National Cultural Policy Submission

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Public
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Short submission (text box 500 words or less)

There are multiple structural problems within the Australian arts sector, but the one I believe demands your immediate attention is arts organisations' chronic reliance on government funding and the subsequent inability to sustain operations without it. In this submission, I will first outline the situation as I see it, drawing on my experience working in major Australian arts festivals, as well as brief research conducted to support this argument. I will then propose a solution and outline the government support required to action it.

A useful analogy is the practice of wealthy nations donating a portion of their GDP to developing countries. Such aid becomes embedded in how those countries sustain themselves. In theory, it is intended to help them build their own structures, so they no longer need external support. In practice, it becomes the centrepiece of their economic survival, and the original goal of reducing dependence becomes an impossible proposition.

Following a brief review of 20 arts organisations of varying sizes and disciplines from across the country (appendix supplied on request), 18 derived 40% or more of their revenue from government grants and/or funding (ACNC, 2026). Fifteen received 50% or more of their revenue from government sources, and 11 organisations relied on government grants for 65% or more of their total revenue. It requires no great leap of logic to conclude that any significant reduction or elimination of this funding would leave the majority of these organisations unable to continue delivering arts experiences to their communities.

Finding solutions to this reliance is also in the government's own interest. Consider how much funding could be redirected into other programs or skills development pathways if the government were no longer required to sustain these organisations at their current level. Given the government's well-documented budget pressures, reducing this dependency over time could free up meaningful resources across other areas of the budget - all while maintaining a thriving arts sector. That said, it would be impossible to reduce this funding today without the sector collapsing, unless alternative self-sustaining funding sources are first established.

I propose the following solution. The government could offer arts organisations one-off grants specifically designed to give them the financial resources and capacity to explore alternative, non-government funding models - such as profit-for-purpose structures and social enterprise models. This would lay the groundwork for a fundamental shift in how organisations fund their operations and programs, and would ideally be led by CEOs and Executive Directors alongside their development teams. A compelling example of this model in practice is YWCA Australia, whose hotel operations generate revenue that funds their broader programs. I do not suggest that arts organisations will reach this scale on the back of a single grant - but it would give them the breathing space and resources to genuinely explore it as a viable path forward.

Australia's cultural life is too important to leave in a state of permanent financial precarity. This is a small intervention with the potential to change that, once and for all.