were able to assess did not have that experience. They do not have the kind of broad or deep sector knowledge that those people who have been running organisations for a significant period of time do.

I understand that in that, having been a board member myself and as a peer assessor at Creative Australia as well, there are really rigorous processes that can enable people in that situation to step out of the room. But rather than utilising those processes, what they've done is they've gone, "Oh, well, you are a potential conflict on one application, therefore we're removing you from the process entirely." That's really removing from the process the ability for people with experience to actually assess and make really critical decisions about, especially, multi-year investment, where the bulk of the sector lives. That's my reflection on that.

The CHAIR: That's useful.

The Hon. MARK BANASIAK: Just reading some of your submissions and hearing what you're saying, would it be a fair assessment to say that this new Creative Communities policy isn't working already? Would that be a fair assessment? That's a question to all of you.

LISA CAHILL: I definitely think it's not working, no.

The Hon. MARK BANASIAK: Dr Pearson?

JUSTINE SHIH PEARSON: I would say it's not delivering on the aims of the policy.

CARL SCIBERRAS: I would agree. I think the policy itself is good, but it's not being able to be delivered.

The Hon. MARK BANASIAK: Why do you think it's not being able to be delivered? When I look at the policy, it's heavy on aspirational language but really light on measurable outcomes like KPIs, baselines, time lines and projected funding. How can you implement a creative policy that doesn't have those things? Is that possible?

The CHAIR: I might go to Ms Benton, who was cut off in that last one.

PENELOPE BENTON: As I said, fundamentally the issue is that there isn't enough investment to deliver the policy. The pie is too small. It needs to grow to be able to deliver on the ambition and meet the scale of incredibly competitive applications that are being received for the funding rounds.

The Hon. MARK BANASIAK: What would an appropriate figure be in your mind? The four of you, have you put your mind to what would be a more realistic funding figure to implement this policy that's very aspirational?

LISA CAHILL: I think that it's clear that in the four-year funding round there were 157 or 158 organisations who applied, and 82 of those were funded. I think you can see that there are a number of organisations—and I'm only talking about this organisational round. There are obviously other funding rounds for artists and so on. But I think you can see, when they set the maximum at $600,000 for that round, there are many organisations who either weren't funded or who were funded for much less than what they had applied for, which means that their whole application is unsupported. When you fund a $400,000 ask at $100,000, it's unsupported. I think there isn't enough even to fund those 82 organisations to the level of ambition that they expressed in their applications. Sorry, that's not answering your question on a figure.

The Hon. MARK BANASIAK: No.

JUSTINE SHIH PEARSON: I would just add that I don't think we can answer that question, because we don't have the data, but Create NSW gathers that data through the application process and should be able to answer that question. In the process of going for multi-year investment, we would all, as heads of organisations, probably spend hundreds of hours of work in developing strategic business plans with our boards, with our stakeholders, with our artist groups in order to model what we—we're cognisant of the fact that public money is scarce, and we do, as Penelope has described, an enormous amount with very little. We all know how to work in that model. We're grown up in it.

We ask for, I think, the minimum that we need in order to do that. The idea that actually the ask in that—we were encouraged by Create NSW to address things in the policy like workforce retention, appropriate pay for the workforce. There was an acknowledgement, definitely, in the lead-up to the application process that we needed to price appropriately the ask that we were asking for, and then what we received was—across the board, you can see the statistics on the results sitting very low within the range. I would say that the majority of applicants probably didn't get what they were asking for, but that would be data that is not available to us.

The Hon. MARK BANASIAK: On hearing those comments, would it be a fair assessment to say that, in designing this policy, the Government didn't properly engage with the community to fully understand what your financial needs were to help fulfil this policy?

CARL SCIBERRAS: I think the consultation was there. That's my experience. I'm just going to reiterate what Penelope said, which is that it's not that the policy itself is bad and that the consultation process was bad; the problem is that there isn't enough money to actually deliver the policy. Again, using my organisation as an example, when we talk about us receiving $150,000 when we applied for $400,000, what was part of a lot of the consultation process prior, and in designing the policy and the ACFP, was the acknowledgement that organisations like mine are usually on annual or multi-year contracts, but we also have to apply for project funding to deliver the activity that we deliver—and that that wasn't sustainable, it was a waste of people's time, and that what we actually needed to do was just lump all of that into one grant.

The reason that my organisation applied for $400,000 is because I needed to employ core staff, but I also need some money to do some of the activity itself. That $400,000 was a lean ask for the amount of work that we do as an organisation. To get the $150,000 and also be eliminated from being able to access additional funding—because that's the existing framework that has come out as a result of the changes. In real terms, my organisation was previously on $90,000 a year of multi-year funding to fund the core of the organisation, but then I would also apply every year for a project grant. I also had very specific strategic investments for certain parts of my program that were delivering on particular strategic areas that the policy wanted, and that meant that my actual investment previously was $180,000 to $190,000 a year. So I've been cut to $150,000 and I can't access anything else, and this is something that's really hard to communicate to—

The CHAIR: Is there anything else at all?

CARL SCIBERRAS: The one exception is regional touring funds, which DMC also does access, because we do regional touring. But if I use the example of the tour that we are doing next year throughout New South Wales, it is a tour that employs 11 artists and arts workers to tour not just through New South Wales but also interstate. It's the largest tour we've ever done. We did a tour, similarly, of a show in 2022 that did not tour as far and did not employ as many people, and the amount of investment that we got for that tour at that time

was $180,000 from the State Government. It was capped at $120,000 this time, yet I'm doing more. There's just a complete—

The Hon. MARK BANASIAK: What's the point of having a policy that can't be funded properly? It might look good on paper, but I'm hearing from you, Ms Cahill, that you can't deliver on what you want to do in terms of supporting the policy—the same with you, Dr Pearson; the same with you, Mr Sciberras; and the same with you, Ms Benton.

PENELOPE BENTON: I'm not here to criticise the policy. I think that's probably not the outcome that is useful here. I think what we need to be looking at is that it's a great policy. I recognise that they're doing a lot of strategic work internally, and there has been a restructure, which was a big surprise—and the approach to that was probably a bit much—but there is some new money through new programs, but not through ACFP, which is where the organisations are receiving core funding. That hasn't changed; it's just that the levels are not adequate for today's environment, with rising costs and increased salaries—all the things. There are new strategies in different areas, and they will take over time, but there is some new money in that, and that is a good thing. There are some great things happening, but the issue that I think is important is that the amount of money in the ACFP pool is not enough to meet the demands of the public in what these organisations are delivering.

The Hon. SUSAN CARTER: I'm looking at the Creative Communities policy. It states:

> Principle four: Sustainable growth is the fourth guiding principle.
>
> It requires that people engaged in these sectors are appropriately supported and businesses equipped for growth.

But what I'm hearing, Ms Cahill, is no funding, so you're closing in June?

LISA CAHILL: Yes. Unless we're able to make up that shortfall, we will close in June after 60 years.

The Hon. SUSAN CARTER: Dr Shih Pearson, a 50 per cent funding cut?

JUSTINE SHIH PEARSON: Yes. My statistics are that the opportunities for our emerging artists in the program for low-paid employment for emerging artists will be down 50 per cent. Free training and workshop opportunities will be down 90 per cent.

The Hon. SUSAN CARTER: How is that supporting sustainable growth in the arts sector?

LISA CAHILL: It's not, clearly.

The Hon. SUSAN CARTER: Are there any other comments?

PENELOPE BENTON: I agree. It's not achievable with the current level of investment.

The Hon. SUSAN CARTER: We have heard a lot from the current Government that it is concerned to shift to public funding over private equity and to make sure that the arts are supported by the Government. The example is the Art Gallery, where it's free for the people of New South Wales but there were significant funding cuts, so there is a 15 per cent staff cut. The cuts to your organisations—do you believe that the Government is really pushing arts bodies out to seek private investment and private funding and no longer rely on the people of New South Wales to support the arts?

PENELOPE BENTON: If I can quickly say, I think it's important to note that every single organisation—arts organisation, gallery space, whatever it is—across the State is already drawing income from a range of sources. None are solely reliant on public funding and never have been. There's a great deal of work in seeking private investment or other revenue sources and other income streams. They've already been doing that work for some time. That's not the issue. And nobody is saying that these organisations should be solely publicly funded, but the level of public investment should meet the public demand. There is an incredible demand across the State for access to these spaces. The way people are using the galleries, using the spaces and contributing to them is at a level that should attract a higher level of investment.

CARL SCIBERRAS: I would say also to that that the money that we do receive from the Government is what we leverage. My example—the scale of my organisation's program is ridiculous for the amount of core staffing that we have. It is literally myself as a full-time staff member and a two-day-a-week administrative support person, and I'm doing two national tours that are taking artists on the road for four months at a time. There's an incredible amount of local engagement that has to occur prior to those tours. I'm sending artists internationally and interstate, working with—and I'm doing that by myself as a sole person.

The issue, if we're talking about private investment or these other income drivers, is no-one is going to give me money to pay an admin person or an additional core staff member. It's government money that we use to enable us to then go out and leverage this additional investment and create these other income drivers for our organisations. When that money gets reduced, then our capacity to do that is also reduced. That's the situation that

I find myself in all of the time. I've burnt out three times in the last three years. I've got an application that's due in two days, and I was given two weeks notice to try to do that. I'm going to Bathurst tomorrow to support a performance that's happening there. The amount of work that I'm doing is kind of ridiculous for one single person. Anyway, I've made my point.

The Hon. SUSAN CARTER: Is it an accurate summary—and correct me if I'm mishearing—that government funding is essential to be able to attract private funding?

CARL SCIBERRAS: Yes.

PENELOPE BENTON: Yes.

The Hon. SUSAN CARTER: And without that government funding, it becomes increasingly difficult to attract private funding?

CARL SCIBERRAS: Yes.

PENELOPE BENTON: If not impossible.

The Hon. SUSAN CARTER: If not impossible?

CARL SCIBERRAS: It's actually impossible, yes.

The Hon. SUSAN CARTER: But from what we're hearing today, it seems like the Government is reducing its funding across the sector.

LISA CAHILL: Most definitely. Certainly in our case, in the past decade, in my time at Australian Design Centre, we have received $3 million over 10 years. That's $300,000 a year, not indexed, which helped to pay our core small team of five to seven people—a full-time equivalent of around five. We have an organisation which has street frontage. It's a public gallery. We're open five days a week from 11 in the morning until five in the evening, and events over and above that. We have a touring program, which has four shows currently travelling across Australia. There is so much that we do. To your point, and as my colleague said, with that $3 million, plus some additional project support that we have been granted by the New South Wales Government, through Create NSW, we have leveraged another $4 million in 10 years in project funding, private philanthropy, donations and our own earned income. That core foundational support is really important to keep our lights on, pay our core staff and then enable us to leverage money from other sources, which enables us to do our actual programming—to do the activity that helps introduce artists to audiences.

PENELOPE BENTON: And pay the artists.

LISA CAHILL: And pay the artists—exactly.

The Hon. SUSAN CARTER: But the funding reality, from what we're hearing, appears to be entirely in conflict with what the policy states is one of the five guiding principles.

LISA CAHILL: Yes.

The CHAIR: Mrs Overall, we'll go to you.

The Hon. NICHOLE OVERALL: The first thing I'd like to say is that, obviously, this isn't just about numbers in a budget; it is people's livelihoods and creativity. I feel your passion and thank you all for being here. Ms Cahill, if I could just come back to the lack of transparency. The Australian Design Centre was told that it didn't align with current Government priorities. Have you been provided with any articulation of those priorities or the criteria showing how the alignment was assessed or how you're not in alignment? Or is it yet another case of you not being provided with the information to know what to do next?

LISA CAHILL: No, no further information, other than that throwaway comment that we know what the priorities in the policy are and, by implication, we haven't been funded because we don't fit those priorities. To that I say we put everything in our application, and we do everything in our day-to-day programming, that meets those priorities. We're working in Western Sydney; we're working across regional New South Wales and Australia; we're working with cultural diversity—all those priorities, we are doing things which tick those boxes and we were able to articulate that, so I don't actually understand where that's coming from. And yes, transparency means that we haven't had sufficient feedback about why we weren't successful in the four-year funding process. Effectively, they funded 82. I think we were told we were in the middle third; that means we were somewhere between 82 and 104 on a list that includes organisations not just in visual arts, craft and design, but in dance and performing arts. That list of 157 applicants is across all art forms. Again, I'm not sure how the assessment is made about which organisations—how that list is compiled, that order of—

The Hon. NICHOLE OVERALL: And how you're supposed to meet them if you're kept in the dark about all of that.

LISA CAHILL: That's right.

The Hon. NICHOLE OVERALL: You also note in your submission that the Minister's office acknowledged issues in the process. But again, has there been any information forthcoming on how, if at all, that is going to be rectified?

LISA CAHILL: No, no elaboration on that comment. No, no further information.

The Hon. NICHOLE OVERALL: So just the acknowledgement that "There are certainly problems, but we don't necessarily have to pass on to you how they might be fixed or what might be done"?

LISA CAHILL: That's right.

The Hon. NICHOLE OVERALL: Finally, the gaping hole in visual arts, craft and design that the potential closure of ADC will leave is going to be something far more impactful than the New South Wales Government just saving $500,000 a year annually, isn't it?

LISA CAHILL: Oh, yes. Absolutely. We work with up to 1,000 artists a year across all of our platforms. Many of those are New South Wales based artists. Some are from other States. We give New South Wales artists the opportunity to be in exhibitions across the country, overseas and regionally. The audience that we connect with across Australia is around 350,000 people per annum through our touring programs and here in Sydney, so there's a huge impact that will be lost if ADC closes in June. Yes, much more than $500,000, which is—as I said earlier—enough to pay a very small core staff and keep our lights on. Thankfully, with the support of the City of Sydney, we have fantastic premises on William Street which we are given at 100 per cent subsidy, so we don't pay rent, which is great.

The Hon. ANTHONY D'ADAM: I wanted to get on record for each of the organisations how much you've been funded for, going forward, how much you put in your bid and how much you were funded for in the preceding financial year before the funding. Ms Cahill first.

LISA CAHILL: For us, we've been funded $150,000 per annum for two years. We initially applied for $600,000 for four years; we were unsuccessful in that. We applied for $200,000, and we were granted $150,000 for the next two years this year, in 2025. For the past 10 years, we've been in receipt of $300,000 per annum.

The Hon. ANTHONY D'ADAM: Right. So, Ms Pearson?

JUSTINE SHIH PEARSON: PACT is currently, in this year, on $200,000 in core funding. We requested $334,000 for the four-year period. We were granted $100,000 in four-year funding, which is actually three-year funding because of a delay to the delivery of the program: It missed the first year.

The Hon. ANTHONY D'ADAM: Now Mr Sciberras.

CARL SCIBERRAS: I'm currently on $90,000, but I do want to also reiterate that it's not just $90,000; it's also project funding that I was eligible for before. So in real terms, my investment from Create NSW was $180,000. I applied for $400,000 in four-year funding; I was granted $150,000.

The Hon. ANTHONY D'ADAM: Right. And Ms Benton?

PENELOPE BENTON: We are currently receiving no money from Create NSW, although in the last couple of years we've received annual project funding around $100,000. Following from next year, multi-year funding has been approved for $180,000 a year. There was a pretty big gap in how we were supported by the New South Wales Government. Prior to 2020, we had received multi-year funding for 10 years, which concluded in 2020.

The Hon. ANTHONY D'ADAM: From the evidence you've provided, there were 82 successful recipients in the funding process out of 104, I think—

LISA CAHILL: 157 or something.

The Hon. ANTHONY D'ADAM: Obviously we all probably agree that we need more funding for the arts. I think the Minister probably agrees that he would like more funding for the arts, but he's operating obviously within a budgetary constraint and I understand the overall funding for this program has actually increased from $68 million or $69 million to $73 million per annum. So it's overall more money, but there are still lots of organisations competing for a limited pool of funds. Is it better just to have fewer organisations funded to the expectations in terms of their bids and have a lot more people miss out, or is it better just to have the funding

spread out more equitably across more organisations? What's your view about how that problem should be managed?

PENELOPE BENTON: That is the constant dilemma I think no-one will ever resolve. It's a very difficult question, and I think there are probably pros and cons for both answers. Probably no answer is right and no answer is wrong. Overwhelmingly, even small increases, beyond the increased level to program pools, will improve success rates and reduce the churn of repeated applications. I think it's very clear that stable funding reduces administrative burden for these organisations that invested in four-year funding applications, only to then have to do a different version for two-year funding. They are relatively completely different programs with different aims. I think that's a really important point to make.

JUSTINE SHIH PEARSON: I would just add to that I agree that's a very hard question to answer.

The Hon. ANTHONY D'ADAM: That's the question the Government is trying to grapple with, isn't it?

JUSTINE SHIH PEARSON: Yes. What I can comment on is I think the delivery in this round has ended up delivering—and we're speaking from the small to medium sector, so we're representing particular kinds of organisations, all of us. I would say, the impact is not just to the sustainability of these organisations. The impact is about a redistribution, so you're going, "Yes. That is the pool." There's actually an uplift in the pool of money being delivered by government, but it is about the redistribution of that within the delivery of the funding program. As small to medium organisations, I make the point that we are the organisations that drive the creation and production of work, working directly with artists.

What's happening is that there is less money in real terms that's available to the production of work and paying individual artists. It's also an impact to the Government's own delivery of their program. I'll give the example that in the last six months, I've been working with two artists who came to me because, for the first time ever, they had received $100,000 in a new work grant from Create NSW as individual artists. Neither of them has ever made a full-length performance work before, and that is a large amount of money for a single artist to deliver for the first time. They've come to PACT because they need help in how to deliver that project.

In my role, I would work with those artists to set them up with sound designers and other collaborators to work with. "What can I do to help you in learning how to deliver this project? Can we come to the party with space availability, and so forth?" That is something that we will no longer be able to do because of staffing reduction. That redistribution of money to individual artists, to which I would normally go, "Great, let's pay the artist more", we are sort of—what's the term?—cutting off the nose to spite the face in the sense that those artists rely on the hard and soft infrastructure of an organisation like PACT to deliver those projects. That is something that is a kind of bystander fallout of the reduction in funding that's going to the small to medium sector.

The Hon. ANTHONY D'ADAM: Before I went into Parliament, I was involved with the MEAA, so I have had some experience with the arts sector. Obviously, it is a sector where passion is a kind of key driver. Often that kind of leads to an exploitative attitude. I acknowledge that that's a factor, but at what point? Is it a question of arts organisations having to make an assessment about whether they continue, knowing that that's an element of how they will survive, or whether it's better just to reduce the number of organisations and have artists getting a more beneficial or better return and less exploitative return? Do you understand the point that I'm trying to make there?

LISA CAHILL: Can I try to answer that? I think from a craft and design perspective, the arts is an ecology. There are small to medium organisations, there are small collectives and there are the bigger institutions. Artists will get their first chance, as my colleagues have said, in our small to medium space before they get the opportunity to show their work on a bigger stage. In answer to your question, after 61 years, my organisation potentially will close in June. We've made that decision because we can't continue to pay artists. We can't continue to enable the kinds of programs which give artists the opportunity to meet an audience with their work without that core funding and without what that core funding leverages in terms of project funding to pay artists to do what they want to do. But there are so many opportunities that are still coming to us for possible collaborations on project funding and artists asking for exhibition opportunities which I can't make commitments to because I have no way of funding those projects.

JUSTINE SHIH PEARSON: I would also add that, if the Government's strategy is to distribute the public investment in a way to reduce the number of organisations that are running, this is a very chaotic way of delivering that strategy—by just giving subsistence underfunding to all of the organisations and throwing the industry into chaos. That is just a waste of a lot of investment in responding to that situation. In the case of PACT, we are restructuring the organisation because of the loss of funding. One of the ways that we're proposing to do

that is by taking in other resident companies, so it is a model of collaboration with other organisations to share resources together.

But if that were a strategy, there was a much more aligned way of doing that. We are an organisation that enjoys really good support from the City of Sydney. The State Government and the City of Sydney are involved in a partnership about the Creative Land Trust going forward. The idea to recognise that strategy—if they had come to me and said, "We want to develop an opportunity to use the spaces that are available to strategically house more organisations with fewer resources," that would be something I'd be very open to discussing, but that is not what has happened.

The CHAIR: We're out of time but, Mr Sciberras, I am going to go to you for the last word because I know you want to contribute.

CARL SCIBERRAS: I would just say to that question that attrition is going to happen in both of those situations—that the organisations like mine—I will not, because I work my guts out and I'm happy to work my guts out. But whether the Government makes the decision to do that by funding fewer organisations with more money or whether the Government decides to fund more organisations with lesser money, attrition happens in both of those situations. What I think is really important and could be done better at Create NSW and could be thought about more is that—Create NSW does capture all this information about organisations and what they are doing. There is an opportunity for that process to be more strategic, for them to go, "This organisation is doing this piece of the situation. This organisation is doing that. Why don't we find a way to connect the dots?" and actually do that work. I think there is potential to solve some of this problem. But, at the end of the day, the core problem is lack of investment. That is the core problem. I just think that the process has been really unstrategic.

To finish, I'll just give a comment about care for the sector, which I think is really, really bad at the moment. Those four-year funded organisations, they found out about their success or their lack of success the day before the Easter long weekend. That was an intentional decision from Create NSW to go, "We can't be bothered to deal with the trauma that this is going to cause people in the sector." I was on the phone to so many people that weekend for hours who were beside themselves, some of whom were borderline suicidal, about the fact that their organisation had been defunded and they had no way, no opportunity, for four days to talk to anybody about why and what had happened. Those sorts of things are disgusting. I really don't understand how any government agency can treat the people who it's meant to support and who it's meant to invest in in that way.

