

# Response to the

# National Opera Review Final Report

The National Opera Review Final Report presents a package of 118 recommendations to the Australian Government to enhance the viability, artistic vibrancy and accessibility of Australia’s four major opera companies, namely Opera Australia, Opera Queensland, State Opera of South Australia, and the West Australian Opera.

The Australian Government acknowledges the importance of the operatic artform in Australia’s artistic landscape and is broadly supportive of the recommendations contained in the Report.

The Australian Government has previously committed to implement a number of recommendations from the review report, as announced on 18 March 2017. These were support for a structural adjustment package for Opera Queensland and support for Victorian Opera to become a Major Performing Arts company.

A number of recommendations that have no financial implications for governments and address issues of governance and artistic vibrancy are already being explored or implemented by the Australia Council, in consultation with state funding agencies and the companies. These include recommendations that relate to:

• building audiences and subscribers for the future;

• improving collaboration between the companies;

• increasing financial viability, such as controlling overhead costs and improving private sector support; and

• strengthening governance and management.

The major opera companies have responded positively to these recommendations and are implementing changes to improve their operations. The Australian Government applauds the action taken by these companies and encourages further consideration of the recommendations that apply to them.

Recommendations that relate to joint decision making with state and territory governments – particularly around funding levels and the potential for an activity-based funding model – will be the subject of close consultation with relevant governments.

A number of recommendations would have implications for other companies funded under the *National Framework for Governments’ Support of the Major Performing Arts Sector*. The Australian Government will also consult with state and territory governments on these recommendations.

A full list of the recommendations, indicating the Australian Government’s position on each, is provided below.

The Australian Government would once again like to take this opportunity to acknowledge the work of the independent, expert National Opera Review Panel: Dr Helen Nugent AO (Chairman), Mr Moffatt Oxenbould AM, Mr Andrew McKinnon and Ms Kathryn Fagg.

The [National Opera Review Final Report](https://www.arts.gov.au/have-your-say/national-opera-review) is available through the Outcomes tab at [www.arts.gov.au/national-opera-review](http://www.arts.gov.au/national-opera-review).

## Actions by Governments: Where the companies should head

| **Implementation timeframe\*** | **No.** | **Recommendation** | **Australian Government position** | **Pathway for action** |
| --- | --- | --- | --- | --- |
| Ongoing | 5.1 | The guiding principles articulated in the 2011 Framework should continue to apply to the Major Opera Companies, although they should be amplified and reinforced by the 17 subsidiary guiding principles outlined in this Final Report. | Agree | For discussion with relevant cultural ministers |
| Medium | 5.2 | The criteria in the 2011 Framework should be maintained, subject to changing the artistic quality criteria from “high” to “highest”. Nonetheless, the criteria should be monitored for the next 3 years to understand their impact on the financial performance of all major performing arts companies, particularly the Major Opera Companies. | Note | For Governments' consideration in the context of the broader MPA Framework |
| Medium | 5.3 | The current approach to the distribution of funding between the Federal Government and the relevant State Government should be maintained, recognising that it lacks internal cohesion and an articulated rationale; and within the near to medium term is likely to require a more comprehensive review. | Note | For Governments' consideration in the context of the broader MPA Framework |
| Medium | 5.4 | Each Major Opera Company should be given the flexibility to define its own artistic and strategic direction within a prudent financial framework. | Agree | For discussion with relevant cultural ministers |
| Medium | 5.5 | Funded activities should be clearly defined by Governments. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 5.6 | Governments should monitor outcomes to ensure that activities that are funded are delivered. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 5.7 | If a company does not deliver on funded activities, a proportion of the funding provided for that activity should be withheld from future grant payments unless a prior renegotiation has been agreed with the relevant Government funding agencies. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 5.8 | If a company fails for three years in a row or consistently fails to deliver on a major commitment for which it is funded, it should lose its status as a major performing arts company. The company should receive one year’s advance notice (after the second year) of the funding agencies’ intention to change its status. | Agree in principle | For discussion with relevant cultural ministers |
| Ongoing | 5.9 | Overall, the companies should remain subject to Government requirements to maintain specific overall financial and balance sheet requirements. | Agree | Implemented |
| Medium | 5.10 | Core funding, on a benchmarked basis, should be provided to support selected non-commercial activities. In contrast, core funding should not be provided for activities where there are viable commercial competitors. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 5.11 | Significant commercial activities should be ring-fenced and separately accounted for by any company that derives a large part of its income from such a source. | Agree | For discussion with relevant cultural ministers |
| Long | 5.12 | Opera Queensland should be given a three year period from FY 2017-2018 to meet all criteria to be a major performing arts company. | Agree | Implementation in progress |
| Long | 5.13 | Opera Queensland should take additional action to improve its financial situation and consider whether to establish a shared service model with the Queensland Symphony Orchestra (QSO) and/or other options for mutual artistic collaboration, increasing access, improving private sector income and driving overhead efficiencies. | Agree | Implementation in progress |
| Long | 5.14 | An adjustment package for a capped amount of additional funding should be provided to repair Opera Queensland’s balance sheet, provided it can demonstrate a clear path to recovery. | Agree | Implementation in progress |
| Long | 5.15 | Any adjustment package should require Opera Queensland to generate additional funds to build quarantined reserves. | Agree | Implementation in progress |
| Short | 5.16 | Victorian Opera should be supported now to become a major performing arts company. | Agree | Implemented |
| Medium | 5.17 | In future, other opera companies that meet the criteria to become a major performing arts company should be supported for admission. | Agree | For discussion with relevant cultural ministers |

