



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

ENVIRONMENT AND COMMUNICATIONS LEGISLATION
COMMITTEE

Estimates

(Public)

FRIDAY, 31 MAY 2024

CANBERRA

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ENVIRONMENT AND COMMUNICATIONS LEGISLATION COMMITTEE

Friday, 31 May 2024

Members in attendance: Senators Bilyk, Cadell, Canavan, Cox, Davey, Grogan, Hanson-Young, McDonald, Payman and Sharma

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS PORTFOLIO

In Attendance

Senator Carol Brown, Assistant Minister for Infrastructure and Transport

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

Mr Jim Betts, Secretary

Dr Stephen Arnott PSM, Deputy Secretary, Creative Economy and the Arts Group

Program 6.1

Mr Phil Smith, First Assistant Secretary, Office for the Arts Division

Mr Jake Budd, Assistant Secretary, First Nations Languages and Regional Arts Branch

Ms Marie Gunnell, Assistant Secretary, Cultural Policy Strategy and Program Support Branch

Mrs Alison Todd, Assistant Secretary, Arts Development and Investment Branch

Mr Jesse Fatnowna, Assistant Secretary, Creative Industries Branch

Ms Ann Campton, Assistant Secretary, Collections and Cultural Heritage Branch

Portfolio Agencies

Creative Australia

Mr Adrian Collette, Chief Executive Officer

Mrs Nicola Grayson, Head of Public Affairs

National Gallery of Australia

Dr Nick Mitzevich, Director [by video link]

National Museum of Australia

Ms Katherine McMahon, Director

Ms Ruth Wilson, Acting Deputy Director

Mr Rohan Haslam, Acting Chief Operating Officer, and Assistant Director, Corporate Operations and Services

National Portrait Gallery of Australia

Ms Bree Pickering, Director

Committee met at 09:03

CHAIR (Senator Grogan): I declare open this hearing of the Environment and Communications Legislation Committee into the 2024-25 budget estimates. I begin by acknowledging the traditional owners of the land on which we meet and paying our respects to elders past, present and emerging. The committee's proceedings today will begin with outcome 6, program 6.1, Arts and cultural development.

The committee has fixed Thursday 18 July as the date of return for answers to questions taken on notice. Under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence.

The Senate has endorsed the following test of relevance for questions at estimates hearings: any question going to the operations or financial positions of the departments and agencies which are seeking funds in estimates are relevant questions for the purposes of estimates hearings. I remind officers that the Senate has resolved that there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees unless the parliament has expressly provided otherwise.

The Senate has also resolved that an officer of a department of the Commonwealth shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution does not preclude questions asking for explanations of policy or factual questions about when and how policies were adopted. Witnesses are reminded of the Senate's order specifying the process by which a claim of public interest immunity should be raised, and I incorporate the public immunity statement into the *Hansard*.

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

CHAIR: I remind all senators that, as we continue our work implementing the *Set the Standard* report, as chair, I will ensure that proceedings are conducted in an orderly, respectful and courteous way.

Department of Infrastructure, Transport, Regional Development, Communications and the Arts

[09:05]

CHAIR: I now welcome Senator the Hon. Carol Brown, Assistant Minister for Infrastructure and Transport, representing the Minister for the Arts. Minister, would you like to make an opening statement?

Senator Carol Brown: No, thank you.

CHAIR: I also welcome Mr Jim Betts, Secretary of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts. Mr Betts, would you like to make an opening statement?

Mr Betts: No, thank you.

CHAIR: Okay. We'll now go directly to questions, and we will start with Senator Sharma.

Senator SHARMA: Could I turn to the RISE program. I want to understand if there remaining funded projects that are yet to occur under the RISE program. Dr Arnott?

Dr Arnott: Yes, there are a number of RISE projects that are still underway and to be completed. I'm not sure what detail we have with us, but there are a number still to go, yes.

Senator SHARMA: Do you know the total number of projects that were undertaken under the RISE program?

Dr Arnott: Yes, I think we do know that. I'll just check we've got it with us.

Senator SHARMA: Or shows, festivals, events?

Dr Arnott: The RISE fund provided \$200 million, supporting 541 projects.

Senator SHARMA: And there are still some projects yet to occur? When was the last round of grants? Batch 7, I think. Are they still—

Dr Arnott: We have final reports from 424 projects, out of the 541.

Senator SHARMA: So you've got 117 projects still to report.

Dr Arnott: Yes.

Senator SHARMA: Have you got a figure for the total number of jobs created under the RISE program—or an estimate for that or the economic impact?

Dr Arnott: I don't think we have a total number at this stage. The projects haven't all been acquitted, so we haven't consolidated the total.

Senator SHARMA: What about for those that've been completed? Have you had any sort of evaluative study or impact analysis done?

Dr Arnott: No, not at this stage. We're obviously looking to complete and acquit all of the projects before we do some consolidated analysis, but we will have details in the system. We collect that data from the applicants, so we will have it. We just haven't consolidated it at this stage.

Senator SHARMA: Have you got figures for the total number of people who saw the shows or festivals or events funded under RISE? Will you collect that data as well?

Dr Arnott: We would have estimated numbers, which were provided by the applicants. We wouldn't have actual numbers yet, obviously until the projects are completed.

Senator SHARMA: And you don't have total or indicative figures available now for the projects that have been acquitted already?

Dr Arnott: We would have numbers in the system, but we haven't consolidated them at this stage. We could take on notice—

Senator SHARMA: Yes, could you take on notice for those projects that have been acquitted the economic impact; the number of jobs created, if we have a figure or an estimate for that; the number of people who saw the shows—those sorts of figures. Just for those that are acquitted today, if you could take that on notice, please.

Dr Arnott: Yes.

Senator SHARMA: Thank you, that was all I had on RISE. I'm not sure if this is relevant for you. There's an item in Budget Paper No. 2, page 102, 'Australia-France enhanced relations', which is under the Foreign Affairs and Trade portfolio. Under that item there's \$20.7 million over five years and then \$3.9 per year ongoing to deliver the Australia-France roadmap. Part of that budget measure includes 'enhanced Australian cultural promotion in France'. Is any of that money allocation going to your department?

Ms Campton: I don't have the breakdown immediately in front of me, but I can tell you that we are receiving funding. The funding is to assist with some work we are doing with French officials to facilitate the return of Aboriginal and Torres Strait Islander ancestors that are held in the French public collections—so in museums in France. We received some funding for an additional staff member and some funding for related activities, such as provenance research and participating in an Australia-France joint working group, which has had three meetings to date, and there will be another one next week with French officials.

Senator SHARMA: Is that funding—to support the return of Indigenous remains—under this budget measure?

Ms Campton: That's part of the funding that came through with the road map funding. The funding is for other things as well. It's not for that full amount, but it is for some of that funding.

Senator SHARMA: There's an item of 'enhanced Australian cultural promotion in France', and that activity sounds like cultural heritage, not cultural promotion. Are there separate activities you're undertaking with this funding?

Ms Campton: The repatriation work is the only activity the Office for the Arts is undertaking that's received funding.

Senator SHARMA: As I said, there's \$20.7 million over five years in the budget papers and then \$3.9 million per year ongoing. Is the department receiving a share of that ongoing funding as well?

Ms Campton: No, we're not receiving ongoing funding. We've just got funding for about 2½ years, I think it is.

Senator SHARMA: Are you able to get the figure?

Ms Campton: Yes, I can get the figure. I just don't have it to hand.

Senator SHARMA: Could you take that on notice, please.

Ms Campton: I'll take that on notice.

Senator SHARMA: Can you explain how the funding helps with the repatriation of Indigenous remains from France?

Ms Campton: Prior to December last year there was a legal prohibition on ancestors being returned to foreign governments from France. The law changed in December last year in France. It requires for provenance—so the background or the identity of ancestors—to be confirmed through a joint working group process. It then requires the state officials from the requesting government—so Australia—to form a working group with French officials to oversee provenance research to confirm that presumed Australian ancestors are actually from Australia, because sometimes cataloguing can be inaccurate, so more research needs to be done.

The function of that working group is to oversee the research. There is a six-member Australian working group party, and we meet with equivalents from France. We are overseeing research, and the department has engaged a research body to undertake research on our side. We will look at records in Australia, and the French are looking at records in France. A report is then prepared for the French government and their two standing committees. Then that is given to the French government. It is meant to say, for example, 'Of 10 ancestors we have confirmed the provenance is Australia for eight.' That report goes through. Then the French government will take those ancestors out of the French public collection, and then they can be returned to Australia.

Senator SHARMA: Is it expected that this initiative will be concluded within the timeframe? You've only got funding over five years. Do you expect it all to be wrapped up by then? How large is the French collection of Indigenous remains that we're aware of?

Ms Campton: At the moment we think there's a minimum of about 60 ancestors. That's still to be confirmed, though. That's part of the provenance research. You can appreciate that this is the first stage. The first stage is to get us to the point where the French government has agreed to those ancestors being returned. Then, from our side, there will be consultations with communities that are identified to be linked to those ancestors to then bring them back to Australia. We would hope the research aspect is finished in that timeframe in the next 2½ years. And then we will move to bringing the ancestors home in consultation with their traditional custodians in Australia.

Senator SHARMA: Okay. It's likely that this will run beyond four years, then.

Ms Campton: Yes. I've got the numbers now. We are receiving under road map funding in 2023-24 \$284,000. The following year, it's \$201,000—a hundred thousand, sorry—\$113,000 and \$119,000 over four years. The majority of the funding you're talking about isn't coming to our department.

Senator SHARMA: Okay. It's \$284,000 in the first year.

Ms Campton: Yes.

Senator SHARMA: Then it's \$201,000, \$113,000 and \$119,000.

Ms Campton: Yes.

Senator SHARMA: To return to my previous question, it sounds like this will be quite a protracted process. It's likely to run longer than four years.

Ms Campton: What's being funded should be completed in that timeframe unless there's—

Senator SHARMA: It's just funding the research rather than the engagement and repatriation—

Ms Campton: It's just funding the research and getting us to [inaudible]. We already received separate funding for the actual second phase. This is a different phase that is required uniquely for the French, so that's what has been funded.

Senator SHARMA: Thank you. More broadly, how much does the department currently spend on the cultural promotion of Australia overseas? Is there a figure for that? Is that you, Mr Smith?

Mr Smith: We don't necessarily categorise our funding to that degree. We could take that on notice and come back with the detail. We normally categorise them under the broader funding envelopes and programs.

Senator SHARMA: You might fund some overseas initiatives under a broader envelope or program. Is that right? It's a cultural promotion initiative overseas.

Mr Smith: That's correct. There will be bits and pieces across multiple programs that might fall under that category.

Senator SHARMA: How does it work with Foreign Affairs and Trade when you're doing cultural promotion overseas? Do you work with them on that? Do they take the lead? Do you fund them?

Dr Arnott: We work very closely with them and try to align our objectives to their public and cultural diplomacy objectives. But we do have a discrete function in terms of funding overseas activity by arts organisations in addition to what DFAT does.

Senator SHARMA: You could get me the—

Dr Arnott: Sorry; when you asked what the department spends, I was a bit confused. It's really what grant funding is provided. Is that what you want?

Senator SHARMA: Yes. That would be helpful.

Dr Arnott: The minister has made a number of announcements. I'm not sure whether the relevant officer, Alison, has the details with her. We could run you through some of them.

Senator SHARMA: Yes, I'd be interested to know that.

Mrs Todd: We do have a discrete fund, as Dr Arnott referred to. It's just over a million dollars per year—the international cultural diplomacy arts fund. The minister has made a number of announcements over the course of the year. I don't have the list here, but I could get that for you or take that on notice to provide you with that list. But it does support a range of international activity that different types of arts organisations are undertaking overseas. For example, Wantok Musik has undertaken projects in Papua New Guinea and Timor Leste, and some of that activity has been funded through this grant program.

Senator SHARMA: Could you take on notice how that grant program has been expended over the last two financial years—

Mrs Todd: Sure.

Senator SHARMA: and whether there's anything coming up in the next financial year? How does that process work? Is it a competitive grants process? Is it by application? How do decisions get made?

Mrs Todd: It's usually an expression-of-interest process. There are a range of competitive grant programs available from the Department of Foreign Affairs and Trade and also through Creative Australia. This program is often called upon where there are opportunities that arise outside of those grant processes. So if it is a quick opportunity that is not going to align with those grant processes, we will often work with the organisation to supplement funding. It doesn't usually provide all the funding for a project, but it will make a contribution.

Senator SHARMA: What does the funding go towards? Travel, accommodation?

Mrs Todd: That's correct, all kinds of activities. That includes travel, sometimes freight, depending on whether organisations have to take equipment with them.

Senator PAYMAN: It has now been more than a year since the launch of Revive. Could you guys run us through what progress you have made?

Dr Arnott: Absolutely. The Revive policy was announced in January 2022. It includes 85 actions that form part of the policy. As of 3 May, the government has delivered 33 out of those 85. The details of those completed actions are available on the arts.gov.au website. Some of the highlights things that the government has delivered include the establishment of Creative Australia as an expanded version of the Australia Council for the Arts, and the establishment of Music Australia and Creative Workplaces. We've been delivering the Sharing the National Collection initiative—people would have seen a number of announcements—about \$11.8 million in four years. The Minister for the Arts has so far announced a total of 82 works of art shared with nine galleries in New South Wales, Western Australia and Queensland. Maybe it's even more than that recently. We have completed funding for Bundanon Trust, increased funding for them, and there are many more initiatives to come.

Senator PAYMAN: What does this support mean for small to medium arts organisations?

Dr Arnott: That's a good question for Creative Australia when they appear later. But I will just say that the \$199 million that was provided to Creative Australia as part of Revive has enabled them to substantially increase the number of fully funded organisations that they're able to support. Creative Australia can give you the details and impact of that.

Senator PAYMAN: How has Revive been received by the arts community overall?

Dr Arnott: It's been received very positively. I hear nothing but positive feedback about the policy so far. We're working very hard to keep delivering those actions.

Senator COX: I have questions about the First Nations language centres. In the budget there was a \$53.8 million commitment over four years from 2024-25 and \$17.8 million ongoing to establish two First Nations language centres. Can you tell me where those language centres will be located?

Mr Smith: One in the ACT and one in Jabiru in the Northern Territory.

Senator COX: Can you give me a breakdown of where the money is going to be spent? Are they new purpose-built language centres? Are they leasing of existing buildings? I'm happy for you to answer that on notice. Will there be new programs or are there existing programs running from those language centres?

Mr Smith: We will obviously have to engage very, very closely with communities around the establishment of those centres. They will be new centres. I will ask Mr Budd if he has any additional details. But we will certainly take some of that on notice as well.

Mr Budd: Some of our Indigenous language centres are not necessarily a physical centre as you would understand it, bricks and mortar centres. Some of the language work around the country is language workers based in one location across an entire region. In that engagement that we're going to be doing with the community around the establishment of the two that Mr Smith mentioned, that will be integral to how those are formed. Some of them I imagine could be physical locations. In other situations it would be language workers established in those regions.

Senator COX: The Closing the Gap target number 16 by 2031, that there's a sustained increase in the number of Aboriginal and Torres Strait Islander spoken across Australia, has no data attached to it. How do we think, by having one worker cover a whole region, that we're actually going to achieve that target by 2031? To me it seems like we're happy with where we're at and we're just funding that and we have got a couple of new language centres. Two out of 250 Indigenous languages in Australia seems like a bit of light-on approach. Would you not agree?

Mr Budd: There are probably a couple of things to qualify there. Currently under the indigenous languages program we have 24 existing language centres around the country, three that we're working through with community and the two additional. In total there will be 29 language centres across the entire country.

Senator COX: Again, 29 out of nearly 250 language groups, and with one Indigenous language on average dying every week, I would think this government would make more of a commitment towards ensuring our languages are kept alive and being able to be provided to the next generation as part of our cultural identity. Would you not agree, Minister? This is quite a critical area, and that's why we've put a Closing the Gap target against it. It's not something that we think is just a fluffy arts thing. This is integral to the survival of First Nations people in this country. It's about our identity and being able to share that with fellow Australians.

Dr Arnott: Just to point out, this is a very significant increase to Commonwealth funding for Indigenous languages. I believe it's about a 60 per cent increase, so it is a very significant additional investment. I absolutely acknowledge the scale of the issue is large, but this is a very significant intervention. We're working very closely with the community controlled sector on allocating this money to support as many languages as we can.

Senator COX: Mr Arnott, can you provide on notice who you have consulted with in relation to this? I don't want to hear about NIAA and government officials. I want to hear about people on the ground you consulted with, not just in those communities but across Australia. Because, as I said, there are 250 odd language groups, one dying every week. For people like me who were not raised with our native tongue, to hear that and be able to speak that is very important. So the investment in languages might be substantial from your end, but where I'm sitting it is not even the tip of the iceberg. I'd like to know who the government have been speaking to under this measure and who made the decision about the NT and ACT. Has this been a ministerial decision?

Mr Betts: Do you want us to take that on notice or answer it now? Would you like us to answer your question now?

Senator COX: Yes.

Dr Arnott: I think you asked this question in another committee and we did provide an answer to that question. There is a formal languages policy partnership which is established under the National Agreement on Closing the Gap. The members of that committee were selected through a process lead by the peak body, First Languages Australia. So we have provided you the key names of that group. This is a First Nations led process. Those members of that partnership are responsible for consulting with their communities, which they do very actively. They provide that advice through the Languages Policy Partnership, not only to the federal government but also to all the state and territory governments that sit at that table, and that is the process that informed the government's decision to increase—

Senator COX: I can tell you from personal experience that no-one's consulting about language in my region. I have two feet in two camps—Noongar and Yamatji. The Mid West is not getting any consultation about language, and our language is dying. For Noongar, we have a Noongar linguist who's part of that, but we are getting no fulsome consultation about our languages and about the investment the government is making in that. So, somewhere the wheels have fallen off, Dr Arnott.

Dr Arnott: Okay.

Senator COX: I'm alerting you to that, and I would like you to know that, if consultation is being undertaken—I can assure you that in two regions, two of the largest regions in Australia that hold nearly 30,000-plus First Nations people, we are not being consulted about our languages. Can I get an update on the establishment of the board as per the policy. It says that you are going to be creating a board this year or have created a board. Can I get an update about where that's at?

Dr Arnott: Yes. The Revive cultural policy commits to creating a First Nations board within Creative Australia. We've been consulting on that, and Creative Australia led a consultation process late last year and into early this year about the establishment of that board. We are preparing the necessary legislation to introduce that into the parliament as soon as possible.

Senator COX: What's the process going to be, Dr Arnott? Is this going to be a ministerial appointed board, or is this going to be, again, a collaboration with peaks? What's the process that you've sketched out for the minister?

Dr Arnott: We're still working through that, so, until the minister introduces the legislation, we can't go into more detail. It's a matter for government to determine that process.

Senator COX: When can we expect the legislation?

Dr Arnott: Timing is a matter for the minister and the government, but it should be in the near future.

Senator COX: Is there currently a timeline for the appointment of the board?

Dr Arnott: Again, that will be a matter for the government, but, once the board is established in legislation, then the process can be undertaken to appoint those members.

Senator COX: What's the expectation of the board under the legislation? 2031 is coming very, very rapidly at us all. Every year ticks by as we, as I said, continue to put some money and minimal resources towards this, but we still have dying First Nations languages across the country. We don't have a board in place to provide steering, insight, advice—whatever it is that you've sketched out in the legislation. And we don't have a timeline. It's bit of a rudderless ship, would you not agree? We're going into uncharted waters and we're just going to hope that people are miraculously going to pick up languages and start speaking them, even though we're not bilingual in education. There are so many things that we've not done structurally, and yet we magically think we're going to solve this problem with a silver bullet. Can the department and the minister see how problematic this is from where I'm sitting? We've got no data to even benchmark. We've got no structural direction from a strategic level, yet we're happy to put money in places without a strategy.

Senator Carol Brown: I can understand your frustration around First Nations language. We acknowledge they are under threat of loss. Dr Arnott has outlined what the Australian government is doing in terms of investing \$53.6 million over four years. I acknowledge that we have a lot of work to do, and we are getting on with that work. In terms of the board, my understanding is that the legislation needs to go through parliament, and we're hoping for that to happen in the near future.

Senator COX: But we don't know when that is. We don't have a timeframe, we don't have a timeline, we don't know. The near future—

Senator Carol Brown: I'm sorry to interrupt, but that's because legislation, as you would appreciate, needs to be consulted on. We need to get this right. We don't want to bring a piece of legislation into parliament that people are not happy with. It's a crucial piece of work that the government's doing—

Senator COX: Respectfully, Minister—

Senator Carol Brown: and we're expecting it in the near future.

Senator COX: your government continue to tell us that they're consulting and consulting and consulting, and yet when we're out on the ground language centres are constantly contacting my office and talking to me about the lack of connectivity with government, the lack of conversation, around the critical legislative and structural change that is required. There's a glaringly obvious lack of attention when you can just sit here and say, 'We're doing it in the near future.' We want to be assured that you're not kicking down the can down the road to just keep doing what you're doing.

Senator Carol Brown: I can assure you that that's not the case.

Senator COX: I look forward to the exposure draft of your legislation.

Senator DAVEY: I first want to come to the additional funding in the budget for arts training organisations. The budget papers just say:

- \$117.2 million over four years from 2024-25 (and \$36.9 million per year ongoing) to support ... arts training organisations and Australian Film Television and Radio School

Can you outline which arts training organisations the funding went to?

Dr Arnott: I certainly can.

Mr Smith: Funding went to the Australian Ballet School; funding went to the Australian Film Television and Radio School—

Senator CADELL: Do you know the amounts of each?

Mr Smith: I can read it out year by year if you like. Would you like total and then ongoing, or would you like year by year?

Senator DAVEY: Total and then ongoing.

Mr Smith: The Australian Ballet School's total additional funding—I'll only do the additional funding—is \$6.5 million, with ongoing funding of \$2.3 million thereafter. The Australian Film Television and Radio School received a total of \$23.2 million and then \$10.5 million ongoing. The Australian National Academy of Music received \$3.7 million additional and \$1.1 million ongoing. I should say I've rounded these to one decimal point, just for speed.

CHAIR: We'll let you get away with that!

Mr Smith: The Australian Youth Orchestra received \$3 million additional plus \$980,000 ongoing. The Flying Fruit Fly Circus received \$7.2 million additional plus \$2.6 million ongoing. NAISDA Dance College received \$12.9 million additional and \$4.2 million ongoing. The National Institute of Circus Arts received \$6.4 million additional and \$1.4 million ongoing. And the National Institute of Dramatic Art received \$51.9 million additional and \$13 million ongoing.

Senator DAVEY: How were these institutions granted the funding? Was it an open tender grants round, or was it just allocated funding?

Dr Arnott: These eight arts training organisations have been funded by the Commonwealth for many years. They've been selected through government decisions previously, over decades. They form what's called the ARTS8, which is the core group of national arts training organisations funded by the Commonwealth. In not the most recent budget but the previous budget, the government provided additional funding for one year and commissioned a review of their finances. That review was considered in this budget and has led to the budget outcome that you've been talking about.

Senator DAVEY: Was that review made public?

Dr Arnott: No, it's part of a cabinet process.

Senator BILYK: There was a Senate inquiry into all the funding cuts under Brandis. You might like to read that.

Senator DAVEY: I participated in that—

Senator BILYK: I chaired it!

Senator DAVEY: I participated in that, with a different hat on, many years ago. I think we've moved well beyond the Brandis cuts.

CHAIR: Let's move on.

Senator DAVEY: So the review is not public?

Dr Arnott: No.

Senator DAVEY: Did you just say it was cabinet?

Dr Arnott: Yes, it's considered as part of the budget process.

Senator DAVEY: Which means that you will not be releasing it even if I ask for it.

Dr Arnott: The most important thing is the budget outcome and the additional funding.

CHAIR: Absolutely.

Senator DAVEY: In the budget papers, though, it says that some of the funding is being partially met by redirecting funding from the location incentive program that the government axed. Can you tell us how much of it came from the location incentive program?

Dr Arnott: I'd have to take that on notice, but it's worth mentioning that the government has taken the decision to increase the location offset—

Senator DAVEY: Yes, I've got questions on that, too.