The CHAIR: Thank you. I'm very glad I went to you for the last word, Mr Sciberras. Thank you all so much. We could have had a lot more time with each of you. I'm sorry that time was so short. Your submissions have obviously been taken as read. The secretariat will get in touch with you if we have supplementary questions, which we may do. Thank you for all of the work you do with your communities. Sorry you're going through this.

(The witnesses withdrew.)

Dr LINDSAY SHARP, Founding Director, Powerhouse Museum, affirmed and examined

Ms JENNIFER SANDERS, Former Deputy Director, Powerhouse Museum, affirmed and examined

Ms KYLIE WINKWORTH, Former Trustee, Powerhouse Museum, affirmed and examined

The CHAIR: Thank you so much. I assume there is one or more opening statements. Ms Sanders, are you good to give a statement?

JENNIFER SANDERS: Yes, I'll give a statement. I would like to thank the Parliament, particularly the upper House, who have been diligent over many years in really examining, pursuing, lobbying, questioning—probably throwing your hands up, as we have—about what is happening to the Powerhouse Museum. The fact that so many people have been protesting, asking, questioning for so long must be the largest red flag in the country. You've just heard from our colleagues in the arts sector. To hear Mr Sciberras say how they were told just before Easter—that is evil. That is really evil to do that to people who are living on a very tiny salary and doing their best.

Powerhouse Museum is different because it's an institution that's been around since 1880. One would have thought, bricks and mortar, fantastic record of exhibitions and of publications respected across the world. I'll be tabling letters from the Newcomen Society, which visited as late as 2024 and said—this is the UK committee for industrial heritage—they were astounded by the popularity, the education, the whole presence of being in the Powerhouse Museum.

I don't know what got into the Minister's mind to change his approach after the election. Before the election he was saving the Powerhouse Museum. We took him at his word. After the election, all guns blazing, the CEO's goal of breaking the museum is being put in place. Not simply breaking it physically—that would be bad enough because it is an important industrial, architectural and cultural site—multi-award winning. Again, I've tabled before, and will table again, awards for not only the architecture but also for programs held there. In the first 20 years, we held 498 exhibitions—produced them across the world, across the State, across the nation and in the museum. Not only is that being destroyed, it's the very ethos of the museum.

The staff are not only being deskilled, they are being totally demoralised. The new staff who come on at the CEO's behest are not interested in a museum. They're not here to think of history and heritage, to think of the taxpayer, the people of New South Wales for whom the museum is held in trust. It's all personal gain and a little cabal of people who are having a great time at the taxpayer's expense. My two colleagues will talk further on this, but I would like to again very much thank the inquiry, all your colleagues, all members of Parliament who have stood up for the Powerhouse Museum over so many years, 10 or 11 years.

I can't tell you—I was in Washington not that long ago, just before the shutdown, and I went to the mall with my son, who grew up in the museum. He's now a primary school teacher. He understands the value of museums. We went along to the air and space museum. They're about to celebrate the 250th anniversary of independence in the USA. The place was going gangbusters. We had to book a slot to go in. They're being revitalised, renovated, exhibitions changed, all the things that were in the line of Powerhouse Ultimo revitalisation. They're not closed. They're doing it; they're open for business. There's a huge pride in what the American nation has achieved in air and in space. We are trashing ours. Thank you.

The CHAIR: Any others? Ms Winkworth?

KYLIE WINKWORTH: I think in the interests of time I might pass to my colleague Dr Lindsay Sharp, except I do later have some observations to make about the grant funding and the appalling neglect and poverty that we're now seeing, particularly in regional New South Wales. Some of our most important and vibrant cultural structures in regional New South Wales are now on the brink of failure. There is a connection between the gutting of the cultural program and the bloated funding for the Powerhouse Museum.

LINDSAY SHARP: First of all I'd like to echo very strongly what Jennifer and Kylie have just said. I won't go through it all again, but it really is an amazing fact that this upper House—this is the third inquiry which has looked into, deeply in many ways, the situation with the Powerhouse. I have experience, as you probably know, in California, in the Royal Ontario Museum in Canada, and I ran the largest science museum group, which is not just science, in the UK. So I do have some comparators to make in terms of what's happening currently at the Powerhouse Museum. I'm going to read this so that I get it clear and you understand where we are, if that's okay.

The CHAIR: Great.

LINDSAY SHARP: Please understand that literally in about three or four weeks the Wran-era project will be demolished. They're already starting. If the work is stopped now, the original Powerhouse Museum can be saved. Massive costs can be saved as a result. We know how to do this. We're not just old fuddy-duddies. Modern technology is not a fright for us; it's the most wonderful enabler that we can possibly imagine. If it's stopped and a proper restoration, renovation, even reinvention takes place, core cultural heritage can be saved right now. An entirely untested cultural experiment—the current plans, which we hear bits and pieces of, which most likely will create a fiscal black hole for the State—can at least, or should at least, be analysed, questioned and, if appropriate, avoided. Public objections can be transparently answered. I don't know if you know, but there have been two major petitions—I think 20,000 people—saying, "Don't do this; do it differently," and many other examples of objections and so forth, just cast aside by the previous Government and this current Minister.

Please don't underestimate the power of this Committee to cause a temporary pause as the matters above are addressed. You really do have the power, actually, if you care to use it. Please hold an extra day's hearing, interrogating those "public servants" nominated throughout my documents and others after the SO 52 materials and associated documentation have been studied by external experts. We would request this Committee considers the option, as before under the previous committee, chaired by the Hon. Robert Borsak, that an SO 52 for the business case for the Powerhouse Museum Ultimo project be called for and that experts can read it in the appropriate parliamentary setting; that the updated business case, which has to exist for the Parramatta project, also be called for; and that the complete design brief for Ultimo be called for, and all the associated documents. I've mentioned those in my two submissions, and I can, if you like, elaborate on it further later on.

Also, I would ask you to consider, if you do have another day—and I really beg you to do so—that Alan Croker, who is the country's literally leading expert on heritage architecture and the person who personally advised on the Balmain restoration of the power station there, be called as an expert witness. He will tell you, chapter and verse, what the heritage destruction actually means. And, finally, would you please call Save the Powerhouse, which really knows about the lack of transparency, the public objections and the petitions that have almost universally said this project is a disaster. Thank you for listening. Thank you for your time.

The CHAIR: Thank you very much. We will go to questions. I'll start with a couple. This inquiry, as you know, is looking specifically at the restructures, funding cuts and the impact on the arts, cultural spaces, music, night-time economy and, on Friday, transport. Could you identify—Ms Winkworth, I think this gets to what you were alluding to—is it about wastage and choices in particular areas? Can you identify areas of wastage, for example, that may have been better spent to support—particular buckets of money or may have been better spent supporting the very artists and organisations we've heard from today? That's what I mean by wastage: It has been spent somewhere else. Is that what you were alluding to earlier, just to elaborate? This is also for others, if anyone has anything to say in this regard too.

KYLIE WINKWORTH: I think it's a constellation of factors. The Government brought out a new cultural policy, a New South Wales creative policy. Unlike other cultural policy processes, that was brought out without new funding to identify how the ambitions were going to be resourced. The elements of the policy at the back, which have to do with strategy and delivery, were very sketchy and not well worked out. The whole policy, in my view, was undercooked because of failures to consult widely with people with suitable expertise. I understand why the Government, responding to the creative community's concerns about the complexity of applying for grants, decided to simplify the grant process. But in the process what was sacrificed, to my mind, were criteria around audience, impact and reach as criteria for assessing the grants.

The whole assessment process is incredibly opaque. When it comes to grants to individual artists, you can't even find out who they are, let alone what they're doing or what platform they might be using to deliver the money that taxpayers are providing. It's actually quite shocking. It's a big contrast with the transparency that we see in the Federal Government. The other unexamined issue that if we'd had more cultural policy experience and expertise in Create NSW, we might have seen some thinking about do we want a policy that automatically duplicates what the Federal Government's "Revive" Creative Australia policy does.

I think that's a big question because, traditionally, the Federal Government has not funded organisations apart from the major organisations. But when you move to a system of focusing on funding artists, as New South Wales has done, what they've abandoned is funding the organisations that are the essential delivery mechanism for all those artists and designers. They're the first rung on the ladder, and there used to be a concept in Create NSW and what was Arts NSW of creating a ladder so you could see the projects and the people involved getting to the next level by demonstrating their success.

That's all gone because no-one has any idea of what the ladder is, except for the Minister's, the Government's or Create NSW's favoured projects. I particularly want to deplore the lack of attention to museums. They are the most numerous cultural organisations in New South Wales—shockingly underfunded. At least the

Federal Government's revived policy had something to say about the importance of museums, particularly volunteer-managed museums, and their impact across every community in this country. It was unfortunate that the committee that ran the New South Wales cultural policy didn't have a museum person on its subcommittee.

LINDSAY SHARP: Not one.

KYLIE WINKWORTH: Certainly not anybody who actually works in a museum outside of Sydney, and I think that's reflected in the subsequent evolution of funding decisions. It's just a huge mess. Furthermore, by enlarging the grant program to include creative industries, in my view, along with the conjunction of the portfolio with the Night-time Economy, it's just opening the door to rent-seeking and a lack of rigour about which projects are really going to deliver for audiences and communities in an equitable way. I refer particularly to the fashion strategy, which wasn't even mentioned in the policy and, as later released, the Creative Industries fashion policy. I think it's $750,000. That's clearly a cover for the UTS takeover of what was the Powerhouse Museum, but to me it's just naked rent-seeking. When I think about the failure to fund so many outstanding museums and galleries that are open 364 days a year and are servicing their communities—and they're the animators of culture in their communities—I do not see that the funding of commercial fashion businesses to meet their education needs is the business of Create NSW or the Powerhouse Museum.

Powerhouse Museum does not have a responsibility for creative industries, and what we've seen since the appointment of the current CEO in 2019 is a lot of concerning freelancing outside the museums Act to fund artists and creatives and to spend public money outside the remit of the museum, which last time I looked was unlawful. I think it should be a concern for this Committee that there's been a complete failure of transparency and accountability to budget estimates, to Mr Borsak's questions on notice and the misleading answers provided, and also in the museum's annual report, which attests to compliance with the standards for annual reports to do with strategic planning, goal strategies, actions, performance deliverables and infrastructure spending.

The Hon. MARK BANASIAK: Can I just go to the CEO's actions and pick up on your comments there. Would you consider her actions since 2019 to be malfeasance in terms of the driven shift away from the museum's prescribed obligations under legislation? Do you consider it malfeasance—being the intentional act of wrongdoing—in terms of how the finances have been managed?

KYLIE WINKWORTH: Over the last six years, particularly the spending outside the museum's remit on artists and writing and other initiatives, however worthy, I think it constitutes maladministration because it's not good value for money and that work, that type of funding, is not within the museum's remit. The Government has shown a remarkable lack of interest in seeing accountability for a project which is going to cost New South Wales taxpayers $2 billion. There needs to be a really forensic audit, because I know for a fact that money has been spent in ways which are certainly contrary to the museum's Act and contrary to evidence which has been given in previous budget estimates. I'd be happy to supply some examples later to this Committee.

The Hon. MARK BANASIAK: Are you able to provide some examples now? I know of the examples of running night-time discos, running porn exhibits and doing sashimi demonstrations at bloated Christmas parties. What other examples of maladministration has the CEO engaged in that is essentially taking money away from the museum's operation and potentially other artistic institutions?

LINDSAY SHARP: Could I add that there's an aspect of this which is part of the whole picture. You have a core of highly experienced and highly knowledgeable expert curators whose functions and knowledge are related to the collections, and there are nearly half a million objects built up over 150-odd years. You have a situation where, for example, there is the $18 million space exhibition now projected for Parramatta and the curator of space and astronomy at the museum, who I would say is a leading authority on space and astronomy—I think her name is Dr Sarah Reeves—left around the time that massive project was announced and was, at least to my knowledge, replaced by somebody who, and I'm quoting a commentator here, "makes things in glass". If you have a really expensive, really complex and highly technical display which is the major lead for Parramatta, and you remove the person on staff who is an expert and she goes to the Bureau of Meteorology, I would regard that, in terms of museums, as maladministration.

There's a second point, if I may put it briefly. I gather that the curator of health and medicine—and again, I'm quoting a commentator, but he is very well informed—is now a person who is a sound expert. Well, I have some expertise in the area of the history of health and the current health circumstance and research in health, and I can tell you that I'm not quite sure that a person, if this is true, who is an expert in sound—creativity, I suppose—would understand some of the more complex aspects of DNA research, for example.

The Hon. MARK BANASIAK: To your knowledge, how many highly qualified curators have we lost since 2019?

LINDSAY SHARP: May I refer that to Jennifer or Kylie?

The Hon. MARK BANASIAK: Yes, absolutely.

JENNIFER SANDERS: There's a list in my paper. It would be 25-plus, I would say, and not replaced with like for like. To be fair, for someone working in the museum industry as a serious museologist—and, may I say, it is a profession. I don't think that anyone who is currently in charge at the museum regards museology as a profession. If anyone looked at how the skilled expert staff are being treated, I don't think they would be keen to join the Powerhouse Museum on its current trajectory.

KYLIE WINKWORTH: If I can add to your question, Mr Banasiak, the big question is how a Cabinet-approved decision to fund a STEM museum for Parramatta has turned into an arts and entertainment venue on a huge scale, which would never have been necessary if it was actually a museum. That, together with the completely unnecessary eviction of the collections from the Harwood Building at Ultimo, is running to a total cost of $1.5 billion, by my calculations. On top of that, we have numerous examples within the museum of the collection acquisition funds being used to acquire things which are not necessary for the collection, at inflated prices. The CEO has given evidence previously that artists are not paid to run programs, when we know they have been paid to run programs.

We've had evidence that the creative residents are paying rent. I don't believe that is the case for all the creative residents. I think that there are transactions where items have been acquired for the collection in lieu of rent at inflated prices, so that is confusing—a capital cost with what should be revenue, which is reflected in the museum's accounts and might be used for more strategic acquisitions. I look at what has been acquired with the work of some of the favoured artists there, and I think this is absolutely crazy. The money that's being wasted is beyond any strategic need. The fundamental thing for public servants and for the Government is that taxpayer money has to be spent in a way that's conscious of the value for money and is delivering the programs that are endorsed and within the museum's remit. That is just simply not the case. I will be happy to provide evidence.

The Hon. MARK BANASIAK: I was just going to say that they're pretty serious allegations. I would ask that if you could table the evidence you have to substantiate that, that would be fantastic for the Committee to see.

LINDSAY SHARP: Could I also add, and it is relevant but on a slightly different basis—

The CHAIR: Very briefly. There are other members who have questions.

LINDSAY SHARP: Understood. If you look at the Powerhouse Museum Ultimo project, effectively, the area of display which was delivered by the architect of record, Lionel Glendenning, was approximately 21,000 square metres of display space for large and small objects. That is reduced in the latest plan, as shown in the modifications document, to about, including circulation, 6,500 square metres. That is a 75 per cent reduction in actual space, not volume. The volume that has been created—there are three—or will be created cannot really show small objects very easily, if at all. They're really for entertainment and large-scale events. What we've got in Parramatta is an entertainment centre or an event centre with a lot of commercial other things, and in Ultimo we've got another one. This feeds into, I believe, the Minister's passion or obsession for night-time economy and music and, indeed, a lyric theatre. If that isn't maladministration—this is not a museum we're talking about in either place. They're both effectively entertainment events venues, with a few little bits of museums added on.

The Hon. SUSAN CARTER: I have a question for anybody who is able to answer it. The Powerhouse, of course, is the Museum of Applied Arts and Sciences. This Committee is looking in particular at staffing cuts and staffing changes. Do you have any details you can share with the Committee to support the comment before that the Museum of Applied Arts and Sciences—which, in the current educational setting, should play an important role in encouraging STEM literacy—has moved away from being science based and become more exclusively art based? Is there any evidence from staffing changes that would support that statement?

KYLIE WINKWORTH: Yes. Thank you for that excellent question. It has been a huge concern to us to see the depletion of the museum's curatorial expertise in favour of hiring artists. The CEO decided to split the real curators, who are kept at bay at Castle Hill, from program curators who are developing the exhibitions, many of those with no experience with collections or museums. That's a huge concern. There is no science leadership at the museum.

The Hon. SUSAN CARTER: Sorry, you said there's no science leadership at the museum. Was there previously science leadership at the museum?

KYLIE WINKWORTH: Yes.

The Hon. SUSAN CARTER: What's been the change? Has it been a change in staffing?

KYLIE WINKWORTH: I think the paper that my colleague Andrew Grant submitted on our behalf looking at the attrition of skills and expertise at the museum documents the scale of those lost positions. I think they've only just lost the astronomy curator, which is pretty damning if you're building a space exhibition.

The Hon. SUSAN CARTER: And the astronomy curator will be replaced with another astronomy curator?

LINDSAY SHARP: No.

KYLIE WINKWORTH: Who knows?

LINDSAY SHARP: Sorry, the astronomy curator has been replaced, according to my source, by somebody who makes things in glass, a craftsperson.

The Hon. SUSAN CARTER: Makes telescopes in glass, perhaps?

LINDSAY SHARP: Perhaps like Galileo. I've run the largest science museum group in the world except one, the Smithsonian. I can tell you that STEM in London under my directorship became, for young women in particular between the ages of about 14 and 18—because generally they give science up at the age of 16—

The Hon. SUSAN CARTER: I'm grateful for this, but I'm conscious of the time and I really want to focus on changes at the Powerhouse with relation to STEM.

LINDSAY SHARP: Let me just say that when I left the museum in 1988, there were a number of science positions in science, technology, engineering and so forth. We have the retired senior curator of transport and engineering sitting behind my right shoulder. All of those skillsets have gone. There is no educational program that I'm aware of which seriously engages young women, in particular, with STEM. The idea that people will go to the Powerhouse Museum in Parramatta and look at the space exhibition, given its contents, and then take up engineering, which is a quote from our Premier, is a nonsense.

KYLIE WINKWORTH: It's a science fiction exhibition.

The Hon. NICHOLE OVERALL: Ms Winkworth, this will probably be a question for you, coming back to what you touched on in relation to the regional impacts. How is this currently affecting and how will it continue to affect and impact the regional museum network specifically?

KYLIE WINKWORTH: Thank you so much for mentioning the regional museum network. On the eve of the 2023 State election in March, John Graham promised a museum strategy for New South Wales. Since then, nothing. Dead silence. In the Creative Communities policy, he promised delivery of a regional arts policy by the end of 2024. I canvassed some of my colleagues in regional New South Wales if they knew anything about that and they haven't heard a word. There's been a deliberate decision to kick the regional can down the road so they can avoid funding it, while introducing new funding programs and strategies that are focused on Western Sydney.

I sort of get where that's coming from, but I also think about major centres like Wollongong, the Central Coast, the Mid North Coast—a fantastic museum at Port Macquarie—and I think, "Why aren't we recognising the excellence and the track record that these museums and galleries have and the bedrock service they provide?" Furthermore, we need to realise people in regional New South Wales are triple taxed for culture because they pay Federal and State Government taxes to support Federal and State cultural institutions. They get very little return from the New South Wales cultural institutions, with the exception of the State Library.

Then they have to turn around and fund their own cultural institutions—conservatoriums, libraries, museums and galleries, among others—and many of those councils now, after a long period of rate pegging, are in really deep financial trouble. Furthermore, those communities can't readily get to the major cultural institutions in Sydney. There needs to be a recognition of the embedded disadvantage that regional New South Wales has, just as there's been a recognition of the disadvantage and funding challenges for Western Sydney.

JENNIFER SANDERS: May I add that the museum, when I was there and for some time after, ran a regional outreach service and worked very closely with many regional museums but also communities, whether it was building capacity in those regions or touring exhibitions to those regions. We also ran the NSW Migration Heritage Centre, which worked closely with communities across New South Wales to develop publications, exhibitions and build that capacity. The museum now is completely out of that. It's not performing that service. It is a museum for New South Wales. All the taxpayers of New South Wales fund it, and people across New South Wales have endowed it with gifts of objects for the collection, which have now been shifted out to Castle Hill and are used by artists and whoever to make statements about.

KYLIE WINKWORTH: Celebrities.

JENNIFER SANDERS: Yes, celebrities. I forgot them. I've looked at the list. At 2022, 13 senior curators had left in science and technology, and an even greater number in decorative arts and design—

LINDSAY SHARP: Have left—

JENNIFER SANDERS: —have left and not been replaced in those positions. It's in the—

The Hon. SUSAN CARTER: To clarify, as at what year?

LINDSAY SHARP: At 2022.

JENNIFER SANDERS: Wait while I check. The last two decades.

The Hon. SUSAN CARTER: This is a change from 2022?

JENNIFER SANDERS: The last two decades, so beyond—

LINDSAY SHARP: The last two decades, but mainly in the last few years.

The Hon. SUSAN CARTER: Okay.

