



**NATIONAL  
ASSOCIATION  
FOR THE  
VISUAL ARTS**

Senator Katy Gallagher, Chair  
Senator James Paterson, Deputy Chair  
Senate Select Committee on COVID-19  
via: Committee Secretary  
covid.sen@aph.gov.au

Thursday 28 May 2020

Dear Senators Gallagher and Paterson,

NAVA welcomes the opportunity to contribute to the Senate's investigation.

The COVID-19 pandemic is the most debilitating disruption to cultural life that most Australians have ever experienced. Such damaging impacts necessitated a holistic cultural response. This did not occur. As a result, both the creative industries and the Australian economy as a whole will experience long-term, avoidable negative consequences – as will all Australians. These consequences have social, economic, health and mental health impacts. It's not too late to avert the worst of these.

This submission addresses:

1. Significant **gaps in the Australian Government's COVID-19 response** despite consistent, united industry calls for specific measures, as well as warnings on program misalignment and ineligibility issues;
2. The **lost opportunity to maximise economy-wide benefits** by addressing the cultural industries holistically and as a matter of priority; and
3. **Priorities across the coming years** to prevent the deterioration of the industry, improve Government's understanding of its operations, and enrich Australia's cultural life.

The National Association for the Visual Arts is the professional membership body for the Australian contemporary arts. Through the Code of Practice for the Professional Australian Visual Arts, Media, Craft and Design Sector, we set national best practice standards for the industry. Our community of over 50,000 Members, subscribers, friends and followers consists of artists, artworkers, arts organisations, and arts lovers including business and philanthropy. NAVA is a non-profit company limited by guarantee founded in 1983. We are a DGR-1 entity with a public fund, and we are also the custodians of the Artists' Benevolent Fund<sup>1</sup> which has experienced high demand in response to this crisis. NAVA's work across this period:

- Our immediate response was to make resources available to our Members and community, assess impacts (see Appendix), lead industry discussions to identify priorities, and work with government bodies to secure support<sup>2</sup>;
- Our weekly National Visual Arts Roundtable examines policy, risk and business continuity issues for organisations and sector bodies, now serving as a recovery taskforce as well as a reference point for collegiate exchange;
- Our ongoing support for artist and organisational Members, and our professional development programs, continue despite significant business disruption and staff working from home.

<sup>1</sup> For full details on the Fund see <https://visualarts.net.au/artists-benevolent-fund/>

<sup>2</sup> All of NAVA's work to date is available on our COVID-19 Industry Advisory page: <https://visualarts.net.au/advocacy/industry-advisory-note-covid-19-response/>

# 1. Gaps in the Australian Government's COVID-19 response to the creative industries

Arts and culture are the heart of our everyday lives. 98% of all Australians<sup>3</sup> participate in the arts as artists, craftspeople, designers or audience members – the arts matter to all of us. Australia's creative and cultural industries contribute \$111.7bn to Australia's GDP, representing some 6.5% of the economy.<sup>4</sup> We employ 600,000 people including 50,000 professional artists.<sup>5</sup> The industry is highly diverse in its business models and highly employment-intensive, with a high proportion of expert workers employed casually. Only a small proportion of Australia's artists earn all of their income through their creative work alone; the rest work casually and part-time, in both arts- and non-arts-related work. 70% of those earning arts-related incomes work as teachers, including as casuals in the tertiary education sector. Many also work casually in hospitality.<sup>6</sup> Not only, then, do artists and artsworkers engage in precarious work as their professional focus, but also, for the incomes they earn to support that professional practice.