## Actions by Governments: How the companies should operate

| **Implementation timeframe\*** | **No.** | **Recommendation** | **Australian Government position** | **Pathway for action** |
| --- | --- | --- | --- | --- |
| Short | 6.1 | Opera Australia should not receive specific core Government funding to deliver mainstage performances in Brisbane (or Adelaide or Perth). | Agree | Implemented |
| Short | 6.2 | Opera Australia should be funded to continue providing mainstage opera productions in Melbourne as well as in Sydney. | Agree | Implemented |
| Short | 6.3 | Mainstage opera in Perth and Adelaide should be delivered by WAO and SOSA respectively. | Agree | Implemented |
| Medium | 6.4 | Opera Conference should be retained but its objectives and approach should be broadened. | Agree | For discussion with relevant cultural ministers |
| Medium | 6.5 | An independent non-voting Chair should be appointed to preside over Opera Conference. | Agree | For discussion with relevant cultural ministers |
| Medium | 6.6 | Opera Conference should make an annual decision on a mainstage opera production to gain economies in physical production costs. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 6.7 | To support Australian artistic vibrancy, specific rules should govern the operation of Opera Conference productions. | Agree | For discussion with relevant cultural ministers |
| Medium | 6.8 | Opera Conference funding should not include funding for regional touring, which will be separately direct line funded to Opera Australia for its annual regional tour. | Agree | For discussion with relevant cultural ministers |
| Short | 6.9 | Greater collaboration among the Major Opera Companies should be encouraged. | Agree | For companies' consideration |
| Medium | 6.10 | SOSA should support the South Australian Government’s announcement to redevelop Her Majesty’s Theatre in Adelaide for the staging of long run musicals, enabling greater access for SOSA to the Festival Theatre. In the meantime, the co-operation of the venue in staging SOSA productions needs to be forthcoming. | Note | For the company and state government's consideration |
| Long | 6.11 | Opera Queensland should be supported to utilise more appropriate venues that meet audience expectations. | Note | For the company’s consideration |
| Ongoing | 6.12 | Opera Queensland, SOSA and WAO should work proactively with the respective theatre complexes and the relevant orchestra to reduce dark nights in the theatre. | Note | For companies' consideration |
| Medium | 6.13 | Annually, Opera Australia should tour regionally, going every second year to each state and territory, including Tasmania, Northern Territory and the Australian Capital Territory. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 6.14 | Opera Queensland should maintain a regular regional biennial opera touring programme within Queensland in the year that Opera Australia does not tour there. In addition, it should continue its community and outreach programme. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 6.15 | WAO should continue its community and outreach programmes (which currently includes Opera in the Park which is simulcast to regional Western Australia). It might also want to consider greater regional activities in the year that Opera Australia does not tour there. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 6.16 | SOSA should continue its community and outreach programmes. It might also want to consider greater regional activities within South Australia in the years that Opera Australia does not tour there. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 6.17 | Funding arrangements should be changed for Opera Australia. Funds for regional touring currently directed via Opera Conference should be allocated directly to Opera Australia. Project funding currently allocated to Opera Australia through Playing Australia should be direct line funded to Opera Australia, thereby producing greater certainty of funding and reducing the administrative burden. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 6.18 | The appropriate overall level of Government funding for each of the Major Opera Companies for regional touring should be considered as part of the activity based funding approach outlined in Recommendations 5.5 to 5.9. | Agree in principle | For discussion with relevant cultural ministers |

