

# **GENERAL PURPOSE STANDING COMMITTEE No. 1**

**Tuesday 14 October 2008**

**Examination of proposed expenditure for the portfolio area**

## **ARTS**

**The Committee met at 5.35 p.m.**

### **MEMBERS**

Reverend the Hon. F. J. Nile (Chair)

The Hon. C. E. Cusack  
The Hon. K. F. Griffin  
Ms S. P. Hale

The Hon. T. J. B. Khan  
The Hon. P. G. Sharpe  
The Hon. I. W. West

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### **PRESENT**

**The Hon. N. Rees**, *Premier, and Minister for the Arts*

**Department of the Arts, Sport and Recreation**  
**Ms C. Mills**, *Director General*

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## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

**Corrections should be marked on a photocopy of the proof and forwarded to:**

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**

**CHAIR:** I declare this hearing for the inquiry into the budget estimates 2008-09 open to the public. I again welcome Premier Rees and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the Arts portfolio.<sup>1</sup> I refer witnesses, the audience and members of the media to my earlier statement about procedural matters such as the broadcast of proceedings. All witnesses from departments—we have only one, Ms Carol Mills—will be sworn prior to giving evidence.

**CAROL MILLS**, Director General, Department of the Arts, Sport and Recreation, affirmed and examined:

**CHAIR:** I apologise for delaying your appearance before the inquiry.

**Ms MILLS:** That is quite all right.

**CHAIR:** I declare the proposed expenditure for the Arts portfolio open for examination. There is no provision for the Minister to make an opening statement before the Committee commences questioning. You do not wish to make any comment on the Arts, do you, Premier?

**Mr NATHAN REES:** No, not at this stage.

**CHAIR:** We will go straight to questions from Ms Sylvia Hale.

**Ms SYLVIA HALE:** Premier or Ms Mills, I would like to talk a bit about the review of the New South Wales cultural grants program. Can you tell me if there is any proposal that small project grants will devolve to other peak bodies such as Museums and Galleries New South Wales, the Heritage Council or the History Council?

**Mr NATHAN REES:** Carol knows this better than me.

**Ms MILLS:** There are presently a number of devolved grants administered by some peak organisations. It was a recommendation of the cultural grants review that consideration be given to further expanding the devolution of small grants. It was the view of the reviewers, however, that that needed to be done over time and that a number of development projects were required before such devolution should occur.

**Ms SYLVIA HALE:** The review also made recommendations regarding ticketing reform. Could you indicate if any plans have been made to introduce those reforms?

**Ms MILLS:** Again, that was a very broad recommendation about exploring opportunities for ticketing. There were 29 recommendations in the review and we have a work plan to go through each of those progressively. We have not commenced work on that but we will look at that issue later this year and early next year.

**Ms SYLVIA HALE:** Have any measures been taken to strengthen the role of the regional arts boards?

**Ms MILLS:** I have had discussions with Regional Arts New South Wales about mechanisms for improving the connection between the regional arts development officers, the regional arts boards and the strategic planning and program funding of Arts New South Wales. We have an agreement, as part of our new funding process, to discuss that in terms of potentially a memorandum of understanding or strengthening of service level agreement, or some other mechanism, to more closely link those to the policy priorities of the State as a whole.

**Ms SYLVIA HALE:** Do you have any time in mind for that to take place?

**Ms MILLS:** Yes, the first part of those discussions are occurring with Regional Arts New South Wales as part of their funding agreement for 2009, so that discussion has recently commenced. We see it as a progressive thing, implementing from probably in the early 2009-10 financial year.

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<sup>1</sup> In the previous hearing Opposition members undertook to table their questions relating to the Arts portfolio, rather than ask them in person, in order to extend the time available for questioning the Premier.

**Ms SYLVIA HALE:** What changes are being made to the evaluation process for funding recipients?

**Ms MILLS:** This year we have made a number of changes to the program. The most significant, I suppose, from the point of view of the organisations applying for funding, consistent with the recommendations of the review, is we no longer have applications based on art form but based around organisation, either program funding or project funding. As a result of that we have a change to the assessment process away from individual committees based around specific art forms, to committees that we look at the overall application for an organisation. Those committees will continue to, as in the past, comprise arts experts and peer assessors.

**Ms SYLVIA HALE:** Is Arts New South Wales considering ceasing the funding of small writers centres?

**Mr NATHAN REES:** As I understand it, there has been a review of writers centres. There have been nine across New South Wales—is that right? We are not talking about the cessation of funding, as I understand it. The review does not underline or recommend cutting funding to writers centres, but the analysis is going to be undertaken by an independent consultant. They are going to report back in early 2009. All the writers centres will be visited and consulted as part of the review.

I probably should have made an opening statement, but I will do it by way of answer now, if that is all right. I think it is a fair criticism of our arts institutions that they are city-centric. That is not their fault; that is the way large, old, historic buildings have developed. But for me, the access issue and the equity of access by the people of New South Wales to the collections and the other acquisitions that are held in trust for the people of New South Wales are absolutely critical. The seven institutions, you can literally walk from one to the other. I am certain that we need to explore ways of increasing that accessibility, either by making it easier for people to get into those institutions or by getting more works on the road. Subject to feasibility, we will be looking at a number of options around that.

