



Philanthropy Australia Inc.  
Assn. No. A0014980 T  
ABN 79 578 875 531

[philanthropy.org.au](http://philanthropy.org.au)

**Adelaide**  
Suite 912, Level 9  
147 Pirie Street  
Adelaide SA 5000  
T +61 (0)418 854 361  
[adelaide@philanthropy.org.au](mailto:adelaide@philanthropy.org.au)

**Brisbane**  
Suite 7E, Level 7  
344 Queen Street  
Brisbane QLD 4000  
T +61 (0)7 3103 2652  
[brisbane@philanthropy.org.au](mailto:brisbane@philanthropy.org.au)

**Melbourne**  
Level 2 55 Collins Street  
Melbourne VIC 3000  
T +61 (0)3 9662 9299  
[info@philanthropy.org.au](mailto:info@philanthropy.org.au)

**Sydney**  
52 Victoria Street,  
Paddington NSW 2021  
T +61 (0)2 9326 9200  
[sydney@philanthropy.org.au](mailto:sydney@philanthropy.org.au)

16 July 2015

Committee Secretary  
Senate Legal and Constitutional Affairs Legislation Committee  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Sir/Madam,

***Inquiry into the Impact of the 2014 and 2015 Commonwealth Budget Decisions on the Arts***

Philanthropy Australia is the national peak body for philanthropy and is a not-for-profit (NFP) membership organisation comprising around 800 Members and Associates. These include trusts and foundations, businesses, families and individuals who want to make a difference through their own philanthropy and to encourage others with their giving. Our vision is for 'A More Giving Australia' and our mission is to 'Lead an innovative, growing, influential and high performing philanthropic sector in Australia.'

Philanthropy Australia thanks the Senate Legal and Constitutional Affairs Legislation Committee (Committee) for the opportunity to make a submission to its Inquiry into the Impact of the 2014 and 2015 Commonwealth Budget Decisions on the Arts.

Many of our Members fund the arts, and therefore Philanthropy Australia has an interest in any policy changes which may have a direct or indirect impact upon arts philanthropy in Australia. This includes the 2015 Budget decision to establish a new 'National Programme for Excellence in the Arts' ('Programme') using funding previously allocated towards the Australia Council.

With regards to the decision to establish the Programme, Philanthropy Australia puts forward two key points for the Committee's consideration.

Firstly, Philanthropy Australia notes that draft guidelines for the Programme have recently been released by the Ministry for the Arts.<sup>1</sup> The draft guidelines re-state the objectives of the Programme, which include encouraging 'greater private sector support and partnership funding for the arts'.

In order to support the achievement of this and the Programme's other objectives, facilitate two way feedback between the Australian Government and key stakeholders and provide an element of independent external oversight, Philanthropy Australia believes that there would be merit in

---

<sup>1</sup> Draft Guidelines for the National Program for Excellence in the Arts, Ministry for the Arts. Available at: <http://arts.gov.au/nationalexcellenceprogram>

establishing an advisory panel to provide expert advice to the Minister for the Arts on matters of relevance to the Programme. This advisory panel should be comprised of stakeholders with relevant expertise and experience from across the arts.

Importantly, the advisory panel should include representation from philanthropy. Philanthropists who fund the arts have an in-depth knowledge of the sector, often combined with experience in business. This knowledge and experience will be of assistance in terms of trying to encourage 'greater private sector support and partnership funding for the arts'.

Ultimately it is philanthropists themselves who are likely to provide the most useful advice on this topic, and consequently there needs to be close and effective engagement with philanthropy.

Philanthropy Australia notes that the draft guidelines for the Programme provide for an element of independent assessment of applications for funding, prior to recommendations being made to the Minister for the Arts.

Philanthropy Australia believes that an advisory panel would serve a different purpose, as it would not assess applications for funding but rather advise the Minister for the Arts on matters relevant to the Programme, including whether it is meeting its objectives as effectively as possible.

### ***Recommendation 1***

**That an advisory panel be established to provide expert advice to the Minister for the Arts regarding the National Programme for Excellence in the Arts. The advisory panel should include representation from philanthropy.**

Secondly, one concern expressed by some of our Members is that small and medium sized arts organisations and individual artists will be adversely impacted upon by the decision to establish the Programme.

This concern arises from the fact that in announcing the decision to establish the Programme using funding previously allocated towards the Australia Council, there was a guarantee 'that there will be no reduction in the Australia Council's funding to the 28 major performing arts companies as a result of this initiative'.<sup>2</sup> Whilst the Australia Council is yet to announce how it will handle this funding reduction, it appears inevitable that there will be material reductions of funding available to small and medium sized arts organisations and individual artists.

The arts sector in Australia is diverse, with innovative and high quality artistic work generated by small, medium and large organisations, and by individual artists. Furthermore, small and medium sized arts organisations have an important role nurturing new talent, artists, administrators and technicians, who then go on to join larger organisations as their career progresses. Therefore, the ongoing sustainability of larger organisations is dependent on having vibrant small and medium sized organisations.

---

<sup>2</sup> Media Release, Attorney General and Minister for the Arts, 'Attorney-General's Portfolio Budget measures 2015-16', 12 May 2015. Available here: <http://www.attorneygeneral.gov.au/Mediareleases/Pages/2015/SecondQuarter/12-May-2015-Attorney-General%27s-Portfolio-Budget-measures-2015-16.aspx>

Philanthropy Australia would therefore be concerned if small and medium sized arts organisations and individual artists were adversely impacted upon by the decision to establish the Programme.

This would put additional pressure on philanthropy to address this funding gap. Many small and medium sized arts organisations and individual artists would face considerable challenges securing replacement funding from philanthropy given that their capacity to engage with philanthropy can be limited when compared with large organisations with established fundraising and development departments.

Therefore, Philanthropy Australia believes that due consideration needs to be given to the needs of small and medium sized organisations and individual artists, and how the decision to establish the Programme may impact upon them.

As part of this, the Ministry for the Arts and the advisory panel proposed in Recommendation 1 above should be tasked with providing advice on any such impacts. On the basis of this advice, modifications to the Programme may be necessary in light of further consideration of these impacts.

There may also be a case to consider the provision of additional funding towards Creative Partnerships Australia in order to provide for new capacity building support directly targeted at small and medium sized arts organisations and individual artists.

### ***Recommendation 2***

**That the Ministry for the Arts and the advisory panel proposed in Recommendation 1 be tasked with providing advice on the impact of the decision to establish the National Programme for Excellence in the Arts on small and medium sized arts organisations and individual artists.**

Once again, Philanthropy Australia thanks the Senate Legal and Constitutional Affairs Legislation Committee for the opportunity to make a submission to its Inquiry into the Impact of the 2014 and 2015 Commonwealth Budget Decisions on the Arts.

Philanthropy Australia hopes its comments and recommendations are of assistance, and if the Committee wishes to discuss the matters raised in this submission further, please contact Krystian Seibert, Policy & Research Manager, on (03) 9662 9299.

Yours Sincerely,



Chris Wootton  
**Acting CEO**