## Improving artistic vibrancy

| **Implementation timeframe\*** | **No.** | **Recommendation** | **Australian Government position** | **Pathway for action** |
| --- | --- | --- | --- | --- |
| Medium | 7.1 | Governments’ core funding should be targeted to increase the overall number of mainstage productions offered by the Major Opera Companies. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 7.2 | Governments should support a minimum of three mainstage productions each year for Opera Queensland, SOSA and WAO. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 7.3 | Opera Australia should be funded to support a specified annual number of mainstage productions in Sydney and Melbourne: • Two seasons in Sydney with a minimum of 11 mainstage productions overall; • Two seasons in Melbourne, with a minimum number of 7 mainstage productions overall. | Agree in principle | For discussion with relevant cultural ministers |
| Ongoing | 7.4 | Each Major Opera Company should proactively engage in ongoing discussions with the funding agencies about decisions in relation to the variety, balance and scale of their repertoire choice before such decisions are finalised. | Note | For companies' consideration |
| Long | 7.5 | Governments should support the development of new work, particularly through experimentation, workshops and smaller scale activities. | Agree in principle | For consideration in a future Budget context |
| Long | 7.6 | Governments should create an Innovation Fund which will include discrete competitive funding to encourage the development of new works to which the Major Opera Companies can apply either on their own or in conjunction with smaller companies. | Agree in principle | For consideration in a future Budget context |
| Long | 7.7 | Governments should create an Opera Festival Fund within the broader Innovation Fund (Recommendation 7.6). | Agree in principle | For consideration in a future Budget context |
| Long | 7.8 | To promote a vibrant and innovative future for opera, Governments should establish, within the Innovation Fund, a specific competitive initiative based on using digital technology to enhance the artform, connect with audiences, enhance production design values and/or lower production costs. | Agree in principle | For consideration in a future Budget context |
| Ongoing | 7.9 | Each Major Opera Company should report annually to the relevant funding agencies on the number of roles and performances by Australian and non-Australian artists employed in leading roles. This analysis should capture trends over time, including data on opening night versus second cast profiles by city. | Agree | For the Australia Council's implementation |
| Ongoing | 7.10 | On behalf of all funding agencies, the Australia Council should annually report on Australia’s most established opera singers and the extent to which they have been employed in leading roles by each Major Opera Company over the prior five years. | Agree | For the Australia Council's implementation |
| Ongoing | 7.11 | In analysing information provided under Recommendations 7.9 and 7.10, the Government funding agencies should assess whether an appropriate balance is being struck between the career development of Australian artists and the employment of non-Australian artists. | Agree | For the Australia Council's implementation |
| Ongoing | 7.12 | The funding agencies should proactively engage with the Major Opera Companies in detailed fact based discussions on the engagement of leading Australian artists over time. | Agree | For the Australia Council's implementation |
| Medium | 7.13 | Government funding agencies should have the authority to impose a penalty on any Major Opera Company, who after engaging in serious discussions, does not produce an appropriate balance in the employment of Australian versus non-Australian artists. Such a penalty could range up to $200,000 against its level of core funding. | Agree in principle | For discussion with relevant cultural ministers |
| Ongoing | 7.14 | Ongoing employment opportunities for the ensemble, chorus and orchestra should be optimised within available funding, recognising the proposed increase in the number of productions. While it is highly desirable to provide stability of employment for artists, trade-offs between the needs of artists and financial stability need also to be managed. | Agree | For companies' consideration |
| Long | 7.15 | Each of the Major Opera Companies should be encouraged to develop a remunerated Young Artist Program that is consistent with the programme of its activities and the skills of the young artist. That might include encouraging a beneficial relationship with conservatoria and academic institutions, as well as other young artist programmes. | Agree | For companies' consideration |