LINDSAY SHARP: Can I add one piece of adhocery which I think is really special? I live in the regions. I live in Kiama—a special election. Just after the election was called—by the way, I'm not political in this sense—suddenly a grant which had been sort of asked for by the LGA for a night-time economy study was suddenly approved, having been rejected, for $200,000. This was two or three weeks before the election. I'm to the left in some ways and to the right in others, so I'm an independent. I was shocked, because there was no preliminary business case to say, "Well, why would we spend $200K on this when it probably won't work anyway?" I have done some study of the South Coast arts situation and museums in the South Coast recently, so my question is, could the $200,000 have been spent to support the Australian Design Council, for example? You asked for examples; that's a classic example. It was pulled out of a hat, ad hoc. If that isn't obsessive, and a bit of pork-barrelling, I don't know what is.

The CHAIR: Thank you. Mrs Overall, do you have any more questions, because the Government also has—

The Hon. NICHOLE OVERALL: No, thank you, Chair. I'm conscious of time as well.

The CHAIR: Thank you. We'll go to Mr D'Adam.

The Hon. ANTHONY D'ADAM: I've listened to your evidence, but I'm still unclear about what you're recommending this Committee recommend. What do you want us to do?

LINDSAY SHARP: Can I go back to what I said at the beginning. This Committee, like all of us, is sadly lacking in core information. To develop a major museum, or any cultural organisation, you need a business case. The business case has all sorts of parts but, most important to it, apart from its cultural role and its messaging, is how it's going to work financially.

The Hon. ANTHONY D'ADAM: There's been a succession of decisions, though, that have clearly been made by the previous Government, as well as by this Government. What do you say? Going forward, the business case around some of these decisions should or shouldn't have been put in place?

LINDSAY SHARP: Well, we don't know what—

The Hon. ANTHONY D'ADAM: But what are you actually proposing be done now, going forward?

LINDSAY SHARP: That an SO 52 is issued by the upper House for the complete business cases for the Ultimo project, which will shine a huge light on how financially viable it is and what it's costing, and the same for the Parramatta project in terms of it has to be have been updated since 2018. It's post-COVID, the world has changed—an SO 52 for both those business cases. We, and others who are expert, can very quickly tell you whether they are viable or not, and meet Treasury rules.

The Hon. ANTHONY D'ADAM: So your recommendation is that we seek further information. But in terms of the actual future of the Powerhouse Museum, what do you propose then?

JENNIFER SANDERS: You should stop the project—the demolition of the museum at Ultimo. Stop it now. It can be backed up by a record of deceit and poor decision-making. You should have a forensic audit of that project—of the museum and how it operates—and of the Parramatta project.

LINDSAY SHARP: Yes.

JENNIFER SANDERS: If you're finding out by an audit in X years, it's going to look pretty damn bad. Because by then the money will be committed and you'll have to fund this giant spendathon. If you look at the visitor figures—referring to earlier discussion about education—the education numbers have plummeted since the current CEO took over. We don't need to have that repeated at Parramatta and at whatever is envisaged at Ultimo because the way the building is changing, it won't be a museum.

The Hon. ANTHONY D'ADAM: The Parramatta project is well underway.

JENNIFER SANDERS: It is underway.

The Hon. ANTHONY D'ADAM: I've heard your criticisms of the structure of the facility and its inadequacy, but it's a done deal; it's happening. What do you say should be done in Parramatta, for example?

JENNIFER SANDERS: Audit how it happened. It'll open—

The Hon. ANTHONY D'ADAM: No, but ultimately I'm talking about the operation of the museum rather than trying to look at the mistakes that have been made in the past.

JENNIFER SANDERS: I would separate it from the museum.

The Hon. ANTHONY D'ADAM: I want to get a sense of what you're proposing for the future.

JENNIFER SANDERS: Sorry to speak over you. I would separate it. We've discussed that. Make it a separate institution. It's not a museum. It's what Parramatta and Western Sydney really wanted, and they are putting a lot of effort into it in terms of the community, but it's a separate institution from the Powerhouse Museum. It can have its own board, its own budget and its own title. It can somehow work out how to make the most of what's really important at Parramatta, which is the heritage at the Old Government House site and the Female Factory site.

The Hon. ANTHONY D'ADAM: Can I clarify. How does separating it from the Powerhouse—

JENNIFER SANDERS: Because the Powerhouse—

The Hon. ANTHONY D'ADAM: How does that achieve a beneficial outcome for the people of Western Sydney?

KYLIE WINKWORTH: The Government's own policy announced on the eve of the election was that Parramatta would have its own identity. We've always supported a new museum in Parramatta, and I think separating it from the Powerhouse and creating a new cultural institution based in Western Sydney that's allowed to evolve in a way that's responsive to the communities of Western Sydney—not that they've had any say in what's happening there at the moment—would at least give the new institution a chance of success because you can't build a viable museum if it's just plonked in front of the community and people say, "There you go."

The Hon. ANTHONY D'ADAM: Is it not possible for the institution to evolve—

The CHAIR: Order! We're a couple of minutes over time.

The Hon. ANTHONY D'ADAM: Sorry, I'll leave my questioning there.

The CHAIR: Sorry to interrupt. That's unfortunately the end of our time for today. Time goes very quickly. Thank you so much for the work that you continue to do on this issue. If members have any supplementary questions or if you took anything on notice, the secretariat will be in touch with you. Thank you again. The Committee will break for lunch now and will be back at one o'clock.

(The witnesses withdrew.)

(Luncheon adjournment)

Dr TRACEY CALLINAN, Chief Executive Officer, Regional Arts NSW, affirmed and examined

Mr BRETT ADLINGTON, Chief Executive Officer, Museums and Galleries of NSW, before the Committee via videoconference, affirmed and examined

Ms HELEN PLUMMER, Director, Service Delivery, Lake Macquarie City Council, before the Committee via videoconference, affirmed and examined

Ms JACQUI HEMSLEY, Manager, Arts, Culture and Tourism, Lake Macquarie City Council, before the Committee via videoconference, affirmed and examined

The CHAIR: Welcome to our next session, and welcome to our next witnesses. I assume each organisation has an opening statement.

TRACEY CALLINAN: It has been a time of change in the arts, and certainly in the regional arts scene. Nothing is the same in the wake of COVID, compounded by other factors, from disaster recovery to cost of living and a changed regional economy. At the same time, regional arts practice is seeing the emergence of new work that is exciting, innovative storytelling at its best. Whether it's the strength of our First Nations artists in regional New South Wales, which needs better national recognition, cutting-edge digital practice that's happening in the bush, leading fashion development taking place in small towns, or arts and cultural practice working to strengthen and revive small communities, regional arts practice no longer needs to be seen as the poor cousin of the arts. We are producing some of the best work in the country.

Getting the right support into the regions requires careful thought because, despite positive outcomes, the arts sector in the regions still faces barriers. Funding remains the biggest single issue, but it sits alongside workforce challenges, training needs, both soft and hard infrastructure needs, and credibility—being taken seriously. For artists, their biggest barriers remain distance and isolation. We recognise the work that has happened under the Minister to strengthen the arts in terms of policy, a range of strategies and a more holistic approach that acknowledges the role of creative industries, but feel that some areas of the arts ecology have fallen through the gaps, and some work is still needed to tweak new models and find the right balance across the whole sector.

Some issues for today: the role of RADOs—that's the Regional Arts Development Organisations—in the regions, and why we need the whole network to be funded and functioning; reimagining the role of Create NSW in relation to the New South Wales regional arts network; cross-portfolio work in the arts, building better cross-sector links, funding mechanisms and collaboration opportunities; valuing the organisations that help support and provide the opportunities for arts practitioners; the vital role of local government, and why the cuts to regional galleries are detrimental to these communities; showing that the arts sector is supported in their role in disaster recovery work in the regions; and, finally, why the small to medium arts sector felt overlooked in recent funding rounds when other parts of the sector were allocated generous amounts—although, fortunately, some last-minute funding did mitigate this situation.

BRETT ADLINGTON: Thank you for the opportunity to present today. At the outset, I would like to commend the New South Wales Government for the implementation of Creative Communities as a much-needed statement of cultural ambition. Despite the sector being very much aware of the financial restraints facing the Government, the policy was met with a sense of optimism. However, the previous 12 months have dampened this enthusiasm. I do, though, want to acknowledge that our organisation is grateful to be a recipient of Create NSW eight-year funding, which has provided greater stability and the opportunity to better plan into the future. Nevertheless, like many organisations that have received multi-year funding from Create NSW, we have had to make some tough decisions. As a multi-year-funded organisation, we're now unable to apply for Create NSW project funding, meaning we've had to be mindful of ensuring we have capacity to continue delivering services to the sector.

This has led us to reduce some of our devolved funding programs to smaller organisations. While there are, of course, funding opportunities through Create NSW, it is these smaller volunteer museums who often find themselves with funding gaps through the Arts and Cultural Funding Program. Initiatives such as collection, storage needs, significance assessments or urgent conservation work often fall outside the remit of Create NSW guidelines. I would also stress that many volunteers who've had diverse careers before they become a volunteer find the Create NSW application process incredibly difficult to navigate. Under the previous Government, and connected to the unreleased museum strategy, our organisation was provided specific funding to address some of these gaps. Funding of just over $200,000 enabled us to deliver micro grants of $2,000 to over 100 organisations across the State to meet these needs and set them up for success.

Our current other major concern is witnessing a gradual contraction of programs across medium-sized organisations. Many are reducing the number of exhibitions, which in turn means less opportunities for artists and

cultural workers and fewer occasions for communities to come together. This is limiting the career pathways of creatives, which is clearly at odds with the ambitions of Creative Communities. Cultural organisations, particularly in a regional context, play a vital role in supporting community wellbeing and social cohesion, but it is those kinds of community focused programs being axed when funding becomes tight. Recently we held our annual IMAGinE Awards. What stood out was the absolute commitment of the sector to artists, cultural workers and community. Also compelling was the work those organisations are doing supporting First Nations stories and communities.

A few examples included Bathurst Regional Art Gallery's project Dhuluny, which commemorated 200 years since the 1824 declaration of martial law in Bathurst—the associated series of public programs amassed over 67,000 participants in a powerful act celebrating the resilience of the Wiradyuri nation; the Arts Northern Rivers collaboration with regional galleries in Tweed, Grafton and Lismore, whereby woven objects from the Australian Museum collection came home to Bundjalung country for the first time in over 100 years—the historic objects were shown alongside newly commissioned weaving works by descendants of the original makers; and the volunteer-led Port Macquarie Museum, who presented *Barayal Bila (River Song)*, which was the first time the museum had worked with the local Aboriginal community in such a way. Those projects demonstrate that when organisations have stability and can establish solid partnerships with other supported organisations, then creative communities will truly come to life. Thank you.

The CHAIR: Thank you very much. Lake Macquarie City Council, is one of you giving an opening statement?

HELEN PLUMMER: Yes, I will speak on behalf of Lake Macquarie City Council. Thank you very much for the opportunity to speak to the inquiry today. Our comments to this inquiry reflect our experiences in Lake Macquarie, but also represent the broader perspective of local government and regional communities on the structure and funding of the Arts, Music, Night-time Economy and Transport portfolios. Across New South Wales, councils are the backbone of arts and cultural delivery. We collectively manage thousands of cultural sites, libraries, galleries and theatres, providing vital access to creative experiences that strengthen community identity, wellbeing and economic development. Those programs are not luxuries; they are essential drivers of tourism, education and resilience for our communities. Recent changes to Create NSW funding have placed many councils and communities, including Lake Macquarie city, in an unviable position.

Multi-year funding models have been dismantled, and allocations disproportionately favour metropolitan organisations. Within the most recent round of the four-year grants, of 82 funded organisations statewide, only 36 were regionally based, sharing just $7.15 million of the $17 million annual investment. This inequity undermines regional cultural vitality and limits opportunities for diverse voices. The consequences are serious. We are seeing reduced funding, which forces councils to divert resources from other essential services, increasing financial strain. We're seeing loss of stability, compromising our ability to plan strategically, retain skilled staff and deliver high-quality programming. We're seeing rising costs for staffing, freight and insurance, which compounds those challenges, while the demand for arts programs continues to grow.

For Lake Macquarie specifically, we have invested heavily in cultural infrastructure, activating 14 facilities, running artist-in-residence programs and growing creative industries by over 20 per cent since 2017. Yet we are facing increasing difficulty accessing State-level support. Local government has the expertise, infrastructure and community connections to deliver impactful outcomes. However, we operate in volatile political environments which can impact the stability of our internal funding allocation and creative programming, and we cannot sustain our activities without predictable, equitable and long-term investment. We urge the New South Wales Government to reinstate multi-year funding models, providing dedicated support for regional arts and culture, and ensure that transport and safety frameworks are transparent and consistent. Arts and culture are not optional extras; they are central to the social and economic fabric of our community. Without commitments, we risk losing the cultural institutions and programs that make New South Wales vibrant, inclusive and resilient. Thank you.

The CHAIR: Thank you very much, everybody, for those opening statements. I believe the Creative Communities policy committed the Government to producing a regional arts strategy by the end of 2024. I don't believe that's been produced. Is that correct?

TRACEY CALLINAN: It's in the final stages of development at the moment, I believe. We are expecting the launch of that to be late January. That is what I've heard at this stage.

The CHAIR: The others who have been involved in that—is that a process that has had wide consultation? Mr Adlington, I think you were about to say something.

BRETT ADLINGTON: I've had a couple of meetings about that plan—two meetings, in fact. One was just last week. I would dispute that there has been widespread consultation on that plan. I mean, there was wide consultation for Creative Communities, but I think the regional plan has been developed pretty quietly.

The CHAIR: We'll stick on the regional arts strategy. You sound like you've been engaged a little bit in it or you've known about it, Dr Callinan.

TRACEY CALLINAN: I haven't been very involved with it at all. I had one consultation session early on and I had a phone call on Friday about possible involvement that we may have in something that comes out of it, but that's all. I did express this to Create NSW—I know that they felt that they had done so much consultation for the policy itself that they didn't need to do as much for the regional strategy. They did put a working party together. I felt it was a shame that, as the peak body for regional arts in New South Wales, that we weren't directly involved in that. It is an area of my own expertise. It's actually what I wrote my PhD on. We've been quite peripheral to that. We have the network, though, of the 15 RADOs. Quite a number of those RADOs—executive directors—were on the working party.

The CHAIR: In terms of the structure of Create NSW, because this is what this inquiry is looking into—the structure and funding decisions—do you think that the current make-up, and perhaps we can also include the boards, reflects regional New South Wales in a way that ensures that the voices and experiences of regional arts bodies are heard and are part of the overall strategy of Create NSW? I'll go to Dr Callinan and then if others have anything to add online.

TRACEY CALLINAN: In the processes themselves, there is a sense of ongoing communication that exists there, largely really through the network of RADOs. Our position has improved in that time. We have built those lines of communication better than they were, but they were certainly at a low point over some years just because of some changes that happened within our own funding. There has always been a willingness to come and liaise and listen, but, at the same time, the regional sector's feeling very undermined at the moment, and a lot of that does come back to the new funding model.

Again, I do want to reiterate we're not against the new funding model. There have been many good things that have been brought in, but it certainly needs a little bit of tweaking. I think one of the main reasons that the regional network through the RADOs is feeling very disenfranchised at the moment is because they've always had a position of being in what was called the negotiated pool, which meant that they were all guaranteed of funding. They got shifted out of that and put into a competitive pool. I understand why those competitive pools will happen. That's about making sure that you're putting in quality. But it's certainly not addressing issues of access and equity across regional New South Wales.

What the RADOs do is put the support into regional areas. When you live regionally and you're trying to run an arts practice, whether it's community practice or whether it's professional arts work, you need that extra support to overcome the barriers. By removing them out of that, we now have the situation where we have one RADO completely unfunded. To me, there is an issue about the quality in that area, but we now have, geographically, an area of New South Wales that does not get the same services as other areas. That is an example of where the relationship has broken down throughout this process.

Because I work on supporting those RADOs, it's really knocked them around, basically. They had felt up to then that they had a recognised and special place within the regional sector that was about providing the services, and in turn that they were respected. By taking them out of that and putting them into a very uncertain position—and there is this ongoing theme that will come through over and over again about the fact that there just isn't enough funding there at the moment—that has really undermined the sense of the regions being supported. I'm sure Lake Macquarie will have more to say about this, but you then compound that by having a situation where local government in regional New South Wales, who are the biggest providers of most cultural services—both through the actual hard infrastructure but with the staff that they have working there as well—also have fared very badly. There has been a sense of Regional feeling a bit sidelined in the process.

The CHAIR: We'll go online now to Lake Macquarie, unless Mr Adlington has anything to add. I'm not sure who to go to at Lake Macquarie.

HELEN PLUMMER: I'll start and then my colleague Ms Hemsley will follow. Just on the consultation piece, we haven't been engaged in the consultation. That links to the questions around the RADOs and that we don't have access to that network. Our LGA is considered partly regional but we don't have access to those services, so the ability for us to consult and to gain that support is limited and is causing challenges. The question around the impact of the funding change to being a competitive process—we see that that is impacting in a way where councils that haven't got the experience or the capacity to apply and go through that competitive process are now disadvantaged and may not be able to secure that funding in the way that they have relied upon in the

past. We see that that's having a significant impact and a long-term impact. I'll hand to my colleague Ms Hemsley to continue, if that's okay.

JACQUI HEMSLEY: The RADO network is an extremely important one. If I can digress a little bit, in the past I've had the pleasure of being on the board for the Far West Darling RADO out in Broken Hill and with Murray Arts in Albury. The role there was really pivotal in creating networks within the LGAs and working outside and above the institutions as conduits for the community, and the creative community engaging with the facilities, by being able to provide that professional development for artists but also that connection for professional arts workers in those regions. Generally, for local government in the arts sector, working in the arts and community sector, these are vital roles, especially in reaching diverse, inclusive and different elements of our communities remotely.

In Lake Macquarie, we're half regional and considered half metropolitan. Through our own restructures, we've engaged a community officer, who has a part-time job while also doing public art, for the very reason of being able to create those networks with the artists and the sector across the broad sector—not just the visual artists but all creatives—and then work with our neighbouring colleagues, Central Coast, the wider Hunter and Newcastle, which is considered a metropolitan centre. As New South Wales changes, I think there needs to be some more of that understanding and respect for the RADO network and that regional arts and that remote access, especially when there's more expansion with these regional towns. There's new engagement with technology and how that works in bringing regional arts elements into the city and vice versa—but also how important that consultation point is, especially if we're trying to develop a creative sector industry development plan for New South Wales.

The CHAIR: Mr Adlington, do you have something?

BRETT ADLINGTON: I just wanted to add something briefly about the role of the Artform Boards. I'm speaking as a member of one of those Artform Boards, someone who is on some district boards as well. I kind of totally understand why there's been a new consideration around the conflict of interest process that has been brought into that process. But I think, at the same time, it's probably meant that the lived experience and skills in terms of making some of those decisions may not necessarily be in the room. An organisation who might have an application in a multi-year round will not be part of that whole process, whereas previously they would obviously step out of the room for assessment of their own application. I guess that's sort of our fear—that sometimes decisions have been made without fully knowing what the impacts of those decisions might be. That sort of points to Dr Callinan's point about RADO being not funded and also Australian Design Centre being another example of that as well. Yes, I'll just leave it at that.

The Hon. NICHOLE OVERALL: I might go straight to that, Mr Adlington, and perhaps ask Dr Callinan around that Regional Arts NSW submission that regional expertise was being routinely removed from assessment panels. As just pointed out by Mr Adlington, that can't be something that's going to be suitable or a constructive outcome in the long run.

The CHAIR: Who would like to grab that one? Dr Callinan.

TRACEY CALLINAN: When it comes to assessing, there is a problem. Create NSW always makes sure that there is representation on the assessment panel. It's not as if the process up to that point is problematic. But what happens time and again is the people who are often on those panels do end up with conflicts of interest. I know that they did try very hard this time to not have those conflicts there so that people didn't have to leave the room. Yet I know stories of people who have said that they had to. What then happens, if you have a panel of people and the people who are there representing a regional perspective have close ties to the regions, when they have to assess a regional application, they have to remove themselves from that process. We end up then with no representation at all from the regions.

With all due respect to the metropolitan-based people who are there doing their best job to assess, they do not have the regional perspective, they don't have the nuance and the understanding. We have seen time and again that regional organisations sometimes miss out because of that lack of understanding of why regional organisations work and function differently to metropolitan ones. It has to be addressed. Even before this funding round, I've known it to happen to our own organisation. We went to a panel and the two people that were representing regional New South Wales were so closely aligned with us that they had to leave the room, so we never got any input. That's certainly happened with the RADOs as well. I know that one of the members of that panel was aligned with every single one of those RADOs and had to leave the room every time they were assessed.

The CHAIR: Yes, you can see how that would be the case. Mr Adlington?

BRETT ADLINGTON: On the back of that, it can also be that maybe there is still someone regional in the room, but to have the regional in a local government context, to understand that, is really key as well.

Oftentimes the local government context can be missing and that is a particular space and understanding that really needs to be listened to.

The CHAIR: Thank you. Nichole, are you there and wanting to ask another question with your video off?

The Hon. NICHOLE OVERALL: Yes. Welcome to living in the regions everyone, whether it's arts or communication. Mr Adlington, can I quickly just come to you then, please? Could you touch on regional galleries receiving a success rate in the four-year, multi-year funding below 18 per cent in comparison to the metropolitan galleries at about 52 per cent, and how this accords to the Government policy, which explicitly promised equitable access for regional New South Wales? Clearly that is not happening.

BRETT ADLINGTON: Just to pick up, that success rate—the 52 per cent success rate—would be related to the overall success rate of that round, not just galleries in metropolitan. I would also like to note that the two-year funding, it was a much more favourable response than what had been feared. There was a strong number of organisations that were successful in two-year funding, probably not to the funding levels that they might have received previously, but at least they had a little bit of certainty.

