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Submission to the National Cultural Policy Review Submitted by Mckell Institute WA

Australia's creative industries are not peripheral to our national prosperity — they are foundational to it. Yet the people who produce that value are too often left behind by the economic systems meant to support them.

Mckell Institute WA's Inclusive Prosperity Series has been exploring how emerging sectors can drive growth that is genuinely shared. Our second event, *The Creative Economy as a Catalyst for Inclusive Prosperity*, surfaced a challenge that sits squarely within the remit of a National Cultural Policy: how do we build a creative economy that works for the people at its heart?

The numbers tell a stark story. A 2024 Creative Australia report found the average professional artist earns \$23,200 a year from creative work. Nearly half earn less than \$10,000 annually from their practice. These are not hobbyists — they are skilled workers producing real economic and social value. The creative sector contributes billions to the national economy and supports tens of thousands of jobs. Yet the workforce sustaining that output operates largely on precarious incomes, without the structural supports available to workers in other priority industries.

This is not a state-level problem. It is a national one, and it demands a federal response.

Ireland recognised this when it introduced its Basic Income for the Arts scheme — a guaranteed weekly payment to support 2,000 artists over three years. An independent cost-benefit analysis found that for every €1 invested, society received approximately €1.39 in return through economic, social and creative activity. The scheme has since been extended. Australia should be learning from this model, not watching from the sidelines.

The 2025 Art of Tax Reform Summit, with coordination across multiple state governments, examined how the federal tax system could better support creative work — including exempting arts prizes from taxable income, expanding tax offsets, and strengthening incentives for private philanthropy. These are achievable reforms. A National Cultural Policy is the right mechanism to drive them forward.

Sustainable careers also require structural investment beyond tax. Our discussions highlighted the need to move away from short-term project funding toward long-term organisational support that builds genuine capacity. Measurement frameworks must also evolve: Treasury models that prioritise direct return on investment risk missing the full picture. The social cohesion, intercultural understanding, mental wellbeing, and place-based identity that arts investment generates are real returns — they simply require more sophisticated tools to capture.



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Australia has the capacity and ambition to lead. A National Cultural Policy that treats creative workers as economic contributors — not charity cases — and that aligns tax reform, workforce investment, and regional development into a coherent framework, would be genuinely transformative.

The conversation Mckell WA has been convening through our Inclusive Prosperity Series reflects a growing consensus: creativity shapes identity, strengthens community, and creates real economic opportunity. Federal policy should match that ambition.

Mckell Institute WA's Inclusive Prosperity Series continues to explore how emerging industries can drive growth that is equitably shared across our state and nation.

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