## Improving access

| **Implementation timeframe\*** | **No.** | **Recommendation** | **Australian Government position** | **Pathway for action** |
| --- | --- | --- | --- | --- |
| Medium | 8.1 | In the near to medium term, Opera Queensland should maximise the use of the venues within QPAC. | Note | For the company's consideration |
| Long | 8.2 | SOSA should strive to use the Festival Centre to the maximum extent possible. | Note | For the company's consideration |
| Long | 8.3 | The Western Australian Government should be encouraged to hand over control of His Majesty’s Theatre to WAO to create a tighter symbiosis between the venue and the opera company. | Note | For the state government and company's consideration |
| Medium | 8.4 | The funding agencies should require the Major Opera Companies to put forward concrete proposals to strengthen their engagement with subscribers and should closely monitor the outcomes. | Agree | For the Australia Council's implementation |
| Medium | 8.5 | Each Major Opera Company should find ways to engage with and value older audiences who represent a higher proportion of subscribers. | Agree | For companies' consideration |
| Medium | 8.6 | Each Major Opera Company should find ways to engage with younger audiences. | Agree | For companies' consideration |
| Medium | 8.7 | The Major Opera Companies should utilise enhanced data analytics to target audiences, including a broader demographic. | Agree | For companies' consideration |
| Long | 8.8 | The Major Opera Companies should identify diverse product offerings to attract different demographic groups. | Agree | For companies' consideration |
| Long | 8.9 | State Governments should reflect carefully on the need to strengthen and fund music education programmes in schools. | Agree | For state governments' consideration |
| Long | 8.10 | Each Major Opera Company should strengthen and develop educational resources for use by educators and students. | Agree | For companies' consideration |
| Ongoing | 8.11 | Each Major Opera Company should work to create a greater emotional connection between artists and audiences. | Agree | For companies' consideration |
| Medium | 8.12 | Community engagement programmes should be targeted to initiatives which will enhance public perceptions of each Major Opera Company. | Agree | For companies' consideration |

## Addressing financial viability

| **Implementation timeframe\*** | **No.** | **Recommendation** | **Australian Government position** | **Pathway for action** |
| --- | --- | --- | --- | --- |
| Medium | 9.1 | The companies should invest to lift their website and marketing capability, particularly in digital. | Agree | For companies' consideration |
| Medium | 9.2 | It should be a performance requirement that each Major Opera Company improves its mainstage cost-revenue dynamics, with data provided in a standard format and discussed regularly by management and the board with the relevant Government funding agencies. | Agree | For discussion with relevant cultural ministers |
| Long | 9.3 | Management and the board of each company should reduce physical production costs, including through sourcing initiatives, reducing scale where possible and potentially through the use of digital technology to reduce the cost of sets. New builds should be avoided where other options exist. | Agree | For companies' consideration |
| Long | 9.4 | Management and the board of each Company should responsibly seek to reduce artistic costs consistent with delivering an experience that engages audiences. | Agree | For companies' consideration |
| Long | 9.5 | Management and the board of each company should target its regional touring, schools and community projects in the most cost effective way to maximise the benefits the community receives from the significant investment being made. | Agree | For companies' consideration |
| Medium | 9.6 | Opera Australia should further reduce its overhead costs. | Agree | For the company's consideration |
| Medium | 9.7 | SOSA should be supported to strengthen its investment in infrastructure, particularly marketing, development and online engagement, with a view to being better positioned to generate additional income. | Agree in principle | For discussion with the relevant state government |
| Medium | 9.8 | Opera Queensland must reduce its overhead costs. To this end, it should explore a shared service model with QSO. | Agree | For companies' consideration |
| Medium | 9.9 | Targets, linked to geography, should be set for private sector income to be generated, which should predominantly be in cash. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 9.10 | Minimum specific targets (in 2015 dollars) should be set for each of the Major Opera Companies, recognising that the achievement of these targets may take time to achieve: • Opera Australia $9.0 million • Opera Queensland $0.9 million • SOSA: $0.6 million • WAO: $1.5 million | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 9.11 | Greater use should be made of the skills of the board of each Major Opera Company in generating private sector income. Consideration should be given to each director making a financial contribution (regardless of size) and assisting with raising funds. | Agree | For companies' consideration |
| Medium | 9.12 | A greater focus should be placed by the companies on securing bequests. | Agree | For companies' consideration |
| Short | 9.13 | Opera Australia should revalue its property assets to ensure it accurately reflects its financial situation. | Agree | For companies' consideration |
| Medium | 9.14 | A proportion of the proceeds of the sale of Opera Australia’s Melbourne property should be deposited in its Capital Fund. | Note | For the company's consideration |
| Long | 9.15 | Opera Queensland should be supported over a three year period to rebuild its balance sheet, provided it is able to generate matching private sector funds. | Agree | Implementation in progress |
| Medium | 9.16 | Each Major Opera Company should within three years of the implementation of the new funding arrangements ensure it holds a minimum level of reserves of 30 percent of its costs (excluding the cost of musicals in the case of Opera Australia). | Note | For discussion with relevant cultural ministers |