NAVA's COVID-19 impact survey<sup>7</sup> heard from 3,000 respondents and assessed \$50m in losses, affecting 39,027 artists and 475 small-to-medium organisations via 9,827 event cancellations.<sup>8</sup> The mental health strain has been extreme, and tragedies have already occurred. There has been a disproportionate and concerning impact on First Nations Elders, artists and organisations.<sup>9</sup>

Australia's leading economists, including the Government's own, have identified our industry as the first hit and the worst hit:

- On 7 April, ABS data showed that only 47% of arts and recreation services businesses were still trading, identifying it as the worst-hit industry while 90% continued to trade in the majority of other sectors<sup>10</sup>;
- On 19 April, the Grattan Institute projected a 75% employment downturn in the arts and recreation sector, with over 70% of businesses impacted, identifying it as the equal worst-impacted industry<sup>11</sup>;
- On 29 April, Deloitte Access Economics assessed a \$6.5bn hit over four months to wages and profits<sup>12</sup>, identifying the creative industries as the second-worst impacted after accommodation and food services, and well ahead of mining, construction, professional services, manufacturing and retail;

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<sup>3</sup> Connecting Australians: The National Arts Participation Survey, Australia Council <https://www.australiacouncil.gov.au/news/media-centre/media-releases/connecting-australians-the-national-arts-participation-survey/> accessed 15.05.20

<sup>4</sup> *The economic value of cultural and creative activity* as at most recently available figures (2016-2017), Australian Government Bureau of Communications and Arts Research: <https://www.communications.gov.au/departmental-news/economic-value-cultural-and-creative-activity>, accessed 15.05.2020

<sup>5</sup> Prof. David Throsby and Dr Katya Petetskaya, *Making Art Work: An Economic Study of Professional Artists in Australia* <https://www.australiacouncil.gov.au/research/making-art-work/> accessed 15.05.2020

<sup>6</sup> For a more detailed breakdown of artists' employment patterns, see Throsby and Petetskaya, *Making Art Work* <https://www.surveymonkey.com/r/NAVA-COVID-19-Impact>

<sup>7</sup> <https://www.surveymonkey.com/r/NAVA-COVID-19-Impact>

<sup>8</sup> Case studies and direct quotes: <https://visualarts.net.au/news-opinion/2020/creative-industry-stimulus-whats-missing-and-whats-urgently-needed/>

<sup>9</sup> Australia Council Briefing Paper: <https://www.australiacouncil.gov.au/workspace/uploads/files/briefing-paper-impacts-of-c-5eaa570cef589.pdf> accessed 15.05.20

<sup>10</sup> Impacts of COVID-19 on the economy, Australian Bureau of Statistics [https://www.abs.gov.au/AUSSTATS/abs@.nsf/Previousproducts/5676.0.55.003Main Features2Week Commencing 30 March 2020?opendocument&tabname=Summary&prodno=5676.0.55.003&issue=Week Commencing 30 March 2020&num=&view=](https://www.abs.gov.au/AUSSTATS/abs@.nsf/Previousproducts/5676.0.55.003Main%20Features%20Week%20Commencing%2030%20March%202020?opendocument&tabname=Summary&prodno=5676.0.55.003&issue=Week%20Commencing%2030%20March%202020&num=&view=) accessed 15.05.20

<sup>11</sup> *Estimating the COVID-19 Employment Shock*, Grattan Institute <https://grattan.edu.au/report/shutdown-estimating-the-covid-19-employment-shock/> accessed 15.05.20

<sup>12</sup> Deloitte Access Economics <https://www2.deloitte.com/au/en/pages/media-releases/articles/covid-19-australias-60bn-income-pain-290420.html> accessed 15.05.20

- On 19 May, the ABS released unemployment data showing that arts and recreation services had recorded the two biggest hits on payroll jobs in two Australian states and territories, and the second biggest hits across all others. Since 14 March 2020, payroll jobs in arts and recreation services decreased by 19.0%.<sup>13</sup>

The industry has been united and clear in outlining the specific impacts as well as the industry interdependencies across tourism, accommodation and hospitality, each relying on events and venues on our industry for their success:

- NAVA has outlined the key issues in the visual arts, including what's missing in the Australian Government's generic income support, and what's still needed, and this document is regularly updated as measures and their eligibility change: <https://visualarts.net.au/news-opinion/2020/creative-industry-stimulus-whats-missing-and-whats-urgently-needed/>;
- A 27 March 2020 creative industry open letter to the Prime Minister, signed by 130 organisations from across the Australia, outlined urgent priorities: <https://visualarts.net.au/news-opinion/2020/letter-federal-and-state-ministers-re-covid-19/>.