Dr Arnott: which is currently in the parliament. Basically, that increased location offset replaces the location incentive program. The purpose of the location incentive program was to deliver an effective increase to the location offset, from 16½ per cent to 30 per cent. That's why there have been some savings from that program.

Senator DAVEY: The budget papers did say 'redirecting some funding from the location incentive'. There's a difference between a payout—an incentive payment—and an offset.

Dr Arnott: There is.

Senator DAVEY: There's quite a difference. I would really appreciate knowing how much funding has been made available through the cancellation of the location incentive program and how much of that has gone into funding these training organisations. If there's a difference, where did the other funding come from—where has that been redirected from?

Dr Arnott: The total amount of Revive funding in the budget is \$217 million over four years, with the various initiatives outlined there on page 151 of Budget Paper No. 2. I'll have to check on whether we can get you the number for the savings amount, but it's not of the order of \$217 million. Let me take that, and I'll see if I can provide that to you.

Mr Smith: I think it's also worth looking at the department's portfolio budget statement, table 2.6.1, which shows the total level of funding for the arts and cultural development increasing over both the budget and the forward estimates. That would indicate that any savings were not substantive compared to the overall increases.

Senator DAVEY: Coming back to the location incentive cancellation, that was announced in the 2023 budget with the increase to the location offset, as you said. Has any work been done within the sector to review what impact the cessation of the incentive has had?

Dr Arnott: We don't expect it to have an impact, because, once the location offset legislation passes the parliament, any projects that would have considered applying for the location incentive will go through the location offset.

Senator DAVEY: So what have the measures been from 1 July 2023—because it was announced that this would take effect from 1 July 2023. The increase to the offset has not yet passed, so there's been nothing—

Senator CADELL: For 12 months.

Senator DAVEY: for 12 months. Has any work been done to evaluate the impact of not having the incentive and not having the increase in the offset?

Dr Arnott: I don't think it's right to characterise it as there being a gap. Funding has continued to be provided to projects under the location incentive.

Senator HANSON-YOUNG: At what level, though?

Dr Arnott: I don't think I've got the details of that with me. I'll have a quick look.

Senator CADELL: Maybe you could take the details on notice, if you haven't got it—the incentive that was given last year and the year to date?

Dr Arnott: Yes, I could definitely provide that on notice.

Senator HANSON-YOUNG: Sorry, Perin.

Senator DAVEY: No, it's a very relevant question. This may be one for the minister. The location offset increase to 30 per cent—which, I note, was also the National Party's policy prior to the last election—

Senator CADELL: Good people.

Senator DAVEY: because we are good people—was due to commence from 1 July. It still hasn't gone through parliament, so it's highly unlikely that it will go through before 1 July this year. Has any work been done, or has the minister requested any work be done, to evaluate what impact the delay will have on the sector? In the absence of the government separating out the location offset and treating that as a standalone bill, we are potentially looking at another delay of a whole financial year.

Senator Carol Brown: Obviously, the location offset and producer offset will deliver significant benefits, and we are looking to introduce legislation in the near future. But, to the core of your question, I don't have that information with me. I don't know if the department can provide any details.

Senator HANSON-YOUNG: Sorry, which legislation are you—

CHAIR: Has that not gone through the House?

Senator HANSON-YOUNG: Yes, that's why I think there's total confusion here, unless there's another piece of legislation that we don't know about.

Senator CADELL: I think it's linked to the TLAB—is that correct, Minister? It's not separated out as a measure by itself. It's in an omnibus with other measures, which makes it harder to pass. Is that correct?

Dr Arnott: Yes, that's the usual practice. Changes to the tax act go through in patches.

Senator HANSON-YOUNG: Yes, but sometimes they're put as a standalone so that people can debate them and support them to the point that they want, as opposed to all of them being locked in together.

Senator DAVEY: And sometimes they take out any noncontroversial issues, like this probably could be, and treat that as a standalone so that they can—

CHAIR: Maybe we could get agreement in the room to pass it through the Senate in the next sitting.

Senator HANSON-YOUNG: The problem is, what else is in there?

Senator CADELL: Chair, are you agreeing to pull it out of the TLAB and move it into—

CHAIR: No, no—just to pass the whole thing.

Senator CADELL: No, no, thank you!

Dr Arnott: Just to be clear, it's the Treasury that decides how changes to the tax law go through, not the arts portfolio.

Senator HANSON-YOUNG: We're not blaming you, Dr Arnott. It's fine.

Senator DAVEY: No.

Senator CADELL: I am!

Senator DAVEY: But have you done any work to analyse the impact on the sector that these delays are causing? Have you looked at the number of productions, as Ross said before, pre axing the incentive and post axing the incentive and without the increase to the offset?

Dr Arnott: I don't anticipate there is a gap here, as long as the legislation passes the parliament. The location offset is intended to come into effect from 1 July 2024. I note that the levels of production have remained very strong through the location offset and location incentive. The amount of foreign expenditure on drama production was \$803 million in 2023-24—higher than in the previous year, which was \$793 million, according to my notes here. So the level of investment in foreign production remains strong, and, with the location offset coming into effect, we would anticipate that it would remain so.

Senator DAVEY: What if it doesn't come into effect on 1 July?

Dr Arnott: It is effective from that point, once it goes through the parliament. In other words, if the parliament doesn't pass it until later in the year, productions that commence production after the start date will still be eligible to receive that.

CHAIR: So it will be backdated to 1 July.

Dr Arnott: Yes.

Senator CADELL: Just to chime in, this gets us to where we similarly were on the digital gaming tax offset last year, in that investment decisions were being put off pending the certainty of the legislation going through. So, even though they can be backdated, investment decisions are being made on productions now, and, without the certainty that this will be passed and legislated, they are being delayed.

CHAIR: The Senate sits on 24 June, Ross.

Senator CADELL: I believe you are moving it out of the TLAB to move it by itself.

CHAIR: No, we'll whack the whole TLAB through, with everyone debating all the bits they want to debate along the pathway. We'll rotate the call. Senator Bilyk.

Senator BILYK: I think most people in the arts community do remember the cuts to funding that happened under Senator George Brandis when he was Minister for the Arts. I think it's not okay to say we've moved on, because, once funding's cut, it takes a long time to get it back. After that, we had Liberal governments that didn't really invest in arts, so I've got some questions around ARTS8 too. Can you just remind me how big the uplift in funding is for the NTOs?

Dr Arnott: The arts training organisations?

Senator BILYK: Yes.

Dr Arnott: It's \$117.2 million, I think. And that is in addition to the \$206.5 million that the organisations were already receiving.

Senator BILYK: Okay. That's so they can educate and support the next generation of creative talent, isn't it?

Dr Arnott: That's right.

Senator BILYK: Were the arts training organisations meeting their statutory and funding agreement obligations?

Dr Arnott: I think it's fair to say that the reports from the ARTS8 were that they were under significant financial stress—

Senator BILYK: At risk of closure?

Dr Arnott: Certainly at risk of job losses. The work that was done to analyse their finances found that they were not fully meeting their obligations through their funding agreements, and obviously this funding will enable them to not only keep their activities going but also have that surety going forward with ongoing funding provided and the certainty that that provides for them to plan and run their courses and support their students.

Senator BILYK: Can you just give me some examples of what can now be funded with the money?

Dr Arnott: I don't know I have that detail, but you can imagine that they can pay their teaching staff appropriately, they can support their students appropriately and they can run their operations in a way that is aligned with the requirements either in their funding agreements or through their statutory legislation. We could provide more detail about individual—

Senator BILYK: Thank you. These organisations are not just little NTOs off to the side of anything, are they? They're world-class organisations and institutions. And why is that important?

Dr Arnott: That's correct. These are the leading arts-training organisations in the country. They train our leading artists, whether it's actors, producers, directors, musicians or circus performers. They train the best of the best, and they are the feeder training organisations for our other major arts companies. For example, the dancers that are trained by the Ballet School end up performing for not only the Australian Ballet and ballet companies around the country but also, potentially, ballet companies around the world, so they're important in terms of maintaining that standard of excellence.

Senator BILYK: I'm pretty sure the funding would have been greatly appreciated by all of these organisations. Thank you.

CHAIR: Senator Hanson-Young.

Senator HANSON-YOUNG: Dr Arnott, I will skip back to the location offset. I'm interested to know what modelling was done by the department in relation to settling on the figure, from 16.5 per cent to 30 per cent.

Dr Arnott: The history of that is that the industry has been calling for an increase to 30 per cent for some time. The previous government made the decision to provide grant funding to top up the location offset, so a production would receive 16½ per cent through the tax rebate and then the remaining 13½ per cent, up to the 30 per cent, through the grant program. When we look at tax incentives around the world, we know that 30 per cent is a competitive tax offset. We're competing with other countries, obviously, to attract these productions to Australia. We know, through the experience of administering the location incentive, that 30 per cent is what is required to attract these productions to come here, and, as you can see from the outcomes of the Location Incentive Program, we've had very strong levels of foreign production in Australia over the past few years.

Senator HANSON-YOUNG: Do I take from that answer that there wasn't actually modelling done?

Dr Arnott: There's costing done through the budget process.

Senator HANSON-YOUNG: Costing is just, 'We agree to spend this amount; if we increase it to this amount, it's going to cost that amount.' I'm talking about a cost-benefit analysis and some modelling to show how much that will actually drive further private investment into the sector.

Dr Arnott: Because we've had that experience of running the Location Incentive Program, we know the economic impact of a tax offset at that rate, and that was used to inform the policy argument for increasing the location offset.

Senator HANSON-YOUNG: Can I take from that, then, that you're not expecting a huge increase? It's just a different way of doing it, perhaps a neater and cleaner way of doing it, having it set at 30 per cent rather than the 16.5 and then the top-up. Is that what you're trying to tell me?

Dr Arnott: I can't be certain that it wouldn't result in an increase in production, because, obviously, it provides that certainty. When you're running a competitive grant program, there's not that level of certainty about whether the production will receive the funding or not, whereas, with a tax offset, as long as they fulfil the eligibility criteria and they meet their expenditure requirements they will receive that funding. So they're able to commit to productions here with more certainty once the location offset is in place.

Senator HANSON-YOUNG: Your advice to government is not that we're going to have, all of sudden, a huge influx of foreign made content or films, or foreign money flying in. There's not going to be a huge spike because you've gone from 16.5 to 30; it's more about giving certainty to business as usual.

Dr Arnott: That's right. There's also a kind of natural cap on production because there's only a certain amount of studio space and time that can be available for productions of this scale.

Senator HANSON-YOUNG: Understood. Have you done any analysis about the country of origin of international screen businesses that will be attracted to this new level of certainty?

Dr Arnott: I would think we would know. We know the businesses that have applied and been successful in receiving the location incentive. I don't have all of the details, but—

Senator HANSON-YOUNG: Could I ask you to take on notice a breakdown of country of origin and the percentage over the last three years under the current model, the status quo, because that's all, of course, you can judge it on. That would be helpful to know.

Dr Arnott: Yes.

Senator HANSON-YOUNG: Did the department do a regulatory impact statement when you estimated the cost to the budget of changing the threshold for access to the producer offset from \$500,000 per hour to \$30 million per season of television drama?

Dr Arnott: We would have done what is required in terms of changes to legislation. I'm not sure whether an impact statement was required in this context. I'd have to check on that.

Senator HANSON-YOUNG: I think you probably had to do that. What I'd like to know is what you estimated in your regulatory impact statement for those changes. I want to know what the rationale was for increasing the qualifying Australian production expenditure to \$20 million. Are you able to give that to me now or do you have to take that on notice?

Dr Arnott: I'll have to take that on notice because I don't have that information, other than that is correct; the threshold is increasing.

Senator HANSON-YOUNG: Okay. I'd also like to know what consultation the department did with the industry to gauge the impact of that.

Dr Arnott: Yes, sure.

Senator HANSON-YOUNG: I'd like to know how many screen businesses were consulted on the change. In relation to the regulatory impact statement, what did it show that this change will mean? Will it lead to more or fewer screen businesses accessing it?

Dr Arnott: I'll take that on notice. I don't have that with me.

Senator HANSON-YOUNG: What is the overall argument for that change?

Dr Arnott: It's been clear for some time that, because Australia is quite a small market, it is advantageous to have international productions in Australia, using Australian facilities and employing Australian crew and creatives, in addition to domestic production. The opportunities that overseas productions give our crews and creators are very important in terms of skills development, ongoing employment opportunities and opportunities to work at the cutting edge of production technology.

Senator HANSON-YOUNG: Stepping back to the location offset for a second, there are some training requirements associated with that?

Dr Arnott: That's correct.

Senator HANSON-YOUNG: What analysis, modelling or estimates do you have as to how many projects are expected to pay the QAPE levy of one per cent?

Dr Arnott: I don't have a number of expected productions, so I'll have to check what our information shows there. As you know, in the legislation there are a number of minimum expenditure requirements for training activities, but I don't have the numbers that we expect to have, so I'll need to get that.

Senator HANSON-YOUNG: You said just moments ago that the reason for this change is to have one clearer tax incentive as opposed to some part tax incentive, some part grant, and that competitively around the world this is what people are doing, so it's easier to compare apples with apples if people are looking at where to invest. When you looked at what Australia could do in comparison to other locations, what are their requirements for things like training? Is this similar? Is this leading? Is this something that doesn't feature elsewhere? If we're going to be giving foreign companies—particularly big Hollywood companies—money from Australian taxpayers, I'd like to make sure we are investing in the training and the skills here in Australia. I want to know where this fits in comparison to the rest of the world.

Dr Arnott: I don't have that information in front of me. Obviously the government has decided that, to be eligible for the location offset, these companies do have to offer significant training opportunities to Australian crew. That's the policy, which is good. I would have to take on notice how it compares to other offsets around the world.

Senator HANSON-YOUNG: Yes, I'd like a comparison. Did you estimate how many would be expected to pay the one per cent levy and how many would opt for either the training programs or the investment in infrastructure? You're not expected to do both, are you?

Dr Arnott: That's right. If you invest in infrastructure as part of the production, you don't have to do the training opportunities. But, yes, we would certainly have a fair idea because there are training requirements as part of the Location Incentive Program. The team would have a very good idea about what the outcomes would be from this, but I'd have to take that detail on notice.

Senator HANSON-YOUNG: There is going to be a hearing within the economics committee on this bill. I'm putting to you, on notice, that having some officials at the table who can unpack that a bit would be very helpful. People want to see—and the sector obviously wants to see—government investing in this space, but it's got to be investment for the Australian sector. We've got to be confident that that's what's happening and that Hollywood isn't just going to take our Australian taxpayer dollars and bugger off overseas.

Mr Smith: I'll add a little bit. We've taken on notice the training comparison. A note has just come through to me, indicating that the location offset minimum training requirements will be the highest in the world.

Senator HANSON-YOUNG: Good.

Mr Smith: That'll be a reasonable comparison, but we'll come back with the details on that.

Senator HANSON-YOUNG: Great.

Dr Arnott: We can provide employment numbers. The majority of the people that these productions employ are Australians.

Senator HANSON-YOUNG: I get that, but we need to be making sure people are being trained to be able to make Australian-made stuff. The government has a whole agenda of 'Australian made'. This should be part of it.

Dr Arnott: Absolutely, yes.

Senator HANSON-YOUNG: That's a good question, actually. Minister, is cultural infrastructure part of the 'made in Australia' agenda of this government?

CHAIR: Budget investments would indicate that.

Senator Carol Brown: Yes.

Senator HANSON-YOUNG: Well, there's not an awful lot of budget investment.

Dr Arnott: The fourth pillar of the national cultural policy is strong cultural infrastructure.

Senator HANSON-YOUNG: Yes, but the Prime Minister has made a big deal about his 'made in Australia' platform. Does it include Australian stories, Australian art, Australian cultural infrastructure? I haven't heard that come from the Prime Minister.

Senator Carol Brown: The whole investment in the national cultural policy is about telling Australian stories. When we talk about this issue now, in terms of the location offset, that supports the domestic sector as well, and it does give certainty. The link, of course, to training and infrastructure builds all feeds into the desire of the Albanese government to make things in Australia.

Senator HANSON-YOUNG: I think it would be good to make sure that we have those proper incentives to invest in Australian stories, and, at the moment, we don't even have the legislation. So what I see before us is legislation that is giving taxpayer money to Hollywood. Where's the investment in making the Australian stories and ensuring that our people are trained and have a capacity to not just make but also sell and market our own stories, not just stuff coming from the other big international players? Is there going to be an evaluation of this? You must have had to make some judgment between how much these companies would opt to spend on training versus infrastructure and how you are going to evaluate that going forward. Is there a built-in review process? Is there simply a commitment to do that? Is there any commitment to make sure that we evaluate the effectiveness of the one per cent charge?

Dr Arnott: Yes. We will be very closely monitoring that as projects come through the system, just to ensure that the government's policy intent here is being delivered. I guess it could be the subject of future estimates about getting updates from the department on how things are going in terms of those outcomes.

Senator HANSON-YOUNG: Alright. Well, I'll come back to it. As I said, you're on notice for the hearing in the other committee, and I'd really appreciate getting stuck into that.

CHAIR: We'll rotate if you're going to change subjects.

Senator HANSON-YOUNG: Only one question left on this block.

CHAIR: Go ahead.

Senator HANSON-YOUNG: In relation to these training requirements, has there been any coordination done in preparation across the various training approaches from Screen Australia, NIDA, AFTRS and any others, and who's responsible for coordinating that? I don't think we can just let big Hollywood film studios dictate what needs training and how they're going to do it. Maybe it's not even accredited.

Dr Arnott: We do work very closely with Screen Australia, with NIDA and with the film school on how that training is delivered. There are opportunities provided for students of those organisations. Screen Australia obviously has an interest in keeping an eye on what's happening in terms of who's getting opportunities on those productions.

Senator HANSON-YOUNG: Okay, good. Thank you. I'm happy to swap and then come back.

CHAIR: Thank you. Senator Canavan.

Senator CANAVAN: I have some questions about arts funding. I believe the government announced additional funding for what I think is called the ARTS8 collective. I'm not all that familiar with this area. Can you just take me through what that increased funding was?

Mr Betts: We've already answered these questions, but we can do it again.

Senator CANAVAN: Alright. I'll have some specific questions on detail. Just quickly: it's \$115 million—is that right?

Dr Arnott: \$117.2 million over four years.

Senator CANAVAN: How many organisations are receiving the funding?

Dr Arnott: Eight organisations.

Senator CANAVAN: So all eight get it?

Dr Arnott: Correct.

Senator CANAVAN: How much will go to the Australian Ballet School?

Dr Arnott: We have answered these questions, but—

Senator CANAVAN: I just need them. Sorry, I wasn't here. This shouldn't take long.

Dr Arnott: Senator, \$6.5 million in total and \$2.3 million ongoing over the forward estimates.

Senator CANAVAN: Okay, so \$6.5 million in total. Is that over 10 years or something?

Dr Arnott: No, that's over the forward estimates.

Senator CANAVAN: Oh, okay. What's the two point?

Dr Arnott: \$2.4 million ongoing. So every year after.

Senator CANAVAN: Okay. Did the Flying Fruit Fly Circus get some additional funding too?

Mr Smith: Yes, in a similar category. They got \$7.3 million and \$2.6 million ongoing.

Senator CANAVAN: NAISDA Dance College?

Mr Smith: \$12.9 million and \$4.2 ongoing.

Senator CANAVAN: Okay. I'm asking these questions because I've been informed of a massive disparity in funding between Australian Ballet and the Queensland Ballet Academy. Have you had meetings with the Queensland Ballet Academy about their situation?

Dr Arnott: No, but I'm aware that the Queensland Ballet has been requesting Commonwealth funding for the Queensland Ballet Academy. But the ARTS8 group consists of national training organisations. We already fund the Australian Ballet School, and this group of companies has been funded by the Commonwealth for many years.

Senator CANAVAN: I believe Queensland Ballet wrote to Minister Burke on 3 April. Has there been a response to that letter provided to Queensland Ballet?

Mr Smith: I'll need to take on notice whether there's been a response.

Dr Arnott: We'll take it on notice.

Senator CANAVAN: Could someone try and find out? Maybe they could find that while we're questioning. It shouldn't be that difficult. They're probably not writing to you every day or anything. I'm just wondering: as a result of that letter, did anyone from the department contact Queensland Ballet directly to speak to them? Did they visit them?

Dr Arnott: I did not.

Mrs Todd: We have had representations from the Queensland Ballet. The department has met with the Queensland Ballet. The funding for the Queensland Ballet is provided through Creative Australia, and they will be appearing later if you would like to ask them some questions about the Queensland Ballet.

Senator CANAVAN: Did you meet with Queensland Ballet after receiving the letter on 3 April?

Mrs Todd: I'd have to check the timing. I'd have to take that on notice in terms of the timing of the meeting.

Senator CANAVAN: Again, maybe someone could check. That letter says in the last paragraph: 'Minister Burke, we urgently need you, through the Office for the Arts, to consider addressing the funding disparity for QBA today. If this last attempt for parity across the states and territories should fail, we will commence the collation of a crisis communications strategy from 1 July 2024 in preparation for the closure of the Queensland Ballet Academy at the end of this year.' That's fairly significant. We're very proud of the Queensland Ballet Academy in Queensland. It does remarkable work. So you can't tell me whether anyone from the department, after reading that, decided to pick up the phone and call the Queensland Ballet or maybe even probably just go up there and say hello to them?

Mrs Todd: I have met with the Queensland Ballet.

Senator CANAVAN: After reading that they could close by the end of this year?

Mrs Todd: I have met with the Queensland Ballet several times, but I would need to check the timing of the letter and then whether any of those meetings have happened subsequently, because I have met with them on several occasions.

Senator CANAVAN: Have you had discussions with them about the potential closure of the Queensland Ballet Academy?

Mrs Todd: They have raised that, yes.

Senator CANAVAN: I was cc'd in this letter. As soon as I read it, I arranged a meeting with the Queensland Ballet Academy. I suppose I haven't done a lot in my career on this issue, but, as I say, we're very proud of this organisation in Queensland. You're probably familiar with the work of Li Cunxin, who's done amazing work there. He's now moved on, but they've been very fortunate to get someone of almost equal international renown, with Leanne Benjamin to head the organisation. They're providing amazing opportunities for young Australians—it's not just young Queenslanders—and young people around the world to engage in a very noble endeavour.

Going to the funding here: from my understanding Queensland Ballet Academy now has more student enrolments, at least in the last year's figures I've got, than the Australian Ballet School. Is that correct? Does anyone in the department look at these figures?

Mrs Todd: I don't have the details in front of me about the enrolments for the ballet schools.

Senator CANAVAN: I think they sent them to you too. My figures here are that the Queensland Ballet Academy now enrolls 129 students. The Australian Ballet School has 107 students. As I said, they get these students from all over the country; it's not just Queensland. Yet the Queensland Ballet Academy gets zero ARTS8 funding, whereas the Australian Ballet School gets \$2 million a year. I'm trying to understand why Queensland is being discriminated like this, from a federal funding perspective, when they're clearly now surpassing the Australian Ballet School, at least in terms of numbers.

Mr Betts: It's about being a national institution, I think.

Senator CANAVAN: It's just got Queensland in the title. It is a national institution. It's looking after students all over the country.

Dr Arnott: But it's not a national institution. It's the Queensland institution.

Senator CANAVAN: Well, that's just a semantic. You could call it a national institution. Why isn't there a competitor process here? It sounds like we're just preferencing. Where's the Australian Ballet School headquartered?

Dr Arnott: In Melbourne.

Senator CANAVAN: Historically, we've obviously developed our cultural institutions in our major cities. Is the position of the government that, going forward, we'll never be able to have a dance institution outside of Melbourne or Sydney that can get into this ARTS8? It's locked; it's a closed door? Is that the position of the government, that the ARTS8 will never grow?

Senator Carol Brown: This budget has seen the Albanese Labor government provide the biggest uplift in funding in the history of national training organisations. It builds on the work of our national cultural policy Revive. If we kept the settings at the level of the previous government, these organisations—the arts aid organisations, the national training organisations—were at real risk of collapse.