## Providing strong governance and management

| **Implementation timeframe\*** | **No.** | **Recommendation** | **Australian Government position** | **Pathway for action** |
| --- | --- | --- | --- | --- |
| Medium | 10.1 | The board of each Major Opera Company should reconsider its skills and diversity mix relative to the current needs of the Company. The Chair should meet with each relevant funding agency to discuss the rationale and balance of skills and diversity. | Agree | For companies' consideration |
| Medium | 10.2 | Each Board of Directors of a Major Opera Company should receive data that provides insight on the key components of the company’s cost-revenue dynamics over time. | Agree | For companies' consideration |
| Medium | 10.3 | Each director should be required to undertake a workshop to understand how the cost-revenue dynamics of the company operate. This should also be required as part of an induction programme for new directors. | Agree | For companies' consideration |
| Medium | 10.4 | Each Board of Directors should establish protocols for dealing with inherent artistic and financial tensions. | Agree | For companies' consideration |
| Medium | 10.5 | Each board should ensure it creates a culture of openness of debate. | Agree | For companies' consideration |
| Medium | 10.6 | Each board, annually, should undertake an evaluation of the board and of individual directors, with an external facilitator being used every second year. An overview of the process and the results should be shared with the relevant funding agencies. | Agree | For companies' consideration |
| Medium | 10.7 | Each company should institute tenure limits on the terms of directors. | Agree | For companies' consideration |
| Long | 10.8 | The South Australian Government should contemplate SOSA being governed by Corporations law. | Note | For the state government's consideration |
| Medium | 10.9 | Each Major Opera Company should implement mechanisms for formal dialogue between the full board and the relevant funding agencies. | Agree | For companies' consideration |
| Medium | 10.10 | Management accounting should be strengthened. | Agree | For companies' consideration |
| Medium | 10.11 | A broader understanding should be developed within each company of their cost-revenue dynamics. | Agree | For companies' consideration |
| Medium | 10.12 | Operating results should be separated out in internal and external reporting from Capital Fund results. | Agree | For companies' consideration |
| Medium | 10.13 | Each company should ensure there is adequately balanced strength and respect in artistic and financial management. | Agree | For companies' consideration |