Some changes to income support measures have been made as a result of combined action by non-profit sector, and these have been welcomed by the industry:

- Introducing a wage subsidy; increasing the partner income threshold for JobSeeker eligibility; reducing the loss of turnover requirement from 30% to 15% for non-profit organisations; omitting tied government grants from that calculation; confirming that the enhanced instant asset write-down measures apply to the purchase of artworks by eligible businesses;
- Minister for the Arts Paul Fletcher and Minister for Indigenous Australians announced two funding increases for Aboriginal arts centres through the Australian Government's Indigenous Visual Arts Industry Program, and also, the Regional Arts Fund. Each of these announcements brought forward funds already committed as a result of the outcomes of two parliamentary inquiries into fake 'Aboriginal-style' art, and the impacts of summer's fires, floods and storms on regional Australia. This \$17m investment is dwarfed by the >\$1bn required in effective stimulus for the industry<sup>14</sup>;
- See <https://visualarts.net.au/news-opinion/2020/creative-industry-stimulus-whats-missing-and-whats-urgently-needed/> for full details.

NAVA commends the work of:

- Parliamentarians across both chambers and across parties who have remained engaged with the sector at the time, in particular: Senator Paterson as Co Chair of the Parliamentary Friendship Group for Museums, Libraries and Galleries; John Alexander, Maria Vamvakinou and Adam Bandt as Co Chairs of the Parliamentary Friendship Group for Contemporary Arts & Culture; and Tony Burke and Sarah Hanson Young as their party's spokespersons for the arts, who have held regular, specialist industry roundtables to remain across key issues;
- The Australia Council and the Office for the Arts, who have overstretched their resources in order to provide high-quality engagement with the industry, including via regular roundtables. In particular the Australia Council is to be commended for its rapid action in repurposing its funds to present the Resilience grants program.<sup>15</sup> However, it is important for the Committee to note that, in the absence of new funds designated for this purpose, the Australia Council has been forced to jeopardise its future capacities by cancelling valuable industry programs. This is counter-productive to effective crisis recovery.

<sup>13</sup> ABS Job loss statistics:

<https://www.abs.gov.au/ausstats/abs%40.nsf/mediareleasesbyCatalogue/400084FDCC1353C9CA2585500026370F?OpenDocument> accessed 20.05.20

<sup>14</sup> <https://visualarts.net.au/news-opinion/2020/nava-welcomes-first-australian-governments-COVID-19-arts-industry-measures/>

<sup>15</sup> <https://www.australiacouncil.gov.au/funding/funding-index/2020-resilience-fund/> accessed 28.05.20

Overall, however, beyond the Australia Council and the Office for the Arts, the Government response has not reflected an understanding of the industry's impacts, and has not met industry needs:

- While we have been asked to assess our impacts and prepare recommendations for the Australian Government to plan their response, this has not resulted in the action required. This detailed assessment has created a great deal of work for vulnerable organisations who could instead have invested efforts in ensuring the health and survival of their organisations;
- A Meeting of Cultural Ministers, for which this information was first prepared, met on 19 March 2020 and made the commitment to reconvene within the month in order to make decisions. That second meeting did not eventuate and, as a result of each state and territory communicating their expectation, a meeting was held over two months later on 26 May, which did not result in any action on the part of the Australian Government;
- The Australian Government's decision to suspend content quotas for Australian drama, documentaries and children's programming<sup>16</sup> on free-to-air and subscription tv cuts artists' and producers' incomes at a time when all of the industry's self-generated income is already gone, and community TV is being switched off. There are shelves and shelves of excellent new Australian shows waiting for audiences – and after years of production and post-production work, they are lost at the very moment when Australian audiences are craving them;
- Public statements made by ministers have created the impression that measures announced to date have in fact redressed industry impacts:
  - A 2 April 2020 media release<sup>17</sup> claimed that government "modelling" had calculated total support to the industry "in the billions", despite the industry making it clear that program ineligibilities made this claim implausible.<sup>18</sup>
  - At a government-hosted industry roundtable on 7 April 2020, government colleagues confirmed that no modelling had taken place; rather, the JobKeeper subsidy was multiplied by the number of employees in funded organisations, assuming their eligibility, and omitting the overwhelming majority of non-government-funded organisations. Worse, this modelling was later claimed by the Australian Government as "the single biggest government investment to support our arts and creative sector that we have ever seen."<sup>19</sup>
  - The Government's claim of an unsubstantiated \$4-10bn of income support as "investment" is concerning given that, on the basis of incomplete modelling, the true industry impacts well exceed those figures, and compensation for the loss of all self-generated income does not serve the function of investment. This has caused great disappointment, compounding the frustration of the extensive work undertaken to present those impacts, and eroding trust in government;
  - Minister for the Arts Paul Fletcher in the Guardian, 23 April 2020: <https://www.theguardian.com/culture/2020/apr/23/coronavirus-hit-australias-arts-industry-hard-and-early-our-support-package-is-designed-to-help>;
  - Creative industry response, 24 April 2020: <https://www.theguardian.com/australia-news/2020/apr/24/if-our-government-wants-cultural-life-to-return-it-must-act-now-an-open-letter-from-australias-arts-industry>;
- The revelation that the Australian Government's income support packages were to be underspent by \$60bn was not followed with the immediate announcement that all workers would be supported. The Australian Parliament passed legislation approving a \$130bn

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<sup>16</sup> <https://theconversation.com/coronavirus-tv-support-package-leaves-screen-writers-and-directors-even-less-certain-than-before-136545> accessed 15.05.20

<sup>17</sup> Minister for the Arts, JobKeeper payment to keep the spotlights shining in the arts sector: <https://www.paulfletcher.com.au/media-releases/media-release-jobkeeper-payment-to-keep-the-spotlights-shining-in-the-arts-sector>, accessed 15.05.20

<sup>18</sup> See Esther Anatolitis in The Guardian: <https://www.theguardian.com/world/2020/apr/08/as-we-crave-the-return-of-our-cultural-life-arts-workers-and-organisations-are-being-left-behind>, accessed 15.05.20

<sup>19</sup> See Paul Fletcher in the Guardian: <https://www.theguardian.com/culture/2020/apr/23/coronavirus-hit-australias-arts-industry-hard-and-early-our-support-package-is-designed-to-help>, accessed 15.05.20

COVID19 package and any change, including an underspend of such monumental scale, should have returned to Parliament for debate and proper process. An additional 3 million workers could have been supported and should immediately be supported. Given the entire industry could have been supported, this further detracts from confidence in government;

- In the absence of an injection of new funds into the Australia Council, the crisis experienced by Australia's arts funding an advisory body continues – a crisis that began five years ago when its strategic plan was unexpectedly undermined and over \$100m stripped from its budget. This was the subject of a parliamentary inquiry that attracted the greatest number of submissions in Australian history.<sup>20</sup> Unless the Australia Council is appropriately resourced to achieve its remit and serve all Australians, the future of our arts and culture industry is jeopardised – as are the livelihoods of hundreds of thousands of specialists.

By contrast, states, territories and capital cities have responded with alacrity to the priorities of the creative industries, recognising the great value of our work and our audiences to their cultural life, their experience economy, and their tourism at a time when international travel will not be possible:

- These commitments have included: grants programs; rent relief; donations to disaster support programs such as the Artists' Benevolent Fund administered by NAVA; and direct stimulus payments to artists and organisations;
- In total, over \$100m in new money, not repurposed money, has been announced across the country, with the total state spend exceeding \$200m.<sup>21</sup>

However, the industry remains vulnerable, and this will worsen:

- With all self-generated income for 2020 having vanished, and no industry stimulus, arts organisations are in crisis, with business continuity at risk for thousands of highly successful companies;
- JobKeeper eligibility for casual workers has not been reduced from 12mo employment to 3mo, disadvantaging tens of thousands of artists and artworkers;
- Neither JobKeeper nor JobSeeker payments are available to Australian artists stranded overseas;
- Income support eligibility has not been opened to universities and local government, jeopardising hundreds of galleries and museums, their collections, and their thousands of staff.