Senator CANAVAN: But the Queensland Ballet Academy is at risk of collapse.

Senator Carol Brown: This funding for national organisations—

Senator CANAVAN: Minister, are you not concerned about the potential closure of the Queensland Ballet Academy?

Senator Carol Brown: From what you have outlined, they have written to Minister Burke. I'll take on notice the details around that.

Senator CANAVAN: Just coming back—

Senator Carol Brown: This funding is for national organisations. It has been a huge relief to those organisations that this funding is available, because previously, as I've said, under the previous government they were at real risk of collapse.

Senator CANAVAN: But the Queensland Ballet Academy is at risk of collapse. I'll go back to my question, which wasn't answered: is it the government's policy that the current eight national training organisations are set in stone and can never be changed? Is that the government's policy?

Mr Betts: The government's policy is consistent with the policy of the previous government, which is that there are eight national training organisations. No government would ever bind itself to say never to anything, but that's the situation and has been under previous coalition governments.

Senator CANAVAN: Let not argue about this. I'm not sure if you're following myself, Mr Betts. I'm often very critical of the former government too. I'm not shy about that. Maybe there should be a change. Nothing should be set in stone. But what makes a national training organisation? What's the definition?

Senator DAVEY: Having 'national' in the title.

Senator CANAVAN: You've spent a bit of time today—officials said the Australian Ballet School is a national training school, Queensland Ballet Academy is not, apparently. What's the definition? What makes something a national school?

Dr Arnott: As I think I said, these organisations have been set up and run as national organisations for many, many years—decades. There has not been an expansion of the group, certainly the time that I've been working in the area.

Senator CANAVAN: Apart from the title, what's different in substance between the Australian Ballet School and the Queensland Ballet Academy?

Dr Arnott: The Australian Ballet School was set up to support the Australian Ballet, the national ballet company. It is located in the same building as the Australian Ballet. It is the main training organisation that trains dancers for The Australian Ballet, which is the national ballet company. I'm not saying that the Queensland Ballet Academy may not also train students for the national ballet, but the purpose of the Australian Ballet School and its establishment was to work with the Australian Ballet.

Senator DAVEY: I'll jump in because I have a question based on what you've said, Dr Arnott. The Australian Ballet is funded through the national partnership agreements, through Creative Australia, as is Queensland Ballet.

Dr Arnott: Correct.

Senator DAVEY: The Australian Ballet School is in the same building and servicing, bringing forward upcoming dancers to the Australian Ballet, and the Queensland Ballet Academy is effectively doing the same thing in Queensland, but still taking students from right around Australia. The national partnership funding arrangements were changed from the old major performing arts organisations that were just handed a cheque every year without any sort of competitive nature or KPIs. That's been changed, that anomaly has been addressed, so now there is constant review and monitoring, and organisations can drop off or be brought on.

Has there been work done on the training eight to establish a similar sort of robust governance arrangements about them and potentially opening it up so that some could drop off and some could come on board? Because at the moment there's no competitive nature to that. They're recognised as the training organisations and they get a cheque every year. You know, Dr Arnott, that I've always had a little bit of a bee in my bonnet about that sort of non-transparent, non-competitive and not really accountable form of funding. Multi-year funding is good but just—

CHAIR: They should be at risk every year of losing their funding. What a great idea!

Senator DAVEY: I said multi-year funding is good. We introduced multiyear funding for other organisations through the Australia Council, so we are actually very pro multiyear funding, but there needs to be a level of accountability.

Dr Arnott: There are a few things to point out there. Number one, the Queensland Ballet is the Queensland state ballet company. Yes, the Commonwealth provides some funding, but the vast majority of the funding is provided by the Queensland government. Obviously with the Australian Ballet the vast majority of the funding is provided by the Australian government. In terms of the arts training organisations, it's not true to say they're not accountable. They have very detailed study agreements. They have KPIs that they need to deliver. They are accountable to the taxpayer for services they deliver. They're not funded in the same way as the partnership organisations because there is no state government funding in those organisations, or no ongoing state funding. There might occasionally be small investments, but the sustainability money for the organisation is provided purely by the Commonwealth.

Senator CANAVAN: To be clear, I accept that Queensland Ballet itself is a state organisation. My concern is very much about the academy, which is providing opportunities for young Australians to engage in a physical endeavour. I think we need to promote that, for kids to be active, get off electronics et cetera. Ballet is a great endeavour to do that. Obviously a training organisation in Melbourne is much less accessible for the people of northern Australia than one in Brisbane. So it would seem to me to make some sense to think that over time we could expand ballet academy institutions to all of the country—hopefully may be Perth one day as well if they do something. It just seems strange that we would say, 'We're always going to have only a training organisation in Melbourne and that's that.' Going back, I want to table the letter to the minister and attachment to the latter. If that's okay.

CHAIR: Let's have a look.

Senator CANAVAN: While that's being looked at, has the minister met with Queensland Ballet since receiving the letter in early April?

CHAIR: I think that one was already taken on notice when you asked previously.

Senator CANAVAN: I don't think the minister—about the department.

Dr Arnott: We took on notice whether the minister—

Senator CANAVAN: I asked about the department. Has the minister met with—

Dr Arnott: We'd have to take that on notice.

Mrs Todd: We'd have to take that on notice.

Senator CANAVAN: We'll come back to the tabled documents when I get call again. Maybe I'll wrap up there, because I want to really go to those. They will be tabled and we will come back.

Senator HANSON-YOUNG: I want to touch on the producer offset. What is the policy rationale for excluding drama from the application of the 65-hour cap for access to the producer offset, and not documentary?

Dr Arnott: I'll have to check for you. Which cap are you talking about?

Senator HANSON-YOUNG: The 65-hour cap.

Dr Arnott: I think there are instances of drama that exceed that, and the government's made the change to make sure that drama can be supported over long-running series.

Senator HANSON-YOUNG: Were there no examples of documentary that would benefit from this change as well?

Dr Arnott: I don't have anything readily to hand, but I'll see if I can get some further rationale for you.

Senator HANSON-YOUNG: Thank you. What's the policy purpose of applying such a stringent tax secrecy rule to the offsets?

Dr Arnott: As the tax offsets are administered through the Income Tax Assessment Act, the tax secrecy provisions apply because they deal with the tax affairs of commercial businesses.

Senator HANSON-YOUNG: Do the same types of secrecy arrangements apply to other parts of the industry? They get this ability to keep things secret because it's a tax offset, but, if you're applying for other types of grants or funding, that doesn't exist there.

Dr Arnott: That's correct.

Senator HANSON-YOUNG: This is still public money.

Dr Arnott: That's correct, but I've explained to you why the tax secrecy provisions apply.

Senator HANSON-YOUNG: Has anyone in the sector raised this with you? Do people think this is unfair?

Dr Arnott: Not directly with me.

Senator HANSON-YOUNG: I understand why you've said it is the way it is. Are there any other mechanisms that the department has considered to put in place some transparency measures?

Dr Arnott: We're very limited in what we can do because there are very serious penalties for revealing information that's subject to tax secrecy provisions. The Australian Taxation Office publishes in its annual report the amount of funding that goes through the tax offsets every year, and, obviously, it's open to the productions themselves—and this happens from time to time—to acknowledge the taxpayer support that they've received through the various offsets.

Senator HANSON-YOUNG: How do you do reporting or data collection and analyse the success or failure or the pros and cons of a scheme like this if we can't have access to that data?

Dr Arnott: We do collect data through the applications to the offsets, as does Screen Australia. I think Screen Australia has published some reports around the effectiveness of the producer offset. From time to time, ministers can make aggregated figures available in terms of employment numbers and other outcomes. So, when a location offset production is announced, sometimes it will say how many Australians are expected to be employed on that production.

Senator HANSON-YOUNG: Would it be helpful to have some other types of transparency or reporting requirements that sit alongside the tax arrangements so that there'd more transparency about how these publicly funded investments are working?

Dr Arnott: I'm not really able to give an opinion on that. The system is as it is.

Senator HANSON-YOUNG: I'm not trying to be difficult.

Dr Arnott: No.

Senator HANSON-YOUNG: I am frustrated, as are many who live and breathe in the arts and culture space, that finite government resources and public money are spent in this space. It's not like the fossil fuel sector or other parts of government policy where money seemingly just walks out the door from government coffers. The arts have to have scrimp and save for every bloody dollar. I'd like to make sure that the money that we are spending is going to the places that we think it should be and that the government intends that it go to—and that it's being put to good use. The arts doesn't get enough funding. I'm just a bit worried. If companies have access to an offset, to a tax incentive scheme, and we don't actually know the impact of it, I don't think that's good for transparency.

Mr Betts: Is there a question coming?

Senator HANSON-YOUNG: I'd like to know what the government is planning on doing to ensure that you know that taxpayers' money is being spent in the right places. I think tax rule secrecy is not a good enough excuse.

Dr Arnott: We obviously know, because we know how many Australians are employed on the productions and we know how much foreign investment is coming to Australia. We do get that information, so we can assure the government that the offsets are achieving their policy objective, but, yes, due to tax secrecy provisions we're not able to publish that data.

Senator HANSON-YOUNG: Is there any work being done within the department on increasing data collection, reporting and transparency measures?

Dr Arnott: We're always looking at ways that we can make sure that we can describe the effectiveness of the offsets, yes.

Senator HANSON-YOUNG: Can we have an update on Australia's co-production arrangements?

Dr Arnott: We have quite a large number of co-production agreements with many countries. I don't think I have with me today the details of those or the number of co-productions that are taking place, but I can certainly take that on notice.

Senator HANSON-YOUNG: Could you take that on notice, and I'd like it categorised into ongoing and new, if I could.

Dr Arnott: We can do that. Just to be clear, while we negotiate the co-production agreements with the relevant governments, Screen Australia administers that program, so they will have the detail of the co-productions. The question needs to go to them.

Senator HANSON-YOUNG: Yes. I'd specifically like an update on how the co-production arrangements with the UK are progressing.

Dr Arnott: Certainly, Senator.

Senator HANSON-YOUNG: I just want to go back to overall decisions in the budget for Revive this year. How much of the \$216.6 million is actually new money and not just repurposed?

Dr Arnott: What we can give you is the amount by which the overall arts budget allocation has increased in this budget. That will give you that indication.

Senator HANSON-YOUNG: You can, but on page 151 of the budget, under 'Revive—National Cultural Policy', it says that \$216.6 million over four years is being spent on this. I'm not convinced that that's new money. I think that a bunch of it has been repurposed.

Dr Arnott: The total allocation to the arts portfolio in this budget is \$1.167 billion, which is the highest amount that has been allocated to the arts budget for at least 10 years, so it is an increase. As we said before, there were some savings realised from the Location Incentive Program, but I'll have to take that on notice and get back to you on that. That was the only savings.

Senator HANSON-YOUNG: How much was that worth?

Dr Arnott: The Location Incentive Program?

Senator HANSON-YOUNG: Yes—the savings.

Dr Arnott: I'd have to get back to you.

Senator HANSON-YOUNG: I'm specifically interested in the \$216.6 million under Revive. I can't see where this isn't just repurposed money.

Dr Arnott: This is additional. For each of the initiatives under this money, this is additional money going to those initiatives. It is additional funding going to ARTS8. It's additional funding going to Indigenous languages. It's additional funding going to children's content. It's additional funding for live music. It's additional funding for the Territory orchestras and additional money for the National Film and Sound Archive's nitrate storage. This is all extra money going to these projects.

Senator HANSON-YOUNG: But you can't tell me how much money has been saved from the location offsets. Is it in the vicinity of \$200 million?

Dr Arnott: No.

Senator HANSON-YOUNG: The \$8.6 million for Revive Live, how did you come up with that figure? Where did that figure come from? It's a very specific figure. I'm wondering where that figure came from.

Dr Arnott: That's made up of \$6.5 million for grants to live music venues and music festivals, \$1.2 million for grants to increase accessibility for live music venues—

Senator HANSON-YOUNG: Ramps?

Dr Arnott: Yes.

Senator HANSON-YOUNG: Widening toilets, doorways?

Dr Arnott: Yes, that kind of thing; that's correct. And then there's just \$0.9 million for staff to administer the program.

Senator HANSON-YOUNG: The \$6.5 million that goes to live music and festivals, what is that based on? Is that just what was left over in the kitty? It seems a very small amount for how dire the situation the festival sector is in. I'm wondering how you got to \$6.5 million.

Dr Arnott: We looked at the increasing costs that were being incurred by the festivals and the live music venues, and we costed the program based on that and our knowledge of previous grant programs to the—

Senator HANSON-YOUNG: What type of increases?

Dr Arnott: Increases in costs to run festivals, for example, and increases in security.

Senator HANSON-YOUNG: I'm interested to know what costs.

Dr Arnott: We've had communications from the festival sector that it's costing more money to put on music festivals. Paying people and for the necessary services that they need is costing more money. That's been factored into that \$6.5 million.

Senator HANSON-YOUNG: What about the skyrocketing cost of insurance? That hasn't been factored in.

Dr Arnott: It is one of the costs that we were aware of that was increasing.

Senator HANSON-YOUNG: Surely that's a lot more across the board than \$6.5 million.

Dr Arnott: The intention of this program is not to cover the insurance costs; it's to provide support for live music venues to improve their facilities and it's to support music festivals to engage artists and—

Senator HANSON-YOUNG: How are you going to decide who gets the money?

Dr Arnott: It's a competitive grant program. So we will be developing and releasing guidelines in the near future, and applicants will apply if they comply with the eligibility criteria that the government sets.

Senator HANSON-YOUNG: And we don't have that yet?

Dr Arnott: No, that's under development.

Senator HANSON-YOUNG: \$6.5 million across the country for all of these festivals that are struggling is not going to go very far. Is there going to be a cap on the size of festival or how big the bankroller is for the festival? Does everyone from the big players down to the small players get access to this?

Dr Arnott: We're still working on developing the guidelines, so we will be able to provide—

Senator HANSON-YOUNG: It's going to end up being crumbs on the table it seems. Back to you, Chair.

CHAIR: Senator Sharma.

Senator SHARMA: Dr Arnott, I want to ask about the recent outburst in antisemitism in the creative and arts sector. You'd be aware that there was a well-publicised episode of doxxing of Jewish creatives last year. How are you dealing with that issue and seeking to combat that issue?

Dr Arnott: As part of the Revive reforms to Creative Australia, the government has established an area of Creative Australia called Creative Workplaces. The council that runs that is chaired by Kate Jenkins, and they have responsibility for working on ensuring safe workplaces for people working in the creative sector.

Senator SHARMA: Have you heard reports from within the sector that people, particularly people of the Jewish faith, are feeling unsafe or threatened?

Dr Arnott: I'm certainly aware that it's a very difficult situation. I haven't had direct reports, I don't believe. Ali, do you want to comment on this?

Mrs Todd: Certainly. I would agree that there have been direct reports from within arts organisations and from individuals who have experienced discrimination.

Senator SHARMA: You've had direct reports in recent months?

Mrs Todd: I have sat in meetings with artists and organisations who are struggling with this issue, yes.

Senator SHARMA: Have you got Jewish staff in the Office for the Arts who have experienced this personally that you're aware of, or who have come to you with concerns?

Mrs Todd: Not that I'm aware of.

Mr Betts: I'm not aware of any complaints. At the moment, we are undertaking an annual staff census which, among other things, asks questions anonymously about whether people have experienced bullying or harassment, and that would include any racial vilification. We won't get the results of that until July, but it's something we monitor regularly. Obviously, we take extremely seriously any issues of the kind that you describe arising in our workplace, but there have been no reports that I'm aware of at this stage.

Senator SHARMA: Have you had any instances of staff coming to the workplace wearing overtly political insignia supporting one side or the other in the Israel-Gaza conflict or creating any incidents in the workplace?

Dr Arnott: Not in the Office for the Arts.

Senator SHARMA: No-one wearing keffiyehs, carrying a Palestine flag around their shoulders—nothing like that?

Mr Betts: No.

Senator SHARMA: Have you had contact with the Sydney Theatre Company? Does the Office for the Arts support them or deal with them? You would have seen the high-profile decision of a number of their performers to wear keffiyehs at the opening night of *The Seagull*.

Dr Arnott: They're funded through Creative Australia, but I don't know whether we've had any direct conversations with them since that incident.

Mrs Todd: I have. I've sat in a few meetings with that organisation since that incident, yes.

Senator SHARMA: How are they handling that incident since? Have they changed the guidelines for their performers?

Mrs Todd: I'm not sure that I can comment on the measures that the Sydney Theatre Company have undertaken, and I wouldn't be across all of those actions.

Senator SHARMA: Alright. There's an open letter that's being circulated today—I don't know if you're aware of it; I'm happy to table it—from public servants condemning, I'm quoting here, 'the Australian government's complicity in Palestinian genocide'. There are about 700-odd public servants, a large number of them federal government—

CHAIR: Is this related to the arts portfolio?

Senator SHARMA: It is, because one of the signatories identifies as coming from the arts portfolio. I'm happy to table the letter.

Mr Betts: That circulated today, did you say?

Senator SHARMA: Yes, I believe it's in the media today, and I've obtained a copy to circulate. The one employee who self-identifies as being from the department of the arts is No. 781 on the list.

Mr Betts: We'll take a look at that. If there are any issues in terms of the Public Service code of conduct, then they'll be dealt with.

Senator SHARMA: Okay. Perhaps we can just explore that whilst this letter is being tabled and distributed. Amongst other things, the letter accuses the government of the day of 'leading Australia to be complicit in an additional genocide, an additional colonial project, staining this nation'—that being Australia—'with more war crimes—even more than it lays claim to already', and these war crimes are 'in the service of foreign powers'. The letter also describes Israel as 'the settler state that has been conducting genocide in historic Palestine since 1948'. Now, on the face of it, Mr Betts, would you think this meets the test of the APS values and the code of conduct—an open letter of this sort signed by federal public servants?

CHAIR: I think we should give Mr Betts the chance to read it.

Mr Betts: Yes. I don't think 'on the face of it' is good enough. I think I would want to consider this very carefully. You of all people understand the sensitivity of this, and I wouldn't want to be rushed into a judgement on something I haven't seen.

Senator SHARMA: Have you had experiences in the past of federal public servants signing open letters to the government, condemning government policy and urging the change in government policy—by currently employed APS members rather than retired ones?

Mr Betts: I've only been a federal public servant for less than a couple of years, and, no, I haven't come across that personally. But, obviously, having worked in state government, there is always a tension between the legitimate rights of individuals who may be employed by the Public Service to express political views and those things that they express in their capacity as public servants. We have codes of conduct at state and Commonwealth level designed to deal with these things, and I think we should consider it in that context but with the full information in front of us. There are processes through the Australian Public Service Commission to deal with that, and I would encourage you to address any concerns to the public service commissioner.

Senator SHARMA: Yes, absolutely. I'll be taking it up with the Public Service Commission. They're no longer at estimates this week, but we will be following up. But, just so I understand, one of the key APS values is impartiality, correct?

Mr Betts: Yes.

Senator SHARMA: So, on the face of it, signing an open letter, identifying oneself as a federal public servant, condemning government policy and demanding changes to it would seem to violate that fundamental principle of impartiality, would it not?

Mr Betts: I'm not going to make comments on the face of it. I'd like to be able to look at it properly, and I'm sure you'd understand that.

CHAIR: I think Mr Betts has, rightly, said he would like to consider this, as it's obviously a serious issue.

Senator SHARMA: I respect that. The letter has just arrived; it's being circulated now or tabled. It's rather long.

CHAIR: It's not being tabled; it's being circulated. We tend not to table public documents. We just circulate them around the room.

Senator SHARMA: Perhaps once you've got it we could come back to that briefly, and I could get your response to it.

Mr Betts: I would like the opportunity to look at it and take advice and to give you a considered view, and that's what I will do. I will commit to following up and let you know what conclusion we reach.

Senator SHARMA: As I said, you'll see there are 829 signatories. I can't vouch, obviously, for the veracity of their identity or anything else. Some of them identify as being from the arts portfolio; some of them just say 'federal government'. Could I ask that you take on notice whether any of these or more than these are actually employed as public servants within the portfolio.

Mr Betts: I will take it on notice.

CHAIR: Can I just intervene here. Senator Sharma, given that this has a range of names and cites a range of portfolios, I would imagine that there would be a central point where everyone will be looking to the public service commissioner for some guidance on where we sit here.

Senator SHARMA: No, I respect that. But I imagine it would be of concern to the secretary that some of the people employed by his department and the Office for the Arts were signatories to this letter, because that would have implications for his duties as a secretary.

Mr Betts: Are you raising this in other committees with other secretaries?

Senator SHARMA: Yes, we do intend to. I'm afraid you're the only secretary here today, rather than the head of an agency, so you drew the straw. But we will be following it up next week. Obviously, we would have taken it up with PM&C and the Australian Public Service Commission through the estimates process, but they are not here today. But we will be following it up with other departments and secretaries next week.

Mr Betts: And I will undertake to take advice from the public service commissioner as well.

Senator SHARMA: Alright. Thank you, Mr Betts.

Senator CADELL: Can I have a quick go?

CHAIR: Yes, Senator Cadell.

Senator CADELL: Catch-up football all over there? You said for RISE there was \$117 million still outstanding. How much of the \$200 million has been allocated and spent under RISE?

Dr Arnott: All of that has been allocated.

Senator CADELL: All of it has been allocated to events?

Dr Arnott: Yes, to the funding recipients.

Senator CADELL: A bit of self-interest here: we're talking about different rates of dance and everything like that. We talk about the big 8 and all these other things, but at grassroots events—I know it's touched on with Creative Australia, but at a departmental level—what are we looking at for encouraging more of the beginners to get in there in the live music scene? We talked about venues. Is there a discussion about how to keep artists earning a reputable income now? I take it the great band Kiss has sold their catalogue, and Gene Simmons has come out and said, 'You can't make money in music nowadays, so we're cashing in.' What are we doing, in a discussion about keeping Australian artists viable, to create the songs and the art of tomorrow?

Dr Arnott: Good question. Obviously, Revive has the centrality of the artist and the acknowledgement that artists are workers and they need support. In terms of the live music funding, some of that does go to support artists' costs, as well as the many other programs that we, Creative Australia and Screen Australia fund. A lot of that money will go to support artists' employment.

Senator CADELL: At the risk of seeming not as conservative as I am, I went to a live-mic thing in Newcastle with some emerging hip hop artists last week. There was ChillCheney, Conflikt, izzy t—respect. We're talking about prominence on Spotify and codifying that sort of stuff, but there is no income for them at that level unless there are hundreds of thousands of likes, and they aren't there. They're really very interested and focused on getting support for their touring activities, which they feel will drive searches and drive income. Is there a policy discussion about methods for how we can do that post COVID, post venues? Is the department looking at potential policy measures or policy changes that can assist that?

Dr Arnott: There is a dedicated Contemporary Music Touring Program that's administered by Creative Australia, which does actively support tours. But there's always more demand than can be met, and we're aware of that. We're always looking at the policy settings.

Senator CADELL: I have a very strange one, on this grassroots stuff again: APRA AMCOS's licence from the ACCC to be the one music provider and charge their fees for copyright and use right comes up this year. Is the department talking to anyone about their views of how this has gone? I have regional dance schools and dance schools right across Australia coming to us and saying their licence fees for their programs—these are dance schools right at the very lowest level, at the grassroots—are onerous. The fact that APRA AMCOS have a heavy hand in 'pay or don't play', at the basic level of dance beginnings, means the closure of schools. They don't have the flexibility in the country: you may have to go to several towns to teach a number of kids, versus having a single big school. Is the department having a look at that or making a submission to the ACCC regarding the renewal of the licence for APRA AMCOS?

Dr Arnott: We wouldn't make a submission, I don't believe, but we do engage regularly with APRA AMCOS on a range of different matters. I'm not aware of those particular issues. I don't believe they have been raised directly with us before, so thank you for raising them.

Senator CADELL: Dance schools are normally—I'm sorry for generalising here—young ladies and small things. They don't have the market power to come together. There are some organisations, but I've been contacted to be a conduit by about 12 or 14, and it's an ongoing thing, so if you could look into that.

