

Senate Select Committee on COVID-19
ANSWERS TO WRITTEN QUESTIONS ON NOTICE
Department of Infrastructure, Transport, Regional Development and Communications

Division: Office for the Arts

Inquiry: Inquiry into the Australian Government's response to the COVID-19 pandemic

Inquiry Date: 10 July 2020

Topic: Creative Economy Support Package and content sub-quotas for television broadcasters

Question Type: Written, 10/07/2019

Senator Lambie asked:

1. How has the criteria for the Arts package been designed and what modelling did the Department use to ensure that small and medium arts companies will be also eligible for this stimulus?
2. Specifically which Arts organisation did the Minister consult with when designing this funding package besides Live Performance Australia?
3. Was modelling used in the decision to cap this initiative? If so can the department provide to the committee the modelling that was used?
4. Did the department do any modelling on the outcomes for the Arts industry if live performance events and venues are not able to reopen for two years?
5. What are the Department's projections on the amount of money lost to the budget given the impact on the arts sector of Covid19?
6. When the Minister suspended the sub quotas for broadcasters did the Minister seek any reassurances broadcasters would adhere to commissions already underway and the subsequently timely broadcast of the commissioned content?
7. The Department has acknowledged that only arts organisations with long term funding relationships with the federal government will be eligible for these loans, this would rule out many small to medium, regional companies, what provisions are in place to ensure that those medium and small companies will be supported into the future?
8. Will the allocation of this funding process be a transparent process? And can the department describe that process and what specific criteria will need be addressed to get the funding or the loan?
9. Can the Department provide its assessment of the contribution to the economy made by medium and small, regional arts companies?
10. How much of this funding does the Department project will be awarded to the major metro arts companies?
11. How many Aboriginal Arts Centres will be eligible for this funding?
12. Is there criteria which addresses arts organisations in the poorest regional communities?

Answer:

1. The Creative Economy Support Package was designed to respond to the disruptions that have affected both small to medium businesses (including sole traders) as well as larger businesses. Each element of the Creative Economy Support Package will have its own eligibility criteria, which are currently being developed and will be released in coming weeks.
2. The Minister for Communications, Cyber Safety and the Arts consulted extensively with the cultural and creative sector to inform the funding package. Between March and June 2020, Minister Fletcher met with approximately 158 people from 133 sector organisations over the course of 21 meetings. Stakeholders included arts sector peak bodies, National Collecting Institutions, arts portfolio agencies, film and television production companies, performing arts companies, live music associations and producers, and live music venues, as well as state and territory governments from all jurisdictions.

3. The funding provided through the Package was determined as meeting the objectives of each measure within the context of the overall Budget.
4. No.
5. The Department does not project taxation revenue from the arts sector on the Budget.
6. The regulatory and legislative requirements around the quotas have not changed. In recognition that many broadcasters will be unable to meet their quota obligations due to the disruption in the production sector caused by COVID-19, the Minister for Communications, Cyber Safety and the Arts has asked the Australian Communications and Media Authority to exercise regulatory forbearance around some Australian programming obligations for television for the remainder of 2020. The Temporary Interruption Fund has been established to support local film and television producers to secure financing and start filming again.
7. The Show Starter Loans will not be limited to arts organisations with long term funding relationships with the Australian Government. However, the Sustainability Fund measure within the package is provided specifically for these organisations. Small and medium funded organisations that meet the eligibility criteria will be able to apply for sustainability grant funding. The Government's ongoing investments will continue to support small and medium organisations in the sector.
8. Grant funding under the Package will be carried out in accordance with the *Commonwealth Grants Rules and Guidelines* and under specific program guidelines.
9. While data on the direct contribution to the economy of medium and small regional arts companies is not available, using a broader measure – cultural and creative employment – shows that around 4 per cent of employment in regions outside greater capital cities comprises jobs in cultural and creative industries (based on 2016 Census data). According to Australian Bureau of Statistics business count data, nearly all cultural and creative firms are small or medium businesses (those that employ fewer than 200 persons). According to the Bureau of Communications and Arts Research working paper *Cultural and creative activity in Australia, 2008-09 to 2016-17*, total cultural and creative activity was valued at \$111.7 billion in 2016-17. This equates to 6.4 per cent of Australia's GDP in 2016-17.
10. The Sustainability Fund and the RISE Fund will be allocated on a competitive basis, to ensure the viability of Australia's arts infrastructure and to restart a range of arts activities across Australia, including in regional areas.
11. Eligibility criteria for the Sustainability Fund, the RISE Fund and the Show Starter Loans are currently being developed. RISE grants will provide seed investment to arts organisations working in a range of art forms for new productions, festivals and events—including theatre, dance, community and arts and culture gatherings. In response to the impact of COVID-19, on 9 April 2020 the Government provided an additional \$7 million from the Relief and Recovery Fund to support 82 Aboriginal and Torres Strait Islander arts centres and four Indigenous art fairs through the Indigenous Visual Arts Industry Support program.
12. Eligibility criteria will be detailed in the guidelines which are currently being developed for each funding program in the Package. In response to the impact of COVID-19 on regional Australians, on 9 April 2020 the Government provided an additional \$10 million from the Relief and Recovery Fund to support regional arts activities through the Regional Arts Fund.