



SUBMISSION TO THE NATIONAL CULTURAL POLICY REVIEW

The Tasmanian Symphony Orchestra (TSO) welcomes the opportunity to contribute to the 2026 National Cultural Policy review and strongly supports the submissions made by the Coalition of Australian and New Zealand Orchestras (CANZO) and Live Performance Australia (LPA).

The CANZO submission articulates a compelling, evidence-based case for Australia's cultural policy settings becoming connected and integrated with the nation's industry, innovation and R&D frameworks.

For TSO, this is not an abstract policy issue. It is a question of long-term sustainability, competitive neutrality and future models for orchestras operating in structurally constrained markets.

The TSO operates from Hobart, a city of approximately 253,000 people. It has two principal capacity constraints:

- i) Total annual ticket inventory of c. 35,000 tickets
- ii) 312 musician playing calls per year (three-hour blocks of musician time)

The orchestra's capacity to sustain ongoing solvency through traditional concert activity alone is fundamentally limited. Like many orchestras globally, the TSO must look beyond the concert hall toward intellectual property development, new delivery models and scalable products and services to diversify income and mitigate structural financial risk.

TSO is actively pursuing this pathway. The orchestra is currently developing a commercially scalable IP project with global market potential. It is in every sense a commercial start up, yet despite meeting the practical characteristics of innovative R&D (original knowledge creation, technical uncertainty, scalable application and commercial risk) we are excluded from national R&D and innovation incentives and capital under section 355-25(2)(d) of the Income Tax Assessment Act 1997. This provision explicitly excludes research in social sciences, arts or humanities.

The consequences of this exclusion are material – as detailed the TSO case study (CANZO submission and attached at Appendix 1). Fortunately, it can be relatively easily unwound, and Australia's creatives can contribute their ingenuity and vast intellectual capital to the nation's problem solving and commercial innovation agenda.

Thus, TSO is a vigorous advocate for the CANZO recommendation to reform the R&D Tax Incentive via an IISA administrative determination *and* a Treasury Laws Amendment (removing the exclusions listed above). Also to recognise Arts and Culture under the Industry Growth Program and National Reconstruction Fund.

TSO supports all other LPA and CANZO recommendations:

- a) Introduce a Live Performance Production Incentive
- b) Strengthen the underlying financial settings for philanthropic giving
- c) Build Innovation Capability: Arts DISR Governance – and measures detailed
- d) Connect Cultural Capability to National Systems

For orchestras and major performing arts companies, innovation is no longer optional. It is essential for financial resilience, audience development and national relevance. The TSO aspires to be a global leader in orchestral R&D, digital capability and creative innovation. All of this, from regional Australia. However, without policy settings that recognise us as legitimate participants in Australia's innovation economy, we, and our colleagues remain exposed to growing structural risk and existential dependence on public investment

Revive 2.0 presents an opportunity to complete the unfinished work identified in *Revive: A Place for Every Story*: aligning cultural ambition with the structural, fiscal and innovation settings required to sustain it.

Thank you very much for this opportunity and for your consideration. It is appreciated enormously.



Caroline Sharpen

CEO

23 May, 2026

APPENDIX 1 | TSO CASE STUDY

Extract from: Coalition of Australian NZ Orchestras Submission

CASE STUDY 1:

Tasmanian Symphony Orchestra: Capital Markets Barrier and Emerging IP Project

Primary relevance:

Recommendation 4: Connect Cultural Capability to National Systems

Summary

The TSO operates in a city of approximately 253,000 people, with a fixed ticket inventory of around 35,000 seats and 312 playing calls per year. These structural constraints mean the orchestra cannot grow revenue through its core business alone. Its long-term financial sustainability depends on developing IP-based products and services, activities that meet the definitional criteria for R&D investment but are currently excluded from the R&DTI framework.

In 2024, following TSO's donor roadshow, a high-net-worth patron offered R&D funding through a company he had established specifically to fund medical and scientific research, structured to maximise capital growth via the R&DTI. Upon investigation, the patron discovered that TSO was ineligible as an R&DTI recipient under s355-25(2)(d) ITAA 1997. Thus, the opportunity and capital were lost to TSO.

In 2026, TSO is developing a piece of IP the organisation believes will have global significance. Without R&DTI eligibility, TSO must raise \$3 million startup capital through philanthropic means, precluding the offer of equity positions or dividend shareholdings – and providing a much less attractive tax offset relative to the R&DTI. This places TSO at a structural disadvantage compared to any equivalent commercial R&D entity.