Dr Arnott: Has the matter been raised directly with APRA AMCOS, do you know?

Senator CADELL: Yes, and they've taken legal action against some of the people. That's the thing: they're literally making examples, taking legal actions and enforcing quite strongly. We've got to look after artists, but my concern on the APRA AMCOS thing is: I think the evidence we have is they were taking about \$70 million or \$80 million in operational costs from these fees, and ARIA were distributing about \$35 million to \$50 million. So APRA AMCOS is taking in operational fees more than twice what ARIA's distributing.

Dr Arnott: I'm not aware of those issues.

Senator CADELL: If you could have a look at that. This is my last question. I know you say TLAB is Treasury, but my great staffer has printed this. It's tricky, because I didn't know how big the bill was when I asked for a few copies! Sorry about that. In the bill we have superannuation, we have a petroleum resource rent tax, we have capital allowances for mining and quarrying, we have multilateral development banks and we have all these sorts of things coming forward, as well as the producer location offset. In the Senate, with numbers, as you know, it is not unusual for the Greens and our side to have very different views on the petroleum resource rent tax and mining subsidies. Have you made any undertakings to try and separate that offset out from these other things that might be more controversial?

Dr Arnott: Not that I'm aware of. It's not something that's within our control. Treasury sets the way that those bills come forward, so—

Senator CADELL: You could say please!

CHAIR: He'll send a card and some flowers, and we'll see how we go! We will break now, and we will return with the department on the same outcome.

Proceedings suspended from 11:01 to 11:22

CHAIR: We will resume. Senator Canavan, would you like to return to the Queensland Ballet?

Senator CANAVAN: Yes, I would, if that is okay.

CHAIR: Go ahead.

Senator CANAVAN: I want to try and get an understanding of the federal funding of different ballet or dance companies across Australia. The ones I suppose I'm specifically interested in—but, if there are others, I'm happy for you to add to this list—are the Australian Ballet, Sydney Dance Company, Bangarra Dance Theatre, West Australian Ballet and Queensland Ballet. Have we got figures for how much federal funding went to each of those organisations in the last budget year?

Dr Arnott: I don't have those figures with me, but those organisations are all funded through Creative Australia, so they might be able to provide you with that information.

Senator CANAVAN: Okay. We'll come back to them. Excuse my ignorance—this is all pretty new to me—but is the ARTS8 funding also through Creative Australia?

Dr Arnott: No, that's through the Office for the Arts.

Senator CANAVAN: I want a consolidated figure, though. Who can give me that?

Dr Arnott: We can give you the funding for the ARTS8.

Senator CANAVAN: Yes, we've got that. You don't have a consolidated figure. This is the department, isn't it?

Dr Arnott: This is the department.

Mr Betts: Creative Australia are on after us, so you could ask them.

Senator CANAVAN: I just have to add it up.

Dr Arnott: We could provide it to you on notice if that's useful to you.

Senator CANAVAN: The department itself doesn't track or look at the relative funding of the different dance companies? Personally, I don't—and I'm sure Queensland Ballet don't—care where it comes from. You don't yourself have consolidated figures that you look at?

Dr Arnott: We do have access to those figures, yes, but the allocation of funding through Creative Australia is a matter for Creative Australia. It's not dictated by the department. They allocate that money based on the National Performing Arts Partnership Framework that they administer on behalf of the government.

Senator CANAVAN: I'm not sure of the figures there. Could you provide some consolidated figures on notice for the 2023-24 financial year and the projected figures for 2024-25?

Dr Arnott: Yes.

Senator CANAVAN: The figures that Queensland Ballet have provided to me and that we are getting distributed show that the Australian Ballet received \$6.4 million from the federal government in 2022, Sydney Dance Company received \$2.8 million, Bangarra Dance Theatre received \$2.6 million, West Australian Ballet received \$830,000 and Queensland Ballet received \$796,000. There's a huge disparity in those numbers. Maybe the Australian Ballet deserves more funding—it's been around longer; I'm not exactly sure—but for them to receive \$6.4 million and the Queensland Ballet, which is now an internationally renowned organisation, to receive nearly \$800,000—that disparity seems hard to justify.

Dr Arnott: As I was explaining, I think, there are different categories of companies. There are national companies and state companies. The national companies get between 80 and 90 per cent of their overall funding from the Australian government, whereas the state governments provide around 80 per cent of the funding to the state companies and the Commonwealth around 20 per cent. So the reason for this disparity is simply because of the way the companies are categorised in the performing arts funding framework.

Senator CANAVAN: I understand. I made the point earlier that the Queensland Ballet has perhaps outgrown being a purely state organisation. Again, it has appointed someone of international renown in Leanne Benjamin, attracting students and teachers from all around the world, from Europe—I met some when I was there a few weeks ago—that do excellent work. According to these figures, we now have a situation where the federal government grant as a proportion of income is only 2.8 per cent of Queensland Ballet's total income. Obviously for the Australian Ballet it's much higher, at 10.4 percent. But even the West Australia Ballet, according to these

figures, is now getting six per cent of its income from federal grants, double what the Queensland Ballet is receiving. I don't know anything about the West Australian Ballet. I'm not trying to disparage it at all. But obviously by these figures—Queensland Ballet is a much larger organisation. They receive about the same amount of federal funding, on these figures, but in proportionate terms the West Australian Ballet is receiving double. Again, is the government looking at these funding disparities and saying there seems to be an issue here, why is Queensland getting such less proportionate funding than other states?

Mr Betts: As we've explained, the department is responsible for those national training organisations. There is no intention to add to the list beyond the eight that already there. Other sources of federal funding would come through Creative Australia. By design, those decisions are taken at an arm's length from the minister and the department. You'll have the opportunity to ask Creative Australia under the next session.

Senator CANAVAN: We'll do that next.

Senator CADELL: Dr Arnott, you mentioned the 80-20 split with state organisations. Am I expecting that if the Queensland state government put in more the absolute amount of federal government funding would increase as well?

Dr Arnott: No. That was set at a point in time some time ago. Those percentages will change over time, but that was the original categorisation of the companies when the framework was established.

Senator CANAVAN: Have we been able to find whether the minister responded to Queensland Ballet's letter on 3 April?

Mr Betts: Yes. He responded on 8 May.

Senator CANAVAN: Could we get a copy of that letter?

Mr Betts: I'll have to take that on notice. I'll check with minister's office.

Senator CANAVAN: It would be strange if they couldn't give us a copy.

Senator HANSON-YOUNG: I was asking yesterday in relation to the streaming quotas and local content. Dr Arnott, has the department settled on a model?

Mr Betts: It's not for the department to settle on a model; it's for the government to settle on a model.

Senator HANSON-YOUNG: Has the government settled on a model?

Mr Betts: The government is still considering its position. It's still subject to cabinet deliberation.

Senator HANSON-YOUNG: Does the department have modelling for both proposed models: expenditure and revenue?

Dr Arnott: We have done work on many different models. They're very different types of regulation; that's correct. We have some financial analysis that's been undertaken on the impact of those.

Senator HANSON-YOUNG: Specifically on an expenditure model?

Dr Arnott: Yes, on a number of models.

Senator HANSON-YOUNG: And on a revenue model?

Dr Arnott: Yes.

Senator HANSON-YOUNG: How long ago was that financial analysis done? Or when was that financial analysis done?

Dr Arnott: I don't have the exact dates, but last year some work was done, and there's continuing work being done this year.

Senator HANSON-YOUNG: And that information is held by your branch, as opposed to the communications branch or Treasury?

Dr Arnott: We work closely together. The two deputy secretaries have access to the same information that the team is working on.

Senator HANSON-YOUNG: Would you be prepared to table that analysis of those different models for this committee?

Dr Arnott: I can't do that, because the information was provided to us, as you know, on a confidential basis, and, as Secretary Betts outlined, this is all subject to cabinet consideration.

Senator HANSON-YOUNG: Provided to you from whom on a confidential basis?

Dr Arnott: From relevant companies that the legislation would affect.

Senator HANSON-YOUNG: So the companies know which model is being considered?

Dr Arnott: No, they don't.

Senator HANSON-YOUNG: Why would the companies have access to the government's analysis of the financial impacts of the models, but the Australian parliament doesn't?

Dr Arnott: No, we requested information from them to inform our analysis of particular models.

Senator HANSON-YOUNG: Right. What I'm asking for is: can this committee have access to that analysis so that we know what's going on and what the impacts are going to be?

Mr Betts: No, because the information was provided on an explicitly confidential basis, and we gave undertakings in that respect, as we [inaudible].

Senator HANSON-YOUNG: Are you claiming a PII claim over that information?

Mr Betts: That would be a matter for the minister. Only ministers can claim public interest immunity.

Senator HANSON-YOUNG: Yes—exactly. Are you, Minister, claiming PII over that financial analysis?

Senator Carol Brown: I'll have to take that on notice.

Senator HANSON-YOUNG: Your government has promised to legislate in this space. You're already 18 months behind schedule. We're not getting the legislation before the winter break. Broken promise, broken promise, broken promise—and now you want to keep it all secret.

Senator Carol Brown: No. I just committed to take that on notice, but, as I've said before, the government is undertaking a genuine consultation process and is taking the time to consider the views from key stakeholders.

Senator HANSON-YOUNG: When are they going to consult with the parliament?

Senator Carol Brown: When we're—

Senator HANSON-YOUNG: When you've made your mind up.

Senator Carol Brown: ready to bring it forward. We are committed to bringing it forward, as I said previously, in the near future.

Senator HANSON-YOUNG: That's not near enough. So your job is done now, Mr Arnott? It's all cabinet deliberations now; is that correct?

Dr Arnott: No, that's not correct. The department is still working on that.

Senator HANSON-YOUNG: The department's still working on what exactly?

Dr Arnott: It's still working on some of the parameters of the scheme.

Mr Betts: To inform cabinet deliberations.

Senator HANSON-YOUNG: You've got modelling or impact analysis of various models. That has been given to cabinet, so, based on this scheme, cabinet will be able to make a decision based on what is in the best financial interest of Australia. Cabinet will have that information?

Dr Arnott: Our job is to—

Senator HANSON-YOUNG: So they can decide whether they want to bankroll and kowtow to Netflix and Disney, or do what's right for Australia.

Mr Betts: Is that a question?

Senator HANSON-YOUNG: We're not being told anything. We're the parliament. This is the Senate—

Mr Betts: I've just asked you: do you have a question? We can't really respond to speeches.

Senator HANSON-YOUNG: It's very frustrating when everything is kept secret.

CHAIR: The minister has taken your request on notice. If that cannot be provided then a PII will be claimed. I think the situation has been stepped out very clearly by Dr Arnott and the secretary. Do you have any further questions?

Senator HANSON-YOUNG: I do. Who has been given access to this analysis, aside from cabinet members?

Dr Arnott: It's internal to government.

Senator HANSON-YOUNG: No-one in the industry has seen this analysis?

Dr Arnott: No.

Senator HANSON-YOUNG: Could we have a list, at least, of what data you've used to put these models together? What inputs are you relying on?

Dr Arnott: I can take that on notice whether we can describe the types of data we looked at.

Senator HANSON-YOUNG: That would be helpful.

Dr Arnott: As you know, the Australian Communications and Media Authority, for example, publishes voluntary reporting, which is made public—

Senator HANSON-YOUNG: So that's not secret.

Dr Arnott: That is one dataset, but there are other datasets that we also look at which are confidential.

Senator HANSON-YOUNG: I think I asked yesterday, on notice, for who had been consulting and how many meetings you had had with various different people. We keep hearing consultation, consultation, consultation. I would like to reiterate: I would like some information on what that consultation has been made up of. How many meetings, who are they with and what information. You can consult with people but, unless you're giving them access to the right information, it's not real consultation anyway, is it?

Dr Arnott: As the minister said, we've consulted very extensively with all affected parties here. It is a genuine consultation process. People are being given ample opportunity to provide their views and data for the government to consider as it formulates its policy position.

Senator HANSON-YOUNG: Okay. I look forward to seeing whether we can get any of this information. Thanks, Chair.

CHAIR: Thank you. Senator Payman, I can give you five minutes.

Senator PAYMAN: Thanks, Chair. I want to ask about the National Film and Sound Archive funding. I understand that this funding will help to preserve a number of historically significant materials. Can you please step out what materials you have been able to save and find? I am really curious about that.

Dr Arnott: I might start and then let Ms Campton answer. The budget measure, as you know, is to provide \$9.3 million over four years for the national archive to expand and enhance its capacity to store highly flammable nitrate based cultural material. Obviously the responsibility of the Film and Sound Archive is to hold a lot of that material, which is film and sound based material, which is quite volatile to store. The government has committed this money to enable it to look after that material in the appropriate way. Ms Campton might be able to give you more detail.

Ms Campton: Some of the material is film and some is photographic negatives that have been stored. I will give you some examples from the media release the National Film and Sound Archive released. It includes the world's first feature film, *The story of the Kelly gang*. It includes World War I embarking troops and charity bazaars, The Duke of York opening federal parliament in 1901, Sir Charles Kingsford Smith's *Conquest of the Pacific* in 1928, the Bodyline cricket series from 1932 to 1933, and over 4,000 newsreels produced by Cinesound Movietone Productions between 1929 and 1975.

Senator PAYMAN: That's excellent. How many items does the National Film and Sound Archive currently store, and how close are they to capacity?

Ms Campton: I'm not sure I have that figure to hand. I'd have to take that number on notice, but they are very close to capacity. They store nitrate material on their own behalf, and they also store nitrate material on behalf of other national collecting institutions. The existing facility was pretty much to capacity. They were using temporary containers to store other nitrate material, which were also getting close to capacity. It's a matter of it needing to be improved and made safe because nitrate needs to be stored at particular environmental conditions. They hadn't stopped collecting, but they were getting close to that being a real problem. This will allow them to expand the existing facility they have onsite and also establish a new facility so they don't have things in temporary storage anymore and so things are stored at the right environmental conditions.

Senator PAYMAN: I understand that this funding will also help NFSA to search for lost films. How will they go about this process?

Ms Campton: They already have researchers that make contact with other state facilities and other sources of nitrate. They also are available as a storage facility. They will just use their normal investigation techniques. They are constantly discovering things, and things are being brought to their attention.

Senator PAYMAN: Finally, what's the significance for Australia to keep the historical material safe? How does that contribute to our national identity?

Ms Campton: It's all part of Australia's identity. It's very important. It's also important to keep nitrate. One of the things to understand is that making a copy of something is always better if it's made from the original. Even though people might think, 'Oh, there's a digital copy,' if you're going to have the best quality to look at something you should always go back to the original. It features many interesting facets of cultural life in Australia from

very early on. Some of it is also original film of First Nations content, some of the earliest moving images and so forth. It's overall very important.

Senator PAYMAN: Thank you so much.

Senator DAVEY: I have a couple of topics, but I hope we can get through them. Firstly, I would like to talk about the \$14.5 million over four years—again, with ongoing funding—for the Australian Children's Television Foundation. Can you provide a breakdown of that money and how it's going to be used or allocated over the forwards? Is it just for the foundation operationally, or is it to achieve specific goals?

Dr Arnott: It will be for the Australian Children's Television Foundation to invest in the development and production of Australian children's content.

Senator DAVEY: So the aim is that we will get more content creation through this funding?

Dr Arnott: That's correct. That's my understanding.

Senator DAVEY: But how they invest it will be up to the foundation?

Dr Arnott: That's right. They have the expertise, skill set and contacts to invest in the content.

Senator DAVEY: Is a portion of it also for the marketing of the content once created?

Dr Arnott: I would have to take that on notice. I don't believe I have that detail.

Senator DAVEY: Have you done any work or modelling to estimate how much of an increase in Australian children's content creation this funding might lead to?

Dr Arnott: We would have looked at the rationale for the amount of funding that's been provided, but I don't have that detail with me.

Senator DAVEY: Would it be available on notice, or is it cabinet in confidence?

Dr Arnott: I'd have to look into that and check for you. I am happy to do that.

Senator DAVEY: If you could, because we've seen reports recently about the unfortunate demise in spending by, particularly, free-to-air providers, who spent zero dollars on children's content in the last 12 months. We are seeing a decreasing trend in Australian children's content purchased by streamers as well. What is the department's view, or is part of the rationale for this funding to try and reverse that trend?

Dr Arnott: Obviously this is timely additional funding from the government to have the Children's Television Foundation invest in new content. *Revive* does make a commitment to support children's content.

Senator DAVEY: We spoke with the department earlier this week, with my colleague Senator Hanson-Young's very diligent questioning about the content quotas legislation that we're still waiting to see. It was implied in one of the answers that there may be subgenres in content quotas. Are you in a position to be able to talk through what those subgenres may be, and would Australian children's content, both scripted drama and non-scripted drama, be part of it?

Senator HANSON-YOUNG: That's a good question.

Dr Arnott: I'd like to find the relevant commitment in *Revive*. In *Revive* on page 87:

The Government has committed to take the necessary action so that Australians continue to be able to see and hear quality home-grown content, regardless of which platform they are using. It is important that streaming services invest in key genres, including children's content, scripted drama and documentaries.

Senator DAVEY: I guess we will have to wait to see the legislation, though, to actually see how it manifests in practice.

Senator HANSON-YOUNG: What would be helpful to know is that, in that economic analysis or modelling—which we'll wait to see whether you're happy to give to us—have you modelled for the different genres, or is it just the expenditure versus revenue and that's it?

Dr Arnott: The government's policy commitment is there. We've obviously kept that very much front of mind as we've developed our advice to government.

Senator DAVEY: I think the answer is—

Senator HANSON-YOUNG: Probably no.

Senator DAVEY: Yes. If you're on this, I will move on.

Senator CADELL: In that policy document is there a definitional difference between 'Australian produced' and 'Australian cultural' content?

Dr Arnott: I just read you out the words.

Senator CADELL: But there was no differentiation, was there? I'm on the same page of *Revive* as you right now.

Senator DAVEY: That is a good question we didn't ask earlier in the week. In the Australian content criteria, there is an existing definition of 'Australian content'. Is that the definition that is being worked to for the new legislation, or are there some tweaks to the definition of 'Australian content'?

Dr Arnott: Again, I'm afraid I can't give you the details of the government's position, as it's still being considered.

Senator DAVEY: We will wait and see. In Budget Paper No. 2, on page 151, there is now \$5.2 million over four years, with \$1.3 million ongoing, to support the Canberra and Darwin symphony orchestras. Was this funding through a competitive grants process, a tender process or an expression-of-interest process, or is it just because, conveniently, there are territory elections coming up?

Dr Arnott: The history of this funding is that, when the late James Strong conducted a review for the Howard government of funding for the symphony orchestras, only the state symphonies received funding at that time; the two territory orchestras did not receive Australian government funding. The decision was taken post that review that those two orchestras would receive Australian government funding, and they have received Australian government funding since 2007. This is in addition to existing government funding that they receive through Creative Australia.

Senator DAVEY: My understanding—take the Canberra orchestra, for example. It's a part-time orchestra; it's not a full-time professional orchestra. It was receiving \$260,000 a year. It employs public servants. It will now receive close to \$700,000 a year, going forward. What is that funding for? Is it so they can hire more artists and more musicians, or is it organisational funding to keep the organisation financially sustainable?

Mr Smith: It's to allow an expansion to develop its operations, employ more artists and provide more opportunities to engage in performances. It's a mix of all.

Senator DAVEY: So you do expect more artists to be employed through this funding?

Mr Smith: Yes.

Senator DAVEY: Will these organisations have annual reporting requirements?

Dr Arnott: Yes, that's correct. They have funding contracts with Creative Australia, so Creative Australia will administer that money on behalf of the government.

Senator DAVEY: Just to be clear, they are not being funded through the National Partnership Agreement, which is how all the other state orchestras are funded?

Dr Arnott: That's correct; they're not funded through that framework.

Senator DAVEY: Is that because they're too small to meet the criteria for the National Partnership Agreement?

Dr Arnott: They just have never been included in that group of companies.

Senator DAVEY: When you're determining the funding—which line item on page 151 does it actually fit into?

Dr Arnott: It's the line item that says '\$5.2 million over four years'. You mean at the top of page 151?

Senator DAVEY: Yes, in the table. You've identified it. It's identified in the budget; I accept that. It's not through Creative Australia, so it's not funded out of there.

Dr Arnott: The funding is coming to the department in the first instance, but then the intention would be that that would be provided to Creative Australia to support those orchestras.

Senator DAVEY: So it's departmental funding direct to the organisations?

Dr Arnott: Through Creative Australia.

Senator DAVEY: That's just a money churn. The money is given the department; the department says to the organisations, 'You're going to get this money, but we're going to hand it to another bureaucracy so that we can keep people employed and they can sign the cheque.'

Senator Carol Brown: They get the money, and the money will enable them to reach more audiences. Also, the orchestras have been relying on volunteers, so now they'll be able to have paid musicians, which is a great thing.

Senator DAVEY: What prompted the increase in funding for these organisations? Was it a request, or was it personal contact, maybe with the finance minister, who might be a local representative?

Senator Carol Brown: My understanding is that they had been lobbying for a long time, and the budget has provided \$5.2 million over four years to the Darwin Symphony Orchestra and the Canberra Symphony Orchestra. This will enable both those orchestras to reach a larger group of audiences, particularly for the NT. It will enable them to perform for audiences across the NT.

Senator DAVEY: Did the department undertake robust analysis to assess the financial sustainability of the organisations?

Dr Arnott: The decision was taken within the budget, so I can't really say more about that, other than that it went through the usual budget processes.

Senator DAVEY: It went through the usual budget processes. So, unlike a grant program, where the department assesses the organisations, this was a political decision through budget processes, rather than an assessed—

CHAIR: I'm going to share the call, Senator Davey, if you'd like to wrap up.

Senator DAVEY: No problems.

CHAIR: You're done?

Senator DAVEY: Yes.

CHAIR: Senator Bilyk.

Senator BILYK: In regard to the territories and their symphony orchestras, perhaps it would be easy for us to understand if you could explain to us how the Darwin and Canberra symphony orchestras differ from their state counterparts.

Dr Arnott: I think we've articulated that a little bit already. They're smaller scale orchestras, compared to the state symphony orchestras, serving a smaller population. As the minister outlined, some of the musicians are employed on a part-time basis, and some are volunteers. They raise significant funds from other sources, including ticket sales and philanthropy, but they are a smaller scale of operation than the state symphony orchestras.

Senator BILYK: How would past funding constraints have limited their creative ambitions and their ability to serve audiences in the region? I presume they wouldn't have been able to do that.

Dr Arnott: Yes. As the minister said, they've been seeking additional funding for some time. They only got a very small amount of money as part of the Strong review—\$100,000 each—and they haven't had a significant funding increase for many, many years.

Senator BILYK: How does the Darwin Symphony Orchestra support First Nations cultural expression?

Dr Arnott: I don't have many details, but I understand that they have an extensive First Nations program. They perform on country for First Nations communities, and they work with First Nations musicians.

Senator BILYK: Can you tell us how the orchestras' work aligns with the objectives of Australia's national cultural policy, Revive?

Dr Arnott: These orchestras perform Australian music and engage Australian composers. They employ Australian musicians, and they perform a broad range of repertoire for Australian audiences, which is one of the objectives of Revive.

Senator Carol Brown: And they inspire the next generation as well, so it's very good work.

CHAIR: Senator Sharma.

Senator SHARMA: I just have one small follow-up question. I want to confirm with either Dr Arnott or Mr Betts that employees in agencies that operate under the Office of the Arts are covered by the APS Values and Code of Conduct?

CHAIR: You know they are.

Senator SHARMA: I'm not entirely sure. I've been some time in the Public Service, but I'm not fully across this.

Dr Arnott: There is some variability there. They all have their own enabling legislation. The enabling legislation provides for the employment conditions for each of the agencies. Most of them are employed under the Public Service Act, but some are not.

Senator SHARMA: Okay, like the National Gallery of Australia?

Dr Arnott: That's correct. It employs its staff under its own act.

Senator SHARMA: So they would not be bound by the APS Values and Code of Conduct, or are you not aware of that?

Dr Arnott: You'll be able to ask the gallery when they appear, but the terms and conditions for gallery staff are set by the gallery.

