



Arts Industry Council
(South Australia) Inc

3 Playford Ave
Blackwood SA 5051

Phone: (08) 8278 9957

Chair: Deidre Williams
Executive Officer:
Tracy Crisp

2002 Annual Report of the Arts Industry Council (SA)

During 2002, the Council was active representing arts sector issues impacting on varying artforms, those affecting smaller organisations, lead agencies or the whole sector. For an organisation driven by the energy of 10 voluntary Executive Committee members and the efforts of an Executive Officer with only 335 paid hours per year, I believe the Council is playing a very valuable role in the arts sector, and makes excellent use of its members funds.

Early in the year the consultation and review process of Arts SA's Industry Development Funding framework was conducted by the Council. This was of particular relevance to the smaller annually funded arts organisations and individual artists. The Industry Development funding framework came into place approximately six years earlier, replacing the previous art form based approach to funding. It was a timely and interesting exercise to identify the strengths of this model as well as those aspects of support that had not fared so well within the new structure. In regard to trends in project funding allocations, the review identified that the Community Cultural Development sector had not fared well within the cross artform structure, nor had funding for individual creative writers. Overall, individual artists were experiencing confusion and difficulty with the terminology and criteria for 'emerging artists', 'leadership artists', and an emphasis on 'professional development' in relation to their eligibility to seek support for exploring new work at the concept development stage.

The review activity was undertaken with the full support of Arts SA who have since made significant improvements to the Arts Industry Development funding criteria and Program Information Booklet as a result of information generated through the review.

The Federal Government's Contemporary Visual Arts and Craft Inquiry (Myer Report) was released during 2002 and the Council joined a number of representatives from the visual arts sector (including lead agencies and industry development organisations), to lobby the State and Federal Governments on the importance of supporting the recommendations contained in the report. Most particularly the Arts Industry Council argued for the need to increase funding levels for individual practitioners, contemporary visual arts, craft and design organisations and artist run enterprises. In its annual budget submission to the State Government, the Council urged the Government to provide an additional \$500,000 per annum to be used to gain maximum leverage for additional federal funding for the contemporary visual arts and crafts sector in South Australia. State and federal lobbying efforts are continuing at this point in time.

Also in the Budget Submission, Council continued to advocate for increased resources for Country Arts SA to undertake an urgent refurbishment of the four regional theatres at Mt Gambier, Renmark, Port Pirie and Whyalla. These facilities have received only small maintenance expenditure since being built some 20 years ago and are clearly showing evidence of neglect. It was of particular concern to the Council that initial

budgetary provision by the previous government for a staged refurbishment of the theatres was removed from the 2002/2003 budget by the incoming Government.

Finally and perhaps most importantly, in the same Budget Submission, Council strongly asserted the importance of avoiding any cuts to the State's arts budget, until after the Premier's Arts Summit scheduled for July 2003. The intention of the Arts Summit is to generate a blueprint for the future of the arts in South Australia. Council believes that should the Government make cuts to the arts budget, they should be made following this process, not ahead of it, and with due consideration of how resources can be maintained or targeted to key priority activities identified at the Summit.

Council sought a meeting with the Premier in December 2002 to speak to these points of concern, and of Council's support for the Summit in setting a new strategic approach for the arts in line with the Government's key priorities. One of the outcomes from this meeting was an invitation from the Premier for the Council to have a representative on the Steering Committee for the Summit. This invitation has been taken up by the Council, and we have appreciated an opportunity to work cooperatively with Arts SA and the Government in ensuring that the Summit is successful in bringing the arts sector together, to look to generating a robust future for the arts in SA.

At this point in time we look forward to the the Government maintaining its election promise as stated in its Arts and Film Policy (www.sa.alp.org.au/policy/arts/index), to; *maintain the current funding level for the arts, while committing to specific funding for a film festival and Thinkers in Residence initiative.*

During 2002, Council became aware that the small to medium festival organisations, Adelaide Fringe, Come Out, High Beam and Feast, were in a very precarious situation re their ability to continue to pay the public liability premiums being quoted. These organisations were having to absorb public liability premium increases in the vicinity of 600% to 1000% over the past 12-18 months. Current advice is that these costs are not likely to decrease in the short to medium term, and could well increase by a further 30% in 2003.

Insurance cost pressures of such a degree are particularly related to the perceived risks associated with festivals incorporating street parades or arts programs presented in public spaces such as park lands or programs presented outside of purpose built venues such as theatres or galleries.

The Council convened two meetings involving Adelaide City Council (ACC) insurance managers, the SA Government Insurance Corporation (SAICORP), Local Government Risk Services (LGRS), Arts SA and the four festivals. At these meetings the potential to lower premium costs through group purchasing was discussed and is currently being further explored with the assistance of the ACC and LGRS. We are hopeful that this approach may bring premiums down slightly, however with only two underwriters in the market and costs predicted to continue to rise, we do not expect substantial relief.