Industry bodies were united and clear in calculating the need for specialist stimulus at \$1-2bn.<sup>22</sup>

## 2. The lost opportunity for a creative-industries-led approach to economy-wide recovery

In a time of crisis, particularly one in which global behaviour change is necessary in order to protect our health, it's vital that a national response begins with a direct engagement with Australian culture in all of its diversity. When corporations wish to enact significant change, they undergo a cultural change process. Only when people have confidence that they can express their identities, values and community life will we adopt major behavioural change.

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<sup>20</sup> Impact of the 2014 and 2015 Commonwealth Budget decisions on the Arts, [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Legal\\_and\\_Constitutional\\_Affairs/Arts\\_Funding](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Legal_and_Constitutional_Affairs/Arts_Funding) accessed 28.05.20

<sup>21</sup> Analysis by Jackie Bailey, BYP Group: <https://www.bypgroup.com/blog/2020/4/1/australian-state-and-local-government-responses-to-the-impact-of-covid-19-on-the-arts-and-cultural-sectors> accessed 28.05.20

<sup>22</sup> Letter to the Prime Minister, front bench, opposition, state ministers and lord mayors, signed by 130+ leading arts organisations and industry bodies: <https://visualarts.net.au/news-opinion/2020/letter-federal-and-state-ministers-re-covid-19/> accessed 15.05.20

By starting the COVID-19 response with arts and culture, the Australian Government could have led an expert process that gave all Australians great confidence, supporting the industry as well as nurturing Australia's cultural life. It's not too late to focus on recovery that benefits the entire nation, as well as our global relationships, cultural diplomacy and export markets.

Last month, the Australia Institute presented eight principles for targeting economic recovery most effectively to "create jobs in the short term and lasting benefits in the long term."<sup>23</sup> The closer an industry aligns with those principles, the more the government recovery effort should focus there – not just for the benefit of that industry, but for the economy as a whole. Starting with GFC-era Treasury Secretary Ken Henry's compelling advice to "go early, go hard, go households"<sup>24</sup>, the Australia Institute's principles strongly align with what the arts offers government in terms of valuable policy levers:

1. **Go early:** The creative industries are a complex ecology comprised predominantly of agile small-to-medium enterprises who are highly responsive to changing circumstances. Known for their innovation, early stimulus would have experienced quite the multiplier, because commissioning and payment can happen relatively quickly compared to less responsive industries;
2. **Go hard:** Substantial investment was required at that early stage, and of course, the more time passes, the more that bill grows;
3. **Go households:** Here, Dr Henry was referring to low-income households who spend a much higher proportion of that income on the essentials of life, and so his advice to the then prime minister was to make direct payments to all taxpayers that would be spent immediately. Artists and artworkers are among Australia's lowest-paid workers, with professional artists earning only around \$18,000 per year<sup>25</sup> from their creative work alone. Similarly, small non-profit arts organisations are the engine room of the creative industries. Stimulus applied here would circulate rapidly across the economy;
4. **Target domestic production:** Not only is the arts our most prolific and unique Australian producer, it's also an export industry<sup>26</sup>;
5. **Target activities with high direct employment intensities:** The arts and cultural industries employ 600,000 people including 50,000 professional artists. That's significantly more than mining, retail, communications, IT and utilities.
6. **Target those most impacted by the crisis:** As we've seen above, on any measure the industry is either the worst or among the worst hit. Galleries and venues have been closed by government order, and all self-generated income for 2020 has vanished.
7. **Target useful projects that deliver co-benefits:** The Australia Institute identifies a range of such projects for the arts, including commissioning public art, television and stage drama, and funding "artists in isolation". Co-benefits extend to interdependent industries such as tourism. In a world without international travel, the sooner the arts are back on their feet, the more readily we will travel across regions and states to visit galleries, shows and festivals.
8. **Target regional disadvantage:** Many of Australia's most internationally successful arts companies across the visual and performing arts are based in regional Australia, isolating them from national audiences. The tyranny of distance in Australia further isolates both regional, suburban and urban artists from reaching a national audience, and yet that's what