Senator HANSON-YOUNG: They're not controlled by Gina. Gina doesn't set the rules!

Senator CADELL: Why are you such a hater?

CHAIR: We'll come to conversations of Gina later in the day. Thank you very much to the department in outcome 6.1. We will release you and we will ask Creative Australia to come to the table.

Creative Australia

[12:02]

CHAIR: Mr Collette, would you like to make an opening statement?

Mr Collette: A short one, if I may.

CHAIR: Yes, fire away.

Mr Collette: Can I say—not part of my statement but for the committee's benefit—I'm very often accompanied by Tim Blackwell, who's our Executive Director of Corporate Resources. I'm conscious this is a budget estimate. Tim, alas, has got COVID, so he couldn't be here. If I do have to take more than usual budget or financial questions on notice, please bear with me. We'll do our best.

CHAIR: We wish him all the best and hope he gets better soon.

Mr Collette: I'd like to begin by acknowledging of the land, the Ngunnawal and Ngambri peoples, and pay respect to elders past and present and to my First Nations colleagues at Creative Australia. I would particularly like to acknowledge and pay my respects to the achievement of Kamilaroi Bigambul man Archie Moore for his exhibition *kith and kin* which won the Golden Lion at the Venice Biennale last month. Archie is the second solo First Nations artist to present in the Australia pavilion at the Biennale and the first Australian to win the Golden Lion award. Creative Australia is proud to have commissioned this work, which was curated by Ellie Buttrose. It was wonderful to see this achievement recognised in the parliament by both the Minister for the Arts and the shadow minister for the arts.

In fact, it has been a remarkable year for the global recognition and celebration of Australian artistry. Australian artists have won not just one but three Golden Lions, including film director Peter Weir and, for theatre's lifetime achievement, Back to Back Theatre, an ensemble theatre company based in Geelong, Victoria, made up of artists who are perceived to have intellectual disabilities and who are neurodiverse. In addition, Australian actor Sarah Snook won the UK's Olivier Award for her performance in *The Picture of Dorian Grey*, a Sydney Theatre Company production directed by Kip Williams. These achievements didn't happen overnight. They are recognition of individual artists' talents and skills, certainly, and they are also an outcome of sustained public and private investment and advocacy supporting artists to realise their bold ambitions. The Venice Biennale is an exemplar of impactful public-private partnerships offering a mutuality of confidence and purpose for projects that create unprecedented cultural and social value.

In contrast to these highs, it has to be said we are aware of the challenges currently being faced by many in the creative industries across Australia. Creative Australia's research is critical in raising awareness of the issues facing artists and the sector. For example, the results of our recent artist survey published last month reveal again how challenging it is for professional artists to make a living, a trend that has persisted for some 30 years since we began this research.

We are working to support artists' careers through our investment, development and advocacy. Creative Australia's expanded remit as an investment and development agency allows us to look at new ways to do this, whether through greater public and private co-investment or through our long-term advocacy to recognise artists as workers underpinned now by the national cultural policy. We acknowledge that turning this trend around will take time and requires cross-portfolio engagement across government to support improved conditions for artists. We are grateful to our state and jurisdictional colleagues for the collaborative way we work together on these issues. While there is much to celebrate, as always, there is much work to be done.

CHAIR: Thank you very much. We will go straight to Senator Hanson-Young.

Senator HANSON-YOUNG: Thanks for being here today, Mr Collette. Obviously there are still some main planks of Creative Australia that are yet to come. What's your understanding of where the First Nations elements are up to?

Mr Collette: The legislation will determine the establishment of these two bodies: First Nations, as you've said; and Writing Australia, which is due to be established in 2025. Where the legislation is up to is absolutely a matter for the minister and for the department. I will say this: we were asked to consult deeply with First Nations communities, to offer advice to the department and through the department to the minister, and we have been doing that now for the last four months, led by the Executive Director of First Nations Arts and Culture at Creative Australia, Franchesca Cubillo. That has included face-to-face meetings in every state, in regional and remote areas; and also a dedicated website, which, last time we looked, had had about 500 people engaging with it.

The purpose of this consultation was to give the best possible advice we could to the department and to the minister about the First Nations First Board, understanding, of course, that the minister will make those appointments, and also to refresh our sense of the priorities for First Nations communities once this board is established, because it will be up to them to advise on the development of a strategic investment framework, on protocols and, particularly, with a view to skills development.

Senator HANSON-YOUNG: We've got to wait for the legislation to be introduced and work its way through before any of that can happen.

Mr Collette: Yes. I would point out that we have, as always, our First Nations strategy panel, so work absolutely continues. The new dedicated funds, which will be on top of our current investment into First Nations creative and cultural practice, will come in the next financial year, which is imminent.

Senator HANSON-YOUNG: Have all the boards and subcommittees for the other elements been settled now?

Mr Collette: Yes, they have. They've met, I think, on three occasions. I know that for a fact because I chair the Music Australia Council, but I'm also an observer on the Creative Workplaces Council. Their work is well underway.

Senator HANSON-YOUNG: Regarding Music Australia, how is the review into festivals progressing?

Mr Collette: Music Australia is leading a discussion on the plight of festivals. As you know better than anyone, the reasons for these are hugely complex. We have now met with producers of festivals, big and small. First, as you know, as a result of Revive, there was the publishing of a deep research report on festivals in Australia. That was pre the kinds of dynamics we've seen make it so difficult for festivals since then, but it set something of a baseline, including how many festivals there are, how many of them had been profitable over time and their importance to Australian artistry and communities.

Since then, we have met with 20 festival producers, big and small, to seek their advice about the headwinds they are now facing, and those cover everything from rapidly increasing costs to insurance, which you've already alluded to; difficulty in getting international artists in the current circumstances; and, indeed, as our research showed, some significant changes in audience behaviour. I think we are now well apprised of the reasons for that. We have also convened a meeting with our state colleagues who, of course, also have a great interest in the success and future of festivals within their states, as do their ministers. We've had that discussion. We are on a promise to convene another discussion with them, and all this is in the spirit of giving the best advice we can to our department colleagues and to the minister. I'm hoping that our state colleagues will do the same.

Senator HANSON-YOUNG: I'll be watching that with great interest.

Senator CADELL: Submissions closed on 1 May for that festivals inquiry, didn't they?

Mr Collette: Yes, that was for the additional survey that we did on top of the research.

Senator CADELL: Can I ask how many you got?

Mr Collette: We got about 74.

Senator CADELL: Will those responses be made public?

Mr Collette: I don't know the answer to that, to be honest. I'll have to check. We treat the information we get very strictly, in terms of privacy, and if, as I suspect—sorry, I'm thinking out loud here—a lot of those responses will be going into detail about their financial situation, I'll take that on notice but we would have to tread very carefully.

Senator CADELL: Even if there is some redaction, I think us being able to see what the festival organisers are saying would be a handy thing.

Senator HANSON-YOUNG: Yes, it would be helpful.

Mr Collette: Okay.

CHAIR: Is there a plan for a summary report or something? Can you maybe come back to us?

Mr Collette: Let us think about that, and we'll see what we can come back with.

Senator HANSON-YOUNG: That would be helpful. Mr Collette, I know this isn't strictly in your purview, but have you been asked about the furore over the Gina Rinehart portrait?

Mr Collette: No. I'm relieved to say I haven't.

CHAIR: I think that's run out; I think you're about to!

Senator HANSON-YOUNG: I just find it extraordinary that such a talented Australian artist, who has won the Archibald Prize and has been contributing to Australia's artistic landscape for quite some time, has been brought into this furore because somebody doesn't like how they look in a painting. Art is meant to be able to reflect the artist's perspective and allow the audience to self-reflect—would you agree?

Mr Collette: One of the founding principles of the Australia Council for the Arts and Creative Australia is freedom of artistic expression. It's a very strong principle within our organisation. I would express no views on this emerging controversy, because I have no expert or deep insight into it. As a comment, I would say, the whole question of who owns an image is in high relief at the moment, particularly because of what's happening through AI and verisimilitude and all those things, so I think we are about to have a highly sophisticated debate about that fact. But, in terms of Creative Australia, we profoundly believe in, and in fact our legislation requires us to support, creative expression through the arts.

Senator HANSON-YOUNG: I won't press you any more than that, Mr Collette. You did raise an important point though in relation to the impact of AI and the swift change that that is bringing to the creative sector. Is there a taskforce or people within Creative Australia looking at generative AI at the moment and the impact that that may have on creative workers across the country?

Mr Collette: We're apprising ourselves of the issues. It's obviously hugely important. I should say that a number of artists and associations we have spoken to are very quick to acknowledge the potential of AI as well, so it's not some kind of reduction argument. However, clearly, there are deep concerns within artists and, I have to say, within authors, in particular, with the large language models that are now taking place and the ways their work is being non-attributed and would directly affect their intellectual property. We're very pleased that the Attorney-General's Department is conducting their review and has established a reference group for AI. We will be making submissions to that group on behalf of creative practitioners in Australia.

Senator HANSON-YOUNG: Good.

Mr Collette: We've also welcomed the work being undertaken by Data61 of the CSIRO on this matter. We are conscious now that certain ways of vouchsafing the integrity of artists' work are now being created, which seems to me—I'm thinking of things like Nightshade from the University of Chicago that artists are now employing to protect their image—that it's almost like they're just taking on the kind of harvesting that's going on with AI. We are educating ourselves on this. We are getting a keener and keener sense of how this will affect individual artists' practice, whether it's visual arts or writing, and we will feed that information back as best we can to the inquiries that are being put in place.

Senator HANSON-YOUNG: Thank you, and I will put some questions on notice to the Attorney-General's Department in relation to this as well.

CHAIR: I'd just like to make a comment: Questacon has got a very fascinating exhibition at the moment on AI in art—I was there on the weekend; I can highly recommend it. It's got some fascinating questions to pose to yourself when looking at an image.

Senator CANAVAN: I've got some questions about the funding, particularly, of Queensland Ballet, but I'm also interested in how funding is allocated to different organisations. I'm very unfamiliar with your processes, Mr Collette, so can you explain to me how much funding Queensland Ballet gets from your organisation. We'll start with Queensland Ballet.

Mr Collette: The Queensland Ballet gets \$848,000 annually from our organisation and \$3.3 million from the Queensland government. They are designated—I use that word advisedly—a state company. I could give you a bit of a run-up to how all this came about.

Senator CANAVAN: That would be great.

Mr Collette: I'll try to make it as short as possible. Back in the early 2000s, for the first time there was a review of what we called the major performing arts companies. These were companies of self-evident scale. They were significant employers of artists and were comprised of state orchestras and opera companies. The orchestras had just been spun out of the ABC, if you'll forgive that remark, and they were going through financially hard

times. Dr Helen Nugent led a review of these major performing arts companies; I think there were about 26 designated at the time.

Out of that—I think that Senator Richard Alston was the minister for the arts of the time—we had agreed on funding arrangements at the end of this review between the states and the federal government. There was this nomenclature for each of the companies. The Australian Ballet was declared a national company based in Victoria, and Opera Australia was declared a national company based in New South Wales, and each company was a designated company. Queensland Ballet was a state company, and hence the state government took on most of the funding, topped up, if I can say, by the federal government.

The next big change came some 20 years later when we put the partnership framework into place, and this was in my early days as CEO of Creative Australia. I heard your colleague Senator Davey refer to a kind of perpetuity of funding. What this framework did for the same companies was to say, 'Yes, we understand that companies of your scale and importance, agreed by state and federal governments, need certainty of funding. But it will be reviewed every four years, and, if things are going well, you can look to eight years of funding on a rolling basis.'

So, that was the history to it, and this current framework, COVID notwithstanding, allows us to apply much more rigour to the demands made on these companies which get very significant public investment. So there is a history to this. We now have a much sharper reference framework in which to assess these companies, and, indeed, on 4 June, we'll be announcing the results of those deliberations for the next four-plus-four years.

Senator CANAVAN: Okay. How does Queensland Ballet get \$848,000? How is that determined?

Mr Collette: It would be partly influenced by the ratios that were put in place under Nugent. For state companies, the federal government invested about 20 per cent of the funding.

Senator CANAVAN: Okay, but then how does the overall pie that the 20 per cent comes from get determined?

Mr Collette: The overall pie is an allocation. This is directed funding. It's government directed funding, and we are implementing it on behalf of state and federal ministers.

Senator CANAVAN: But do you see what I'm saying? I'm just not clear. There's the \$3.3 million plus \$848,000, so it's roughly \$4.1 million to \$4.2 million in total. How do we determine that amount? Presumably it's not a fixed amount over time. Does it grow with inflation or some such?

Mr Collette: It will be funding very much in line with what was their traditional funding base.

Senator CANAVAN: Right. So it doesn't change? The Nugent situation was 20-something years ago, wasn't it?

Mr Collette: Yes.

Senator CANAVAN: The Queensland Ballet has changed a lot in that time. I'm sure many other performing arts organisations have changed a lot over two decades.

Mr Collette: Yes, I'm happy to say that most of them have grown enormously.

Senator CANAVAN: Yes, so why doesn't the funding reflect changes in the growth or size of those organisations? Before you get to that, presumably it goes up—is there some inflation link?

Mr Collette: There's indexation.

Senator CANAVAN: Indexation. Is it CPI?

Mr Collette: It is not always matched by the states, but it is increasingly so.

Senator CANAVAN: Is it CPI or some other metric?

Mr Collette: CPI or what's allocated, yes.

Senator CANAVAN: Does the Australian Ballet get funding from you as well?

Mr Collette: Yes.

Senator CANAVAN: How much do they get?

Mr Collette: I think their recurrent funding is \$6.8 million annually. That has its roots in being designated a national company, which it clearly is, and it has obligations to support a national framework for the country in terms of ballet performance.

Senator CANAVAN: Now I'm just confused. That ARTS8 funding that I spoke about earlier is not included in that, is it?

Mr Collette: No, it's not.

Senator CANAVAN: That's on top? They get \$6.8 million plus the ARTS8 funding?

Mr Collette: Yes.

Senator CANAVAN: Wow! What do they do for this funding? What's it for? What's the purpose of it, for both Queensland Ballet and Australian Ballet?

Mr Collette: They have national obligations. In the Australian Ballet's case, they tour to every state in Australia. As the national company, they also have to exemplify a standard of excellence of which there is a lot of scrutiny. To be able to do what they do, they have to attract significant other income. I'm not aware of the exact ratios at the moment, but I think government funding would probably run to about 14 per cent of their overall—

Senator CANAVAN: I've got a figure for 2022 of 10 per cent, although that might not include the ARTS8 funding. I'm not sure. When you say that they do tours, how many shows does Australian Ballet do around the country?

CHAIR: A point of clarification: are we talking about the Australian Ballet, or are we talking about the Australian Ballet School?

Mr Collette: Australian Ballet, I thought.

Senator CANAVAN: I said Australian Ballet. I am a bit ignorant of this area, but I'm asking about the performances they do that Mr Collette mentioned, so I presume that's the ballet, not the school. Is that right? That's the ballet, not the school?

Mr Collette: That's the ballet, not the school.

CHAIR: I'd say that the school would probably do performances as well; I don't know.

Senator CANAVAN: But the ones they're funded for by you would be marquee type things.

Mr Collette: Yes. The Australian Ballet has an annual performance footprint across Sydney and Melbourne: the Sydney Opera House and State Theatre—alas, that's about to be offline for a couple of years. They also tour to every state. I can't tell you whether that's every year.

Senator CANAVAN: So they might not tour every state every year?

Mr Collette: I'm not sure. I'd have to take that on notice.

Senator CANAVAN: They're getting paid \$7 million plus, but they're not going to every state.

Mr Collette: They do go to every state.

Senator CANAVAN: But not every year.

Mr Collette: I just can't tell you now whether it's every year.

Senator CANAVAN: On notice, could we get the number of performances in the last five years—because annually it won't work—that the Australian Ballet have done in each state?

Mr Collette: We could certainly get you their performance numbers, as well as their regional touring numbers and their education numbers.

Senator CANAVAN: Regional would be great, if you can split that out.

Mr Collette: We can give you a good profile of the organisation.

Senator CANAVAN: They're getting a fair amount of taxpayer dollars. How do you make sure they're doing this? Do you track this yourselves?

Mr Collette: Absolutely. The first thing I'd have to say is that we track the finances of all these organisations really closely. That's obligation No. 1. We would know the finances of the Australian Ballet and of the Queensland Ballet. We had a meeting with the Queensland Ballet on 26 March to discuss sustainability issues with them. So we've got deep knowledge. Then, as part of their four-year reviews, we get expert evaluations of the standards of their performance.

Senator CANAVAN: Does the Australian Ballet have an obligation to do a minimum number of performances in different states?

Mr Collette: I don't think they have an obligation for a minimum number of performances, but it would never have come into question. Australian companies, whether they're ballet companies or opera companies, take a much greater percentage of their operational income from earned income, and the majority of that is box office. So they really do have to perform to be sustainable. Therefore, that question has never come into question, if I can put it that way.

Senator CANAVAN: Alright, we'll wait to see the figures. You mentioned you track—

CHAIR: We're going to rotate the call, if you can wind up. If you can finish up in—

Senator CANAVAN: I was going to go to a different sort of topic, so maybe it's better if I just get the call back later.

CHAIR: No problem. Senator Hanson-Young.

Senator HANSON-YOUNG: No, I'm done.

CHAIR: Senator Sharma.

Senator SHARMA: Hello, Mr Collette. I have questions about your grant funding. Creative Australia, from the portfolio budget statements, had about \$250 million in grant funding that you had set to expend this year; is that right? Okay. Do you provide money to the Sydney Theatre Company?

Mr Collette: We do, yes. They're part of the partnership framework that we were talking about.

Senator SHARMA: How much would they get?

Mr Collette: You've caught me on the hop here. I don't know the exact amount, but I can certainly provide it.

Senator SHARMA: Can you provide that in the course of our conversation or is it something you need to take on notice?

Mr Collette: We will try. Again they're jointly funded by the federal government and the New South Wales state government.

Senator SHARMA: You might have seen reports that the Sydney Theatre Company reportedly lost a significant amount of money from a boycott from subscribers and patrons over various statements by actors at the conclusion of performances—I think *The Seagull* and *The Visitors*—which people saw as unnecessarily injecting current day politics into an artistic performance. Are you aware of those media reports? Obviously you are.

Mr Collette: Yes, of course.

Senator SHARMA: The reports I saw suggested that it was about \$1½ million that the Sydney Theatre Company had lost. Does that sound about right?

Mr Collette: That's my recollection of the reports. I don't have advice from the theatre company directly on how much they think they have lost through that.

Senator SHARMA: Have they had any discussions with you seeking increased funding because of this?

Mr Collette: Not because of that. As I said, as it happens, we have reviewed the business models and the financial arrangements of all 39 companies that are now in the partnership framework, and—sorry, I've just got numbers for you.

Senator SHARMA: Let's go to that.

Mr Collette: What this says is that Creative Australia's annual funding for the STC is \$2.5 million and the New South Wales funding is \$570,000. From memory, the reason why the federal government invests more than the state government is that the Sydney Theatre Company was, back in the day, designated a flagship company, not a state company—as was the Melbourne Theatre Company.

Senator SHARMA: So, through Creative Australia, the federal government puts in \$2½ million?

Mr Collette: Yes—\$2.5 million annually.

Senator SHARMA: Is that all through the forward appropriations? That's an annual figure?

Mr Collette: Yes.

Senator SHARMA: It doesn't change over the years? It's a recurrent program?

Mr Collette: It hasn't changed markedly in many years. We just re-evaluated the business model of all 36 partnership companies, and we have also negotiated the funding with the states, given this is a joint agreement on behalf of both ministers. The state and Creative Australia are happy to continue that sort of funding to the STC. This is not to say that they have not asked us for increases in funding. They are, as some companies are, under significant pressure.

Senator SHARMA: If that figure is correct and they've lost \$1½ million from subscribers and patrons over those protests, it's a significant sum of money, given that we provide them with \$2½ million.

Mr Collette: No doubt.

Senator SHARMA: But they haven't had discussions with you specifically seeking increased funding as a result of the withdrawal of patrons and subscribers?

Mr Collette: No, they haven't.

Senator SHARMA: I want to turn to the board of Creative Australia. This is what was formerly known as the Australia Council Board; that's correct?

Mr Collette: Yes.

Senator SHARMA: It's now known as the board of Creative Australia?

Mr Collette: Yes.

Senator SHARMA: When was that rebadged?

Mr Collette: This was when the new legislation, the Creative Australia Act, was introduced by Minister Burke. It involved a number of changes—quite significant changes—to Creative Australia, and the Australia Council Board was then called the 'Australia Council Board of Creative Australia'. That is entirely a matter for the minister, but the Australia Council Board does, of course, honour the 50-plus year legacy of the Australia Council for the Arts that informs Creative Australia. At the same time, we had advisory councils established for Music Australia and, in the future, for Writing Australia. And of course for First Nations, now that our consultation is complete, we wait for the legislation. So the governance structure of the organisation looks very different.

Senator SHARMA: When the Creative Australia board commenced operation, was there a spill of all the positions and they were all re-advertised? Were some directors taken from the previous Australia Council Board?

Mr Collette: It was half and half, I think, in the end. About half of the existing directors were appointed to the Australia Council Board of Creative Australia, including the chair, who continued, and, from memory, six new directors were also appointed.

Senator SHARMA: What was the process for appointing those six new directors? Was it publicly advertised? Were expressions of interest sought?

Mr Collette: I'd have to take advice on that. These were appointments made by the minister, who appoints the board. I know there is now an expression of interest process for any boards or advisory boards that the minister appoints. I'm just not sure whether that was there at the time.

Senator SHARMA: Did you provide advice to the minister on the six new appointments? Did you provide a shortlist?

Mr Collette: No, we certainly didn't provide a shortlist, but we had discussions about people who might be suitably qualified.

Senator SHARMA: But you didn't run a recruitment process seeking expressions of interest?

Mr Collette: No, absolutely not.

Senator SHARMA: You didn't engage a specialist agency?

Mr Collette: No.

Senator SHARMA: So these appointments were entirely the minister's, then?

Mr Collette: Yes.

Senator SHARMA: Were you aware of the people the minister was intending to appoint?

Mr Collette: We had discussions about a number of people, very much in the spirit of how qualified they were and what skills these people were going to bring. Obviously we know a lot about the creative industry, so I think the minister welcomed the discussion, but, needless to say, the decisions were entirely his.

Senator SHARMA: There's one director in particular I want to touch on. That's Mr Wesley Enoch.

Mr Collette: Yes,

Senator SHARMA: He's the deputy chair?

Mr Collette: Yes. When Creative Australia was established, he became the deputy chair.

Senator SHARMA: So he was an appointment by the minister, Mr Burke?

Mr Collette: Yes.

Senator SHARMA: I understand he was the producer of the Sydney Theatre Company production, *The Visitors*. He'd had a role previously with the Sydney Theatre Company?

Mr Collette: Yes. Wesley Enoch is a very distinguished director, playwright and actor. He's got a long history in the creative workplace and creative industries.

Senator SHARMA: So I understand. But I understand this production he was involved in, *The Visitors*, was one of the productions, alongside *The Seagull*, that caused a number of patrons and subscribers to the Sydney

Theatre Company to withdraw because, when the production was touring, I believe, the cast at the end of a performance gave a statement on the Israel-Gaza conflict. You're aware of that?

Mr Collette: Yes, indeed.

Senator SHARMA: I presume the answer is no here, but I think I should ask, just for the sake of it: does the board of Creative Australia take a position on the current Israeli-Palestinian conflict? Do you seek to?

Mr Collette: The board absolutely does not take a position, and nor do we. It is not our expertise. We are there to invest in the best possible art and artists we can for community and social benefit. We do not take a position on geopolitical conflicts, and the board certainly doesn't.

Senator SHARMA: Thank you. That's a welcome statement.

CHAIR: We need to rotate the call, Senator Sharma, if you want to wrap up.

Senator SHARMA: This will be my last question. Mr Enoch is the brother of the Queensland arts minister, Leeanne Enoch? That's correct, isn't it?

Mr Collette: It is, yes. That's correct.

Senator SHARMA: Thank you, Chair.

