

Ninti One Submission

About the Art Economies project

The *Aboriginal and Torres Strait Islander Art Economies* project concluded in June 2016. The research explored and addressed major industry challenges, including:

- Value chain complexity and changing market conditions;
- Industry issues such as provenance, quality and supply;
- Governance and regulation;
- Artistic production in remote Australia; and
- Business sustainability for art enterprises.

This project undertook the most comprehensive study ever done on the Aboriginal and Torres Strait Islander art sector. The team completed the first national analysis on the production and sale of Aboriginal art, in particular from remote art centres. The financial circumstances of many art centres are fragile, with falling profitability. Together with partners, the team developed new tools to aid financial management and marketing.

The project achieved excellent engagement, working with more than 170 art businesses, 82 out of Australia's 87 remote-area art centres, four of the five peak bodies, all eight government agencies involved in the sector, plus 900 art buyers at three national art fairs.

The study found that artistic and commercial success is uneven across gender, age, location and production. Following a sharp downturn, the industry is rebuilding and needs further encouragement. However, this is constrained because growth in art centres and art production has not yet been matched by growth in demand. While sales are improving, the supply chain is characterised by a lack of trust and cautious buyer behaviour.

Some general facts about the sector – discovered through the research – may assist the Committee to better understand the challenges and opportunities:

- Only 10% of total art centre sales were online;
- Average price of paintings has halved since the peak in 2005;
- The financial circumstances of many art galleries are fragile;
- About 70% of funding for small art centres comes from grants;
- Around 70% of Aboriginal and Torres Strait Islander artists are women;
- Only 5.4% of artists earn what could be called a wage – around \$100k or more over their careers;
- Art centre leaders are confident – expecting sales to increase 15% over the next 5 years;
- Three-quarters of Aboriginal art sales are to Australian buyers;
- Europeans and North Americans are the biggest foreign Aboriginal art buyers;
- 'Finding new markets' was identified as a major roadblock to product development;
- Incentives to reinstate art in Self-Managed Super Funds would stimulate demand;
- Artists unanimously responded that employment needs to be local, as relocation was not feasible;
- Three-quarters of arts workers had lived in their community their whole lives; and
- Two-thirds of artists would not relocate to another community, even for better pay and conditions.

Additionally, we would recommend that the Committee refer to *The Economy of Place - A Place in the Economy: A value chain study of the Aboriginal and Torres Strait Islander art sector*, the most comprehensive study of its type in Australia: <https://goo.gl/m2D6R2>

We believe that the findings of this research project will be useful to the Committee.

Responses to Terms of Reference

Current laws and licensing arrangements for the production, distribution, selling and reselling of authentic Aboriginal and Torres Strait Islander art and craft products and merchandise.

All of Ninti One's work in Aboriginal and Torres Strait Islander communities is guided by our *Aboriginal Knowledge and Intellectual Property Protocols*, which was developed with Waltja Tjutangku Palyapayi. The Protocols can be accessed online: <https://goo.gl/EMFMYj>

We believe that these Protocols can guide best practice in the art sector, particularly in the way that vendors engage with artists.

Fake 'art' is essentially theft of culture from Aboriginal and Torres Strait Islander people, with the intention of hoodwinking unsuspecting consumers into purchasing what they may believe to be genuine art due to the similar design.

Ninti One would strongly recommend greater transparency in licensing of Aboriginal and Torres Strait Islander art, craft and merchandise. Dealers should be compliant with a range of cultural and ethical protocols, information would be available for artists and consumers would be able to make an informed choice at the point of sale about the type of product they would like to purchase. This would provide consumers with the confidence that the artists who produced the works are receiving fair compensation, in a similar way that people make a choice to purchase 'fair trade' products.

Options to restrict the prevalence of inauthentic Aboriginal and Torres Strait Islander 'style' art and craft products and merchandise in the market.

It is clear that inauthentic, foreign-produced 'art' is having a detrimental impact on Aboriginal and Torres Strait Islander artists, both culturally and economically.

Many consumers would also be unaware that their newly purchased 'boomerang' is actually a fake made in Indonesia or elsewhere, not within Australia by an Aboriginal and/or Torres Strait Islander artist themselves.

On this point, we would direct the Committee to the work of the Indigenous Art Code and these articles in particular:

- Australia's fake art and tourist tack: Indigenous artists fight back: <https://goo.gl/aUabJQ>
- Indigenous artists battle mass-produced fakes, call for protection for their intellectual property: <https://goo.gl/orURmN>
- Call for corporate Australia to invest in remote Indigenous art centres: <https://goo.gl/xSoUzZ>

A measure that could assist both consumers as well as artists would be to make it mandatory for fake and/or foreign-produced 'art' to be labelled as such. Consumers would then be able to make a more informed decision about their purchases, and we believe that many would choose the authentic art. We would strongly recommend that the Committee consider the potential for fake 'art' to be labelled as such, with the benefits flowing to consumers, the artists as well as the Australian economy. Further, there should be serious consideration given to blocking the import of 'Aboriginal and Torres Strait Islander style' art, craft and merchandise.

Options to promote the authentic products for the benefit of artists and consumers.

A key way of promoting authentic products is by strengthening the art centres themselves. With improved management, they will be able to better market their products and increase sales.

Overall, based on the evidence produced as part of the CRC-REP research, we believe there are four critical areas for strengthening the Aboriginal and Torres Strait Islander art sector. If these capacity building initiatives are implemented, they will empower producers of authentic products to better promote themselves and sell their artworks:

- *Market Development*
Market development projects to drive product and income diversification through innovation and collaboration between remote and urban Australia, by coupling remote artists with long-established creative traditions to the expertise of leading Australian designers.
- *Human Resources*
Co-develop approaches to improving the art sector's human resources. A nationwide project to transform staff recruitment and retention practices in remote art centres is urgently needed, with research showing this to be the single biggest success or failure factor that Aboriginal art centres negotiate.
- *Peak Bodies*
Improve collaboration on industry-wide issues and strengthen the presence of Aboriginal and Torres Strait Islander art centres in national cultural and policy debates by co-designing a framework with peak bodies to achieve better coordination and communication.

In combination, the projects will result in better returns for artists – professionally, creatively and financially – by establishing:

- ✓ New commercial and creative pathways for artists and their art centres;
- ✓ Fresh audiences, nationally and internationally, attracted by new products and creative innovation;
- ✓ Buyer and market confidence;
- ✓ Remote Aboriginal art centres that are more stable and better able to support artists;
- ✓ Improved coordination of industry development activities;
- ✓ Better promotion of art centres to audiences; and
- ✓ Stronger linkages between art centres, peak agencies and other stakeholders.

Summary of recommendations

- Transparent and accountable licensing of Aboriginal and Torres Strait Islander art, craft and merchandise;
- Promote ethically-compliant art dealers with, and through the work of the Indigenous Art Code of Conduct;
- Legislate for a truth-in-labelling campaign to assist and educate consumers and protect First Nation artists; and
- Minister for Communications and the Arts to allocate funding for the capacity building of art centres, as outlined above.

Thank you for considering our submission. Further details about the CRC-REP project's research can be found at: <https://goo.gl/Hm9BDM>

Ninti One is ready at any time to assist the Federal Government and other interested stakeholders in building stronger remote Aboriginal and Torres Strait Islander art sector, based on the extensive evidence we've compiled over several years.