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<sup>23</sup> The Australia Institute, Design Principles for Fiscal Policy in a Pandemic,

<https://www.tai.org.au/content/design-principles-fiscal-policy-pandemic> accessed 15.05.20

<sup>24</sup> Dr Ken Henry, former Secretary, Treasury, interviewed by Chris Uhlmann on ABC's 7:30 Report, 20.07.2012, <https://www.youtube.com/watch?v=N5UHT2hBGdk>, accessed 15.05.20

<sup>25</sup> Throsby and Petetskaya, Making Art Work, <https://www.australiacouncil.gov.au/research/making-art-work/>

<sup>26</sup> Austrade, Creative Industries overview, <https://www.austrade.gov.au/International/Buy/Australian-industry-capabilities/Creative-Industries>, accessed 15.05.20

we've all been craving during lockdown: the local and the inspirational. That regional disadvantage has since been exacerbated by the Australian Government's decision to suspend content quotas for Australian drama, documentaries and children's programming on free-to-air and subscription tv, further impacting the industry at a time when an increase to quotas was the most sensible approach. With domestic tourism about to become a key economic driver, governments will need to look quickly at how to transform regional disadvantage into an asset.

Clearly, the creative industries align with every one of these principles. Early, responsible and comprehensive investment could have boosted the entire economy, as well as inspiring the nation.

Another of the unique expertise areas of the creative industries is public engagement and high-quality communication. Effective communication design during a pandemic is of paramount importance and can mean the difference between life and death. The Australian Government's presentation of information has been inconsistent and at times poor, generating a great deal of confusion.

The opportunity was lost to:

- Engage artists, designers and communications specialists at the outset, ensuring that well-written and well-designed information would reach people – and be received and acted upon with confidence;
- Connect the general public by reaching them through the arts and cultural industries. We communicate with our audiences in honest, direct and inspirational ways. Our audiences are highly engaged and represent 98% of all Australians.<sup>27</sup>

In a global context, the Australian Government's COVID-19 response to the arts and culture industry ranks the third worst in the English-speaking world,<sup>28</sup> and less than that of several individual Australian states.<sup>29</sup> As well as the lost opportunity to support Australia's most culturally crucial industry, the opportunity has been lost to bolster the industry for the global demands that await as we transition into re-emergence.

### 3. Priorities to enrich Australia's cultural life

A strong arts and cultural sector is critical to Australia's future.

As we emerge from this crisis, Australians are demanding the creative experiences that connect and inspire us. The hospitality, accommodation and tourism industries are relying on the creative industry's rapid and robust emergence. Without international travel, regional and interstate travel will fuel Australia's economic recovery.

Priorities for Australian Government implementation well before the reporting date of this Inquiry:

1. In consultation with the industry, implement an arts and culture recovery framework, and build on this work to create an arts and cultural plan for Australia;

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<sup>27</sup> National Arts Participation Survey: <https://www.australiacouncil.gov.au/news/media-centre/media-releases/connecting-australians-the-national-arts-participation-survey/> accessed 15.05.20

<sup>28</sup> Analysis by BYP Group: <https://www.bypgroup.com/blog/2020/3/21/government-arts-responses-to-covid-19> accessed 28.05.20

<sup>29</sup> Analysis by BYP Group: <https://www.bypgroup.com/blog/2020/4/1/australian-state-and-local-government-responses-to-the-impact-of-covid-19-on-the-arts-and-cultural-sectors> accessed 28.05.20