CHAIR: Senator Bilyk.

Senator BILYK: Could you update us on how the consultation that Music Australia has undertaken with festivals is going?

Mr Collette: I think I touched on this earlier. We have now consulted directly. We brought together, as we are doing around a number of sector issues—and I really admire the way Millie Millgate, the Director of Music Australia, is doing this. When there are complex issues and we're in a position to give good advice, we bring together sector stakeholders to listen to what they've got to say. We brought together 20 festival producers, as I said, both big and small, to try and understand. We put a survey into the field, which has now closed, where they are giving us more detailed advice of the pressures they are under, and then we convened a meeting with our state colleagues. We've had an initial discussion with them, because they also are very concerned.

Can I just say, for clarity: the lens Music Australia will take is for opportunities—discoverability, as it's called in the industry—for Australian artists. Many of these—in fact, all of the big festivals—are commercial operations, and for a very complex, perfect storm of reasons, they are experiencing great hardship at the moment. And they're not alone; so is a whole lot of hospitality and whatever. But our lens is: festivals were very important stepping stones for Australian artists, so we will always look at it from that point of view—how do we invest taxpayers' money in the development of Australian artists? That's the discussion we were having with our state counterparts. We've promised to come back together with them, and I imagine, like us, they'll be giving advice to their ministers.

Senator BILYK: You mentioned the survey. Do you know how many people or organisations responded to that survey?

Mr Collette: About 74.

Senator BILYK: That's good. I presume that gives you a better amount of data to better understand and respond to these challenges facing the live music industry.

Mr Collette: Exactly.

Senator BILYK: Next steps?

Mr Collette: Once we've digested all the information and met again with our state colleagues, we will give the best possible advice we can to the department and, through the department, to the minister.

Senator BILYK: Great. Thank you. I look forward to following it.

CHAIR: Senator Canavan.

Senator CANAVAN: I want to go back to the Queensland Ballet. I think you mentioned, Mr Collette, that you met with them on 26 March, did you?

Mr Collette: Not me personally, but my responsible colleagues.

Senator CANAVAN: You might have missed it, but I tabled earlier a letter from Queensland Ballet to the minister. Senator Cadell has a copy. Thank you, Senator Cadell. It would have been only a week or so after your meeting that this letter was sent. I read it earlier, so I'll just summarise now. The letter mentions that there could be a risk to the continuation of the Queensland Ballet Academy unless more funding is provided. Is that the message you received from Queensland Ballet in late March, as well?

Mr Collette: To give you a detailed sense of that, I'd have to talk to the executive director of arts investment and her colleague, with the proviso that we keep those conversations with all organisations—we respect their privacy, because they're often discussing really serious matters, including around the sustainability of organisations.

Senator CANAVAN: Fair enough. Afterwards, did you or anyone in your office provide a brief to the minister's office about the meeting?

Mr Collette: I'd have to take that on notice; I'm sorry.

Senator CANAVAN: Were you briefed about the meeting at all?

Mr Collette: I am briefed about meetings that my executive have with important stakeholders, yes.

Senator CANAVAN: Were you briefed about this meeting?

Mr Collette: I was—not formally, but informally.

Senator CANAVAN: When you say 'informally', what does that mean? Does it mean it was mentioned in passing? Was there a specific meeting about Queensland Ballet?

Mr Collette: No, it's not mentioned in passing. I have regular and diarised appointments with all my executives. If there is something of note, that's the opportunity to bring it up.

Senator CANAVAN: In those general meetings, were the issues around Queensland Ballet raised?

Mr Collette: That there were issues around Queensland Ballet.

Senator CANAVAN: That was raised?

Mr Collette: Yes.

Senator CANAVAN: So you were aware some time after this that there were issues with Queensland Ballet and especially the Queensland Ballet Academy, potentially. What did you do in response to that information?

Mr Collette: We've now negotiated—and I can't say what the details of this are; I would feel very uncomfortable saying that, but we have been in discussions, clearly, with the Queensland Ballet. We have now negotiated their ongoing funding for the next four years—remembering that partnership organisations are on the principle of having an eight-year horizon which is revisited every four years. They would be absolutely aware of what that funding is. And the basis on which that funding is made they would also be absolutely aware of. That would have come out of discussions.

Senator CANAVAN: They're receiving \$848,000, we heard earlier. What year is that for? I just wasn't clear. Is that this financial year or the budget—

Mr Collette: That would have been the last financial year.

Senator CANAVAN: When you say 'last', is that 2022-23—

Mr Collette: This financial year.

Senator CANAVAN: It gets confusing when we talk about a budget and next financial year. So it's 2023-24. What did they get in 2022-23?

Mr Collette: I don't know that to a certainty. It wouldn't have been significantly different.

Senator CANAVAN: I don't think so. I have figures for 2022 that I tabled earlier. They had received \$796,000. That one was seemingly a calendar year, but okay. Anyway, maybe we could find that figure. But you are saying it's not significantly different. You mentioned that you have received this information and there is an issue with the Queensland Ballet. I am just wondering what was done in response, because it doesn't sound like their funding was significantly changed to help.

Mr Collette: Our first responsibility is to ensure that this is responsible investment of public funds. We are now in a position where we have agreed with the Queensland government the funding for Queensland Ballet over the next four-year term. There will be clearly understood obligations around that. More than the detail of that I don't know as I sit here.

Senator CANAVAN: If the funding is the same—or not dissimilar; you mentioned you don't believe it's materially different—as it was when you met with them and they said, 'We have concerns,' or that there was an issue that you've mentioned—those were your words: 'an issue'—how are they helped now if the funding hasn't increased? You haven't solved their problem, have you?

Mr Collette: I'm not sure—

Senator CANAVAN: I'm trying to get to the bottom of this: having received the information that there's an issue, what have you done, as the CEO of Creative Australia—

Mr Collette: Let me try and come at this a different way—

Senator CANAVAN: And I recognise that maybe you can't do anything, because of budget constraints or what have you, but I would have thought that, at a bare minimum at least, there may have been: 'We need to look at what we can do, raise this with the minister or see what we can do to help.' This institution is very important to the people of Queensland and to the country I think, now, too.

Mr Collette: The way I would frame it is: We can't solve the problem. We can support them to solve the problem. And the funding that we are able to provide, they're very clear on. There will be, as with all organisations, certain requirements and obligations with providing that funding. We have had—not me personally, but I know my colleagues have had—very detailed conversations with the company and its board and with the Queensland government on whatever issues are facing the Queensland Ballet. So we will support them, whether it's through collaboration with the states or through working with the company, if they have problems, to solve their problems. But of course it's up to that organisation and its board to do that.

Senator CANAVAN: Alright. I might leave that. I might try and catch up with you some time about these issues. Is that possible?

Mr Collette: Yes, of course.

Senator CANAVAN: I'm just a proud Queenslander who wants to protect a fine institution. So thank you.

CHAIR: Senator Sharma.

Senator SHARMA: I have just one small question, Mr Collette. Your employees of Creative Australia—are they APS employees?

Mr Collette: No, I don't think they are. Can I look at—

Mrs Grayson: No, they're not.

Mr Collette: No.

Senator SHARMA: So are they not governed by the APS values and code of conduct? Is there something analogous or similar?

Mr Collette: We have our own values and codes of conduct.

Senator SHARMA: Is that publicly available on your website?

Mr Collette: Yes, it would be.

Senator SHARMA: Thank you. I have no further questions, Chair.

CHAIR: Excellent. Senator Cadell.

Senator CADELL: I have some questions on staffing levels of different things. Can you give current ASL staffing levels?

Mr Collette: I can, and this is where I'm going to miss Mr Blackwell being here.

Senator CADELL: I'll take that, and I would like versus 12 months ago as well. I'm happy for you to take that on notice.

Mr Collette: I can give that to you. As I think you know, we had 17 ASL transfer from Creative Partnerships Australia as part of the establishment of Creative Australia. At the end of financial year 2023-24, Creative Australia will have an ASL of 143. That includes the 17 transferred from Creative Partnerships. That is planned to increase to 161 by the end of financial year 2025-26.

Senator CADELL: That was my next question. On notice, is it possible to get the breakdown for the different departments or different sectors between Music Australia, Writers Australia, Creative Workplaces and the First Nations led body?

Mr Collette: Yes, we can get that information for you.

Senator CADELL: I'm happy to get it on notice, with the staffing costs. This is anecdotal. I have no evidence of this, but there's a stakeholder concern about an increase in staffing and bureaucracy versus how much gets through to the frontline. I have no horse in this race; I'm just examining it. How much of the funding that you received from government has gone through to frontline events in this financial year?

Mr Collette: By the end of this financial year, the full allocation of funding. To give you a feel for it, in this financial year, in 2023-24, we've already paid or committed over \$66 million in project grants and a further \$163 million in core funding for organisations. That's the direct investment we will make.

Senator CADELL: That's \$229 million.

Mr Collette: Eighty-seven per cent of that total has been paid to date and the rest will be paid, because we have another significant funding round to go, before year end.

Senator CADELL: Okay, \$229 million is the budget spend on frontline events. What is the overall budget for Creative Australia?

Mr Collette: For 2023-24, it was \$258 million.

Senator CADELL: So we're only talking about \$29 million in operational costs?

Mr Collette: In operational costs—yes, that's right. There would also be some indirect funding, research costs and things like that, but I can give you a breakdown. As I said, Mr Blackwell would be all over this.

Senator CADELL: I'm very conscious of that. How do you measure the impact of that funding? Is it set and forget? Is it core bodies? I did a small festival with New South Wales festival funding, and they sent people along to look at stays, turnover, interviews, that sort of stuff. How does Creative Australia assess their impact?

Mr Collette: That's a really good and timely question, because we are thinking hard about that. We've got very rigorous acquittal procedures. If you are funding a project or an organisation, you agree what is expected for that funding and that's the understanding against which an organisation or artist has to acquit. We've got very, very high acquittal rates; we watch that number like a hawk. But to your point, as Creative Australia, we are also very committed to understanding the social, cultural and, indeed, economic value generated from the investments we make on behalf of the Australian public essentially.

Senator CADELL: It's the cultural value as well as the ROI.

Mr Collette: Community value and cultural value have really been considered as part of establishing this new organisation, and how you articulate a return on investment which isn't only about the obligations of funding having been met, if that makes it clear. It's a challenge we've set ourselves.

Senator CADELL: Could that be on a case-by-case basis, where you're looking at things that may be not financially stiff? You can't blanket something. It might be not financially successful but culturally important.

Mr Collette: It could be on a sector basis. For example, in Music Australia now we have a procurement process in place to do the research to set benchmarks on what the contemporary music industry is worth to Australia. We don't know that number. We figure it's pretty good to have a baseline on which to measure the effects of your investment. The National Cultural Policy has asked Creative Australia within two years to come up with our country's first state of culture report. This is all work ahead of us. It's one of the differences of what Creative Australia is being asked to do. It's complex work, but I think it's really important work in terms of understanding the value of investments we make.

Senator CADELL: I was talking to the department before. Arts is somewhat different from my natural habitat. I have been immersing myself and trying to understand. I've been meeting students, I've been meeting companies, I've been meeting artists out there in the world in this area. On what you say about the contemporary music market, there is a real concern that we're heading down—we change an algorithm on Spotify and it doesn't work. They're worried about being able to present their music, do live acts, those sorts of things. That's what I raised with the department. When you're doing this benchmarking of contemporary music, are you looking at live and the importance of that?

Mr Collette: We will be. In establishing Music Australia for the first time we have a dedicated investment fund. But we're also taking advice. That's the work of the Music Australia Council, some extremely experienced artists and practitioners, professionals, art workers. The challenges are immense. That's why it's important to have Music Australia thinking about how we invest these precious public funds as well as we can to develop Australian artists. I don't need to tell you how sectors have been disrupted not once but continually by different distribution methods, different publishing methods. So we're getting a very, very deep understanding of that, which I trust will allow us to invest dedicated funds for the first time—not grant-making: dedicated funds, industry funds—to invest in artists and the industry itself as wisely as we can. But we have to do the work.

Senator CADELL: My fear in Australian music is the homogenisation of platforms and delivery methods. We are seeing bigger artists longer because they have the distribution to market. I've just come off the supermarkets inquiry. I'm seeing the Coles and Woolworths of the artists.

Senator DAVEY: Are you calling Taylor Swift Coles?

Senator CADELL: I have dissed Taylor Swift in this committee before and I'm not taking responsibility for the emails I get, so I'm not going near that! Taylor Swift is one of the biggest artists in the world. Pink was touring as well in bigger numbers, I think. But virtually no one else got any coverage in Australia for a three-month period over that thing. I use the example of Gene Simmons. There was a question before. They've sold off the KISS back catalogue. In those comments they said there is no future for young artists making money now in this thing, so they may as well cash in while they can. Are we looking at big policy moves that will assist? You don't know the next generation. If it's not *Australian Idol* or *The Voice* or something like that, how do you get prominence in the area?

Mr Collette: It's not my gift to say whether we will get big policy moves. But the minister, in establishing Music Australia, asked us to think about exactly these issues. These are profoundly disrupted businesses. The business model of an artist, of a music performer, has changed dramatically in the last 10 years. Our priority number one is discoverability and development of Australian artists. So we've got to understand and advise on the investment you make to best support that. At the moment I can tell you that the demand for export to get overseas and cut through there is the thing that most determines your recognition back in Australia. This is like a back-to-the-future moment, where Australians were going overseas to get recognition. I'm speculating here. Yes, we have to support that. We think there are far more intelligent ways. We've already set up the export development agency, a fund as part of Music Australia, to support that activity, which is critical. But there are other disruptions going on in contemporary music. The exciting thing is we've got extraordinary talent here. To have, for the first time, through the cultural policy, dedicated investment and the ability to think through these issues, as challenging as it is, is a pretty exciting opportunity.

Senator CADELL: Very quickly, you touched on before that the consultation is over for the First Nations led board. Is the board taking applications or reviewing applications for the First Nations led board? Is that the last board to be constituted?

Mr Collette: There will also be a Writing Australia council established down the track. The expression of interest process, which we've been promoting, is open and that's going to the department.

Senator CADELL: Straight to the department, not to you? Okay. I'll leave that then, if that's going to the department. You won't know the answers to the other questions.

CHAIR: We will now take a break—no. We've changed our minds; we can keep going?

Senator CADELL: This will be the last block for us.

Senator DAVEY: For Creative Australia?

CHAIR: Yes, please. We're going over time, and you want to finish early—that's going to be great!

Senator DAVEY: We'll wrap it up.

CHAIR: Senator Davey, please, go right ahead.

Senator DAVEY: You've got the Music Australia Council. You'll have the First Nations council. How are these councils remunerated and appointed? Are they appointed on a part-time basis or a full-time basis? Are they paid a sitting fee or an annual stipend, or are they voluntary? Wouldn't that be nice!

Mr Collette: This is all determined by the Remuneration Tribunal, needless to say—

Senator DAVEY: Yes, I accept that.

Mr Collette: and they are paid a stipend. The Music Australia Council has eight members and has an annual collective stipend of \$210,545. I chair that council, but obviously I'm not remunerated for that. I chair that as CEO of Creative Australia.

Senator DAVEY: I believe you're remunerated quite well as CEO.

Mr Collette: The Creative Workplaces Council has seven members. Kate Jenkins, as you know, is the chair of that. Its annual amount is \$210,523, all determined by the Remuneration Tribunal.

Senator DAVEY: And, because it's not established yet, the First Nations council hasn't got any funds set aside for it. You're going to have the First Nations board and then, at a later date, you're going to establish a council?

Mr Collette: No, I'm sorry. What we have at the moment—and it's important we remember this, because the legislation will go through when the legislation goes through—is what's called the First Nations Arts and Culture Strategy Panel, which is chaired by Distinguished Professor Larissa Behrendt. That panel has long been part of the Australia Council, now Creative Australia, to give First Nations oversight of investments and framework and protocols. When the board comes online, of course, that panel will cease to exist, but I'm saying this just to assure people there is First Nations governance oversight of the work we're doing.

Senator DAVEY: Yes. There are already high-level connections and engagement. The panel will be replaced by the board—

Mr Collette: Yes.

Senator DAVEY: and then is the view for it to become a council, or will it just be a board?

Mr Collette: Again, this is up to the minister, but my understanding is that it will be a First Nations board, and then the Writing Australia council will be established in due course after the legislation.

Senator DAVEY: Writing Australia—that was the other one. And because Writing Australia is not established yet, we don't know what the stipend is.

Mr Collette: No, we don't.

Senator DAVEY: And the stipend for the board, because it's not established yet, is also yet to be determined.

Mr Collette: Exactly.

Senator DAVEY: That's fine. It's grant-writing season!

Mr Collette: It's always grant-writing season.

Senator DAVEY: Last estimates, we famously covered regional arts expenditure. But I don't think there have been any further grant rounds or grants announced between February and now, because everyone is madly writing their applications to meet the June and July deadlines.

Mr Collette: Yes, that's exactly right. I know you're always very interested in this, Senator. To date, we've invested about \$21 million in successful regional grants. The year before we had invested \$23.1 million. We're well on track to do, probably, more than that given we've got one significant round.

Senator DAVEY: So last year was the full financial year, the \$23 million?

Mr Collette: Yes.

Senator DAVEY: We're already at \$21.3 million this year.

Mr Collette: With another significant round to go.

Senator DAVEY: So, all going well, we could surpass last year's regional spend?

Mr Collette: I think we well could. The other growth we've seen has been in the multi-year investment companies, which we've just announced. The 2021-24 cohort supported 23 organisations in the regions, as we now refer to them—they have to be based in the regions. In the 2025-28 cohort, that goes up to 33. That's quite a significant increase, remembering too that we've introduced four or five regional organisations into the partnership framework.

Senator DAVEY: But those regional ones have been part of the partnership framework since 2021, is my read of it.

Mr Collette: Yes, that's right.

Senator DAVEY: But it's all good progress.

Mr Collette: It is progress.

Senator DAVEY: With the national partnership arrangements—because there is now the oversight and the checking—is there a fixed point in time where they all have to reapply? I note from 2021 to date, from my reading of it, two organisations have dropped off.

Mr Collette: Yes.

Senator DAVEY: How is that assessed?

Mr Collette: They've just finished their reapplication, in effect. That's what we've been assessing for the last six months. We've had very close conversations with each of the organisations, and that's what we'll announce on 4 June.

Senator DAVEY: On 4 June, I will be watching very closely. So, there could again be new ones, there could be some dropping off, there could be some—

Mr Collette: There could.

Senator DAVEY: I won't pre-empt; I won't ask you to pre-empt, but turn your tellies on on 4 June.

CHAIR: Senator Davey, could I just interrupt here for a moment. We've been saying we'll be finished in a minute for about 40 minutes now.

Senator DAVEY: Yes, I'm done.

CHAIR: Some people do need a break. Do we need to bring these people back?

Senator DAVEY: No, I'm actually very happy. We covered it quite extensively last time, and I got all the answers I wanted today. I'm happy with that.

CHAIR: Okay, excellent.

Senator DAVEY: I look forward to the next estimates because they'll have announced more grants then.

CHAIR: Thank you very much, Mr Collette. I really appreciate your time. More power to you rolling out the rather excellent Revive policy.

Mr Collette: Thank you very much.

CHAIR: We will now break until 1.15 pm when we will return with an agency that may well be in the room—if we can find one.

Proceedings suspended from 13:08 to 13:15

National Museum of Australia

CHAIR: I would now like to call officers from the National Museum of Australia. I particularly welcome Ms McMahan. We would like to congratulate you on your recent appointment.

Ms McMahan: Thank you.

CHAIR: Would you care to make an opening statement?

Ms McMahan: I will. I was delighted and honoured—and thank you to the committee—to accept the appointment of director in February this year. I thank the minister for the arts, the Hon. Tony Burke MP, and the National Museum's council for their support. I'd also like to acknowledge our previous director, Dr Mathew Trinca, who left the museum earlier this year after serving over 20 years in different capacities.

The museum is grateful to the minister for the arts and the government for the major funding announced last year of \$78.3 million over four years for the National Museum of Australia, as part of the major package to support to national collecting institutions. The funding is a critical financial lifeline for the Museum, which would otherwise have faced deep structural cuts. The new funding is the most significant financial investment in the Museum by government since its opening, over two decades ago. It has allowed the Museum to continue delivering programs and services to the public at current activity levels, to maintain its existing workforce and to respond to the highest and most immediate priority: capital infrastructure replacements and collection storage needs. It provides a much-needed degree of funding certainty that allows us to pursue our strategic objectives and those of government, as set out in the national cultural policy.

Some of our key priorities will be focusing on truth-telling and diversity in Australian life, as we collect, document and share the history of First Nations people; driving increased awareness and understanding of Australian history and culture by providing access to our collections nationwide and developing exhibitions with key Australian themes; investing in the next phase of our acclaimed Australian Defining Moments Digital Classroom, to take the Australian story to classrooms around the country; prioritising urgent infrastructure upgrades across both our Acton and Mitchell sites to upgrade our buildings and our collection storage facilities; and showcasing significant exhibitions and objects from around the world, making them accessible to the Australian public.

Last financial year saw visitation to the Museum's Acton site return to pre-COVID levels, with around 600,000 visits recorded, on par with 2018-19. Visitation this financial year is projected to reach approximately 630,000 visits to Acton, which would match the Museum's previous best-ever year of 2016-17. The *Discovering Ancient Egypt* exhibition, which opened in December last year, has seen exceptional visitation, tracking well above target, with visitation to date reaching over 130,000 and over \$2 million in ticket revenue. In addition, digital engagements now make up nearly 80 per cent of the Museum's total visitor engagements, compared to 57 per cent in 2018-19.

I'd like to thank the committee for your time. We appreciate the opportunity to highlight the breadth of the Museum's work before responding to your questions.

CHAIR: Thank you very much. We will go to Senator Cox first.

Senator COX: Thank you for your opening statement. Can you tell me about the role that the National Museum of Australia plays in relation to the repatriation of ancestral remains?

Ms McMahan: Sure. The National Museum of Australia has been involved in the repatriation of ancestral remains and secret/sacred objects for over two decades. We are holders of some 3,000 ancestral remains that we care for, and I think it's about 1,500 secret/sacred objects. We are active in returning ancestral remains to

community at their pace and at their request. Our holdings relate to both ancestral remains and material that was transferred to us from the Australian Institute of Anatomy when it closed back in the 1980s. We are also a repository for and care for ancestral remains that are returned to us through the Office for the Arts international repatriation program.

Senator COX: So there is a grant program that exists that can assist communities with a return of ancestral remains, both domestically and internationally; is that correct?

Ms McMahon: The grants that we apply for through the Office for the Arts assist us in returning the ancestral remains we care for back to community. Year on year, we receive grant funding from the Office for the Arts for that purpose.

Senator COX: My understanding is that, under the government's policy that administers those grants, there is also funding available—and Minister Brown, you might be able to help clarify that—to assist communities. Is that correct, under the current policy?

Senator Carol Brown: I don't have that information right now, but I should be able to get it quite quickly.

Senator COX: I want to use an example. In May this year I was in Nipaluna in Hobart, Tasmania—Palawa country. I want to acknowledge the amazing work that the Tasmanian Aboriginal Centre do down there and have been doing since the 1980s in relation to ancestral remains and, in particular, acknowledge Ms Nala Mansell, who I had the privilege to meet with. During that time talking to Nala, she disclosed to us that there were five paper bags returned to TAC full of ancestral remains. They had no consultation. They had no involvement in the return of those remains. It was extremely distressing for the Palawa people to have this in the front reception area of their Aboriginal corporation—for the remains of their ancestor to be dumped by the Tasmania Police and the coroner in five brown paper bags. Can you tell me: in your work, is this acceptable? I thought I was in a time machine looking at this example of what happened with remains from Carlton Beach. Please, answer.

Ms McMahon: The museum would not undertake a return in that manner.

Senator COX: So what is the correct process?