It picks up on that conversation around the pressures placed back on, particularly, local government as well. I probably can't speak, off the top of my head, to some of the context around Creative Communities in the regional gallery sector, but what it is doing is what I mentioned in my opening statement about the retraction of programs and pulling back of the ambition of organisations. We've heard of organisations who have planned to be supporting more emerging practitioners to, say, be delivering workshops and things like that to their communities. But because of the extra time that might take, the extra funding that that might take, they're pulling back on those career pathways for not just artists but cultural workers as well.

The Hon. NICHOLE OVERALL: Just finally then, Chair. The last one I'll take to Lake Macquarie council. But just coming to that, Mr Adlington, when we're talking about how they've been more successful in the second round with multi-year—two-year—funding, that doesn't really alleviate the ongoing future concerns around regional organisations and what they're dealing with and being left with. Even if they are successful in that right now, that doesn't solve the problem in the long run. Coming to Lake Macquarie—and then, Ms Plummer, one for you, perhaps—it does appear that the State is increasingly trying to shift even more of the cultural responsibilities onto councils but without matching the funding. It's just unrealistic, unfair and unsustainable to think that the councils can cater to filling these gaps, surely.

HELEN PLUMMER: We have $150,000 in funding, which is against a budget for our department for that function of $15 million. It's a very, well, almost insignificant amount of funding. The administration to undertake the reporting that we're required to do to reconcile that funding is—we report four times a year, and the administrative burden on that, for $150,000, is a lot. It's impacting what we can deliver. It's impacting our ability to commission new arts, to grow our program and deliver and meet the expectations of our growing population. We've got one of the largest regional growth populations in New South Wales. Lifestyle factors are some of the reasons that we see that growth. This service and these activities are a part of that. We're not able to sustain the growth to meet the expectations of the community. We're absorbing those costs internally, considering what we can deliver for our arts and culture space against other services and other costs that are being shifted to us. It's increasingly becoming more and more difficult to sustain our services in this space.

The Hon. SUSAN CARTER: Thank you all for taking the time to appear. In your submissions there seems to be a theme about a shift in focus away from long-term funding towards shorter term funding, and towards festivals and short-term events at the expense of community-based cultural work. I wonder if anybody would like to comment on that and whether they see that in the way the funding model seems to be shifting?

TRACEY CALLINAN: I'm happy to start with that. Yes, there does seem to have been a shift. I don't think it's fair, necessarily, to say it's moving towards short-term funding. One of the things Create NSW, I think, really tried to do in this last lot of funding was put everybody into multi-year options, because they wanted to move away from that really difficult model that existed before of annual funding, where from year to year everybody had to—those that were on annual funding, there was no certainty. Now, for that type of funding, the minimum amount is two years. So they came up with the two-year, the four-year, the eight-year option.

The Hon. SUSAN CARTER: Just on that, Dr Callinan, how many of the RADOs were on the two-year rather than the four-year funding?

TRACEY CALLINAN: They were all in what we call the negotiated pool. It was a different model, but they were all on four-year funding, which actually kept getting rolled over and rolled over while they were trying to work out what to do. The significant change for them was that they didn't have to compete; they had certainty. They were considered an essential part of the ecology. Now they no longer have any surety about that,

so we have this difficult and uneven situation across New South Wales. So from them all knowing that they were secure before, the outcome of this was that, of the 15 RADOs, three of them missed out on four-year funding. They then had to reapply to two-year funding, and within the two-year funding round only two of the three were funded, leaving one of them completely unfunded. They just don't have the reserves to be able to function now, so they're going to go into hiatus and try and rebuild. So that's two years of being—

The Hon. SUSAN CARTER: In practical terms for that region what does "hiatus" mean?

TRACEY CALLINAN: It means they won't be able to deliver any support programs or have any staff. They might have enough to remain as an entity, but a non-delivering entity, during which time the volunteer board will work to try and reposition themselves strategically so that they can apply to the next round of two-year funding. So there will be a two-year hiatus period.

The Hon. SUSAN CARTER: What happens to artists in that region in that two-year period?

TRACEY CALLINAN: At the moment, we've looked at the options, and the only options we can see are that either other RADOs try and pick it up, we try and pick it up, or that region is unserviced. At the moment I don't think it's viable for other RADOs to pick them up. They had no increase in funding. I also think it becomes problematic if they try and pick it up. They make the existing RADO even more unviable and they are likely to become insolvent sooner or later.

The Hon. SUSAN CARTER: Are you aware if anybody has had discussions with the Minister about how this particular issue is solved for that region?

TRACEY CALLINAN: We have not had direct discussions. We have requested meetings. Last I spoke to the Minister's adviser, I did—

The Hon. SUSAN CARTER: Sorry, you said you've requested meetings. Have those meeting requests been accepted?

TRACEY CALLINAN: No, they haven't. We did, at one stage between the four-year and the two-year announcements, have a meeting that both Mr Adlington and I were going to attend, but it got cancelled. So I have again—

The Hon. SUSAN CARTER: What was the reason for the cancellation?

TRACEY CALLINAN: We weren't given a reason.

The Hon. SUSAN CARTER: So you had a meeting to discuss the funding issues, and it was cancelled without any reason.

TRACEY CALLINAN: Yes.

The Hon. SUSAN CARTER: That seems disrespectful.

TRACEY CALLINAN: I'm not commenting on that.

The Hon. SUSAN CARTER: I understand, yes. But it is surely a real issue for regional access to the arts if we have a whole region of New South Wales that we hope and pray may be able to position themselves in the next two years.

TRACEY CALLINAN: Yes.

The Hon. SUSAN CARTER: Was there detailed feedback, are you aware, to that application so that, for that region, the RADO knows what needs to be addressed?

TRACEY CALLINAN: They were given feedback. It was given to the executive director who has now been made redundant. It seems that the board has picked up quite different feedback to what that executive director was doing, but they now seem to have a clearer idea of what they need to do to address it. My concern with that is I do feel that when you identify really vital parts of the ecology—and I would argue that a RADO is a vital part—if there are weaknesses in a RADO, then I think it needs to be addressed much earlier by the funding body. I think that it is quite possible to come up with a model where a funding body can put expectations and conditions into the schedule of a contract, but that's never been done. My argument has always been don't just defund them and disadvantage a whole geographical area—it is, in fact, the area of Dubbo and surrounds. Instead of disadvantaging that regional population, work with the organisation to get them to be able to deliver something that everybody finds satisfactory.

The Hon. SUSAN CARTER: Was there any support or mentoring offered to that RADO, or they were simply defunded?

TRACEY CALLINAN: They were simply defunded. I know that Create NSW has said things like, "We have given them feedback before." The executive director certainly did not seem to have a good understanding of any expectation or a genuine risk of losing funding, so it came as quite a shock to that organisation.

The Hon. SUSAN CARTER: You said that the executive officer was no longer employed.

TRACEY CALLINAN: She has been made redundant because, without funding now, they cannot afford to pay staff.

The Hon. SUSAN CARTER: So a struggling entity will now be experiencing a loss of expertise in a region of Australia where it may be difficult to build that expertise, especially without the RADO and no mentoring being offered by Create NSW.

TRACEY CALLINAN: No.

The Hon. SUSAN CARTER: That seems an unusual way to go about building regional arts capacity.

TRACEY CALLINAN: I would also add that we try and support the RADOs as much as possible, but from 2022 to 2025 we have been an unfunded organisation ourselves. We have now been re-funded from next year. Because we try to mentor and assist as much as possible, we have put in as much help as we can, but we haven't had enormous capacity ourselves.

The Hon. MARK BANASIAK: Mr Adlington, I was just going to pick up on your submission. You spoke about how the Creative Communities policy principles two, three and four seem to be at odds with the Government's actions. Could you elaborate on that a bit more in terms of what the Government has done that has put it at odds with its own policy principles listed in that Creative Communities document?

BRETT ADLINGTON: I guess it's responding to the fact that the policy had a sense of ambition to it and a sense of optimism to it as well that—as I mentioned in my opening statement—the sector was excited about but still knowing and understanding that it was a fairly tight fiscal environment. But I think some of the decisions over the past 12 months have meant that organisations are really starting to retract and not have that sense of ambition about their own programs at the same time. So less exhibitions—

The Hon. MARK BANASIAK: Just on that, would it have been better that the policy had a sense of realism rather than a sense of unrealistic aspirations?

BRETT ADLINGTON: I feel like Create NSW was in a tricky position when the policy was released in terms of how they articulated to the sector what is possible in terms of—there were funding amounts put in in various rounds, and most organisations were funded well below what the upper limit of funding amounts were. I think partly—I know a number of submissions have picked up on this—during the assessment process, not knowing what the budget is for the round that you're assessing means that you're really not making a fully informed decision about who is recommended for funding and who isn't. I think there'd be tougher decisions being made by an assessment panel if they knew what the funding amount was. But because they don't know—

The Hon. MARK BANASIAK: If the assessment panel doesn't know what the funding envelope is, it really sets up the people applying for that funding for disappointment and failure because they don't know what their expectation level should be either.

BRETT ADLINGTON: That's right. If an organisation's been recommended for funding and they don't get funding, then there's not that sense of strong feedback that's able to be given to those organisations because the assessment panel, on the basis of that application, recommended it for funding. It also points to that point I made before that when you are assessing applications, it's good practice, in so many ways, that you're scoring against particular criteria and can only look at the applications in front of you. But that can be, then, when you do this—the understanding and discussion around what are the impacts if an organisation isn't funded. I think project funding is one thing, but when it comes to multi-year funding, which has strong impacts on whether an organisation is viable, that just means you end up with organisations that do not have the capacity to keep going.

The CHAIR: We're going to have to leave it there, I'm afraid. Unfortunately, we have run slightly over time. Thank you all very much for attending. Please be assured that your evidence in the submissions as well as today will be taken very seriously. We have found we haven't had enough time in each session to get to all the questions we want to get to.

(The witnesses withdrew.)

Mr MICHAEL RODRIGUES, 24-Hour Economy Commissioner and Acting Deputy Secretary, 24-Hour, Screen and Sound, Department of Creative Industries, Tourism, Hospitality and Sport, sworn and examined

Ms KERRI GLASSCOCK, Executive Director, Create NSW, Department of Creative Industries, Tourism, Hospitality and Sport, affirmed and examined

Ms EMILY COLLINS, Head, Sound NSW, Department of Creative Industries, Tourism, Hospitality and Sport, affirmed and examined

The CHAIR: Welcome to our next session. Is there an opening statement at all?

MICHAEL RODRIGUES: We don't really have an opening statement but, if it's helpful to the Committee, we do have copies of the key overarching strategies that guide the work that we are doing. It's the three policies that I'm sure you're familiar with: the Creative Communities policy, the NSW Contemporary Music Strategy and also the 24-Hour Economy Strategy. We can table those for the Committee's information.

The CHAIR: Excellent. I debated whether to print out one of those earlier today. I'm glad I didn't do it.

MICHAEL RODRIGUES: There are a number there, in case you need them.

The CHAIR: We'll go straight to questions. I note that the Government didn't make a submission to this inquiry either. The Committee requested detailed organisational charts so that we had some idea. Some charts were sent through to Committee members this morning. I'll begin by asking for more detail to some responses to questions that I put for supplementary questions to budget estimates last time. Let's start with Sound NSW. I got answers back that, to be brutally honest, were less than satisfactory in terms of the detail. For example, I asked:

> How much did Sound NSW spend on wages/salaries in the 2024-25 financial year?

The answer stated:

> Wages form part of the Sound NSW budget. The 2024-25 Budget contains $27 million for Sound NSW to deliver programs that drive audience and international market development, strengthen the live music industry and champion NSW artists.

I can't find on the budget papers where the wages breakdown is for Sound NSW. Is that publicly available, firstly?

EMILY COLLINS: I believe the amount of $5.1 million is publicly available in the budget papers, but I can also provide actual figures for 2024-25.

The CHAIR: Yes, please.

EMILY COLLINS: It's $2.315 million.

The CHAIR: What was the $5.1 million?

EMILY COLLINS: The cap of what we're able to spend on staffing. We spent just over $2.3 million.

The CHAIR: And you had 12 employees?

EMILY COLLINS: Correct.

The CHAIR: The second question I asked stated:

> How much has Sound NSW spent on travel and accommodation over the past three financial years?
>
> (a) For each year, please provide a breakdown by event type, region, and purpose of expenditure.

Again, this was budget estimates. The response was almost the same as the previous response, but it stated:

> Operational expenses form part of the Sound NSW budget. The 2024-25 Budget contains $27 million for Sound NSW to deliver programs that drive audience and international market development, strengthen the live music industry and champion NSW artists.

That was the response. Did you sign off on those responses, Ms Collins?

EMILY COLLINS: I was actually on leave at the time.

The CHAIR: Do you know who did?

EMILY COLLINS: I will have to take that on notice.

The CHAIR: Do you have the details now about travel and accommodation?

EMILY COLLINS: I don't have the specific breakdown, but I do know that the travel and accommodation cap for 2024-25 was up to $100,000 and we did not reach that cap.

The CHAIR: The next question I had was in a similar vein, on food, drinks and hospitality. The response was exactly the same as the previous response in relation to food and travel—no detail. Possibly some questions will go in as supplementary from members. I might turn to you, Mr Rodrigues. The next question I had was about staff. Thank you for the response that said that the 24-Hour Economy Commission had 63 employees. My next question was about how much the office spent on wages and salaries. That response was:

> Operational expenses form part of the budget for the 24-Hour Economy Commission. The 2024-25 Budget contains $27.4 million to support the work of the 24-Hour Economy Commissioner to develop vibrant, safe and diverse night-time precincts across the State and delivery of the refreshed NSW 24-Hour Economy Strategy.

Which is similar to the response given by Sound NSW. Did you sign off on that response?

MICHAEL RODRIGUES: I would have to take it on notice. I just can't recall if I signed off on it. It's likely that I did.

The CHAIR: Did you sign off on the Sound NSW response?

MICHAEL RODRIGUES: I will have to take that on notice.

The CHAIR: Did you have anything to do with it?

MICHAEL RODRIGUES: I can't recall.

The CHAIR: The next question that I asked was about the travel and accommodation—how much the Office of the 24-Hour Economy Commissioner spent on travel and accommodation. I got exactly the same response as the previous response. It was similar to the Sound NSW response, which essentially was not a response. It was disrespectful, to be brutally honest, in terms of the role of a budget estimates committee—if there's any question we can ask and expect a response on, it's about budget expenditure within an agency where we can't find it online anywhere, which I have looked and looked for. There is no detail. We're the upper House Committee asking for information about how much is spent on staff, how much is spent on travel and we get this response, and you can't recall whether you had anything to do with it?

The Hon. ANTHONY D'ADAM: Point of order: The witness has taken it on notice, so—

The CHAIR: He said he can't recall and I'm asking him again—

The Hon. ANTHONY D'ADAM: And he said earlier that he would take the question on notice.

The CHAIR: There is no point of order. This is a Committee asking about expenditure and funding cuts, and this is the question that I've asked. I'm asking now, again, whether you can recall having any involvement in the framing of these?

MICHAEL RODRIGUES: I apologise. I just can't recall.

The CHAIR: Then there was food, drinks and hospitality—the same question, the same response. One last question in relation to grant allocations. We've heard a lot today about grant allocations, a breakdown of who has received what. Alot of people within the sector are saying they don't know who has received the grant. There was a question in relation to how much was spent on each of the grant programs and a breakdown by grant program components again. This is a little bit more detailed because it pointed to the New South Wales grants and funding website, but there's not really an extensive breakdown. I might go to you, Ms Glasscock, for this question. Is there a report, a compilation, an annual report that provides the detail of all of the funding and the objectives reached? How does the public assess what is given out in terms of those grants that are on the grants and funding section of Create NSW.

KERRI GLASSCOCK: In relation to annual reporting, we report on the total amount of funding distributed, not the individual rounds. I'm happy to go into that detail if you would like? I've got our budget in front of me for the individual rounds.

The CHAIR: That's okay.

KERRI GLASSCOCK: In response to your question, I don't believe we break them down in public reporting.

The Hon. SUSAN CARTER: Mr Rodrigues, how many staff are employed in the 24-Hour Economy Commissioner's office?

MICHAEL RODRIGUES: I have that number as 68.

The Hon. SUSAN CARTER: Is that 68 headcount or 68 FTE?

MICHAEL RODRIGUES: FTE.

The Hon. SUSAN CARTER: What's the number of executive directors in the 24-Hour Economy office?

MICHAEL RODRIGUES: Specifically the executive director in the 24-Hour Economy office is the commissioner role.

The Hon. SUSAN CARTER: Right, so that's one.

MICHAEL RODRIGUES: That's one.

The Hon. SUSAN CARTER: And associate directors?

MICHAEL RODRIGUES: I would have to take that on notice—the total of associate directors.

The Hon. SUSAN CARTER: If you could take that on notice and also details about their specific roles.

MICHAEL RODRIGUES: Yes.

The Hon. SUSAN CARTER: Is that a problem?

MICHAEL RODRIGUES: The only reason I'm pausing is that there's also the directors that—it's executive director, then director. There are four directors in the office.

The Hon. SUSAN CARTER: So one executive director, four directors and then—

MICHAEL RODRIGUES: And then a number of associate directors.

The Hon. SUSAN CARTER: —a number of associate directors. What's the difference between the role of a director and an associate director?

MICHAEL RODRIGUES: It would depend on the role description, and the areas in respect of which they report. For example, in the area of programs, the program director would have oversight of the delivery of all the programs that have been delivered by the office. A number of associate directors would assist in, and, for example, potentially lead on, the delivery of one of those projects. For example, again in the context of Uptown or Purple Flag, there may be an associate director appointed to look after that program.

The Hon. SUSAN CARTER: That was Purple Flag you were talking about.

MICHAEL RODRIGUES: As an example, or Uptown.

The Hon. SUSAN CARTER: Yes, as an example. The strategic executive director, how is the work done by that employee different from the work that you do in your role?

MICHAEL RODRIGUES: Ms Carter, are you referring to the org chart that has been provided?

The Hon. SUSAN CARTER: I'm not. Are you saying there isn't a strategic executive director?

MICHAEL RODRIGUES: One of the complications is that the division has been set up for 24-Hour, Screen and Sound. In that organisational structure, I was asked to act as both the commissioner, which is an executive director role, and an acting deputy secretary, which is a band 3 role. The executive director role that you're referring to was there to support the delivery across the three agencies, being Screen, Sound and 24.

The Hon. SUSAN CARTER: Sorry, it doesn't help me understand how the work is different to your role.

MICHAEL RODRIGUES: I apologise. It is somewhat confusing because, for the period of the last 12 months, I've been doing essentially two roles, both my substantive role, which is as the 24-Hour Economy Commissioner, and a temporary or acting role, which is that of acting deputy secretary.

The Hon. SUSAN CARTER: Yes, and the strategic executive director—what role is that?

MICHAEL RODRIGUES: It has been to support work across the division of 24-Hour, Screen and Sound.

The Hon. SUSAN CARTER: So that would be to support what you were doing as acting deputy secretary?

MICHAEL RODRIGUES: Yes.

The Hon. SUSAN CARTER: So it's not specific to 24-Hour Economy?

MICHAEL RODRIGUES: It would include but be not specific to.

The Hon. SUSAN CARTER: With respect to the details you've taken on notice before, could you also include the KPIs for each of those roles?

MICHAEL RODRIGUES: Yes.

The Hon. SUSAN CARTER: Does each role have KPIs?

MICHAEL RODRIGUES: Each role would have a role description and deliverables under that role. I'm happy to take that on notice.

The Hon. SUSAN CARTER: Without a KPI, what other metric is used to assess whether the work that is hoped to be done is being achieved?

MICHAEL RODRIGUES: I should say that each area has a strategy. The strategy is then worked out how to be delivered. That may involve, for example, delivery of vibrancy reforms.

The Hon. SUSAN CARTER: Who tests the successful delivery of that strategy?

MICHAEL RODRIGUES: It varies depending on the strategy and the length of time the strategy is in place for, but in broad terms once the strategy is published by government, funding allocated, it's delivered and then reviewed and monitored.

The Hon. SUSAN CARTER: Who reviews and who monitors?

MICHAEL RODRIGUES: In our case, for 24-Hour, we will continue to monitor the delivery of items under the strategy.

The Hon. SUSAN CARTER: You self-monitor and self-assess?

MICHAEL RODRIGUES: And that is supported by and reported back to a government steering committee.

The Hon. SUSAN CARTER: On how many occasions when you've self-monitored or self-assessed have you found that program benchmarks have not been met?

MICHAEL RODRIGUES: In terms of the 24-Hour work, I don't recall a circumstance in which a project benchmark has not been met. I should—

The Hon. SUSAN CARTER: What it sounds like you're saying is that you self-assess yourself at 100 per cent performance. Is that right?

MICHAEL RODRIGUES: No, I don't think that's the correct—

The Hon. SUSAN CARTER: In what way is that incorrect?

MICHAEL RODRIGUES: I don't think that's the correct construction.

The Hon. SUSAN CARTER: How would you frame it then?

MICHAEL RODRIGUES: I'd frame it as the policy decision is made, the programs are designed to deliver against those policy outcomes, we implement the program, we then monitor the program and then review the effectiveness against the program. In some circumstances, that may involve an external review.

The Hon. SUSAN CARTER: How many times in the last two years has it involved an external review?