**Ms SYLVIA HALE:** You say a review will take place in 2009 about the funding of the writers centres.

**Mr NATHAN REES:** My notes say that there will be a report back to us in 2009.

**Ms SYLVIA HALE:** Does that mean for the moment the writers centres are safe from the predations of the mini-budget?

**Mr NATHAN REES:** Yes.

**Ms SYLVIA HALE:** Can you assure me as to whether there will be any cuts to the arts in the mini-budget?

**Mr NATHAN REES:** I probably cannot give that commitment now.

**Ms SYLVIA HALE:** Would you expect that the current levels of funding to events such as the Sydney Festival would be maintained?

**Mr NATHAN REES:** I will take that on notice.

**Ms SYLVIA HALE:** What about staff numbers at cultural institutions, such as the State Library and the Powerhouse Museum?

**Mr NATHAN REES:** I will have to take it on notice. I cannot demand a discipline of my Ministers that I am not prepared to meet myself. That is the basis on which I am not going to commit this afternoon.

**Ms SYLVIA HALE:** The trouble is the discipline is imposed upon the staff and members of the public.

**Mr NATHAN REES:** I understand that but if I have a choice between delivering to the people in the far reaches of New South Wales by a different way of doing things, then it is my preference to do things like that rather than perpetuating an existing arrangement that, frankly, is inequitable in terms of access.

**Ms SYLVIA HALE:** Do you expect to continue with the efficiency dividend?

**Mr NATHAN REES:** Yes. If there has already been one flagged, yes.

**Ms SYLVIA HALE:** Returning to the review of the cultural grants program, will professional development courses for program managers be introduced?

**Ms MILLS:** There were a number of recommendations in the review relating to supporting the skill base of Arts New South Wales staff to be able to contribute effectively to the new grants model. That certainly has been built into our learning and development program budget for my department this year.

**CHAIR:** In the budget papers at page 17-9 there is a chart showing Service Groups and there is a figure for Arts Industry Development of \$274 million. At the top of the page it states, "developing arts industry, primarily through providing grants to cultural institutions". On page 17-11 it states, "grants totalling \$228 million to assist in the operation of the State's cultural institutions". There seems to be a discrepancy, unless you add the sport figures to the Arts budget. Could you explain that?

**Mr NATHAN REES:** The advice is that there are two service groups for arts. The total is for \$282 million.

**CHAIR:** Do you mean \$228 million?

**Mr NATHAN REES:** It is \$229 million in grants to assist in the operation of the State's cultural institutions and another \$39 million in grants to the arts sector, including \$4.3 million and \$3.5 million to the Sydney Festival and Museum of Contemporary Arts respectively, and \$10 million for the State's major performing arts organisations.

**CHAIR:** That brings you up to the \$274 million?

**Mr NATHAN REES:** That is right.

**CHAIR:** Do you have a list of the organisations receiving those grants? Would you take that as a question on notice?

**Mr NATHAN REES:** There would be, and we can get you that.

**CHAIR:** In the chart on page 17-9 it has \$4.6 million for Arts Accommodation Development. In what way is that money being spent? Is it new accommodation or for renovating accommodation?

**Mr NATHAN REES:** It is a number of capital projects, Reverend: the completion of the Australian Museum renewal project; the construction of a fine arts collection storage facility for the Art Gallery; the establishment of an education facility for the Historic Houses Trust Rouse Hill property; and a new project for the State Library—an electronic catalogue system. The budget driver is on the capital expenditure side there.

**CHAIR:** On page 17-11 there is a reference to "enhancing the role of the arts in lifelong learning through extending the ConnectEd Arts partnership". Would you explain what that is?

**Mr NATHAN REES:** I will have to rely on the Director General. It delivers a range of programs through the State, including arts camps for indigenous students, performing arts touring programs, travel and ticket subsidies to performing arts centres and galleries to assist schools to attend performances and a range of outreach workshops. The advice here says that since it kicked off in 2004, 62,000 students have benefited by it and 2,600 teachers in 1,800 schools, and they have visited 300 artists or arts organisations. That is as much detail as I can furnish now. If there is more material you need, I am happy to dig it out.

**CHAIR:** I assume that any questions relating to alcohol will come under your department?

**Ms MILLS:** That is for Friday.

**CHAIR:** That concludes my questions.

**The Hon. PENNY SHARPE:** The Government members are very happy to see the Arts back with the Premier, but we are not going to ask you any further questions today.

**CHAIR:** Thank you very much for your attendance, Premier Nathan Rees, and the time you have spent here this afternoon. We understand it is very difficult, particularly at this stage.

**Mr NATHAN REES:** I appreciate that.

**CHAIR:** We also thank you, Ms Mills, and your staff for your attendance. There are extensive questions on notice.

**Ms MILLS:** We will return those in the time frame.

**(The witness withdrew)**

**The Committee proceeded to deliberate.**

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