2. Ensure arts and cultural representation on the National COVID-19 Coordination Commission; establish an arts and culture industry working group; ensure the arts and culture industry's expertise is harnessed on providing clear, accessible health and crisis messaging;
3. Ensure that the NCCC immediately adopts transparency and accountability measures, including disclosures of interest;
4. Recognise galleries, museums and libraries as essential service providers, offering vital and free service to the public, and therefore essential to national emergency response at this scale;
5. Support Safe Work Australia and state agencies to engage with the creative industry to develop protocols and guidelines that reflect a useful understanding of the industry's operations. The closure of galleries and museums while retail outlets remained trading, for example, has created confusion and concern. With effective protocols in place, this closure could have been avoided, and significant economic and livelihood losses minimised;
6. Harmonise income averaging arrangements between the ATO and Centrelink: To ensure that artists receiving JobSeeker do not risk jeopardising their income support if they receive funds that are targeted at creative production purposes – especially funds that are being made available specifically for the creation of work during the COVID-19 crisis – Centrelink should adopt an annual averaging process aligned with the ATO Tax Ruling: carrying on business as a professional artist<sup>30</sup>. This will ensure that funds or grants received will not be treated by Centrelink as income that contributes to living expenses;
7. Expand eligibility for all income support measures, including JobKeeper, to local government and universities, as major owners of galleries, museums and collections;
8. Extend JobSeeker and other income support measures until the end of January 2021, recognising the long tail of this economic impact;
9. Permanently remove the Efficiency Dividend on Australia's National Cultural Institutions and public broadcasters, which is punitively compounding the damage to national and state cultural organisations;
10. Increase the acquisitions budgets of our key national institutions including the National Gallery of Australia, the Museum of Australian Democracy, the National Museum of Australia, and in particular Artbank, ensuring that the Australian Government takes a visionary role in enhancing our national collections, stimulating the art market and protecting artists' livelihoods;
11. Restore artwork investment for self-managed super by adding an "exhibition" provision to SMSF legislation so that investment artworks can be seen, kickstarting the commercial market and propelling artists' livelihoods;
12. Enhance tax incentives to motivate private giving and investment in artworks and industry development;
13. Double the Australia Council's budget to ensure that Australia's arts funding and advisory body is best placed to develop impactful programs that drive recovery. The Australia Council has already had to jeopardise its future by [cancelling valuable industry development programs to amass \\$5m for a resilience fund](#), given there has been no investment in its essential work at this perilous time.

NAVA's submission to this Inquiry endorses the submissions of:

- Art on the Move
- Arts Access Australia
- Arts Law Centre of Australia
- Australasian Council of Deans of Arts, Social Sciences and Humanities
- The Australia Institute
- Australian Library and Information Association
- Australian Museums & Galleries Association
- Diversity Arts Australia

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<sup>30</sup> <http://law.ato.gov.au/atolaw/view.htm?docid=TXR/TR20051/NAT/ATO/00001>



- The Grattan Institute
- Human Rights Law Centre
- Regional Arts Australia.

As noted in the submission upload process, I consent to making this document publicly available. I look forward to reviewing submissions from across the Australian community.

It will be important to devote at least one full day of hearings to the arts and culture sector so that artists, craftspeople, designers, artworkers, organisations, sector bodies, philanthropists and audiences have the opportunity to enrich your work with their experiences. I welcome the opportunity to speak to this submission in person, as well as introducing you to artists, artworkers and organisations impacted by this crisis. I thank you and each committee member for your important work at this critical time.

As we begin to emerge from this health and economic crisis, let's lead that recovery with a close focus on the way we live our lives, connect with one another and create our future.

Please do not hesitate to contact me for any further information I can provide.

Sincerely,



**Esther Anatolitis**  
Executive Director

## APPENDIX

### Impacts: Case studies and testimonials

#### Case studies

Hala is an internationally renowned artist with an exhibition and installation practice who has won numerous awards across her career. She can go months without earning anything from her practice, and then sell a work, receive an exhibition fee, or earn a grant. Hala earns \$46,000 per year across five casual jobs presenting workshops at galleries, teaching at a university, and working in hospitality. The longest she's worked in any of those jobs is ten months. All of this work has ended. After 15 years as a casual she has only \$33,000 in super, and is not willing to jeopardise her future by withdrawing it.

- Hala cannot **access a living wage** through JobKeeper, and cannot meet JobSeeker's ongoing eligibility requirements while continuing to maintain her practice.

Dun is a sole trader artist who, later this year, was going to have the career-highlight experience of being curated into an art fair as a featured artist – but now, that's been cancelled. The fee was the equivalent of two years' income, and they would've sold a great deal of work, so they hadn't secured many other paid opportunities for 2020.