## Providing Government funding

| **Implementation timeframe\*** | **No.** | **Recommendation** | **Australian Government position** | **Pathway for action** |
| --- | --- | --- | --- | --- |
| Medium | 11.1 | The level of funding for the Major Opera Companies should be based on activities supported by Government that, as far as possible, have been benchmarked to best practice. The funding model should be reviewed every five years. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 11.2 | The parameters for the funding model should be clearly defined. | Agree in principle | For discussion with relevant cultural ministers |
| Long | 11.3 | Based on the funding model, an increase should be made to the overall level of core funding for the Major Opera Companies. | Note | For consideration in a future Budget context |
| Medium | 11.4 | Except as otherwise indicated, the companies should be discouraged from applying for project funding for defined core activities. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 11.5 | Penalties should be applied if a programme, consistent with the activities proposed, is not delivered. | Agree in principle | For discussion with relevant cultural ministers |
| Medium | 11.6 | As outlined in Recommendation 5.3, the current overall core funding ratios between the Federal and the relevant State Governments should be maintained, recognising that the overall system for all major performing arts companies is not stable and is likely to need to be reviewed over time. | Note | For discussion with relevant cultural ministers |
| Long | 11.7 | The funding for Opera Conference should be $1.5 million per year, which should be adjusted for indexation. | Note | For consideration in a future Budget context |
| Medium | 11.8 | Opera Conference funds that are not substantively utilised in any one year should revert to Government. | Note | For discussion with relevant cultural ministers |
| Medium | 11.9 | Opera Conference funding should be directed through a separate entity rather than flowing through the accounts of individual companies. | Agree in principle | For discussion with relevant cultural ministers |
| Long | 11.10 | Funding for the revised Opera Conference package should be redefined, with the Federal Government providing half of the funding, and the balance supplied equally by each of the five State Governments in which the Major Opera Companies present mainstage performances. | Note | For consideration in a future Budget context |
| Long | 11.11 | An Innovation Funding package of $1.2 million is recommended to promote innovation and artistic vitality. | Note | For consideration in a future Budget context |
| Short | 11.12 | A one-off structural adjustment package, which would not be subject to indexation, should be put in place for Opera Queensland. | Agree | Implemented |
| Long | 11.13 | Additional funding of $0.250 million should be provided to the MPAP of the Australia Council by the Federal Government to fund the provision of additional staff to implement and oversight the recommendations of this Final Report. | Note | For consideration in a future Budget context |
| Medium | 11.14 | In summary, it is proposed that Governments should consider an incremental funding request of $24.136 million over four years in 2015 dollars. | Note | For discussion with relevant cultural ministers |
| Long | 11.15 | New funding, rather than existing arts grants, should be used to implement the recommendations made by this Review. | Note | For consideration in a future Budget context |
| Short | 11.16 | Federal funding responsibility should continue to reside with the Australia Council’s Major Performing Arts Panel (MPAP), although changes should be made in the way it operates. | Agree | Implemented |
| Medium | 11.17 | Genuine joint decision-making should occur between the MPAP and the relevant State Government funding agencies in relation to each Major Opera Company, a process which desirably should be extended to the other major performing arts companies. | Note | For the Australia Council's consideration |
| Medium | 11.18 | The Australia Council needs to be funded to have additional, dedicated experienced staff with high level financial and analytic skills who can work on behalf of the Federal and State Governments. They also need to have the seniority and authority to engage independently with senior management in the companies and with senior officers in the relevant State Government funding agencies. | Note | For the Australia Council's consideration |
| Ongoing | 11.19 | The MPAP must have an adequate balance of skills that allows it to take a proactive role in relation to the companies. This must include serious financial and corporate governance skills to allow adequate probing of the increasing complexity of the activities of the companies. Such members need to have inquiring and critical capabilities, while being supportive of the objectives of the companies. | Agree | For the Australia Council's implementation |
| Ongoing | 11.20 | The MPAP needs to develop a comprehensive and systematic workplan to address the subtle but extensive changes envisaged by this Final Report. This should include a thorough handover by the Review’s Secretariat to MPAP staff. | Note | For the Australia Council's consideration |
| Ongoing | 11.21 | Because the major performing arts companies represent 55 percent of the Australia Council’s arts funding, the MPAP Chair should have specific skills; sit on the Board of the Australia Council; and be appointed by the Federal Arts Minister to that role [see footnote[[1]](#footnote-1)] as well as to the Australia Council’s governing body. | Agree in principle | Implementation in progress |
| Medium | 11.22 | A significant improvement is required in the quality of data provided by the Major Opera Companies to the funding agencies. | Agree | For companies' consideration |
| Medium | 11.23 | The companies’ financial data need to provide a basis for generating greater insight and judgement than is currently the case. This needs to be done on an activity basis with, at a minimum, mainstage, regional touring, educational and community activities being separately accounted for. Any commercially oriented activities need to be reported separately from activities that receive Government funding. Capital Fund operations need to be separately identified. | Agree | For companies’ consideration |
| Medium | 11.24 | Dedicated MPAP staff, on behalf of the Federal and State Governments, need to maintain an activity-based funding model that is annually reconciled to the annual audited accounts. Genuine insight over time needs to be provided about emerging trends in each activity. | Agree in principle | For discussion with relevant cultural ministers |
| Ongoing | 11.25 | The MPAP staff need to engage more rigorously and regularly with the companies in relation to the other tasks which have been identified in this Final Report, including artistic matters and governance. | Agree | For the Australia Council's consideration |
| Medium | 11.26 | The MPAP should annually undertake a quantitative and qualitative stakeholder survey of the companies and other funding agencies to provide feedback on its performance and the ongoing strength of the relationships. | Agree | For the Australia Council's implementation |
| Medium | 11.27 | The MPAP and the relevant State Government funding agencies need to be provided with additional reserve powers in relation to the Major Opera Companies if they show signs of getting into financial difficulty. The default position should not be to provide them with a payment in advance to assist their cash flow. | Agree in principle | For discussion with relevant cultural ministers |

**\*Implementation timeframes:**

**Short term**: Implemented or implementation currently in progress.

**Medium term**: Actions implemented or implementation well progressed by 31 December 2018.

**Long term**: Actions subject to consideration in a future Budget process or requiring time to incorporate into business practice.

**Ongoing**: Actions that can be incorporated into business practices on an ongoing basis.

1. The *Australia Council Act 2013* does not provide for the Minister to make appointments to the Australia Council’s advisory committees. This recommendation will be implemented within the current legislative framework. [↑](#footnote-ref-1)