Ms McMahon: We work with community, and we respond to their requirements and their wishes, so it depends. Everybody is different in what their community requires, and we work with them. Sometimes our relationships with communities relating to a return occur over many years. That's why I said earlier it's at the request and the pace of the community, and we're very respectful and mindful of that. At times, the community would like us to continue to hold their ancestors until such time as they are ready to take them back to country, so—

Senator COX: Sorry to interrupt, Ms McMahon. In this particular example, it's a six-year period. It's my understanding that the finding of those remains at Carlton Beach to the return of them to TAC was a six-year period, and that included several elements of testing. What is the process—I'm trying to unpack this—of finding identification and testing? Sometimes that is also not given as a self-determined process for First Nations people in this country, around the testing and the way the testing of the DNA is done. What is the correct process, from the museum's point of view, and how do you work through that?

Ms McMahon: The first thing to say is the museum doesn't undertake destructive testing of ancestral remains. The correct process, at the very beginning, is to undertake provenance research. That requires research into archival files. Again, it's different for every ancestor we hold, but that provenance research is undertaken and has been undertaken over the better part of two decades. If there is a request or a question or work to be done around a set of ancestral remains, that provenance research will be rechecked.

Senator COX: Who does the checking?

Ms McMahon: The staff at the National Museum of Australia. We have a dedicated repatriation business unit.

Senator COX: That's a unit within a First Nations unit?

Ms McMahon: Yes, that's First Nations led. It is not all First Nations staff, but it's First Nations led.

Senator COX: And they undertake a review; is that correct?

Ms McMahon: Yes, that's correct.

Senator COX: From there, is there any other action?

Ms McMahon: From there, it's a matter of meeting with the community and understanding their wishes and putting in place a plan for the return of the ancestors to country.

Senator COX: You don't have to answer this today if you don't know off the top of your head, but is there an average time that takes?

Ms McMahon: I can answer that: there is not an average time. To go back to what I said at the beginning, it really is at the pace of the community. Sometimes it can happen very quickly; other times it can take many, many years.

Senator COX: From the Museum's perspective, for remains but also for sacred objects, is the storage of those something that the Museum specifically works with communities around? I want to contextualise that. My experience is that for return some things, particularly sacred objects, sometimes end up in a sea container because there isn't a place of storage or a way to hold some of these objects. What's the approach of the Museum in relation to that?

Ms McMahon: We have a dedicated storage facility, within our broader collection storage facilities, for our ancestral remains and our sacred objects. That's been in place for quite a long period of time. Only recently has the Museum started introducing First Nations ceremonial aspects to the storage of ancestors. That's a recent initiative that the Museum has been undertaking, and we're incorporating more and more of that into our work.

Senator COX: Can you tell me what that looks like?

Ms McMahon: That could involve draping material. It could involve plant matter being held with the ancestors. It could involve song, dance—all sorts of things, depending on the community.

Senator COX: Thank you. Minister, within some of the previous policy that has existed for the Australian government, they talk a lot about an advisory committee, a body, that essentially charts all this. Is there still a body that exists within government or within the department that guides any of this through the policy work?

Ms McMahon: We work closely with the Office for the Arts, who administer the international repatriation program, and we obviously work closely with our colleagues at the federal and state level, so yes.

Senator COX: Minister, is there anything within the department? I note that in 2006 there was an advisory committee for Indigenous repatriation. Does that still exist?

Senator Carol Brown: I want to clarify. You asked about grants, and I said I'd try to get that answer quite quickly, but I might have to actually take that on notice; sorry about that. I'm seeking some information about this question as well, because I don't have that information with me.

Senator COX: That's fine. Do the Museum and the government rely on the stewardship of AIATSIS in relation to the Tandanya-Adelaide Declaration for both recordkeeping and safekeeping of ancestral remains?

Ms McMahon: No, the Museum does not rely on AIATSIS for that purpose.

Senator COX: Is there a collaborative relationship between you and AIATSIS?

Ms McMahon: Yes.

Senator COX: What does that look like?

Ms McMahon: We are both important cultural institutions at the federal level. We occupy the same site on the Acton Peninsula. We work together on all manner of things. The most recent work we've done with AIATSIS relates to their proposed Ngurra site, where we were quite involved in providing information related to the scoping of a potential national resting place.

Senator COX: Is that work still continuing? I am going to ask that question next week, so I'm being a bit cheeky to ask this here.

Ms McMahon: That would be a question for AIATSIS; I'm not sure.

Senator COX: Is the government's approach to still continue to have Ngurra as the cultural resting place?

Senator Carol Brown: I can answer your other question first. There is a unit within the Office for the Arts that works with collecting institutions pertaining to—

Senator COX: So there's a unit, not an advisory committee anymore?

Senator Carol Brown: There's a unit, yes.

Senator COX: Can I get, on notice, how many people, the ranges, the staffing—

Senator Carol Brown: I'll get the staff details to you, yes.

Senator COX: Thank you—and the budget allocation, if I can. We continue to have issues around lots of centralised work that happens in this area, which leaves organisations like the TAC in Tasmania quite vulnerable to instances of having their ancestors delivered in brown paper bags to their front reception. There's no way and no process to remediate that, but there's also the future work for the TAC to find a process locally. Noting that there is already legislation under ATSIHPA for repatriation—that's the relevant legislation—I'm keen to understand the government's approach of broadening this out so you not only work with the museums and the

grants that are provided to you but also, as part of Closing the Gap, ensure that those priority reforms are about working with our Aboriginal community controlled sector. Is that something that the government can take on notice to provide some response about the direction they are taking?

Senator Carol Brown: I'm happy to take that on notice for you, and I would say personally it is quite distressing to me to hear the story about Aboriginal ancestors being presented to the Tasmanian Aboriginal Corporation. I certainly understand how distressing that would have been.

Senator COX: It's very distressing and very alarming that in 2024 we're sitting here having this discussion and we have no processes. We have no adequate resources being provided to our local communities, who are being thrust into these situations without any type of visibility, respect or resourcing so they can actually self-determine what that process looks like and work alongside governments across the country, who they've embraced and who they've worked alongside in many, many other instances. These ancestral remains could be some of the oldest in the country and will tell a very significant story for palawa people, and they should have been treated with that respect. I look forward to having further conversations.

Senator BILYK: Senator Cox, I don't want you to take this in the wrong way in any way, shape or form—I understand the trauma involved in that incident—but didn't they come from the state coroner?

Senator COX: It involved the state coroner, and there was a response sought from the state coroner by the TAC and the Tasmanian Greens. I know that the leader of the Tasmanian Greens was involved in the press conference that we did when I was down there. This is, I think, a very big systemic problem.

Senator BILYK: I don't think they came from the national museum in this instance, did they?

Senator COX: No.

Senator BILYK: But your concern is how remains are treated with respect and dignity across the board?

Senator COX: Absolutely.

Senator BILYK: I just wanted to clarify that.

Senator COX: It's a very clear example if our National Museum is best practice and leading in our international repatriation. It's a very important conversation. But, also, we don't just want to see the money funnelled there; it has to hit the ground as well. As I said, no-one wants to work in an Aboriginal corporation where they're in the front reception and having brown paper bags turn up with their ancestor in them.

Senator BILYK: Absolutely. I agree.

Senator COX: I don't think anybody wants that. Respectfully, I think TAC should be funded appropriately and work alongside the government—as they did, as I said, in the 1980s—to inform some of the work that you all do at the national level. They have a lot of knowledge, they've been in this game a really long time and they should be treated as respected and equal players in that. I bring it here in goodwill—

Senator BILYK: I do understand that.

Senator COX: and to hopefully instigate some change in that conversation. Thank you.

CHAIR: Senator Cadell.

Senator CADELL: I've ummed and ahed about this line of questioning. I've gone there because I understand all the stuff we're talking about is the substance and there's so much more you do. The Acton property is the tip of the iceberg; there's that much more that's non-visible. I took my family to Acton earlier in the year. We saw the Egyptian thing. I put some questions on notice. Is the space right for what you want? I will say this: I felt a little bit disappointed that there wasn't a lot of Australian history reflected on the site. I've got a caravan and a ute—I'm a dinosaur—in the open space. I know it's strange. I wasn't going to say anything, but, the next day, we were at another function and I overheard a North American family having the same discussion. They were disappointed on the floor space. I know when you go in there, the exhibition centre, we have a very big, open atrium area, we have the cafeteria and we have the gift shops. Then we go up the ramp, and there's almost only one single display space, up and above. Is it frustrating that you can't tell more of the story of Australia and our nation, because of the floor space restrictions that you've got?

Ms McMahan: The funding we received through government to deal with the urgent building infrastructure has led to the main gallery, that you're talking about, coming offline. So it's closed.

Senator CADELL: The main gallery is the Egyptian one, is it?

Ms McMahan: No, that's our temporary exhibition space. But you would have gone through our environmental history gallery. Great southern land—a fantastic new gallery—opened in 2021, and you would have got to the end of that.

Senator CADELL: Yes, and then I went upstairs and there was nothing.

Ms McMahon: Beyond that is a gallery that really deals with Australian history from 1788 to today. It is such an incredibly vibrant story, but that is offline. We can only take—

Senator CADELL: How big is that space? Have you got a floor-space ratio on what's open—

Ms McMahon: I do.

Senator CADELL: I think we put a question to you in advance.

Ms McMahon: Yes. That's okay. We have three major galleries, all of which are proportionally about the same size. I'd have to take on notice how big that actual gallery is.

Senator CADELL: Okay.

Ms McMahon: I can provide that to you.

Senator CADELL: From my memory—when you're a kid everything's bigger and better—I remembered it being more. I was excited to take my kids there, and I went, 'Meh.' It was a bit of a yawn. How much, as a percentage of your collection—I won't say by items—is currently on display in Acton at any moment? Do you know?

Ms McMahon: The percentage of our collection on display at Acton or being used out in regional or remote areas, or even internationally with our touring exhibition, is relatively small. I'll get you the exact percentage. It's true that the bulk of our collection, physically, is held in storage. But it is used and rotated, so objects don't stay on display forever. You have to care for them, so they come off and they're exchanged with something else. The greatest use of our collection is digital engagement.

Senator CADELL: Right. You said you have two offsite storage centres?

Ms McMahon: We actually have three.

Senator CADELL: Right. I was aware of two. I don't know which one I'm missing out on. Where are the three—

Ms McMahon: They're all located in Mitchell.

Senator CADELL: Okay. What is the cost of storage? Do you separate, in the Mitchell operation storage, how much it costs to keep that going?

Ms McMahon: Yes. I will defer to my colleagues to see if they can get the actual leasing cost per annum of those three facilities, because they are—

Senator CADELL: Oh, they're leased. They're not—

Ms McMahon: They are leased facilities. We do not own those facilities. We'll have to take on notice what the annual cost is.

Senator CADELL: I'm happy for that to be on notice. We walked through the southern exhibition. That's a relatively stable exhibition at the moment. How quickly would you rotate that in and out, do you think?

Ms McMahon: We build a gallery like that to last up to two decades. What often happens is that the narrative and our understanding of Australian history changes faster than the exhibition can actually reach the end of its life. The job of a museum is to keep it fresh, rotate its content and ensure the narrative is up to date. That gallery is fairly new, and I would expect it to be in place for another couple of decades, but there are—

Senator CADELL: With the same items?

Ms McMahon: No, we would change those items over. Some would stay.

Senator CADELL: It's amazing what people get a reaction out of, or not. When I was talking to the North Americans, the phone booth was something—it's funny the things that they get. There was a phone booth that had not burnt but had melted in the bushfires. That was something that stuck for them. So that stuff does rotate around, but in that constructive two-decade period?

Ms McMahon: There are galleries that we hold that date back to the beginning of the museum, when it opened. So a major challenge for a museum like us is to redevelop those galleries.

Senator CADELL: I think I'll put a question on notice regarding the floor space sizes everywhere. You talked about the increased funding for the facilities. Is there a timetable for opening up the rest of that extra exhibition space?

Ms McMahon: Yes. That will be completed by the end of this financial year, provided there are no—

Senator CADELL: So, like a month?

Ms McMahon: No, sorry, the end of next financial year. The end of next financial year is the timing on that.

Senator CADELL: And then to curate something, it's probably another—?

Ms McMahon: No, that includes putting the existing gallery back in, but with refreshed content.

Senator CADELL: Okay. That is all I have, Chair.

CHAIR: Senator Bilyk.

Senator BILYK: I've really got just one question. In the 2023-24 budget the museum received an additional \$78.3 million over four years and \$23.1 million ongoing. How is this helping to support the museum?

Ms McMahon: The funding we received, first and foremost, has enabled us to really secure our staffing levels. I think that's been critical in the arts sector. And we've been able to deal with our most urgent building infrastructure and collection storage needs. These relate to fundamental things like fire systems and building management systems, and exiting one of our collection storage facilities, which is really not up to standard. So we have been enabled to do that.

Senator BILYK: Is that it?

Ms McMahon: I think so.

Senator BILYK: Short and sweet! Concise.

Ms McMahon: The sustained funding over a period allows us to continue our activities at current levels, and that's really fantastic.

Senator BILYK: Okay.

CHAIR: Senator Davey.

Senator DAVEY: You were talking about the collection and you mentioned that you have pieces that are out and about and on the road. I note that in the 2023-24 budget there's \$11.8 million over four years for the Sharing the National Collection initiative.

Senator CADELL: That's a different bucket of money.

Senator DAVEY: Different bucket of money—that's National Gallery?

Ms McMahon: Yes.

Senator DAVEY: With your pieces that are out and about, how do you do that—through relationships with other organisations? How do you determine what pieces will be shared, and where are they shared to? Are they shared regionally?

Ms McMahon: They are shared regionally. We've reached about two million people across Australia in the last five years with our touring exhibition initiatives, which is fantastic for us, and they go across every state and territory. The way we do it generally is through exhibitions. We create an exhibition with particular content, and we tour that to regional and sometimes remote areas. They're not often metro areas; they're usually regional and remote. The other way that we get our collection out is through our loans program. The museum is always open to loaning a collection to any organisation, usually museums and galleries, and that is an active program that has occurred since the day the museum opened.

Senator DAVEY: With your regional touring exhibitions, which are widely appreciated, how do you choose the venue that you go to? Is there a process where venues can lodge expressions of interest to host?

Ms McMahon: Correct. That is precisely what happens. We obviously have a network right across Australia dealing with museums and venues in every state and territory. When we are thinking about touring an exhibition in a particular state, or even if it were earlier in the process and thinking about where we take it across Australia, we will allow venues—museums, galleries, libraries—to express an interest, and then we will build a tour based on that.

Senator DAVEY: I can imagine that when you're touring you might to go Bendigo, which has fantastic facilities, and then you might go to—

Senator CADELL: Cessnock.

Senator DAVEY: Cessnock! Tamworth. You would have to be very flexible with the exhibition in how to site and adjust it for each specific venue.

Ms McMahon: It's a good question. We build the exhibition to tour. When we are touring exhibitions that contain the national historical collection, there are particular requirements that the venue must meet to ensure that the collection is displayed with appropriate temperature and humidity controls. But the museum also provides

exhibitions that don't contain material that has to be displayed in that manner, and that therefore opens up libraries and all sorts of other venues to ensure that they get Australian history content from the National Museum.

Senator DAVEY: Do you collect any data as to how many people come through those touring exhibitions?

Ms McMahan: We sure do. I've got that right in front of me.

Senator DAVEY: Go for it.

Ms McMahan: In five years, 1,989,251 people have seen our touring exhibitions across Australia.

Senator DAVEY: You cover all states?

Ms McMahan: We do.

Senator DAVEY: And you said that you're mainly regional and remote rather than urban?

Ms McMahan: That's right, yes.

Senator DAVEY: That's nearly two million people who have been able to enjoy our cultural history through the work and the efforts that your team do.

Ms McMahan: That's correct.

Senator DAVEY: Congratulations.

Ms McMahan: Thank you.

CHAIR: Thank you. Senator Sharma.

Senator SHARMA: Good afternoon. Just a quick question. Are the museum's employees APS employees?

Ms McMahan: They are.

Senator SHARMA: So they're governed by the APS values and the code of conduct?

Ms McMahan: They are.

Senator SHARMA: Alright. That's all I wanted to ask. Thank you.

CHAIR: Thank you so much. Congratulations on your appointment. We shall look forward to many more sessions asking you about the exploits of the museum.

Ms McMahan: Thank you very much.

CHAIR: We will let you go.

National Portrait Gallery of Australia

[13:47]

CHAIR: I now call the National Portrait Gallery of Australia to the table. Welcome, Ms Pickering. Would you care to make an opening statement?

Ms Pickering: Yes, just a brief one. Thank you, Chair. It's an absolute privilege to appear before you today. It's actually the first time since I commenced as director just over a year ago. The National Portrait Gallery is the only cultural institution in Australia with the mandate to share the evolution of the Australian identity through art. Through portraiture, the gallery aims to encourage conversation about who we are, about where we've come from and, importantly, about who we want to be as a nation. It endeavours to look honestly at Australian identity, in all of its brilliance and its messiness, and to be the portrait gallery Australia needs now, reading our past through our present.

The gallery cares for a growing collection of over 3,200 artworks, and welcomes an intergenerational audience of over 350,000 people annually to our beautiful building here in Canberra on Ngunnawal country. Beyond this city, the gallery shares its work at partner galleries, libraries and museums across suburban, regional and remote Australia. Last year we presented programs in, or to people in, every electorate across this country. For those who can't visit in person, almost all of the national collection of portraits is available online, and our digital and on-demand programs continue to expand accessibility. The gallery's work supports the delivery of *Revive*, the national culture policy, and the gallery was grateful for and absolutely energised by the funding uplift provided in last year's budget.

Over the past year, we have been working to stabilise capability and meet *Revive* objectives, prioritising pillar 1, 'First Nations first'. If you visit the gallery today, you will see *Paradise Won*, the extraordinary work of Dr Ryan Presley, which is a brilliant example of the power of portraiture to share complex and powerful stories of First Nations identity, survival and autonomy.

The gallery also acknowledges the critical role of philanthropy in building the national collection and supporting ambition in Australian creativity. Through the gallery's work in sharing Australian stories through

portraiture, we work to support access to arts and culture as part of daily life for all Australians, and we champion the understanding that creativity belongs to everyone. Thank you.

CHAIR: Thank you very much. It's remiss of me that you haven't been here before. I seem to remember you were unwell or something the last time we called or maybe we dismissed the—

Ms Pickering: We haven't been called in some time.

CHAIR: Yes. So, welcome. We appreciate you taking the time to come and talk with us. Senator Hanson-Young.

Senator HANSON-YOUNG: Welcome, and thanks for being here today. There are so many portraits of different people hanging in the Portrait Gallery, and I must say it's my favourite of the institutions. I love spending time in there and looking at all the interesting faces and perspectives of that Australian identity, as you described. Do people often complain about their portraits?

Ms Pickering: No.

Senator SHARMA: Where are you going with this one?

CHAIR: I was going to say it's a bit like you, Dave. We know where it's going.

Senator SHARMA: That is true.

Senator HANSON-YOUNG: They don't? People tend to be happy to have their painting in the gallery. It's hanging there. It's part of a national collection. It must be an honour to have your face hanging in one of the country's leading galleries, I'd imagine.

Ms Pickering: Yes, and I think, certainly, with the portraits that we have, the people who are in those portraits do see it as an honour.

Senator HANSON-YOUNG: Are there any portraits of Ms Gina Rinehart in the Portrait Gallery?

Ms Pickering: Yes. There is a portrait of Gina Rinehart in the Portrait Gallery. However, the portrait is not in the collection. The portrait was accepted as a gift by the board, so it was ratified by the board to go into the collection. However, as we've processed the deed of gift related to that, there were some conditions that came along with that gift. Those conditions are currently under negotiation, but, because of those conditions, we haven't been able to formally accept and accession the work into the collection.

Senator HANSON-YOUNG: Okay. What are those conditions?

Ms Pickering: They're currently under negotiation, so I'm not sure if I can share them. But they're just related to the display.

Senator HANSON-YOUNG: Has Ms Rinehart raised any concerns about this particular portrait, do you know?

Ms Pickering: For the portrait that we have on site?

Senator HANSON-YOUNG: Yes, the portrait that you have.

Ms Pickering: The gift came from her, so she's quite happy with it.

Senator HANSON-YOUNG: Oh right. So she would like this one hung?

CHAIR: But only in a particular way?

Ms Pickering: Yes.

Senator HANSON-YOUNG: Who was the artist for this piece?

Ms Pickering: The artist's name is—and, if you'll forgive me, I may have to just quickly look that up—Alix is her first name, and I think Korte is her surname.

Senator HANSON-YOUNG: This is a portrait Ms Rinehart owns, and she's gifting it to the Portrait Gallery.

Ms Pickering: Yes.

Senator HANSON-YOUNG: So she must like this one?

Ms Pickering: I hope so.

Senator HANSON-YOUNG: She doesn't like them all, does she?

Ms Pickering: It wouldn't appear so.

Senator DAVEY: You're very diplomatic.

Ms Pickering: Thank you.

Senator HANSON-YOUNG: Do you often have people who the portrait is of offering it up to the Portrait Gallery? Or does it normally come from the artist or somebody else?

Ms Pickering: We do receive gifts from many people in lots of different ways. Sometimes it will be the person in the portrait. I couldn't definitively say what happens more often, but we receive gifts from, often, the family of the person in the portrait, from the artist—the artist will often gift works—and, yes, from the person in the portrait. That will occur as well.

Senator HANSON-YOUNG: So it's not that Gina Rinehart is, obviously, against portraits of herself, because she likes this one—she owns this one and she wants this one hung in a particular way, which you're having to negotiate. But she clearly doesn't like the portrait of her hanging in the National Gallery, does she?

Ms Pickering: She seems to have indicated that, no, she does not like that portrait.

Senator HANSON-YOUNG: Has Ms Rinehart sought other interested people to encourage the Portrait Gallery to hang her portrait for her?

Ms Pickering: As in the one that we hold?

Senator HANSON-YOUNG: Yes.

Ms Pickering: Not that I'm aware of.

Senator HANSON-YOUNG: Have any swimmers written to you?

Ms Pickering: No. I haven't heard from any swimmers.

Senator HANSON-YOUNG: Members of political parties?

Ms Pickering: Not at this stage.

Senator HANSON-YOUNG: Well, I look forward to understanding—once you've negotiated those conditions, I'd ask on notice that you could inform the committee what those conditions are.

CHAIR: We might come down and have a look.

Senator HANSON-YOUNG: Yes.

Ms Pickering: Of course. I would just say to that that we don't often accept gifts with conditions. We will work with an artist, often, to understand how they would like their artwork displayed, but the sitter does not normally have any say over how the work is hung.

Senator HANSON-YOUNG: So Ms Rinehart is not only requesting that you hang this particular piece of her but, unusually, also demanding how it is hung, and that's not a usual practice?

Ms Pickering: I would say that we haven't received any request to hang the work. We received an offer of a gift—

Senator HANSON-YOUNG: It's going to sit in the back room, is it?

Ms Pickering: which has been accepted, and if we are able to formally accession the work then it will be another cultural object that we use in exhibitions as needed.

Senator HANSON-YOUNG: It does seem that Ms Rinehart likes to dictate things, doesn't it? If you've got the money, you can demand whatever you like, it seems. Anyway, thank you. I look forward to receiving, on notice, what those conditions may or may not be.

CHAIR: Senator Cadell.

Senator CADELL: I'll take a step away from the politics of envy for a second. I think this debate has triggered something of a more serious nature for me. As we talk about AI—and we've gone through the device and how it presents opportunities and threats for art—we're talking about the commercialisation of art, and consent in the AI world for art being a different thing. Where does the Portrait Gallery sit on people commercialising digital versions of your art? Do they need to be licensed? Is it happening in an unlicensed way? Does AI derivation of your art seem a threat to you?

Ms Pickering: It might be a complicated answer beyond the scope I have of AI. We follow general copyright laws, and that's the scope for the Portrait Gallery. So if someone's infringing copyright—we don't own the copyright of the artworks.

Senator CADELL: You don't?

Ms Pickering: No. The artist retains the copyright of their work, and then we enforce copyright as required under law. The question about AI is rapidly unfolding, and I think cultural institutions are paying close attention

to it. Within our mandate, we see AI, at this point in the work that we do, as a material that an artist may use in the same way as anything else, so—

Senator CADELL: It's a medium?