MICHAEL RODRIGUES: I recall that we have had an external review done for—I don't want to get the facts wrong—at least one program.

The Hon. SUSAN CARTER: I'm happy for you to take it on notice. It doesn't sound like it's a common occurrence, though.

MICHAEL RODRIGUES: Part of the reason for that is the programs take time to be deployed, and then funding to be granted, reports given back and—

The Hon. SUSAN CARTER: The work of the directors and the associate directors who are involved with the program delivery—how is their work performance assessed?

MICHAEL RODRIGUES: All government employees are subject to annual performance reviews.

The Hon. SUSAN CARTER: Who conducts those?

MICHAEL RODRIGUES: Typically their line manager.

The Hon. SUSAN CARTER: Who is the line manager for a director?

MICHAEL RODRIGUES: It would be for me.

The Hon. SUSAN CARTER: Who is the line manager for an associate—

MICHAEL RODRIGUES: Sorry, it depends on the case but, in some circumstances, the directors report in to me.

The Hon. SUSAN CARTER: And associate directors?

MICHAEL RODRIGUES: They would report in to a director, generally speaking.

The Hon. SUSAN CARTER: Who is your line manager?

MICHAEL RODRIGUES: My line manager is the secretary, Elizabeth Mildwater.

The Hon. SUSAN CARTER: Does anybody employed in your office have KPIs associated with their role?

MICHAEL RODRIGUES: Yes. The KPIs are included as part of the annual performance review which is attached to the role.

The Hon. SUSAN CARTER: So you can provide us with details of the KPIs associated with each role?

MICHAEL RODRIGUES: Can I take that on notice?

The Hon. SUSAN CARTER: Sorry, are you taking on notice whether you can or whether they exist?

MICHAEL RODRIGUES: I'm taking on notice whether or not they can be provided.

The Hon. SUSAN CARTER: Why could they not be provided?

MICHAEL RODRIGUES: I don't know whether there are any requirements around confidentiality or not in respect of individual roles.

The Hon. SUSAN CARTER: We're not asking for names; we're just asking for role, role description and KPIs. What confidentiality would be associated with that for public servants delivering for New South Wales?

MICHAEL RODRIGUES: Sure, I understand. I'll take it on notice.

The Hon. SUSAN CARTER: You will provide them on notice?

MICHAEL RODRIGUES: Yes.

The Hon. SUSAN CARTER: How many staff members were involved in organising the Neon Marketplace?

MICHAEL RODRIGUES: Again, I'd have to take the exact number on notice.

The Hon. SUSAN CARTER: How was the success or otherwise of that event measured?

MICHAEL RODRIGUES: I think you might be referring to the NEON Forum.

The Hon. SUSAN CARTER: Apologies.

MICHAEL RODRIGUES: The NEON Forum being an event. Is that the matter you're referring to?

The Hon. SUSAN CARTER: How did you determine the measure of success or otherwise of that?

MICHAEL RODRIGUES: The event was delivered this year, and it was well attended. The number of attendees exceeded the number of attendees last year.

The Hon. SUSAN CARTER: The only metric for success or otherwise was attendance?

MICHAEL RODRIGUES: We do seek feedback from the attendees in terms of did they find the conference useful and did they make business connections—things of that nature. I understand that—

The Hon. SUSAN CARTER: What deliverables did you expect from that event?

MICHAEL RODRIGUES: A big part of the work of the office is to bring the participants in the 24-hour economy together. It's a broad range of participants, as you're familiar with, spanning New South Wales Government agencies, councils—

The Hon. SUSAN CARTER: Were there any measurable benefits associated with that?

MICHAEL RODRIGUES: The benefit is in bringing people together and then, in individual sessions—

The Hon. SUSAN CARTER: It's a networking benefit.

MICHAEL RODRIGUES: And information provision and, in certain circumstances, workshops being conducted around particular government programs.

The Hon. SUSAN CARTER: How do you track spending and customer growth in uptown districts?

MICHAEL RODRIGUES: The platform that we've discussed in the past, Data After Dark, is the primary platform for measurement. It has some limitations in terms of its ability to measure down to the defined geographical area.

The Hon. SUSAN CARTER: What are you doing to address those limitations?

MICHAEL RODRIGUES: It's a technical question that I don't—

The Hon. SUSAN CARTER: I'm happy to get a technical answer.

MICHAEL RODRIGUES: We are looking to do the best job we can at measuring down to—

The Hon. SUSAN CARTER: Let me rephrase the question: Are you looking at addressing the limitations with Data After Dark?

MICHAEL RODRIGUES: Yes, we are.

The Hon. SUSAN CARTER: How are you going about addressing those limitations?

MICHAEL RODRIGUES: I'd have to take that on notice.

The Hon. SUSAN CARTER: I'll stop now and hand over to somebody else, but I might come back to you later if there's time.

The Hon. ANTHONY D'ADAM: Ms Glasscock, can you explain the reason behind the process being changed for the Arts and Cultural Funding Program? Why was it restructured?

KERRI GLASSCOCK: The reforms to the ACFP were in direct response to the consultation with industry that was taken as a part of the development of the Creative Communities policy. Extensive statewide consultation was undertaken. Over 10,000 pieces of individual evidence, feedback, data and ideas were taken on board as part of that consultation and then assessed. Overwhelmingly, the number one issue that sector raised was the need to reform the ACFP, and within that was the need for competitive funding rounds. Industry clearly said that there was a desire to ensure that everyone had access to be able to apply for funding and that there was a need for on-ramps for new organisations to be able to enter into that funding pool. But, equally, there was a desire from industry for off-ramps if organisations were not performing, so that they could make way for new organisations. There was also an overwhelming desire and request for more long-term funding, so multi-year funding opportunities, and for the ability for organisations to enter funding with multi-year from the get-go, as opposed to having to work their way through and be on annual funding. The ACFP reforms were in direct response to that.

The Hon. ANTHONY D'ADAM: Can you explain to us why some organisations get less than they ask for?

KERRI GLASSCOCK: Yes, sure. It's good to understand that when organisations enter into the competitive funding round, there is a bracket that they can ask for. Within that application, they need to demonstrate their request for that funding. While I can't speak to individual applications, what I can talk about are common reasons why an Artform Board might recommend a lower amount. They're usually to do with a lack of evidence and data that has been provided with the request—for example, if someone is stating that they will have increased audience or participation, but there is a lack of supporting documentation attached to back that up, i.e., an audience development plan or an increase in marketing spend in the budget. Those are the sorts of things. Also common are governance concerns around an organisation, viability and sustainability concerns within an organisation and over-reliance on government funding. A lack of strategy around diversification of incomes can often be one as well. But mostly they're to do with a lack of demonstration in making the case, particularly if there has been a request for a significant increase in funding from their current funding levels.

The Hon. ANTHONY D'ADAM: I don't know whether you were here for the earlier evidence. Some of our earlier witnesses raised concerns about the feedback process for applicants. I'll give you the opportunity to address some of the concerns that were raised about not getting appropriate feedback. Do you have something to say about that?

KERRI GLASSCOCK: Sure, and I will preface this by saying we're only 12 months into the ACFP reforms. Of course we are looking at these processes and continuing to evaluate them. We want this process to be as helpful and useful for our stakeholders as possible. It is impossible for us to give detailed feedback to every single applicant that comes through the process. The volume is just simply too large. We do provide

generalised feedback in relation to where they sat in the rounds and we are available if organisations do request a meeting to come and discuss particular feedback. I myself have sat in many of those over the last few months since I joined this organisation, where we are sitting with applicants discussing their applications. When they come in person to do that, they've usually been prefaced by a number of phone calls with other team members as well, providing feedback. So there is a process. We're looking at how that can be better addressed in an economic way for the organisation, and we are absolutely up for doing that. But, again, it's a new program and we're slowly working through that.

The Hon. ANTHONY D'ADAM: There was a suggestion that the composition of the Artform boards is secret. Is that in the public domain?

KERRI GLASSCOCK: That is absolutely incorrect. They are on the website, individually listed with small bios of the individual members.

The Hon. ANTHONY D'ADAM: It was also suggested that information about the beneficiaries of the funding round is not publicly available as well.

KERRI GLASSCOCK: That's a little bit more complex. If you're an organisation, yes, it's absolutely listed in there. The ones that I think were referenced earlier today by Miss Peters were the professional development rounds. Those individuals are not listed by name. That's to do with us meeting the requirements of the New South Wales Privacy and Personal Information Protection Act, where we do not identify individual people in a public forum.

The Hon. NICHOLE OVERALL: Ms Glasscock, I'd like to speak about funding of regional programs specifically. I'm referencing now the Minister's announcement on the Regional Arts Touring program that's supposed to support regional New South Wales communities, stating, "We're putting a focus on regional touring." Can you please confirm that the budget for that program for 2024-25 was almost $1.9 million? And in 2025-26, that's been reduced to just over $1.3 million? Is that correct?

KERRI GLASSCOCK: The numbers that I have in front of me for FY 2024-25 was $1.2 million. FY 2025-26 across the two rounds—I'll have to do the maths in my head because it's broken up here—is $580,000 for the first round and $855,000 for the second round, so that's $1.4 million, an increase. You're checking my maths here.

The Hon. NICHOLE OVERALL: No, that's fine. I just wanted to double-check the maths that was on there as well, because I was thinking that I couldn't add them up in my head quickly enough. Can you please tell me, on those figures, what's the breakdown between the Sydney organisations and regional programs?

KERRI GLASSCOCK: Let me just have a quick look if I have that directly in front of me here, in the regional break-up. I don't believe I do, so I will happily take that on notice for you and will provide that.

The Hon. NICHOLE OVERALL: Okay, if you could. My understanding is that it is significantly weighted to Greater Sydney organisations in the vicinity of more than 70 per cent compared to just over 22 per cent going to actual regional New South Wales recipients. Obviously, while we welcome events coming to regional New South Wales, it would be good to be very clear on how much is directly benefiting and supporting regional artists for a program that is referred to as the Regional Arts Touring program.

KERRI GLASSCOCK: Yes, absolutely. We will provide that for you.

The Hon. NICHOLE OVERALL: That's terrific. If I could just quickly turn to Mr Rodrigues, please, and again with the focus on regional areas specifically. The Government talks about building the statewide night-time economy. How many funded initiatives are outside Sydney?

MICHAEL RODRIGUES: Let me give you a quick overview. We've recently launched the Regional Night-Time Economy Program, which is the first dedicated regional program that we've announced. It's a two-year program for $2 million. The Live Performance Venue Program was opened out to the State again. It was the second time it's been put out by the office, but this time it was opened up across the State. In terms of the Special Entertainment Precinct program, that's open across the State. Sometimes there's that distinction between Greater Sydney and Illawarra, Newcastle and the Central Coast, so the Uptown Grant Program has also been extended to Illawarra, Shoalhaven, Central Coast, Lower Hunter and Greater Newcastle.

The Hon. NICHOLE OVERALL: Right, so they're the only—what you classify as regional areas that are going to be part of that current initiative?

MICHAEL RODRIGUES: I'm sorry. I just gave you an overview of all the relevant programs that are open across the State, including one that is dedicated to the regions, being the Regional Night-Time Economy Program.

The Hon. NICHOLE OVERALL: Sorry, you've just lost me again there.

MICHAEL RODRIGUES: Sorry.

The Hon. NICHOLE OVERALL: Can you just go back to those last ones? The Upper Hunter, Illawarra et cetera, are they part of that program specifically?

MICHAEL RODRIGUES: Sorry for confusing you. The Uptown program was originally designed for Greater Sydney.

The Hon. NICHOLE OVERALL: Yes.

MICHAEL RODRIGUES: Our office, as you know, was established for Greater Sydney. When it was expanded to the six cities, we extended that program out to the Illawarra, Shoalhaven, Central Coast, Lower Hunter and Greater Newcastle.

The Hon. NICHOLE OVERALL: Right. That's the question that I want clarified there. Your idea of a statewide night-time economy, the program, is just specifically those areas: Illawarra, Central Coast and Upper Hunter.

MICHAEL RODRIGUES: No. It's why we've launched the Regional Night-Time Economy Program, which is a dedicated new program designed specifically for regional New South Wales. It's publicly available. Applications were opened and I believe have now closed. After consultation with the regions, I guess one way to think about it is a version of Uptown that will work better for regions, noting that regional communities have different needs and the nature of regions can vary quite dramatically, compared to urban environments.

The Hon. NICHOLE OVERALL: Yes, indeed. Those applications have closed, so we can take a look at that. Thank you very much. I'll look into that further. I will now quickly ask a last one of Ms Collins about the same thing: the breakdown of music funding programs for regional versus Sydney-based organisations, broadly speaking. Do you have that information to hand?

EMILY COLLINS: Yes, I do. In the FY 24-25, it was 33 per cent of our total funding budget, which was $5.29 million.

The Hon. NICHOLE OVERALL: That was for the regions?

EMILY COLLINS: Correct. That was for initiatives being run and led by regionally based organisations. However, there is a range of programs that are statewide that have significant benefits for the regions but do not classify as being operated out of the regions.

The Hon. NICHOLE OVERALL: That was 2024-25?

EMILY COLLINS: Correct.

The Hon. MARK BANASIAK: Ms Glasscock, I'm just picking up on the questions from Mr D'Adam around feedback. You talked about generalised feedback. Are you able to provide a bit more detail as to what that actually looks like, even maybe a de-identified letter of rejection, so we can actually understand what generalised feedback looks like? Is it a case of "Sorry, you didn't get it. It was a highly competitive field and there were better people"? Or is it more detailed than that and goes into specifics about that person's application?

KERRI GLASSCOCK: I believe it is general with the option to call and have a meeting around more detailed feedback if required, but we can provide an example of that for you.

The Hon. MARK BANASIAK: I just want to get a sense of whether it's essentially a very basic "Dear John" letter versus something a bit more specific, because the feedback we got was that feedback was pretty much non-existent. That would be useful if you could take that on notice. Mr Rodrigues, could I just go to the actual Creative Communities policy because, in lieu of an opening statement, you put this up as one of your guiding documents. I'm just going to put some propositions to you and I'd like you to respond whether you agree or contest them. Highly aspirational but fairly low in detail in terms of how you're going to get there—agree?

MICHAEL RODRIGUES: I don't know whether I'm the best person to respond to that.

The Hon. MARK BANASIAK: Do you want to pass it on to someone else or take it on notice? Highly aspirational document but quite low in detail in terms of how the agency is going to deliver.

MICHAEL RODRIGUES: I think it's a question better directed to Ms Glasscock as Create.

KERRI GLASSCOCK: I'm happy to speak to that, of course. The Creative Communities policy sets a 10-year vision for the State's arts, culture and creative industries, and it does have an ambitious desire to transform

the industry. But it is important to remember that it is a 10-year policy and we are only at the end of the second year.

The Hon. MARK BANASIAK: I accept it's a 10-year policy and you're only at two years, but you're never going to get to the end of the policy if you don't actually have steps and detail. You just threw out another one of the buzzwords that sits in this document several times: "transformation". But there's no measurable transformation described in the document. There are no KPIs, no measurable outcomes. It's aspirational but there's no guide as to how you're going to get there. The feedback we've received today is that it almost sets people up in the industry for disappointment because they see this highly aspirational document—"things are changing"—then they come back and they're in a worse position than they were before this document was put—

The Hon. ANTHONY D'ADAM: Is there a question?

The CHAIR: The question is: Where are the KPIs? Where are the measurable outcomes?

KERRI GLASSCOCK: Yes, I'm happy to speak to that. Obviously this is the public policy document. Underneath this sits quite a detailed implementation plan that our organisation undertakes as a part of our strategic planning.

The Hon. MARK BANASIAK: Are you able to table that implementation plan on notice so we can see where we're headed?

KERRI GLASSCOCK: I believe the Minister is reporting back on Friday on progress as well in a public document that will be made available on Friday. You will have seen also published the three sub-sector strategies that sit underneath this that have KPIs and deliverables in them that are a part of delivering on the ambitions of this policy, with more to come as well. Those really are our guiding documents of how we meet the ambitions in this policy. It's actually really important to break those down into sub-sector or geographical specific plans because, as you can see in the policy as well, the behemoth of arts, culture and creative industries is a massive beast. You will have heard today as well the difference between genres or parts of the sector are really quite vast, so we do need to be able to do that in a really targeted, strategic way in consultation with industry. That's what we've been undertaking over the last 12 months.

Prior to that, all the legislative reform and the groundwork that was being done has enabled the organisation now to deliver on our responsibilities within the policy. But this is an all-of-government policy. It's not just Create NSW that has responsibility for the ambitions within it as well. We're certainly taking control of our parts of it, and we're working really closely with industry in targeted ways to deliver those. The KPIs within those strategies are public. They are published. The document that the Minister will be releasing at the end of the week will give a really great update on where it's at—the progress is at in two years—but also the other areas that sit within his portfolios as well and how they feed into Creative Communities.

The Hon. MARK BANASIAK: If what the Minister presents in document form is an implementation plan, can you take it on notice to provide the implementation plan to the Committee? You threw out another buzzword that sits in the policy—"whole-of-government"—but there's nothing in that policy that talks about whole-of-government being backed by any structural or statutory tools so, outside of Create NSW, what do you mean by whole-of-government?

KERRI GLASSCOCK: There's lots and lots of parts of government at the moment who are contributing to the ambitions and the genuine strategic pieces of work that sit under Creative Communities. My colleagues at the table today are obviously deeply involved in that space, but we have a number of partnerships forming with other government departments directly related to the subsector strategies and to Creative Communities. Areas like Placemaking NSW, within Transport, Department of Education, department of health—these are all the partnerships that are starting to form to assist with the delivery of this policy.

The Hon. MARK BANASIAK: Is that what you mean when you mention the word "ecosystem" 20 times in the document but don't really define it? Is that what you mean by "ecosystem"? All these different whole-of-government components? It's not defined in any operational sense in this policy, so I'm just wondering what you mean by "ecosystem". It's a nice word but doesn't really—

KERRI GLASSCOCK: I believe the reference to "ecosystem" in the policy is in relation to the arts, culture and creative industries ecosystem, not the Government's ecosystem.

The Hon. MARK BANASIAK: I think Ms Overall was touching on this a bit. The four-year funding round, in terms of the disparity between regionally based galleries—I think it was around below 18 per cent compared to the overall success rate of 52 per cent—how do you explain that disparity in funding success?

KERRI GLASSCOCK: It's good to preface that regional New South Wales is a priority of Create NSW and this policy. Forty per cent of the four-year, multi-year funding went to regional organisations and 50 per cent of the two-year funding rounds went to regional organisations. It's undeniable that funding is going into those areas. In relation to the galleries, I spoke to it earlier around this pathway in and safety net out that the new ACFP is creating. Of course, it's going to take a while for everyone to really understand and get a grasp on that. But the fact that the galleries that weren't successful in the four-year round have been successful in the two-year round is a demonstration that this program is actually working. It also clearly demonstrates that we take our responsibility to distribute public funds very seriously at Create NSW. These are competitive funding rounds. Just because an applicant requests a certain amount of money or a request in general, if they do not meet the published criteria, then we can't fund them. That's the reality of our responsibility with distributing public funding. What this new program does now is provide avenues for people and opportunities for people. I would disagree that the regional allocation is not significant.

The Hon. MARK BANASIAK: How do you respond to some of the claims we heard today that people were successful in a round of funding—it was far less than what they needed to essentially remain functional—but because they were successful they were effectively excluded from applying for any other pieces of funding that might have helped them make up the difference. How do you respond to that?

KERRI GLASSCOCK: The ACFP, when it was reformed, one of the other significant pieces of feedback that we heard from industry was the need to ensure that individual artists were not pitted in competition against organisations that had resourcing. When the two-year funding round was developed in lieu of the one-year funding, it enabled organisations to have longer term funding if they were successful. It meant that we carved off the project rounds to safeguard them for individuals only, but it has meant that if organisations are successful in multi-year funding then they're not able to double dip into the project rounds, because they're safeguarded for individual artists.

The Hon. MARK BANASIAK: Did you look at the alternative solution of having a separate funding stream for individual artists versus organisations, whether it is multi-year or single year? Wouldn't that have solved the problem of individuals competing against organisations, but still would allow both of those parties to essentially apply for multiple grants?

KERRI GLASSCOCK: I can't speak to that because I wasn't employed at the organisation when the reforms took place.

The Hon. MARK BANASIAK: Are you able to take on notice and find out whether that was ever considered as an alternative option?

KERRI GLASSCOCK: Yes.

The Hon. SUSAN CARTER: Just a quick question, Ms Collins, following up from a question from Mrs Overall: Is Western Sydney regarded as a region?

EMILY COLLINS: In how we distribute funding?

The Hon. SUSAN CARTER: Yes.

EMILY COLLINS: Yes.

The Hon. SUSAN CARTER: So Western Sydney is a region?

EMILY COLLINS: It's not part of what we consider regional New South Wales. We demarcate it.

The Hon. SUSAN CARTER: So when you were talking about figures for regional New South Wales, where does Western Sydney fit?

EMILY COLLINS: I believe it sits separately.

The Hon. SUSAN CARTER: So the regional figures that you gave to Mrs Overall don't include Western Sydney?

EMILY COLLINS: I'll have to double confirm.

The Hon. SUSAN CARTER: If you could.

EMILY COLLINS: Yes, I'll clarify that for you.

