
DISCUSSION PAPER RESPONSE - ARTS INDUSTRY COUNCIL VICTORIA

SECTIONS FOR COMMENT AND FEEDBACK

8. A HEALTHY ARTS SECTOR – STABILITY VS CHANGE

Like any eco-system, the arts sector needs a diverse range of organisations. The assumption is that a heterogeneous eco-system is the healthiest and has the greatest chance of survival. Feedback during the consultation process supports the idea that an arts sector that is diverse and flexible leads to vibrant and innovative work.

How can the Program contribute to financial stability and sustainability?

The AICV is calling for a substantial increase in funding to this Program.

The Discussion Paper:

- Identifies that small arts organisations ‘are by far the best value (cheapest and most efficient) delivery mechanism for policy outcomes through the arts.’ (The Leading Edge: Sustaining and Growing Small Arts Organisations in Victoria, 2006).
- References the Deloitte’s report and its findings that the sector strongly supports the government’s three criteria in determining the success for funding for organisations.
- Identifies that public investment has had a “significant and sustained impact upon the development of the arts sector”.
- Reflects the sector’s ability to leverage further funding and output on an initial investment.
- Recognises the Program’s and sector’s contribution to Victoria’s cultural leadership.
- Acknowledges the comparatively low wages in the sector and that “for many, government funding barely covers ongoing operational costs”

Clearly, there is substantial evidence of significant return on a minimal investment by Government and opportunity for the Government to increase its return through extending its base investment.

The AICV applauds the above CPI investment in the Program to date, and calls for substantial new investment in program, beyond the established pattern of growth. The Annual Operations program arguably represents the best-documented indicator of demand in the sector, with Deloitte (2007) indicating a sector base of 7800 small organisations. In 2012, only 35% of funding applied for under the Annual Operations Program was awarded, with twenty-five eligible applications not funded, arguably demonstrating a significant level of “unfunded excellence” and lost opportunity to the Victorian community.

Consequently, the AICV dismisses the suggestion of the Discussion Paper that either fewer organisations be funded at a higher level, or at a lower level over a wider number of organisations, and believes that the success of the Review will be largely determined by the provision of appropriate funding.

How should Service Organisations and Peak Bodies be considered in the Program?

The AICV does not support the Discussion Paper's suggestion that Service Organisations and Peak Bodies be funded separately. Alternatively, AICV supports the suggestion of an additional key area of assessment added to the three included in the paper: Artistic Merit; Audiences and Engagement; and Economic Impact. The fourth area could be sector contribution. This additional criterion would allow SIOs and Peak Bodies to include and detail their priorities and core business. Conversely, this would recognise and encourage arts organisations supporting and engaging in sector policy development, training, mentorship and advocacy.

The AICV does not support the suggested tendering of industry arts services by Government. The current model of sector services including representation has evolved over a long period of time through consistent, grass roots contact with what is a recognised as a relatively transitory sector. Further, due to the advocacy role of peak bodies, the current system of initial peer assessment in the case of Annual Operations arguably provides a degree of arms-length assessment assisting perceptions of impartiality which could be extended to the multi-Year program.

Should the focus be on supporting innovation?

The answer to both this and the following question relating to diversity should be defined through governing policy, namely a State Arts Policy.

Such a Policy would determine, for example, whether the Government would support the introduction of a Creative Industries model in Victoria, in turn substantially influencing the role of the small to medium sector (seen as intrinsic to this model) and providing leadership on issues such as promoting innovation. Similarly, a State Arts Policy would provide leadership and guidance for strategies and actions celebrating the benefits of diversity.

Such a Policy would likewise assist the sector in understanding the current government priorities often referred to throughout the consultation process and ensure transparency, accountability and good governance in policy development, funding decisions and program review.

FUNDING MODELS - NOT ONE SIZE FITS ALL

AICV members largely supported less prescriptive funding categories and expressed concern that the models proposed in the Discussion Paper were too reductive, limiting the opportunity for applicants to demonstrate innovation, new models, cross-sectoral approaches and collaboration. Many members felt that they would meet several of the criteria in each of the proposed models, so a less rigid, more flexible set of criteria was preferred.

Further to this, there was recognition of the need to ensure representation of all art forms, especially under-represented disciplines and approaches in the sector.

9.4. A BALANCE BETWEEN NEW & EXPERIENCED

How long should funding be for?

Members have advocated for a five-year funding term, appropriately reflecting the creative and organisational development time required in this sector.

Is there a place still for Annual Funding for Emerging Organisations?

Member feedback supports the Report's suggestion that a single year's funding did not provide adequate growth and supported increased access to the Multi-year Operations Category.

10. HOW BEST TO DELIVER THE FUNDING PROGRAM

How government supports arts organisations to be sustainable requires the balancing of competing priorities. There needs to be trust, transparency and open dialogue.

10.1. How could these things be reflected in the relationship between organisations and Arts Victoria?

Responding directly to points in the Discussion Paper:

1. “includes a sense of fairness and transparency – clear information about application and assessment processes, how decisions are made and by who;”

There remains a level of insecurity in the sector in regards to this point due to the delayed announcement of Arts Victoria funding outcomes late last year. The delay led to speculation as to the process from the time recommendations for funding were forwarded to the Premier’s Office and outcomes announced, resulting in calls for greater transparency as well as timeliness in this stage of the process. The AICV seeks a guarantee that both funding application and announcement deadlines be made concrete.

2. “ensures government expectations are commensurate with levels of funding and size of organisation – this includes expectations on performance by the organisation as well as the kind of reporting and accountability expected;”

Members have suggested that organisation size and consequently resourcing govern the extent of reporting, further calling for benchmarking to be undertaken against other sectors in terms of reporting expectations.

3. The reference that a funding program “has clarity around government expectations – clearly identified aims and objects that reflect government priorities, where they exist;” again supports AICV’s call for the development of a State Arts Policy where such priorities are clearly articulated and defined, and against which evaluation can be conducted.

10.2. How should the views of the community be represented in the funding process?

In relation to the suggestion that external business specialists be engaged to assist in the analysis of business capacity, the AICV affirms its confidence in Arts Victoria staff to undertake this process and recognise the specialist nature of the small to medium independent arts sector.

The AICV strongly supports the practise of arms-length peer review and recognises the need for specialist expertise in specific disciplines on peer panels. The AICV supports the inclusion of peer review into the process of assessment of Multi-Year funding applications.

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