Ms Pickering: As a medium, yes. When an artwork comes to us—and this is particularly acute in the context of photography—we would expect an artist to disclose the mediums that they have used to create the artwork, and they would need to be able to confidently say that it is their work and their copyright exists around it.

Senator CADELL: So, with my very limited artistic skills, if I was to buy a paint-by-numbers device of Senator Hanson-Young and I was to go home and paint that thing to the best of my abilities, it's my copyright—

Senator HANSON-YOUNG: You can hang it wherever you want!

Senator CADELL: I understand. I just filtered—I'm getting better! I then own the copyright because I have created that artwork there. But, when I try to commercialise that in some way, shouldn't Senator Hanson-Young have a right on the future of commercialising her likeness, no matter how poor it may be thanks to my limited skills?

Ms Pickering: I think that might be out of the scope of my knowledge to answer coherently for you, but, certainly, I think that the use of images and ownership of images is a very current debate, particularly as it pertains to AI and what can be done, particularly when it comes to harm that can be caused by the use of images.

Senator CADELL: That's where I'm coming from. This simulation versus manipulation versus creativity—it's all running together at a pace that I haven't seen for some time. I think it's going to be quite difficult when we get there, and, for someone in the art world, that may become a legal minefield.

Ms Pickering: It is likely to, yes.

Senator CADELL: I'm hearing 'more money for lawyers!' Is that correct? What number of pieces do you have in the collection at the moment?

Ms Pickering: We have just over 3,200 objects in the collection.

Senator CADELL: Do you know how many are on display in the primary theatre and how many are touring?

Ms Pickering: I could tell you how many have toured. I don't know how many, off the top of my head, are on display at the moment. What I would perhaps encourage you to think about in this context is not how many but how well and what story they're used to tell. We use these objects as material records of our culture, and the curatorial staff then use the objects to tell a story that we think would be relevant to an audience. We want to have as much on display as possible—

Senator CADELL: You're building a narrative; you're framing the objects.

Ms Pickering: Yes, but we don't necessarily look at our performance based on the number of objects on display.

Senator CADELL: I wouldn't either. I was just interested in the number.

Ms Pickering: When it comes to touring, though, that's really important, because we do want to be able to share the collection as widely as possible. Where we sit in our funding level, we can't be quite as ambitious as we would like to be in that space, but our regional touring program is a really important part of the work that we do. Last year I think we had 99 objects out on tour, and that's a combination of exhibitions that we've put together and responding to loan requests from our partners across the cultural ecosystem in Australia.

Senator CADELL: Okay. I just found out that the National Gallery leases storage facilities. Do you do the same?

Ms Pickering: No, we don't. Everything is currently on site for us.

Senator CADELL: On your single site?

Ms Pickering: Yes.

Senator CADELL: Do you have—

Senator DAVEY: People are smoodged into a cupboard.

Ms Pickering: Did you say, 'How many are "smoodged" into a cupboard'?

Senator CADELL: I believe that's her question. I'm not sure that's meant to be taken literally.

Ms Pickering: Not as many portraits as are sitting under people's beds is maybe the answer I would give. At the moment our storage is what we need, and everything is well cared for in our current building.

Senator CADELL: Do you have a projection as to when you might need extra space, with the growth levels of the collection?

Ms Pickering: Yes, with my ambitions, probably very soon. We are reaching capacity, and we are starting to investigate long-term requirements for the national collection, because of course we want it to grow and we want it to stay relevant to our contemporary moment.

Senator CADELL: Where is that process at? Is it budgeted? Is it at business case? Where is it?

Ms Pickering: It's not budgeted and it's not at business case. As you may appreciate, having had our funding stabilised just one year ago, we haven't thought bigger than just surviving until this point.

Senator CADELL: Okay. That might be a hint for a question for next time.

CHAIR: Senator Payman.

Senator PAYMAN: Hello, good afternoon. Thank you for being here, and welcome to your first estimates. How is the funding from the 2023-24 budget helping to support the National Portrait Gallery?

Ms Pickering: The funding was absolutely critical in terms of stabilising our operations. I would note that I commenced a week after the announcement, so I was very privileged to step into an organisation that was now funded to process our core operations against our purpose. How we were dealing with the funding shortfall was just not renewing positions, so we've been able to fill vacant positions. We've been able to—and this is very important—make sure that we're paying artists NAVA, National Association for the Visual Arts, rates at least.

It's also impacted our capital shortfall. We weren't funded for depreciation. We've now been able to fund our depreciation, which means that, moving into the future, we'll be able to make sure that we are always up to date with our capital works plan—which we are, which is fantastic. It has also allowed us to be slightly more ambitious. We are seeing that our engagement statistics over the past year have improved in every way on the year prior, and we had our most highly attended summer since 2016. There are small things we've been able to do with the additional funding—expanding our summer activation, bringing more people in. The incredible artwork of Dr Ryan Presley, which I talked about, is also an initiative of that funding. It is, as I said, stabilising our core operations and making sure that we can be the National Portrait Gallery that Australia needs right now.

CHAIR: Senator Sharma.

Senator SHARMA: One small question: do you have any non-fungible token portraits in your collection?

Ms Pickering: No, we don't.

Senator SHARMA: Do you have a view on that market. Would you ever seek to acquire an FTO?

Ms Pickering: I haven't considered an answer to that, so I think the answer might be: I'm not sure. They seemed to have a big moment a couple of years ago, and it appears to have passed.

Senator SHARMA: Yes, that was my sense, too.

Ms Pickering: It's not something that we have been looking closely at.

Senator SHARMA: That's alright. Thank you.

CHAIR: Thank you very much, Ms Pickering. We appreciate you coming along.

Ms Pickering: Thanks for having me.

CHAIR: Hopefully we'll see more of you.

National Gallery of Australia

[14:06]

CHAIR: I would now like to call officers from the National Gallery of Australia. I know that online we have the director, Dr Nick Mitzevich, via videoconference. It's lovely to see you again.

Dr Mitzevich: Thank you, Chair. I'm glad I could join you.

CHAIR: We're very glad that you could join us. As I think you would understand, we have a range of questions we'd like to ask you. Would you care to make an opening statement?

Dr Mitzevich: Not today. I'm happy to answer questions.

CHAIR: Excellent. Can I first ask you about the sharing collection? I know I've asked questions about the sharing collection before, because I'm deeply interested in where it's going and how that's rolling out. Can you give us a quick update on what you've managed to get out on the road into regional areas since the last time we spoke.

Dr Mitzevich: Thank you, Chair. Sharing the National Collection is a really important initiative of both the Gallery and the new cultural policy. The aim is to make sure the collection is put to use and is shared across Australia, regardless of geography and, at times, regardless of whether a community has a purpose-built gallery. To date we have received 77 expressions of interest from across Australia. Sixteen formal partnerships have been established, and the works are going out. From the initial responses, 64,000 people have seen Sharing the National Collection works around the country, and the impact has been quite extraordinary. For example, I'll quote a couple of examples from regional Australia. Wanneroo Regional Gallery in WA opened on 6 May with a collection of works by Andy Warhol and has seen a 614 per cent increase in attendance figures. They've received more school visits since 6 March than they have in the previous three years.

CHAIR: I must say I was delighted to see the Warhol go out. I think it's such an attraction piece, with such broad appeal. Sorry; please carry on.

Dr Mitzevich: At the Maitland art gallery, attendance figures have increased 137 per cent since the Ron Mueck sculpture *Pregnant woman* arrived in my home town of Maitland on 12 April. At the Tweed Regional Gallery, who have had the Claude Monet, attendance figures have increased 45 per cent. They're just a sample.

We're very heartened that we've received EOIs from all across Australia, and we are systemically processing the 77 EOIs. Some EOIs are easier to process because the conditions of the gallery are commensurate with the works they want to see. There are other EOIs that we're methodically working through to help communities that don't have galleries to establish which works are appropriate for them. For example, the Shoalhaven art centre has received the Barnett Newman sculpture—a 13-tonne, six-metre-high sculpture. It is at the Shoalhaven cultural centre. That gallery doesn't have museum conditions; however, the work is a public sculpture which can go outside and so the community is experiencing that work in the gallery's forecourt.

There are a range of works that will travel around the country. We have a goal of 40 galleries over the next four years, with a minimum of 500 works going across the country. To date, we've established 15 formal partnerships, and there are 97 works that have gone out across regional Australia. It is a pilot program, and we hope that the initial success of the program will encourage the government, after the four years, to formalise this for us and also our other cultural colleagues because regional Australia deserves to have access to the collection.

Many of the committee will know that I grew up in a small country town, and my first contact with art was the Maitland city art gallery. That changed my life, and I know the contact through Sharing the National Collection across regional Australia will change people's lives and will inspire them to be creative. That's just a quick summation, Chair. I'm happy to take detailed questions.

CHAIR: Thank you so much. It does bring joy to my heart to see that happening, and I wait with bated breath for the South Australian pathway here. Both I and Senator Hanson-Young are hanging out to visit the regions wherever the artwork may go.

Senator HANSON-YOUNG: I know there were a couple of 17-year-olds who visited the Warhol collection, when it was in Adelaide, as part of their date! That's how broad reaching it was.

CHAIR: Yes, it's got such broad appeal. I'm very excited about that whole program, so know that those questions will come up every time you front up here. Access to the art is really important, but I'm interested also in what it brings to the regional areas in terms of economic development. Could you maybe scratch out what that looks like, or what you've seen so far?

Dr Mitzevich: There are a number of key factors that we're assessing at each venue. There are the levels of education engagement. We're working closely with the venues to track how education visits have increased. We're looking at how organised groups have been attracted through the program. With the reach of the audience, has the audience increased because of the loan, and where is the audience coming from? It's the idea that that work is an attractor into that region.

We're also asking for other data. For example, at the Tweed Regional Gallery, the revenue from their shop increased 50 per cent in the first two months of Monet's haystacks going on display. I might say, Senator, Tweed have been very entrepreneurial and have produced these very witty tea towels which the Tweed regional population can't get enough of. I think they've sold out twice. So, within copyright restrictions, we're also encouraging venues to work on merchandising to help their bottom line in the retail centres in their galleries.

CHAIR: That's really great to hear. I will just move on to another issue. I was in the National Gallery on the weekend and had a very lovely time. But I did specifically go to see the Gina Rinehart portrait that appears to have attracted quite a lot of attention in the last wee while. I know some of my colleagues have questions about that as well. But I did note that there's another portrait of Gina Rinehart in there, a black and white, which I think was from 2018. Are you familiar with that one? It's hanging on the opposite wall.

Dr Mitzevich: There are two works of art that you're referring to. One is called *Australia in Colour*, which is made up of 21 individual components. The second work is also a group of works made up of 16 individual portraits that form one work from Vincent Namatjira's exhibition. Yes.

CHAIR: Yes—a spectacular artist and a brilliant exhibition. It's really worth going along and having a look. I'm keen to understand how long you've had the black-and-white one.

Dr Mitzevich: The exhibition is a touring exhibition from the Art Gallery of South Australia. The original *Vincent Namatjira: Australia in Colour* exhibition was curated for Tarnanthi at the South Australian art gallery, and it was on show from October to January. Then the exhibition came to the National Gallery, opened in March and continues until the end of July. The National Gallery added a number of works to the original exhibition, with the support of the Tarnanthi curator, Nici Cumpston, and also from the artist himself, because we have a large collection of work by Vincent's grandfather, Albert Namatjira. We also acquired another portrait of the artist himself, which we added to that exhibition. So the showing in Canberra is an enlarged version of the original exhibition that was mounted at the Art Gallery of South Australia.

CHAIR: Fantastic. Obviously—it's been writ large in the media—Ms Rinehart has objected to the hanging of that portrait. Has she written to you?

Dr Mitzevich: Senator, we receive feedback from many people, and one of the procedures that we have with our feedback is that we don't disclose, for privacy reasons, the identity of anyone that's providing feedback to the National Gallery. I can speak to you in broad terms about the issue in the media, but I won't be drawn on individual feedback that we've received, because it's outside of the protocols that we have for our feedback and complaints process. We receive hundreds of pieces of feedback every week from our visitors, and I'm happy to speak in broad terms about the context of that, but I won't be drawn on individuals, because that would breach our privacy protocols with our feedback channels and our complaints process.

CHAIR: Alright. For people whose images are displayed in public galleries, what influence do you think they should have on the display of said portraiture?

Dr Mitzevich: Chair, I think it depends on the nature of the engagement. A portrait can be undertaken in a number of different ways. A portrait can be commissioned, where an artist works with a sitter and they have a dialogue. If the sitter and the artist have a dialogue through a commission or a process, I think there is an understanding between the artist and the sitter that they have a relationship about that portrait because they've collaborated together—whereas there are instances when a likeness has been captured, and that's in the remit of the artist; it's really the artist's view on how those works should be shown. Obviously, we make sure that the works we show in the National Gallery are about excellence and about innovation. There's always been a dialogue about artistic merit, and we welcome that dialogue about artistic merit, Chair.

CHAIR: Vincent Namatjira's work is quite cartoonish, it's a caricature and it's very vibrant work, which maybe is not always how people might see themselves.

Senator HANSON-YOUNG: Beauty is in the eye of the beholder!

CHAIR: Indeed, Senator Hanson-Young. Indeed. It is a really impressive exhibition, it's very striking and I'm delighted that those portraits are still there. I think I should probably leave it there and hand the call over to Senator Hanson-Young before I get myself into trouble.

Senator HANSON-YOUNG: Thank you. I think the exhibition in question is actually fantastic. I loved it—absolutely loved it. I particularly like how Vincent puts himself in other pictures in a very friendly and cheeky kind of way. You would have to really try to dismiss and block out any sense of this particular artist's overall style or approach to art if you were to take offence at one particular picture in that broader work. I think one of the things that is quite clear from the debate around Gina Rinehart's face in this particular exhibition is that for anyone who has seen the full exhibition it's quite clear that this is the artist's style.

CHAIR: Completely.

Senator HANSON-YOUNG: Anyone who can't see that I don't think is either representing this honestly, truthfully or, frankly, is just ignorant. But I'm more interested about the level of pressure on the gallery from individuals or organisations that has been generated because Ms Rinehart is opposed to this particular piece of art. I think it's quite concerning that just because an individual doesn't like a particular piece of art it can generate such pressure, particularly when it comes to issues of funding and sponsorship. I understand you don't want to breach confidentiality in relation to the people who come and visit the gallery, but I would like to know if there has been any formal correspondence to the gallery in relation to this matter?

Dr Mitzevich: We've received 125 pieces of feedback about the Vincent Namitjira exhibition. Seventy-four were positive, four were neutral and 47 were negative. We've received eight requests to remove the portrait.

Senator McDONALD: Just that one portrait? As you said, this is a whole series. Are the requests just to remove that one portrait, or are there requests to remove others, out of interest?

Senator HANSON-YOUNG: Good question.

Dr Mitzevich: Just to remove a portrait.

Senator HANSON-YOUNG: Just to remove the Gina Rinehart picture?

Dr Mitzevich: That's correct.

Senator HANSON-YOUNG: Out of the eight requests to remove, does that include Ms Rinehart?

Dr Mitzevich: As I said earlier, one of the things we don't do is breach privacy with the identity of people that provide feedback to the National Gallery.

Senator HANSON-YOUNG: I wonder whether you could provide us with redacted copies of those requests?

Dr Mitzevich: We can provide those redacted copies.

Senator HANSON-YOUNG: I think that would be helpful. My colleague here is asking whether any politicians were amongst those eight individuals that requested—

Senator BILYK: Not asking for names, but why not overall.

CHAIR: Because he can't tell us.

Dr Mitzevich: I can confirm that the 125 pieces of feedback were received from members of the public.

Senator HANSON-YOUNG: If you could redact the names from those eight requests for removal but we could have a look at what they're saying, that would be helpful. What is the general notion of the argument as to why Ms Rinehart's face should be removed from this overall piece of artwork?

Dr Mitzevich: The general commentary was that it wasn't respectful. That was the general commentary we received from members of the public.

CHAIR: I don't understand that at all.

Senator HANSON-YOUNG: Is it clear from these requests to remove Ms Rinehart's picture that the individuals requesting this had seen the artwork for themselves?

Dr Mitzevich: It was very unclear in the correspondence whether the individuals had seen the works.

Senator HANSON-YOUNG: We look forward to receiving those as requested. I went to the Gallery and saw the exhibition. I was told by the staff that it had been a very busy week in the Gallery.

Dr Mitzevich: That's correct.

Senator DAVEY: The best marketing they've had!

Dr Mitzevich: Since the story was published on the Vincent Namatjira exhibition, visitor numbers have increased 24 per cent. The exhibition was already very popular before the media storm hit. Vincent Namatjira is one of the most revered artists of our times. He won the Archibald Prize and he connects with people, so, previous to that, the exhibition had very high visitation anyhow. It had an incredibly popular season in Adelaide, and that season in Canberra has continued. The momentum has grown with the exhibition. We're continuing the season until 21 July. We're expecting the visitor numbers to continue to be dynamic.

Senator HANSON-YOUNG: A 24 per cent increase in visitation. You should be writing a letter back to Gina saying thank you!

CHAIR: We'll have that as a comment.

Senator HANSON-YOUNG: This is on loan from the Art Gallery of South Australia, isn't it?

Dr Mitzevich: The exhibition is organised by the Art Gallery of South Australia. It includes works from many public collections across Australia and a small number of private loans.

Senator HANSON-YOUNG: I see. So the South Australian art gallery curated it. It was on display in Adelaide for quite some time throughout last year. Do you know whether the South Australian gallery received any complaints to remove Ms Rinehart's picture?

Dr Mitzevich: South Australia have publicly said they have received no complaints during the season.

Senator HANSON-YOUNG: So either Ms Rinehart doesn't visit Adelaide or she's got no friends in South Australia, I'd suspect.

CHAIR: Again, I think we should probably take that as a comment.

Senator HANSON-YOUNG: As you've said, it's a fabulous exhibition, and it's on until July. If people haven't seen it, I think they should get down there and see it. I'm interested as to what the artist's reaction to all of this has been. This has made global news. It's almost Australia's own Streisand effect.

Dr Mitzevich: I've been touching base with the artist and his representative. In Vincent's normal, dry style, he said, 'It doesn't really make news in downtown Indulkana.' He is unfussed about it. He is happy that people are talking about his work. He said in a public statement that he makes works of art because he makes works that reflect the world he's in. People don't have to like them. They're there to think about the world we're in. I think for Vincent, as he says, in downtown Indulkana, it doesn't really make the news. He's unfussed about it.

Senator HANSON-YOUNG: Thank you. I think we can leave it there, but I do look forward to receiving those letters. Thank you.

Senator DAVEY: Thanks for your time. I won't cover off portraits. I think that has been well covered. I want to very quickly go back to the Sharing the National Collection initiative. I share Senator Grogan's enthusiasm for it. I won't re-cover the ground, but you said you had 77 EOIs, you've ended 16 agreements and there are 97 works that have gone out. My understanding is the initiative is open to regional galleries and peri-urban or outer-suburb galleries. I'm happy for you to take it on notice, but are you able to provide a breakdown—I understand you probably can't for the EOIs, because you're still assessing them, but for the agreements you've entered into—of where those are, how many are urban, how many are regional and how many are even further remote? If you could provide that to us, that would be appreciated. I think this is a fantastic way for people who don't live here in Canberra to be able to see and experience them. You also do tours and exhibition exchanges, don't you?

Dr Mitzevich: Yes, that's right. Currently we have seven exhibitions on the road travelling around regional Australia. In this financial year they will go to 19 venues across Australia. They're curated exhibitions with education and learning programs that go to regional and remote communities all across Australia. I can actually tell you where those 19 venues are across Australia, and then I can give you a broad snapshot of Sharing the National Collection which might be helpful.

This financial year the National Gallery's touring exhibitions will go to the following 19 venues: Western Plains Cultural Centre, Dubbo; Yapang gallery, Lake Macquarie; Western Plains Cultural Centre, Dubbo; Geelong Gallery; Goldfields Arts Centre; MAP gallery, Lake Macquarie; Art Museum of Kangaroo Island; Walkway Gallery, Border Town; Mornington Peninsula Regional Gallery; Horsham Regional Art Gallery; Tweed Regional Gallery; Perc Tucker Regional Gallery, Townsville; Rockhampton Museum of Art; Cairns Art Gallery; Riddoch Arts and Cultural Centre; Art Gallery of Ballarat; Orange Regional Gallery, the North Australian Festival of Arts, Townsville; Goulburn Regional Art Gallery; and Riddoch Arts and Cultural Centre. They are our 19 venues for the National Gallery's touring exhibitions, with some 550 works touring the country at those 19 venues.

Going back to Sharing the National Collection, what I can tell you that I have at hand at the moment, and I'm happy to supply further information, is that the EOIs we've received are as follows: 26 from New South Wales, one from the ACT, 13 from Victoria, 11 from South Australia, nine from WA, two from the Northern Territory, 11 from Queensland and four from Tasmania. I don't have the breakdown of regional and remote, but I can provide that if the breakdown I've given you is insufficient.

Senator DAVEY: If you could provide on notice, just out of interest, what's regional and what's peri-urban.

Dr Mitzevich: One of the things that we've developed is a map, so we can share that map.

Senator DAVEY: That would be excellent. Thank you. On matters more variously: your touring program is a way to get your exhibitions out there. On a day-to-day basis, what percentage of your collection is on display versus what is stored? You have a wide range of pieces, you rotate pieces through and you do exhibitions. On average, day-to-day, how much would you say is stored compared to on display?

Dr Mitzevich: We have about 1.3 per cent of our collection on display at our Canberra site. We have another 1,000 works that go out on temporary loan. We have around 550 works that are currently in our touring exhibitions. Our Sharing the National Collection aims over the next four years to put another 500 works on display. Also, about 1,000 works are requested every year to be reproduced in publications. A combination of all of those together means that approximately three per cent of the collection is seen around Australia.

Senator DAVEY: That would leave 97 per cent in storage at any given time.

Dr Mitzevich: That's correct.

Senator DAVEY: Where have you got your storage?

Dr Mitzevich: There are a combination of storage sites that we have. We have onsite storage at our site here in Parkes, where we store high-value works. We also have a site at Hume that is owned by the National Gallery. That is a 5,500-square-metre site. We also have two external storage facilities that incur a cost of \$380,000 a year for large and sensitive items.

Senator DAVEY: Is that \$380,000 each or \$380,000 for both of them?

Dr Mitzevich: Combined—for both.

Senator DAVEY: Where are those sites?

Dr Mitzevich: One site is in Canberra, and one site is in Sydney, which is commercial storage that we undertake.

Senator DAVEY: And, obviously, it meets all the requirements you need to make sure that the pieces are kept at the right temperature and the right humidity and all that sort of stuff?

Dr Mitzevich: Correct.

Senator DAVEY: You own the Hume site, but there must be ongoing costs for running those storage facilities as well.

Dr Mitzevich: There are. I don't have them to hand at the moment. But one of the things that we are doing is reducing our energy consumption at our Hume site. We recently installed 800 or so—I think it's 852—solar panels on the roof of our storage facility. They're producing energy that returns 47 per cent to the grid. The energy consumption is self-sustaining, with 47 per cent going back to the grid, so that storage facility is becoming very sustainable from an energy perspective.

Senator DAVEY: I think that's it. Thank you very much for your time, and I look forward to seeing that breakdown of regional and periurban for sharing the national collection.

CHAIR: Dr Mitzevich, it's always lovely to see you. Thank you so much for joining us. We appreciate your time this afternoon. I'm sorry if some of our questions were a little cheeky, but humour runs hot on a Friday afternoon at the end of the first week of estimates. We will let you go about your business.

Dr Mitzevich: Thank you.

CHAIR: That concludes today's hearing. I'd like to thank all of the witnesses who have appeared today. Also, as always, deepest appreciation to Hansard and to broadcasting; sorry for messing with your heads and the timeframes all the time. We do appreciate what you do. I remind senators that the committee has agreed for any written questions on notice to be lodged with the secretariat by 14 June. Our deep appreciation for the efforts and patience of the secretariat.

Committee adjourned at 14:38