The Hon. SUSAN CARTER: If you could, that would be great. Just a final question to you, Mr Rodrigues, on the intention of the 24-hour economy. Once we've got the night-time economy flourishing all

throughout New South Wales, is it the intention that your office continues as a guardian of it, or is the intention that you basically are so successful that you're no longer required?

MICHAEL RODRIGUES: The position, as you know, has been made statutory. The rationale behind that sort of sits in the history of the going-out economy in New South Wales, which has tended to run into trouble if things go too far one way or the other. It's why, as we revitalise the night-time economy, if you want to put it that way, part of our obligation is to monitor that—as people are going out and about, spending more and enjoying themselves, that we aren't necessarily seeing a rise in our correlated crime or ambulance call-out and paramedic data.

The Hon. SUSAN CARTER: That's not a matter for police?

MICHAEL RODRIGUES: It's a matter of oversight. Indeed police and NSW Health work quite closely with us. The Data after Dark platform essentially has been built specifically to be able to monitor those things, and then in the—

The Hon. SUSAN CARTER: So we'll have the benefit of your office for the foreseeable future?

MICHAEL RODRIGUES: Yes, but I think—

The Hon. SUSAN CARTER: Thank you. That was my question.

MICHAEL RODRIGUES: If I can just make one more further observation, if you don't mind, it's just that the point is to establish good going-out regions. Ultimately you want them to be able to be self-managing and maintained. But the safeguard particularly and the statutory role is there to observe and ensure that if, for example, negative externalities are being witnessed, the commissioner can call an inquiry and bring together the parts of government, including police, transport and planning, to understand and potentially intervene to prevent us going back to the situation we saw in 2014. That's the long-term ambition.

The Hon. SUSAN CARTER: Ms Glasscock, you were talking with my colleague Mr Banasiak in relation to whole-of-government partnerships. Can you give us an example of what your partnership with Health looks like?

KERRI GLASSCOCK: We're in the very early stages, but you will know that Health has an arts-health framework, so we're working with our colleagues in Health to assist where we can in the delivery of that. We're also looking at, at the moment, how we can work together to activate underutilised space in the Health asset area as well.

The Hon. SUSAN CARTER: What sort of underutilised space? Car park walls?

KERRI GLASSCOCK: We're mostly looking at buildings at the moment, but it's in the very early stages. I'm happy to speak to some other things that are further developed for creative space.

The Hon. SUSAN CARTER: What would some of the buildings be? Within hospital precincts?

KERRI GLASSCOCK: Potentially, yes.

The Hon. SUSAN CARTER: How will you assess whether they're no longer needed for Health needs?

KERRI GLASSCOCK: That's up to Health to assess that.

The Hon. SUSAN CARTER: The funding contracts from Create NSW, do you negotiate each one from scratch with the body being funded, or is there a standard form that you use?

KERRI GLASSCOCK: Yes, there are pro forma contracts that go out for the funding rounds.

The Hon. SUSAN CARTER: We've received a lot of submissions and heard a lot of evidence that those standard contracts are quite one-sided and have a power for Create NSW to unilaterally vary the terms. Why are they drafted in that way?

KERRI GLASSCOCK: I would have to take that on notice to provide that feedback. I'm not across the detail to be able to accurately assess whether that's the case.

The Hon. SUSAN CARTER: Could you take on notice and could you also perhaps ask somebody to assess the criteria in your standard form contracts against those found in section 27 of the Australian Consumer Law, with a view to ascertaining whether they contain examples of the sorts of things that this Parliament has said are unfair contract terms?

KERRI GLASSCOCK: Yes, sure.

The Hon. SUSAN CARTER: That would be great. What feedback did you give or did your organisation give to the RADO in Dubbo?

KERRI GLASSCOCK: Are you referencing Orana Arts?

The Hon. SUSAN CARTER: Yes, I am.

KERRI GLASSCOCK: I haven't been involved personally in the feedback to that organisation. I understand the team has had a number of conversations. I also understand that that organisation was alerted before this funding round that there were concerns. It was put on additional reporting to monitor that as well so that Create could discuss in an ongoing way, prior to this multi-year round, the concerns it had. But if you are asking for specifics, I would have to take that on notice, because I wasn't with the organisation at that time.

The Hon. SUSAN CARTER: In terms of somebody seeking feedback, what's your expectation of how many times they should call your organisation before they receive an answer?

KERRI GLASSCOCK: Our expectation would be that they get responded to fairly swiftly.

The Hon. SUSAN CARTER: Are you aware of the evidence that we've heard and the submissions we've received where people seeking feedback, even about just simply the progress of applications, report consistently unanswered phones and not being able to get any contact with your organisation?

KERRI GLASSCOCK: Yes. I've heard that today, and I've read that in the submissions, so we're definitely taking that on board, and we'll investigate that for sure.

The Hon. SUSAN CARTER: On notice, could you provide us with the results of the investigations into that please?

KERRI GLASSCOCK: Certainly.

The CHAIR: We will go to Mrs Nichole Overall online.

The Hon. NICHOLE OVERALL: I'll come back to Ms Glasscock. You state that arts funding for regional areas is significant—to use your words—and let's hope that doesn't take into account Western Sydney to skew that. But clearly all of the submissions and what we've heard today are stating otherwise. You've also mentioned that it's a competitive process, that you take the distribution of public funding very seriously, and that's just the way that it should be. But on that, then, has any modelling of the economic, cultural and social consequences of reducing regional arts investment—so, despite the fact that you suggest that it's significant, obviously, it's still been reduced. The consequences of this on regional areas in this regard specifically—has anything like that been done or commissioned?

KERRI GLASSCOCK: I don't have figures in front of me that say that the investment into the regions has been reduced. I haven't seen that, so I would have to take that on notice. In relation to your question around—if I'm hearing this right, just so I can answer it correctly: Has a piece of work been commissioned that would investigate if a reduction in funding in the regions had an impact on economic, social and wellbeing outcomes?

The Hon. NICHOLE OVERALL: Correct. Yes.

KERRI GLASSCOCK: No, it has not.

The Hon. NICHOLE OVERALL: So how are the assessments being made? There's no public information. How are we determining, from a public perspective, how these decisions are coming about?

KERRI GLASSCOCK: In relation to the Artform Board assessments?

The Hon. NICHOLE OVERALL: To the overall funding when it comes to regional arts—more broadly speaking than that. You're suggesting that you don't have instances of regional arts organisations being negatively impacted by reductions, but we see cases like the Moree museum, for example, which is not receiving any funding at all. Clearly, they are being impacted.

KERRI GLASSCOCK: Sorry, that's not what I was saying. I wasn't saying there weren't individual examples of organisations that didn't receive funding or had reduced funding. I was saying the overall funding envelope going to the regions is still significant. If you look at the individual rounds, which is what we assess on, you'll see we have key priority areas of which the regions is one. Western Sydney is another. Access and inclusion, First Nations, young people, culturally and linguistically diverse—we look across those priority areas and ensure that funding is going to applicants that meet the criteria associated with those priority areas. In those multi-year funding rounds, half of the successful applicants in the two-year round were regional organisations, and 40 per cent of successful applicants in the four-year round were regional organisations. That is a significant distribution of the available funds to the regions.

The Hon. NICHOLE OVERALL: Let's clear it then. Clearly, that is not the information that is being relayed in the submissions and from the witnesses that we have heard today. That is not their understanding of it. But let's get to the heart of that when it comes to the transparency behind these decisions that are being made. Is there public information available on the assessments—how they're being done and what the criteria are?

KERRI GLASSCOCK: We publish the grant guidelines and the criteria that they're assessed against every year with every round. That is public information available to all the applicants. We also undertake significant workshops and capacity building with the industry in the lead-up to grant rounds as well, where they're able to meet with Create NSW staff to talk through the application process and to get suggestions on how they might best frame their arguments and what sort of supporting documentation they need. We talk through in quite significant detail how to work to those criteria. So they are published, yes.

The Hon. NICHOLE OVERALL: I think there is clearly a disconnect between what Create NSW thinks it might be providing and what is being provided.

The Hon. ANTHONY D'ADAM: Ms Glasscock, could you talk us through the change in the budget for the Arts and Cultural Funding Program?

KERRI GLASSCOCK: The Arts and Cultural Funding Program budget is stable between this financial year and last financial year of just over $73 million. It has increased. In 2023-24 it was $68 million, so there has been an increase into the ACFP across the whole program. Additionally, this year we have had strategic investment of new investment into those subsector strategies: $5 million went into Western Sydney, $1 million into the fashion strategy and $3 million into the literature and writing strategy. As you heard earlier today, the regional plan will be launched early next year, with expectations of new funding attached to that as well.

The Hon. ANTHONY D'ADAM: Can you perhaps talk us through the process of consultation around the regional arts plan?

KERRI GLASSCOCK: We have undertaken significant consultation. I understand that we heard earlier today that there was a desire from industry for greater consultation. I spoke earlier today around the significant consultation that was undertaken for Creative Communities. We have utilised that data, and it was only two years ago. Those are datasets that we have taken into consideration. We also have a working group of 13 people from all over the State. Additionally, we have a significant consultation group, as well, that has been engaged with from local governments to institutions to other arts organisations across the State. I'm happy to provide that list and information. I would just ask that it's just for the Committee, because there are personal names and information of individuals in there. But I'm happy to take that on notice and give that to you.

I can talk you through the working group of who they are now if you would like. Tim Kurylowicz from Museum of the Riverina is the chair of the working group. He also sits on the Creative Communities Council. We also have the University of New England, South Coast Arts, West Darling Arts, 2Rivers Festival, Arts Northern Rivers, Crimson Rosella, the Palace Hotel and Broken Heel festival. Orana Arts is on there as well, and Arts Upper Hunter, Arts Mid North Coast, Outback Arts and Arts OutWest are the working group who have been developing this plan in partnership with Create NSW and industry. They bring with them the wealth of their communities. They are doing outreach into their community groups and bringing that to the table. Then we have this much larger list that I'll provide you as well of other people who have been consulted, as well as the 10,000-odd data points that we have from creative communities. It has been significant consultation.

The Hon. ANTHONY D'ADAM: I think the Hon. Susan Carter asked about the pro forma contracts having a unilateral variation clause. On notice, can you provide us with information about how frequently that clause has been used in, perhaps, the last four years or so?

KERRI GLASSCOCK: Yes, happy to do that.

The CHAIR: Getting some detail from the office of Create NSW—would you say it's an office, or is it a division within the department?

KERRI GLASSCOCK: Yes, we're an—

MICHAEL RODRIGUES: Agency.

KERRI GLASSCOCK: Yes, I think we refer to ourselves as an agency.

The CHAIR: You are each an agency?

EMILY COLLINS: We're an office.

The CHAIR: What are you, Mr Rodrigues?

MICHAEL RODRIGUES: At this stage, I'm not really sure.

The CHAIR: Yes, we're trying to work it out as well.

MICHAEL RODRIGUES: We're the Office of the 24-Hour Economy Commissioner.

The CHAIR: Statutorily defined—the position.

MICHAEL RODRIGUES: The position of commissioner is statutorily defined, but we define ourselves as an office.

The CHAIR: Ms Glasscock, do you know? Which one is it? The reason I'm asking is just reporting. There is a question from here; I'm just curious.

KERRI GLASSCOCK: We call ourselves an agency, but I'd have to take it on notice.

The CHAIR: It might be above your pay grade, potentially, in terms of why this isn't happening. But, for example, if you look at Communities and Justice and that agency, and you look at various divisions or offices or whatever you would call them within that—for example, Multicultural NSW could be similar to Sound NSW and could be similar to Create NSW. It could be similar to the 24-Hour Economy Commission or Night-time Economy. It produces within the budget its own operating statement. It has several pages. Honestly, I'm quite surprised. I have been wanting to know, as have others, just what the expenses are and the capital outlay—"Here's how much we spend on staff. Here's how much we spend on grants." You've got something like $100 million between you, I think. None of that is actually outlined in any way for us. Have you had that discussion internally? Do you know why that's the case? I might go to you, Mr Rodrigues, just because you're kind of senior at the moment.

MICHAEL RODRIGUES: Yes, at the moment. The honest answer is that I'm not sure. I think it is a question for our secretary. I can understand the reason you're asking in comparison to other parts of government. Our funding is, I guess, allocated by the secretary on an annual basis from the department's budget. It doesn't give yourself the same visibility. I can understand the point that you're making.

The CHAIR: But I think that's similar to how budgets are allocated in other agencies as well. Ms Glasscock, can I ask you, with Create NSW, the 24-Hour Economy Commissioner office has 63 or 68 FTE—

MICHAEL RODRIGUES: Sixty-eight.

The CHAIR: What does Create NSW have separate to those?

KERRI GLASSCOCK: We have 79.

The CHAIR: Then Screen NSW, who couldn't appear—does anybody know how many it has?

MICHAEL RODRIGUES: I will have that information. I can give it to you if you give me a moment. It's 27.

The CHAIR: I have a couple of questions based on what we heard today. This is to you, Ms Glasscock. What was the reason behind the delay between notifying the organisations—PACT, for example—that they were unsuccessful in the multi-year funding round? They had to wait about six weeks from early March to the end of April or something before they could go public with that, including to their other funders. What's the reason around the secrecy, which is what we heard from some witnesses today?

KERRI GLASSCOCK: Obviously I wasn't employed in the organisation at that time, so I can't speak to the particulars of that case, but my understanding is when funding is notified to applicants, there is an embargoed period to enable public announcements to happen first.

The CHAIR: Given you're new to the organisation and hearing so much disquiet, including situations such as very good creative organisations that, for example, got funding from one round of funding and then couldn't get project funding, unlike what they have been doing for a long time, and looking at the amount of small to medium organisations that got a lot less—if you were going to do a critical analysis of whether this investment was working in terms of really sustainably growing the industry, it would appear not—do you think that all of this requires a review into how everything is going or to do things differently, even if it's the way in which you're administering the grants and responding to the community?

KERRI GLASSCOCK: As I said, we've only gone through one cycle, 12 months, in the new structure of the funding programs, and we are undertaking a review at the moment—which is about to commence and will be delivered within the first half of next year—to be able to inform the next round of multi-year funding applications. We absolutely welcome that and are continuing to embed assessment of course in all of our programs. I just want to pick up on that note around small to mediums, if you don't mind, because whilst I don't have the

comparative numbers in front of me year on year, there still has been significant investment into small to mediums this year within the budget envelope that we have. For 2025-26, 42 per cent of funding has gone to small to mediums and individual artists, which is not insignificant, of the total pool available.

The Hon. SUSAN CARTER: This it to you, Ms Glasscock. I think the language you used before—was it "funding that facilitated on-ramps and off-ramps"?

KERRI GLASSCOCK: Yes.

The Hon. SUSAN CARTER: The Australian Design Centre, after 61 years of operation, is going to close in the middle of next year. A number of submissions we've received cite this as evidence of sector collapse. Would you just simply characterise it as they're sliding down the off-ramp?

KERRI GLASSCOCK: What I would say is that clients that were on historic multi-year funding when the ACFP reforms were announced were given an additional year of funding, without having to apply for it, to ready themselves for the new funding program. That was to enable them to familiarise themselves with the Creative Communities policy, to do strategic planning and to prepare themselves to enter a competitive funding environment. They were provided support during that time. ADC specifically was unsuccessful in the four-year round, and then they were successful in the two-year round—which is, for me, a demonstration of that safety net that this new structure provides.

But it is a competitive funding round. You do need to meet criteria and you do need to demonstrate that you are meeting what you are saying you're doing. The fact that they have received two-year funding is an indication that the Artform Boards value their place in the ecosystem and that they want to support them. But it is also a notice period, essentially, that there is still work to be done. They're not prohibited from reapplying in future rounds, and we have sat down on a number of occasions with that client to feed back on their applications. So they were successful, would be my response to that.

The Hon. SUSAN CARTER: If an organisation has existed successfully in the arts ecosystem for 61 years, and because of a change of funding model it appears that they may no longer continue as a functioning entity, isn't that important feedback on the new funding model?

KERRI GLASSCOCK: Yes, and we will absolutely welcome all feedback from stakeholders as we're reassessing this as well.

The Hon. SUSAN CARTER: No, I think you've misunderstood the question. If that entity has existed for 61 years and is no longer able to attract funding, isn't that in itself feedback on how well or poorly the new funding model is working?

KERRI GLASSCOCK: Or how well or poorly an applicant has demonstrated that they meet criteria or not. It could be both of those things.

The Hon. SUSAN CARTER: So 61 years of operation, 61 years of experience, and they don't have sufficient skills to fill out the form properly. Is that what you're saying?

KERRI GLASSCOCK: That's not what I said.

The Hon. SUSAN CARTER: Then what are you saying? It sounds very much like you're saying, "They're just on the off-ramp, and that's the way the world works."

KERRI GLASSCOCK: I think what I said was the fact that they received funding is an indication of the value of that organisation within the ecosystem. And there is feedback provided for them to be able to take on board and better prepare the next time they apply. That is essentially the process.

The Hon. SUSAN CARTER: We heard today about significant delays in deciding funding applications. Their funding, as I understand it, runs out in June 2026. Are you confident that the new funding round will have been decided in sufficient time for them to be able to continue, should they be successful?

KERRI GLASSCOCK: No, I'm sorry. The funding that ADC has from Create NSW runs out at the end of 2027.

The Hon. SUSAN CARTER: I understood them today to be under the impression that they were closing mid-2026.

KERRI GLASSCOCK: That's their business decision, but we have funded them for the calendar years '26 and '27.

The CHAIR: They just can't survive on it.

The Hon. SUSAN CARTER: What is the level of funding that you've provided them, compared to what they previously received?

KERRI GLASSCOCK: They previously received $300,000, and they have been given $150,000.

The Hon. SUSAN CARTER: I think I therefore clearly understand why they can't continue to 2027. If you've got 50 per cent of the funding, you can only continue for 50 per cent of the time.

KERRI GLASSCOCK: Or 50 per cent of the level of activity.

The Hon. SUSAN CARTER: Would you prefer arts bodies to cut their level of activity in the arts sector?

KERRI GLASSCOCK: It's not up to me to determine the business choices that organisations make. We're distributing funding as per recommendations to organisations of how well they meet the criteria that are published.

The Hon. SUSAN CARTER: Are you reviewing those criteria, bearing in mind lived examples such as the ADC?

KERRI GLASSCOCK: Absolutely. That's what I was just saying before. We're undertaking a review of those—of the whole program.

The Hon. SUSAN CARTER: What form does that review take? On notice, can you give us the terms of that review?

KERRI GLASSCOCK: I believe so. I'll take that on notice. We have a framework and we're commencing that work.

The Hon. SUSAN CARTER: This is the last question from me. Regional Arts NSW has submitted in great detail about the effect of moving the RADOs out of a protected funding pool, and indicated that that risks losing significant arts bodies that cannot easily be replaced. Why was that decision taken by Create NSW?

KERRI GLASSCOCK: I believe I've already explained this. When the ACFP review was developed, it was in direct response to industry feedback that called for competitive arms-length funding that was peer assessed. Prior to that being transformed, organisations like the RADOs and some other arts organisations were in what was called "negotiated funding", which essentially was an internal negotiation that was not undertaken through peer-assessed frameworks and that was not transparently disclosed as to what that was, necessarily. So, a decision was made to put the entire ACFP budget, essentially, outside of a couple of programs, into the ACFP fund, which meant that the organisations that were in negotiated funding then had to go into the competitive funding rounds.

The Hon. SUSAN CARTER: Has Create NSW entered a program funding agreement with Biennale of Sydney for 2025-26?

KERRI GLASSCOCK: Create NSW is a funder of Biennale. I'm not quite sure where we're up to with their multi-year agreements, so I'd have to take that on notice.

The Hon. SUSAN CARTER: If you could.

KERRI GLASSCOCK: But we are a funder.

The Hon. SUSAN CARTER: On notice, can you also provide the terms of that funding agreement?

KERRI GLASSCOCK: I believe so.

The Hon. SUSAN CARTER: Does "I believe so" mean yes?

KERRI GLASSCOCK: Yes. I don't see a reason why we couldn't, for a funding agreement. I'll double-check but, yes, of course, if we can.

The Hon. SUSAN CARTER: What would the reason be that you couldn't?

KERRI GLASSCOCK: I don't know—

MICHAEL RODRIGUES: We're just not sure if it's commercial in confidence.

KERRI GLASSCOCK: Yes.

The Hon. SUSAN CARTER: I'm happy to get a copy without the amount in it. Without the amount, is there anything that's commercial-in-confidence?

KERRI GLASSCOCK: I'm not sure. I'd have to have a look. But we can provide whatever we're able to provide.

The Hon. SUSAN CARTER: What I want to be really clear is what exactly has been taken on notice.

The Hon. ANTHONY D'ADAM: Point of order: I think the witness has taken it on notice for that reason—because there's uncertainty. I think it's quite clear from the evidence that she's unable to provide certainty about the reasons.

KERRI GLASSCOCK: I will ask for guidance, and then if it's—

The CHAIR: The witness has taken the question on notice in terms of the funding agreement, which is understandable.

The Hon. SUSAN CARTER: Do standard funding agreements include references to behaviour by the recipient that's considered acceptable or unacceptable?

KERRI GLASSCOCK: I'll take that on notice.

The CHAIR: Journalist Linda Morris has written a story about funding cuts, published in yesterday's *The Sydney Morning Herald*, titled "Key funding rounds suspended as NSW arts crisis deepens". I have two questions. Why were those two crucial funding rounds for the grants for Cultural Access and Creative Steps programs suspended?