Council wrote to the Premier to bring his attention to the situation facing these organisations in regard public liability insurance costs, pointing out that the Adelaide Fringe and Feast attract significant interstate and international visitor numbers and generate substantial economic impacts. In particular Feast's 2002 attendances were in excess of 175,000 with the festival generating an estimated impact of \$10.4m. The *Adelaide Fringe 2002 Visitor & Economic Impact Survey* conducted by Flinders University, Dr. Jane James, conservatively estimated that the economic impact of Adelaide Fringe 2002 was between \$15.6 million and \$33.1 million. Total attendances exceeded 858,000.

Without some financial assistance Council believes it will only be a matter of time before one or more of these festivals will have to cease operations. In its letter to the Premier, Council urged the Government to

provide additional funding to these four organisations to restore their financial viability and the capacity to continue to program their events, arguing that by any measure, the small extra investment needed to stabilise the financial situation for the festivals in question would be returned many times over in both social and economic outcomes. Council has recently received a response from the Premier to say that the Government is not able to assist financially in this matter.

Council has continued to play a key role in the ongoing communication of policy issues to government and the wider community through monthly meetings with the Executive Director of Arts SA, Kathie Massey, and executive staff. Recently Council was a guest speaker at an ALP Arts Policy Network meeting, speaking on key issues for future arts policy.

Throughout 2002 Council ensured that members were kept informed of key issues impacting on the sector. Following the release of the 2002/2003 budget, Council was invited by Minister John Hill to a briefing on the detail of the arts budget. The positive aspects of the budget included extra funding to establish initiatives such as the Adelaide International Film Festival and the Thinkers in Residence program as well as increases to the Adelaide Festival Centre operating budget and the SA Museum to undertake capital works. To support these increases in expenditure, cuts in the vicinity of \$3m were sustained to Arts SA's operating budget.

While the final overall result was a very slight increase to the arts budget, losses to Arts SA's operating budget has impacted on the arts sector in that Arts SA has minimal flexibility to assist the sector outside of its grants programs, and virtually no emergency funds, effectively stifling important aspects of activity in the sector. This budget information was summarised and circulated to members. In addition copies of the Report on the Review of the Industry Development Framework and the Arts Industry Council 2003/2004 Budget Submission were also provided to members.

During 2002 Council set itself a fundraising target of \$2000 to achieve a balanced budget for the year. As a result of four generous sponsors, State Theatre, State Opera, Symphony Orchestra and Windmill Performing Arts, Council initiated the Four Seasons Raffle, with prizes being a season tickets for two from each of the sponsoring companies. The Council is extremely grateful for the sponsorship support provided and is pleased to report that the fundraising target of \$2,000 was met. Whilst this was a positive financial outcome for Council, we were not able to meet our members subscription target for the year, ending the year with a loss of approximately \$900. With reserves in the vicinity of \$3,000 the future financial viability of the Arts Industry Council is of real concern.

Across the board, arts organisations and arts practitioners are experiencing difficulties absorbing cost increases while income remains static, or in some cases declines, the Arts Industry Council included. It is difficult in such times for organisations like the Arts Industry Council to sustain or grow member subscriptions. However, without the support of the arts sector through the maintenance and growth of member subscriptions, the Council will be unable to continue its work.

However, it is even more important in difficult times to sustain an independent arts body able to represent the arts industry and agitate for appropriate responses to key issues.

The Council was extremely sorry to accept the resignation of our Executive Officer, Mary Combe in November 2002. Mary made an extremely valuable contribution to the work of the Council, including establishing excellent computerised data base and financial management systems and brilliantly managing the entire Four Seasons raffle process, including selling more than her share of tickets. A huge thankyou is extended to Mary on behalf of the Executive Committee and the membership, your enthusiasm, talent and commitment ensured that the Council remained productive and relevant to the arts sector throughout 2002.

We are indeed fortunate to be able to welcome Tracy Crisp as the incoming Executive Officer who picked up the baton without missing a beat and is continuing to maintain the high standards set by Mary in this position.

The Arts Industry Council also farewelled two Executive Committee members, Mardi Jennings who left SA to head up NSW Ausdance, and Russel Larkin who had to retire due to increased workloads. A sincere thankyou must be extended to Mardi and Russell on behalf of the membership for their contributions to the work of the Council during their terms on the Executive Committee.

Thanks must also go to the remaining members of the Executive Committee, Anne Levy, Jim Giles, Sue Averay, Christine Schloithe, Rod Taylor, Jane Andrews and John McFadyen, who continue to volunteer their time to carry out the work of the Council.

In the decade since its inception, the Arts Industry Council has continued to evolve its role in promoting a better understanding of the needs and concerns of the arts sector in SA to all levels of government and to the wider community. At the completion of my second year as Chairperson, I am pleased to present this report to the members and look forward to the continuation of the Council's work into the future.

Chair, Deidre Williams
April 2003