- Dun wasn't yet contracted, can't demonstrate a downturn, and **can't access any income support**.

Regionalplace Gallery is a popular public gallery and the lifeblood of local community life. Like the majority of Australia's regional galleries, it is owned by local government. The gallery's rare collection is of national significance and contributes significantly to the Shire of Regionalplace's balance sheet. The gallery receives no shire operating budget and is instead expected to return revenue to council. All of the gallery's self-generated income has disappeared including workshops, community events and venue hire.

- As a government-owned entity, Regionalplace Gallery is **unable to claim stimulus payments**, unable to support its staff, and unable to guarantee its future.

Cityspace is a capital city contemporary gallery with global impacts. Over 50% of its staff are casually employed artists and artworkers, including installers, technicians and curators. One of their artists is currently stranded overseas as part of a residency exchange, and is unable to return home and unable to access any income support payments. Cityspace's closure has eliminated all of its self-generated income and jeopardised its commercial and philanthropic relationships, but the gallery can't demonstrate the required downturn in order to access support. Worse, having investigated JobKeeper, Cityspace can't commit any of its remaining staff to carrying out the admin required to process a large number of small payments, and can't keep paying staff for the month or more that it will take to receive the reimbursements. Even if it were possible to prove their eligibility, these payments would only support staff and not the gallery, which has small reserves and will be unable to pay its outgoings as of May.

- This means that **nobody associated with Cityspace will be able to access income support, and neither will Cityspace**. After 35 impactful years, they're currently considering winding up.

Arts Association is an industry body whose members are organisations all over Australia. One by one, they are withdrawing their membership because they can no longer afford to pay. Membership is the association's primary source of income and they don't receive any grants. Soon they will have no members left. With the recession expected to last across 2020-2021, this industry sector won't have an expert body to lead national capacity-building work for the COVID-19 recovery period nor beyond.

- Arts Association **can't access support because they're experiencing a slow burn, not a downturn**.

## Testimonials

Direct quotes from NAVA's COVID-19 survey –

“We have had to cancel eight (and counting...) of our upcoming events and exhibitions due to **the risks that COVID could have on our Central Australian community**. This has meant artists have had to change their plans – which drastically affects their working year which, in turn, affects their financial position.”

“We probably won't be able to hold this program again because it was so **contingent on a range of types of funding from grants that we will not receive again**. It took us years to secure those grants.”

“This was the first of all my future jobs cancelled. I now have no work lined up. **I am a single mum with a mortgage and I am quite frankly stuck without any money and no chance of work anytime soon.**”

“These closures have **removed two of my casual jobs and I now have no income from two key sources**. I live week to week generally and now I am in a very challenging position. This situation is also likely to effect an upcoming group exhibition and also the Spring 1883 art fair in which I was scheduled to show work. I am **now in a position where I cannot afford to spend money producing artwork even if the art fair does go ahead**. These are very grim times and I feel very scared.”

“This will impact **market development for future European and Asian tours** and installations of my current work. Loss of current income means future sustainability is in question.”

“Some of the cancelled project components were part of strategic planning as pilots for future programs. We have lost R+D time, income, capacity building and if more cancellations continue (which is likely), **we will be unable to produce any public events in the future.**”

“Having just survived financial hardship due to bushfire impact in my local area **this is just another nail in the coffin.**”

“This was my main exhibition this year. **It took 1 year to prepare**. What was previously a big opportunity to propel my career in visual arts has basically been nullified.”

“I have been working on this project for nearly a year. Psychologically it is really devastating to have such a large project rescheduled and potentially cancelled. **There was an immense build up I have been working really hard and now I am not really sure what to do. Makes the days empty**. I also have 11 artists that I am collaborating with and paying working on it. **I will still honour these payments out of my own pocket.**”

## Further information

NAVA's COVID-19 Industry Advisory features detailed information on industry impacts, immediate support and policy priorities:

<https://visualarts.net.au/advocacy/industry-advisory-note-covid-19-response/>