KERRI GLASSCOCK: This was a matter of redistribution of funding, which is not an uncommon process. Considering the great demand and need for the multi-year rounds, and also that we'd heard continually from industry of a desire for access to longer term and multi-year funding, a decision was made to fund more organisations within the two-year funding round, which then had a flow-on effect to the remaining project round.

The CHAIR: Just referring to the same article, at the end of that story it quotes a spokesperson from Create NSW. The spokesperson said, "Allocations change because the sector needs change". How does the sector need to change?

KERRI GLASSCOCK: I think that's in reference to the needs of the sector and the strategic investment that comes from the organisation. Our view on that would be that's in reference to the overwhelming feedback we had from industry that called for greater allocations to multi-year funding.

The CHAIR: But that's a very different quote. Was this from a media release that was signed off? This quote says, "Allocations change because the sector needs change". Is it that the sector needs change in terms of what is allocated to them?

KERRI GLASSCOCK: As in, we try to be responsive to the needs of the sector.

The Hon. NICHOLE OVERALL: Ms Glasscock, you've mentioned extensive consultation a number of times now this afternoon. Have you read the Public Service Association's submission?

KERRI GLASSCOCK: No, I don't believe I've read that one.

The Hon. NICHOLE OVERALL: I recommend that you might like to take a look at it. It says:

> The PSA has also been seeking a clearer understanding of the budget allocation process …

Specifically in relation to the Art Gallery of New South Wales, it says:

> … there remains a lack of transparency around the change in allocation and projected impacts and it is difficult to assess the correlation to the current restructuring.
>
> …
>
> management at the Art Gallery of NSW either were not engaged in defining the parameters of this benchmarking program, or were ignored by Treasury …

So when you're talking about extensive consultation, how do you address that, and how will you be addressing it with the PSA?

KERRI GLASSCOCK: The Art Gallery of New South Wales does not sit in my remit, so I'm unable to respond to that question.

The Hon. NICHOLE OVERALL: What does it come under, then?

KERRI GLASSCOCK: The cultural institutions sit within the department and they report to our secretary. They don't fall within my budget or my remit.

The CHAIR: Mr Rodrigues, this morning we heard from a local artist about the precinct activations, which I think are your domain. Local artists have heard or seen examples of artists, and we're not talking musicians, for example, but place making and street art and other things. It's not always local art and not necessarily always New South Wales art. Is there any kind of a policy, for example, the special entertainment precincts, for the money that's going into revitalising various areas that gives priority—or a particular amount of spend, or all of it—to local, regional or even New South Wales-based artists, and artists in the broader sense?

MICHAEL RODRIGUES: I understand. I think there is a number of government programs. In terms of programs run by our office, we don't have a specific requirement that the artists be local. We highly encourage—and it's the nature of, particularly, the precinct and uptown programs—business collectives, which often comprise businesses connected to artists from the area, to showcase local artists. There is a number of activation programs run by Transport for NSW as well. I can't speak to those.

The CHAIR: Okay.

MICHAEL RODRIGUES: But I understand the question.

The CHAIR: Are there any burning last questions?

The Hon. SUSAN CARTER: Mr Rodrigues, in your role as deputy secretary, are you able to answer the question asked by the Hon. Nichole Overall?

MICHAEL RODRIGUES: Which was?

The Hon. SUSAN CARTER: In relation to the Art Gallery.

The CHAIR: The Public Service Association—

MICHAEL RODRIGUES: I'm sorry, I think that it does not sit within my remit as acting deputy secretary, either.

The Hon. NICHOLE OVERALL: Who does it sit with?

The CHAIR: The secretary.

MICHAEL RODRIGUES: The secretary, yes.

The CHAIR: Or a different agency within the department. Thank you very much. We are now at the end of our session. We really appreciate you all coming along today. Obviously you have taken some questions on notice. The Committee secretariat will get in touch with you about that, including any supplementary questions you may have. The Committee will break for afternoon tea and will be back at 2.30 p.m.

(The witnesses withdrew.)

(Short adjournment)

Ms MAUD PAGE, Director, Art Gallery of New South Wales, affirmed and examined

Ms LISA HAVILAH, Chief Executive Officer, Museum of Applied Arts and Sciences, affirmed and examined

The CHAIR: Welcome to our final witnesses for today's hearing. Do you have opening statements?

MAUD PAGE: No.

The CHAIR: Ms Havilah, do you have one?

LISA HAVILAH: We're happy to go straight into questions.

The CHAIR: Ms Page, we heard from the Public Service Association this morning. Their submission came in not too long ago, so you might not have seen it. It has just been loaded on the website recently, I think. They talk about how consultation was lacking. Talk us through the decision-making in terms of what was ultimately left to the Art Gallery. Did you have a budget envelope that was reduced and, therefore, did you have to make the funding decisions out of that budget envelope? Is that correct—so the consultation therefore is ultimately up to yourself to undertake with the staff?

MAUD PAGE: That's right. That's exactly it. I arrived in the job in March. I'm new. As I looked at the finances and what needed to be done, there were a number of options. Then, when the budget was handed down, I began to prepare very seriously for the different options in order for us to have a sustainable future.

The CHAIR: The PSA's submission mentioned the multiple new or regraded senior roles. They're worried about the various other positions that have been removed that they're concerned may undermine the gallery's ability to deliver their reduced program output. There are two questions around these positions. The first is the new or regraded senior roles—so chief curator; senior curator, film; senior curator, First Nations. There are also expanded director-level posts. Talk us through the reasoning and rationale for that.

MAUD PAGE: Thank you for the question. We looked at everything really, really carefully. The good thing is I have been there for eight years, so I know everyone well. We were able to really speak to all of the senior staff, in particular, to decide, if we needed to make a significant cut—as it was looking like we had to—how might we best do that, in view of the vision and in view of our capacity and in view of the work to be done. You may know, with our two buildings, we've got two major shows in the winter and two major shows in the summer. Then, in between, we have quite a few collection rotations. So how might we do all of that—the public programming and everything? Again, in consultation, we decided to propose a structure that we felt would best address how we might continue my vision as the incoming director, but also in terms of the capacity for the number that we thought we might need in order to make an annualised saving.

To your question about the regrading of roles, they're the ones that you mentioned. Out of the 51 roles that we proposed at the time, I think that that's pretty fair in terms of how we might lead an institution with two buildings. We also run an artist studio in Surry Hills, and we've got also a storage facility in the inner west. In order to do that and to do the vision—for example, let's take the senior First Nations position. That was a position that was already decided but ended up, because of timing, having to go into the change management plan. The chief curator, that person was already an SE band 1 and was head of international art. Again, it felt right to be able to appoint someone that had a very fabulous vision to be able to look at the whole of the gallery. Again, those positions were renamed but, in that instance, not necessarily regraded. There wasn't more money. Some of the positions were, as I've just mentioned, regraded and some, like the First Nations senior curator, was upgraded. But that decision had actually been done before.

Then just to address the last one is the cinema role. Cinema is a key thing that we do at the Art Gallery. I don't know if you know, but we have had a cinema program since year 2000. Three hundred and twenty people can be seated in our cinema. We have one person doing that job, and they do an incredible job. In view of that incredible job, I felt for us to be able to have some clear visioning of the things that we'd be able to undertake, it would be good to be able to upgrade that role so that we can also expand on our cinema offering. That's the kind of reasoning around those positions. I'm sorry, you did ask me a couple of questions. Can you remind me what the others were?

The CHAIR: I haven't quite got to formulating the second one in as much detail, so that's fine. For the Art Gallery, do you know how many there are in SES bands 1, 2 and 3?

MAUD PAGE: Yes, I do know. There's six bands now—sorry, six people in the roles. I'm a band 1. Then I have three executives that are band 2, and two band 1s that don't sit as part of the executive but are band 1s. That is the chief curator that I mentioned before, who already was a band 1, and, in view of all of this change, we have also created a new position but with an existing band, I have to add. That position is looking specifically

at exhibitions. In doing the internal review that we've been doing—which has been fantastic to look at everything with a big lens—exhibitions is the area where we can make the most impact but also generate the most revenue, so that SE B1 has now been changed to address exhibitions.

I have to say, in terms of the consultation, the wonderful thing is that before I had to undertake the change management plan, I had already attended the PSA meetings. I was able just to go straight into PSA and we've been meeting every two weeks without fault throughout this whole time since I've started. So there is genuine consultation with the PSA and also genuine consultation with the JCC which are our own staff that are the representatives. That's been really, really fruitful, I have to say.

The CHAIR: Thank you. And the SES band 3?

MAUD PAGE: That's me.

The CHAIR: Band 3? I think you're 1.

MAUD PAGE: So I'm the one in band 3, I think—yes, that's right.

The CHAIR: Sorry. Yes, I've got you: so one, then three in 2.

MAUD PAGE: That's right. And then two in 1.

The CHAIR: The PSA also talked about the removal of positions then, and they give examples in their submission: installation officer grade 2, collections registrar, exhibitions registrar, assistant exhibitions registrar and several design department roles. They say that their concern is that that undermines the gallery's ability to deliver even a reduced program effectively. You're in a tough position because you have been again given a reduced budget. Who was involved in that? What was the level of seniority? You mentioned, I think, getting together with the executives to talk about what needed to happen. Was there consultation with the broader staff?

MAUD PAGE: There was consultation with the leaders of each department, definitely—for example, the head of conservation, the head of registration—so consultation in that way. As is the process, we proposed a structure and then we went into consultation for five weeks over that particular structure. Then through consultation—and we had 271 submissions, so it was a genuine one, with lots and lots of touch points—we were able to change things according to the consultation and the feedback that we got. In my mind, I feel really comfortable that we did do really extensive consultation, and it was also very carefully guided and monitored by the PSA as well, with Greg Shaw and Claudia Bianchi.

The Hon. JACQUI MUNRO: Thank you for appearing today. It's nice to see you both. I wanted to take you to the budget, Ms Page, just to clarify exactly the budget of the Art Gallery. In terms of agency expenses—this is *Budget Paper No. 04*, page 4-1.

MAUD PAGE: I don't have it, so hopefully I can answer.

The Hon. JACQUI MUNRO: The numbers in this budget show that the revised expenses for the Art Gallery were $115.2 million. Then in 2025-26, it's $109.2 million. Is that accurate? That's your budget for this financial year; that's your full expenditure package?

MAUD PAGE: That's right.

The Hon. JACQUI MUNRO: What are those expense figures over the forward estimates?

MAUD PAGE: What do you mean, in terms of what are my—

The Hon. JACQUI MUNRO: The agency expense summary includes the budgeted expenses for 2025-26. Do you have a figure for each of the years over the forward estimates?

MAUD PAGE: No, not yet.

The Hon. JACQUI MUNRO: You haven't been given any future indication of what your budget will be?

MAUD PAGE: No, not at this stage, but I believe that that's the norm. I think we each receive an annual budget, and we expect that there's some continuity in terms of recurring funding, for example. I can see I've got a list now from 2019 all the way to forward year 2026. Is that what you mean?

The Hon. JACQUI MUNRO: When budgets are released, usually there's a figure over the forward estimates—that is, the next four years—that relates to the spend that government expects to make in particular areas. Perhaps, Ms Havilah, what has your experience been in getting an indication of funding?

LISA HAVILAH: We have an allocation over the forward estimates. I couldn't tell you what they are now, but we can look at that.

MAUD PAGE: Maybe I can get you that too, then.

The Hon. JACQUI MUNRO: That would be helpful. It sounds like you've had different experiences, though, in that, Ms Havilah, you have in some ways understood what is coming down the pipeline for you for funding over the forward estimates. You're obviously aware of that and have been able to plan accordingly in your operations. But, Ms Page, it sounds like that hasn't happened for you at this stage.

MAUD PAGE: I wouldn't say that, necessarily, because I'm in constant discussion with the department and with the Minister's office. We do talk a lot about budgets, so I do have some idea about what is coming; I just don't have the actual figures. I have some idea of where government will assist us as well.

The Hon. JACQUI MUNRO: I'm just trying to understand. It does seem like—I'm not trying to put you in it, in particular, but I'm just trying to understand how those processes might be different across different agencies and how that might actually affect the future planning for agencies and for the leaders of those organisations.

MAUD PAGE: Let me come back to you with those figures.

The Hon. JACQUI MUNRO: Can I just clarify, have you been given those figures by the Minister? Are you confident that there are some firm figures over the forward estimates that you've been provided by the Government?

MAUD PAGE: I'm confident that we've got a recurring budget into the future, definitely, since we've—

The Hon. JACQUI MUNRO: But it's more of a verbal discussion rather than—

MAUD PAGE: I do have figures, but I don't have them in front of me. I'm not sure in terms of how—I guess that there's a lot to be filled in, in terms of what we also will bring to those figures to get a final budget.

The Hon. JACQUI MUNRO: They seem like they're much more fluid, if I can use that term.

MAUD PAGE: As I said, I think there are recurrent government funding figures that are—

The Hon. JACQUI MUNRO: Do you think there's a baseline?

MAUD PAGE: Yes.

The Hon. JACQUI MUNRO: Is that something written down?

MAUD PAGE: I would say there is, and I will provide those to you.

The Hon. JACQUI MUNRO: So the Minister has made a commitment to you that there will be a baseline level of funding for the Art Gallery.

MAUD PAGE: There is definitely a commitment from government that there is baseline funding.

The Hon. JACQUI MUNRO: Could you please provide on notice what that commitment is over the forward estimates, broken down by year?

MAUD PAGE: Of course.

The Hon. JACQUI MUNRO: Again, just to clarify, Ms Havilah, how have you received this information that you've got particular funding or budget over the forward estimates?

LISA HAVILAH: Just through our work with government and with Treasury. Also, I should say that it's subject to each year's budget process.

The Hon. JACQUI MUNRO: But you've obviously been given some certainty as you go forward.

LISA HAVILAH: Yes.

The Hon. JACQUI MUNRO: Thank you for that. The other thing I wanted to just double-check, at the budget estimates in the second half of this year, we went through some of the capital expenditure works for the Powerhouse, but we didn't get to the Art Gallery. Just for the reference of anybody listening at home, it's *Budget Paper No. 03* page 2-15 that I'm looking at, which is the Department of Creative Industries, Tourism, Hospitality and Sport. I'm looking at projects in that department, and I'm looking at the "Art Gallery Critical Asset Maintenance – Non-Collections". The estimated total cost is $28.8 million, and then the expenditure over four years to 2028-29 is listed as $3.9 million. I'm just wondering if the rest of that $25 million has already been spent, or is that expected to be spent after the forward estimates?

MAUD PAGE: I'll have to come back to you. I'll have to take that on notice.

The Hon. JACQUI MUNRO: Are you aware of what kind of work is being undertaken under that almost $30 million project?

MAUD PAGE: There are various things that were listed in our annual report. For example, I know we've got a lift that we're needing to repair. There are lifts, and there are boilers and a number of other things. I can get you the actual detail of those.

The Hon. JACQUI MUNRO: There was one more thing I just wanted to draw out from the budget, which was around variance—I have too many sticky notes.

The CHAIR: We can come back to you. We'll go to Mr Banasiak.

The Hon. MARK BANASIAK: Ms Havilah, we received evidence today around concerns about the direction of the Powerhouse Museum potentially shifting outside of what its legislative remit is. I wonder whether you could respond to those concerns that the direction you're taking the Powerhouse Museum in is stepping outside of its legislative remit.

LISA HAVILAH: We take the Museum of Applied Arts and Sciences Act very seriously. It's very central to the direction of the work that we do. If I may read the first paragraph of the Act, that Act directs us to:

> … effectively minister to the needs and demands of the community in any or all branches of applied science and art and the development of industry …

There are five key points under that which include:

> (i) the display of selected objects arranged to illustrate the industrial advance of civilisation and the development of inventions and manufactures,
>
> (ii) the promotion of craftsmanship and artistic taste by illustrating the history and development of the applied arts,
>
> (iii) lectures, broadcasts, films, publications and other educational means,
>
> (iv) scientific research, or
>
> (v) any other means necessary or desirable for the development of the natural resources and manufacturing industries of New South Wales.

So the programs that we develop and present work right across the applied arts and sciences. The team at the Powerhouse work hard to find a balance between both the applied arts and the applied sciences. It works across not only from a collection perspective but also a programming and exhibition development perspective, and also learning and education programs.

The Hon. MARK BANASIAK: How do events such as nightclub or disco-style events fit into the applied arts and science curation of material?

LISA HAVILAH: I think what you might have been referring to earlier was the Powerhouse Late program, which we ran before we began the revitalisation of the museum in Ultimo. The Powerhouse Late program was really about supporting and connecting audiences and creative communities, and also scientific and tech communities, with programs that were both learning programs and workshop programs. But it also gave an opportunity for audiences to come and experience the exhibition program in the evening.

The Hon. MARK BANASIAK: This might be a bit more of an uncomfortable question. How did what I would characterise as the porn exhibit fit within the applied arts and sciences remit of the museum?

LISA HAVILAH: I think what you're referring to there is the exhibition called *Absolutely Queer* which was curated by our internal curatorial team. That exhibition was done to celebrate WorldPride, but it was also done to profile the incredible creative industries community and present the current work that they were doing. Some of that work was from our collection as well.

The Hon. MARK BANASIAK: Some of that work was from an existing collection you have?

LISA HAVILAH: Exactly. As part of our social history collection, we have documented the history of Mardi Gras over many years.

The Hon. MARK BANASIAK: When did that collection start?

LISA HAVILAH: The time when Mardi Gras started, from the beginning.

The Hon. MARK BANASIAK: Can I go to some questions around staffing? The PSA raised concerns around what they call the use of artistic associates. I'm trying to find the exact figures in their submission. While I do that, how many artistic associates does the Powerhouse Museum have?

LISA HAVILAH: We have two artistic associates. That program was established for a certain period in the museum when we were beginning our renewal project. Now we're moving into the delivery and opening of the museum and that program is winding down.

The Hon. MARK BANASIAK: According to the PSA, in the 2021-22 financial year you had four artistic associates that cost the agency $142,000. They say this year the costs are on track for over $750,000 for two positions. How is that winding down?

LISA HAVILAH: I'd have to take on notice the actual figures for that. It doesn't sound exactly accurate, but I can get those figures for you on notice.

The Hon. MARK BANASIAK: Yes, it would be good if you could take on notice exactly what is the cost of those two positions, what is their role and give an outline of their experience that matches that role.

LISA HAVILAH: Sure. We have a policy and a process to select and appoint artistic associates. Also, we expanded that out across both the applied arts and sciences. That includes an open EOI where a program of work can be proposed to the museum. It's working on research and program development, and working from an industry perspective in partnership with the curatorial and collections staff and the program staff.

The Hon. MARK BANASIAK: They're different to the curators in their roles, are they?

LISA HAVILAH: They're different to the curators because they're coming from a very industry perspective. One of the things that we're really keen to do in terms of the support and connection with our programs is to have impact and connection with industry right across the applied arts and sciences. We really saw this as a way to achieve that, from getting very firsthand industry experiences to work with us in the museum.

The Hon. MARK BANASIAK: But that is now winding down?

LISA HAVILAH: It is, yes.

The Hon. MARK BANASIAK: Is that an assumption that their work is finished, in terms of what they were doing?

LISA HAVILAH: That's correct, yes.

The Hon. MARK BANASIAK: How many curators does the Powerhouse Museum currently have?

LISA HAVILAH: Referring back to the discussion that you were having this morning, there was a restructure that happened in 2014, where there was a real shift from specialist positions to broader curatorial positions, and then over the last six years the Powerhouse curatorial team has expanded from 20 full-time curators in 2019 to now a team of 32 full-time curators. These curatorial teams—

The Hon. MARK BANASIAK: Sorry, what was that?

LISA HAVILAH: It was 32. We've gone from 20 to 32. The reason for that is that those teams are working on the development of the exhibitions for the opening of Powerhouse Parramatta, which is coming up at the end of next year. They'll also be working on the development of exhibitions and collections for the opening of the Powerhouse Museum in Ultimo.

The Hon. MARK BANASIAK: For those 32, have you gone back to a more subject-specific style of curator, or are they still very broad brush?

LISA HAVILAH: It's broad brush, but it's getting more specific. There are quite a few curators that we're very fortunate we've been able to retain over a long period of time. For example, our astronomy curator has been with us for 35 years. He's working with us very closely on the research and development of one of our major exhibitions at Parramatta.

The Hon. MARK BANASIAK: I think the evidence we received today was that the curator of astronomy had disappeared and was replaced with someone that didn't have experience in that field—glassmaking or something like that. Are you disputing that?

LISA HAVILAH: I'm saying that our curator of astronomy has been with us for 35 years. He's currently fully employed and working on one of the opening exhibitions for Powerhouse Parramatta.

The Hon. MARK BANASIAK: So he or she hasn't left?

LISA HAVILAH: No. I think, if I may, there's another curator that was being referred to this morning. I think there was a bit of confusion there.

The Hon. MARK BANASIAK: Were they a curator of astronomy as well?

LISA HAVILAH: No.

The Hon. MARK BANASIAK: What were they a curator of?

LISA HAVILAH: They worked across the whole program, but their speciality was in science and technology.

The Hon. NICHOLE OVERALL: Ms Page, have you read the submission from the Public Service Association?

The CHAIR: I think she was asked that before, and she hadn't.

The Hon. NICHOLE OVERALL: Sorry, I missed that. My apologies.

MAUD PAGE: I think it was put in late, so I didn't get a chance to read it.

The Hon. NICHOLE OVERALL: When you're referencing genuine and regular consultation with the PSA, you're suggesting every couple of weeks. But the PSA, in their submission, is actually suggesting that they're not happy with the consultation and the engagement, and they have serious concerns around all of that and have made specific references to that. How do you explain that, or feel it might have come about, this disconnect between what you believe the situation to be and, clearly, what they have articulated in a written submission to this inquiry?

MAUD PAGE: I'm not sure, because I haven't read the submission. All I can go by is, like I said, we met regularly every two weeks. Our representative from the PSA had access to our change management plan on the intranet and could see every time we would upload all of the questions from staff. He also had access, and then we would talk about any of those submissions within our two weeks, so I'm not quite sure what is referred to in terms of not having had as much consultation.

The Hon. NICHOLE OVERALL: Okay. It would be interesting to—and difficult for us, obviously, if you're going to be reading that submission after the event, but you will hold that you believe that the consultation was genuine and regular and, from your point of view, was effective in the outcomes that have eventually been reached?

MAUD PAGE: Absolutely. I will add that I think that we had so many touchpoints to be able to engage with staff, whether it was that we gave the opportunity in terms of people that didn't want to do it in a group setting. We had group settings, we had solo settings, we had submissions that you could put it in writing and we had different people that you could go to in order to be able to make those points across. As I said, we had 271 submissions, so they did really impact and influence the outcome of our structure, and also have continued, because a lot of them were very good suggestions about how we might even work in the future. That's what the next phase is about. I will take that up with our union representatives when I next meet with them, which is actually this Friday.

The Hon. NICHOLE OVERALL: Okay, great. In relation to the Art Gallery of New South Wales regional engagement program, has it been, or will it be, impacted by the restructure, changes et cetera?

MAUD PAGE: At the moment, no. We're not going to be impacting that area at all. Regional is a really important area for us. We've been engaged with the regions for a long time. If you had a look at our annual report, we've been engaged. At this very moment, we've over 10 regional galleries that we're working with, and we've got various programs. We don't just tour our collection. We have Culture Dose, for example, that deals with mild anxiety, that's been rolled out across 12 different galleries. We have juvenile justice programs across different parts of the State as well, in detention centres. There are so many different touchpoints, again, for the gallery, and we want to maintain those. They're core to what we do and what we believe in.

The Hon. NICHOLE OVERALL: So exhibitions, programs, outreach et cetera, you're not expecting those to fall or be diminished in any way?

MAUD PAGE: For regional, that's right.

The Hon. NICHOLE OVERALL: Thank you.

The Hon. ANTHONY D'ADAM: I might start with Ms Havilah. I want to ask you firstly about sectoral engagement and education engagement, particularly around science and engineering. Could you perhaps talk about the work that you're doing?

LISA HAVILAH: Yes, sure. We are leading up to the opening of Powerhouse Parramatta. We're doing a whole range of programs right across New South Wales, but also with a focus in Western Sydney. When we open Powerhouse Parramatta, we will be launching the Lang Walker Family Academy, which will be a

STEM-focused residential program that we're developing in partnership with the NSW Department of Education. Over 10,000 students each year will go through that program. It will focus on supporting regional and remote students, but also Western Sydney students. That program is also being developed in partnership with Western Sydney University.

Some of the programs that we've delivered over the last 12 months—we've had engagement with more than 30,000 students. One of the programs was in partnership with NASA, where Western Sydney schools developed an experiment, which was actually launched onto the International Space Station. That was part of a competition, in terms of that experiment, which was selected by one of the NASA astronauts. Casula High School was lucky enough to be part of that program, and led the program for that experiment and collaborated with students right across the world in terms of how it then went onto the International Space Station.

The Hon. ANTHONY D'ADAM: Is that program separate from the Task Eternal program?

LISA HAVILAH: Yes, it's separate.

The Hon. ANTHONY D'ADAM: I'll ask you about that after you've finished.

LISA HAVILAH: These are all just learning programs. Then just recently we delivered a program with over a thousand students across Western Sydney called 50°C: Climate, Heat and Resilience, and that program was developed in partnership with the office of the NSW Chief Scientist and Engineer, Western Sydney University, the University of New South Wales, the University of Sydney, the CSIRO, Sydney Water, Greening Australia and the Australian Youth Climate Coalition. That project was really about enabling and supporting students to self-design or co-design resilience within their schools to address heat across Western Sydney. That project actually became a finalist in the Premier's Awards this year, which we're super proud of. We also this year presented Sydney Science Festival, and we presented a big science family day in Parramatta Square, and we had over 10,000 people attend that event.

You might recall also what happened this year was the International Astronautical Congress, which happened at the ICC. We presented a family day in partnership with the congress, and we had over 12,000 young people and families come to that event and really experience science and technology from a space perspective in new ways. As part of our philanthropy program, we've established a partnership with the Tyree Foundation, and we'll be delivering in Powerhouse Parramatta an annual Australian Engineering Summit. That summit program also includes a whole range of different partnerships across engineering and will include workshops and programs for students across New South Wales. We have a big focus on science but also a very special focus on engineering and connecting young people with pathways to new jobs around engineering. On our rooftop in Powerhouse Parramatta, we have the most high-tech telescopes that will be used as part of the syllabus program that's embedded into the Lang Walker Family Academy program, and adjacent to that we'll do a whole range of different agricultural science programs that are connected to the syllabus as well. I might stop there.

The Hon. ANTHONY D'ADAM: I might ask you then about Task Eternal as well and the collaboration with NASA, I think. Is that right?

LISA HAVILAH: Yes. Task Eternal is our most major exhibition that we're opening as part of the opening of Powerhouse Parramatta at the end of next year, and the exhibition will include over 600 objects, many objects from the Powerhouse collection that have never been seen before. We're collaborating with agencies across Australia but around the world, but also with international museums, including the British Museum, NASA, MIT, Smithsonian's National Air and Space Museum, and the San Diego Museum of Art. But also on a local level in terms of connection with industry, we're working with ANSTO, the Australian Space Agency, the Australian aviation industry, Gilmour Space Technologies, Metakosmos and Qantas. We're really working very broadly across industry and the museum sector to really create a very special exhibition that will connect people with both the history of flight and space but where it's going from a future focus perspective as well.

The Hon. ANTHONY D'ADAM: And the astronomical curator, they're involved in this program?

LISA HAVILAH: Yes, they are. That's correct.

The Hon. ANTHONY D'ADAM: I think it's fair to say from what you've said that you would reject the assertion that the Parramatta project is resulting in a diminishing of the engagement on STEM from the Powerhouse.

LISA HAVILAH: There has never been a higher level of connection, investment, partnership and collaboration around STEM in the history of the museum.

The Hon. ANTHONY D'ADAM: Ms Page, there has obviously been some discussion about the FTE that's in question with the restructure. Could you just sort of step us through your understanding of the FTE back

in the 2021-22 period and then sort of where the FTE was prior to the restructure? There's obviously going to be some impact in terms of FTE with the new development. Perhaps if you could just sort of paint the picture of where the staffing numbers have gone over the course of the last few years so that we can see where you've come from and where you're at now and where you're seeking to get to.

MAUD PAGE: For forward year '19 we had 234 FTE. That was just before we began the construction. For FY '20 we went to 247; for FY '21 we went to 266; for FY '22 we went to 310; for FY '23 we went to 374; and for FY '24 we went to 385. In FY '25 we've gone from 385 to 372, and then in FY '26 we will be at 337.

The Hon. ANTHONY D'ADAM: What was the projected staff number in the business case for the new—

MAUD PAGE: It was actually 270.

The Hon. ANTHONY D'ADAM: The original estimation was that there would be 270.

MAUD PAGE: That's right.

The Hon. ANTHONY D'ADAM: Before you came on, it was at 385. Is that correct?

MAUD PAGE: That's right.

The Hon. ANTHONY D'ADAM: It's substantially higher than the original estimation.

MAUD PAGE: It's quite substantial.

The Hon. ANTHONY D'ADAM: The previous management had just grown the FTE far beyond—

MAUD PAGE: Yes, but I would also argue that, just in terms of the business case that was done in 2017, the projection as to what was needed was very different then. In terms of public programming, there was a lot of staff that was brought in to deliver on a number of fronts across those two big galleries, and then, as I said, we also run an artist studio in Surry Hills and we have an offsite facility as well. The numbers grew with that.

The Hon. ANTHONY D'ADAM: Were those numbers in excess of the budgeted allocation for each of those years, or were those numbers within budget?

MAUD PAGE: I believe they were within budget.

The Hon. ANTHONY D'ADAM: We heard evidence earlier today from the PSA. The original restructure was seeing a reduction of 51 FTE, and the PSA suggested that it was now down to 44 after negotiation. Is that correct?

MAUD PAGE: That's right; that is correct.

The Hon. ANTHONY D'ADAM: So there's no suggestion that their reduction is lower than 44?

MAUD PAGE: It's 44.8 roles, yes. That's the other number that we've come to now, and 13 of those are vacant roles.

The Hon. ANTHONY D'ADAM: So 13 of the 44 are vacant?

MAUD PAGE: That's right.

The Hon. ANTHONY D'ADAM: What is that, 31.8?

MAUD PAGE: Yes, that's exactly it.

The Hon. ANTHONY D'ADAM: That's the actual number of people that will be removed from the structure?

MAUD PAGE: Yes, that's exactly it.

The CHAIR: Ms Havilah, in terms of the Museum of Applied Arts and Sciences, how many full-time equivalent positions do you have across the whole—

LISA HAVILAH: It's 303 currently.

The CHAIR: So 303 currently. How many are funded? Does that mean there are quite a few that still need to be filled?

LISA HAVILAH: Yes. At our end state, when Castle Hill, Parramatta, Ultimo and Sydney Observatory are fully operating, we estimate that there will be approximately 380. But we'll continue to look at efficiencies to make sure there are efficient operations and that we're working within our means, as well, and our budget.

The CHAIR: Remind me—with Castle Hill, the Observatory, Parramatta and Ultimo, what's the end date? What is the expected completion date for all four, when you say the end state and the potential 380?

LISA HAVILAH: We will be opening Powerhouse Parramatta at the end of next year. There isn't an exact date put on that—the calendar year, that is, of 2026. We still we don't have an actual set date for Ultimo as we're working through that with Infrastructure NSW.

The CHAIR: How many of those FTE end dates will be Parramatta?

LISA HAVILAH: Approximately 200 to 220 will be in Parramatta, but that also includes front-of-house staff, which are casual or temporary part time.

The CHAIR: Of that 200 to 220, how many, roughly, do you think are casual part time, or maybe part time?

LISA HAVILAH: These figures are done as full-time equivalent. I can get a breakdown for you.

The CHAIR: Of the 32 full-time curators you mentioned before, how many of those will be based in Parramatta?

LISA HAVILAH: It will depend on their work program. The curatorial team works across Parramatta, Ultimo and Castle Hill, depending on what they're working on.

The CHAIR: In this year's budget, 2025-26, the agency financial statements have it that the revised budget in terms of employee expenses was roughly $50 million. Then that goes up to $60 million in 2025-26. Is that largely because of the Powerhouse, in terms of staffing for that?

LISA HAVILAH: Yes. It's the preparation for the opening of Powerhouse Parramatta.

The CHAIR: There's also $58 million in grants and subsidies. What is that for?

LISA HAVILAH: I can explain this. There is a $75 million philanthropy target that we were to raise as part of the base build.

The CHAIR: Yes, I remember talking about this.

LISA HAVILAH: It's an in and an out in our budget, because we have that money in through philanthropy and we're paying it to Infrastructure NSW to complete the project within this financial year.

The CHAIR: So it's an in and an out.

LISA HAVILAH: Yes.

The CHAIR: I'll come back to that if I find the out, which I can't see quickly. We'll go to questions from the Opposition again.

The Hon. JACQUI MUNRO: I just wanted to check on *Budget Paper No. 03* page 4-3, on the budget for the Art Gallery of New South Wales. The 2024-25 budget was $16.4 million for capital investment by general government sector. It was increased in the revised budget to $31.5 million, and then in the 2025-26 budget it goes to $16 million again. What was the $15 million jump in 2024-25?

MAUD PAGE: I will need to come back to you on that one. I'll have to take it on notice.

The Hon. JACQUI MUNRO: No idea?

MAUD PAGE: No, I don't. We're working across so many multiple projects. We're at the end of all of our capital projects, thank goodness, but there are so many ones that are ending and we've got a couple that have started. I just want to be very, very precise to you in my answer.

The Hon. JACQUI MUNRO: It's quite a variation, and I'm just wondering why that budget wasn't anticipated. If there's some explanation that you could provide around why that $15 million wasn't originally anticipated in the original budget, and had to be revised, that would be helpful.

MAUD PAGE: I will come back to you on that.

The Hon. JACQUI MUNRO: Going back to the process of budgeting over the forward estimates, I just want to clarify something. Ms Havilah mentioned that she had been in conversation with the Treasury as well as the Minister. Have you been in conversations with Treasury also?

MAUD PAGE: My team has, yes.

The Hon. JACQUI MUNRO: Have they reported to you?

MAUD PAGE: Yes.

The Hon. JACQUI MUNRO: What is Treasury indicating to you at this point, through your staff?

MAUD PAGE: Treasury is indicating that, as always, as a State organisation, there will be funding for us. We just don't know what the envelope is.

The Hon. JACQUI MUNRO: Is that making it difficult for you to plan the future?

MAUD PAGE: No, because we have a rough idea of what it is and then we need to plan accordingly. We know what our expenses are. We know that we need four exhibitions. I have to say it is business as usual. We work closely with government in terms of what that is going to be in the end and those ambitions.

The Hon. JACQUI MUNRO: Is the Biennale of Sydney working with either of your organisations as part of its program?

MAUD PAGE: It's working with mine.

LISA HAVILAH: And not with the Powerhouse.

The Hon. JACQUI MUNRO: Could you please explain what interactions you've had with the Biennale and what kind of work you're doing together?

MAUD PAGE: We have been working with the Biennale for a really long time—as of their second iteration, so 1976, I believe. We have worked very closely with them. We will be staging the Biennale in our gallery in March 2026.

The Hon. JACQUI MUNRO: Do you have an idea of what exhibitions will be put on display at this point?

MAUD PAGE: Yes, I do.

The Hon. JACQUI MUNRO: What are those exhibitions?

MAUD PAGE: It's a number of artists. That's how they work; you've got a curator that comes in with a vision. They tell us—we're essentially a venue when we host the Biennale. They outline their vision. They outline all of the artists that they are interested in working with. As the time progresses—it usually starts as soon as one finishes or even sometimes before. We've been in conversation for a long time. Then the artists come in and out of, I have to say, venues, as we're in discussion and then as projects are commissioned. Often they want new works to show because it's such an international exhibition. That's how it happens.

The Hon. JACQUI MUNRO: What kind of agreements do you have with the Biennale around the kind of content or artists that do display in your venue?

MAUD PAGE: We've got an exhibition contract and that exhibition contract is—as we have with every other institution that we work with. With Kandinsky it was the Met museum, or with four Matisses it was with the Pompidou. The content is according to those.

The Hon. JACQUI MUNRO: Does that contract and the content requirements or stipulations—what kind of stipulations are those? Is there a standard contract?

MAUD PAGE: It's a standard contract.

The Hon. JACQUI MUNRO: Could you please provide that to the Committee on notice?

MAUD PAGE: Sure.

The Hon. JACQUI MUNRO: I'm sorry to labour this point. Just on my last question, back to Ms Havilah about this budget situation, because I just want to understand exactly how this works. Ms Havilah, you've been directly dealing with Treasury and have a clear understanding of your budget?

LISA HAVILAH: We work through the department—very closely with the department around the budget. We consult with Treasury as part of that. That's an ongoing series of meetings to make sure everyone is working together.

The Hon. JACQUI MUNRO: Do you feel like you get given a budget or is there a negotiation around your budget?

LISA HAVILAH: There are always negotiations and there are new policy proposals. There are parameter technical adjustments. There are things that we need to respond to in relation to what we need to deliver. Everything changes in terms of—they're big complex operations, the businesses or the institutions that we're

running. There is a lot of support and collaboration around making sure that they're resourced and they're operating efficiently.

The Hon. JACQUI MUNRO: You've got a baseline figure already from Treasury?

LISA HAVILAH: There are allocations in the forward estimates, but there is a process each budget year.

The Hon. JACQUI MUNRO: It sounds like you've got a forward estimate allocation that's clear in your mind and in writing. Is that right? That is represented in the budget, for example.

LISA HAVILAH: Yes.

The Hon. JACQUI MUNRO: In the budget papers.

LISA HAVILAH: Yes.

The Hon. JACQUI MUNRO: Could you please provide that information on notice if you don't have it here?

LISA HAVILAH: If I can, yes, absolutely.

The Hon. JACQUI MUNRO: Ms Page, my understanding is that you're not sure if there's money allocated in the forward estimates—can you please answer on notice?

MAUD PAGE: I will do the same as Lisa. If I can, I will provide it.

The Hon. JACQUI MUNRO: That would be helpful, thank you.

The Hon. NICHOLE OVERALL: Ms Havilah, the introduction of artistic associates, who are effectively consultants, and the significant growth in costs with that—what's happening in that regard?

LISA HAVILAH: Currently we have two associates who are working with us, and they're working with us on the delivery of elements of our program across applied arts and sciences.

The Hon. NICHOLE OVERALL: If you're cutting curatorial positions but you're employing consultants, as such, can you give us the reasoning for why that's happening?

LISA HAVILAH: Sure. We haven't reduced our number of curators over the last six years. The number of curatorial staff has increased to meet the needs of the infrastructure renewal of the Powerhouse. We currently have 32 curators who are working with us on the development of exhibitions and programs for both Parramatta and Ultimo. Our priority is absolutely supporting and enabling our staff to do absolutely the best job that they can do, as directed by the Act.

The Hon. NICHOLE OVERALL: Of course, and that's to be lauded, inevitably. Obviously, there still is some disconnect about information around some of those, including the PSA. who believe that curator roles are being cut. Aside from that, can you talk to us about the increase in the costs that these artistic associates are incurring?

LISA HAVILAH: The costs are actually reducing, but I think there might be some confusion that I can help to clarify around consultants and contractors, if you'd like me to go through that in terms of our budget. Let me just find it so I can be exact. There are different elements that you can see in the budget around contract services. Consultants that you can see in the budget—there's an amount of $490,000. That's for technology operating models for Powerhouse Parramatta but also technical consultants that we need to use on our exhibition development, including building code, disability discrimination and also engineering. That's that line. Then there's a $2 million line which is expenditure on contractors. That relates to the delivery of the technology renewal program, including ICT services and systems-related resourcing that we need to make sure that Powerhouse Parramatta and now Powerhouse Ultimo have the right level of technology support that they can operate. So there are a number of consultants that we need to use to make sure that we can deliver on our obligations under—

The Hon. NICHOLE OVERALL: Thank you for the in-depth information, but I'm specifically talking about the artistic associates. Is that a different thing? Does that come under a different line item altogether?

LISA HAVILAH: Yes, I was just getting to that one. That comes under professional services. I don't have the exact figure of the expenditure or budget for this financial year, but the professional services line also includes the Ultimo collection relocation, which was completed recently. I'll take that on notice.

The Hon. NICHOLE OVERALL: Will you be able to provide that information to us in terms of the cost?

LISA HAVILAH: Yes.

The Hon. MARK BANASIAK: Can I follow-up on the curator of astronomy. My understanding is that was Sarah Reeves, who actually had academic qualifications and expertise as an astronomer. She left and was replaced by the glassblower. In the case of Mr D'Adam's question about the curator of astronomy being involved in the STEM projects, was that Sarah Reeves or was that the glassblowing astronomer?

LISA HAVILAH: We have an astronomy curator. His name is Andrew Jacobs.

The Hon. MARK BANASIAK: And he's qualified as an astronomer?

LISA HAVILAH: He absolutely is. He's been with us for 35 years.

The Hon. MARK BANASIAK: Who replaced Sarah Reeves?

LISA HAVILAH: I'd have to take that on notice. But, yes, Sarah did fantastic work while she was with us. She's moved on to another role.

The Hon. MARK BANASIAK: Can you confirm whether the museum is funding two artists to live in Paris for three months of the year and how that fits within the remit of the museum's work? That's been put to me as a question, so I'm putting it to you.

LISA HAVILAH: I'm happy to answer that. Would you like me to do that now?

The Hon. MARK BANASIAK: Yes.

LISA HAVILAH: We have a partnership with the Cité in Paris to support First Nations creatives to work and live in Paris for a period of time. That's to support their practice internationally and give them pathways into an international career.

The Hon. MARK BANASIAK: How does that fit within applied arts, technology and history?

LISA HAVILAH: For example, we supported a First Nations architect last year who is now doing work in Paris with the Louvre and doing other international collaborations, so it has very much supported his practice as an architect and designer to do work internationally. It's providing pathways for New South Wales creatives to grow and expand their careers.

The Hon. MARK BANASIAK: Can you on notice tell us the exact cost of those fellowships?

LISA HAVILAH: Yes, I'm happy to.

The CHAIR: Does the Art Gallery do anything like that, Ms Page?

MAUD PAGE: We do have also at the Cité some residencies, and we've had them for many years.

The Hon. ANTHONY D'ADAM: We are at time.

The CHAIR: Thank you, Mr D'Adam, I am well aware of the time. Thank you so much for appearing today. The Committee will be in touch in regard to anything you took on notice or if members have supplementary questions. I appreciate you both making the time to come.

(The witnesses withdrew.)

The Committee adjourned at 16:30.