

## **Submission to consultation on the development of Australia's new National Cultural Policy**

**Merrigong Theatre Company** is Australia's largest regional theatre company, and widely recognised as one of the most progressive and prolific regional arts organisations in Australia.

In its hometown of Wollongong, on Dharawal country on the NSW South Coast, Merrigong manages one of Australia's busiest, most dynamic venues – Illawarra Performing Arts Centre, as well as the city's key civic and community venue, the Wollongong Town Hall. Here Merrigong presents a diverse annual season of theatre, dance and children's programming, including work sourced from Australia's finest performing arts companies, self-produced work, acclaimed international productions, and innovative contemporary work from new companies and independent artists.

Under Artistic Director Simon Hinton, Merrigong produces, presents and tours exciting contemporary theatre and supports the development of a wide range of theatre makers. The company's industry-leading artist development and producing programs, including the MerrigongX Artists' Program, First Nations Program, Artist Wellbeing Program, and The Strangeways Ensemble, collectively deliver significant impact for regional artists, arts workers and audiences in regional NSW. With the company's productions now touring to venues and festivals around Australia and internationally, Merrigong is frequently cited as one of the great success stories of regional theatre in Australia.

As a proud member of both Live Performance Australia and PAC Australia we would like to endorse the submissions of those two key peak industry organisations to this consultation. Additionally, we support the submission made by the Australian Live Performance Export Alliance to recognise live performance export and international engagement as critical to the careers of Australian artists, the reputation of Australia overseas and the long-term viability of the performing arts ecology.

Beyond those submissions, Merrigong would like the following specific recommendations to be considered in the formulation of the new National Policy:

### **1) Fund for Success not Survival**

Government arts funding in Australia has, out of necessity, long been focussed on a desperate attempt to supporting a fragile array of artists and companies, spreading funding so thin in order to (barely) keep alive a wide, diverse sector, but allowing very few to truly flourish. This approach, while understandable, and compassionate in its intent, has been decidedly un-strategic. With Government arts funding so scarce, disparate, and competitively pursued, the culture of funding in Australia has been to support activity that could not survive without funding, deeming anything with even a slight chance of commercial success as not requiring support. This approach has become so deeply entrenched that much of what is funded is work with little or no chance of any commercial return for the sector, meaning that work which might be able to contribute financially to the ongoing strength and sustainability of the sector and attract other forms of investment is given no Government support. The sector is in desperate need of developing successful, sustainable models of commercial success, and Government funding should be refocussed to support projects, companies and artists that show evidence of potential for ongoing commercial success which can in turn contribute to long-term sector health. To put it bluntly, Government support needs to focus more on pouring petrol on small fires, rather than attempting to start fires on damp ground – where there is no sign of potential Box Office success – as it currently does.

### **2) Fund Artists and Audiences**

Far more attention needs to be given by Government and its funding structures to the development of audiences, not just artists (though ideally far more would be provided for artists too). Very little long-term work or strategy development has been undertaken on the development of audiences in our sector. For an industry which, by any objective assessment, has more of a demand problem than a supply one, it is perhaps puzzling that almost all

Government support seems to focus on supply (artists), rather than demand (audiences). The sector now finds itself in a parlous state, where skyrocketing costs, coupled with static or reduced funding, has collided with a period of audience downturn due to a cost-of-living crisis. With little or no sector-wide work having been done to develop sustainable long-term audiences, the basic business model of most performing arts organisations is under threat. Consideration should be given to a realignment of Government arts funding to address audience development programs, to fund work that is audience-driven or focussed, and to consider direct funding for audiences through such market interventions as regular cultural voucher programs or the like, which have proven successful in overseas jurisdictions, and in recent post-COVID recovery programs in Australia (such as NSW's Dine and Discover Vouchers).

### **3) Develop Australia's 'Second Cities' as gateway hubs for regional audiences**

The size and distribution of Australia's population presents a challenge to the economics of producing and touring performing arts works of scale that audiences actually want to attend in large numbers. An opportunity exists for the development of a robust second-tier market for the sector, one which could make investment in such works attractive for commercial producers, who currently struggle to recoup investment on capital city seasons alone. The development of a viable second-tier market for commercial theatre productions should be a priority goal for Government if the arts sector is to be more sustainable in the future. 'Second Cities' – large regional centres within a couple of hours' drive of capital cities - already play a key role in the national performing arts ecology - hubs that service and develop the more regional and remote audiences that surround their respective regions. Think Wollongong in relation to Sydney, Geelong to Melbourne, Gold Coast to Brisbane etc. The performing arts venues in these Second Cities have sizeable audiences, infrastructure and artistic ambition. Their business and audience development models require a regular supply of large-scale productions that are artistically compelling and that can generate significant sized audiences. While in many international markets (e.g. the UK), the pathways for work of scale between the capital city market and the second-tier markets is well established and built in to the planning and business model of these works from the beginning, in Australia it has largely been an afterthought, an endeavour fraught with costly remounts, redesigns, excessive transfer costs, and the like. The Second Cities venues in Australia are already doing much of the 'heavy lifting' in getting larger subsidised companies (the National Performing Arts Partnership Framework (NPAPF) companies), as well as major commercial producers, touring beyond the capital cities. However, supply of this scale of work is unreliable, and poorly supported (if at all) by the sectors' producing, touring and funding structures. This highlights a structural funding issue which often makes the cost of presenting such works of scale outside capital cities prohibitively high. Namely that the only national support for touring to regional audiences, the Playing Australia program, is exclusively focussed on the touring of work to venues with ARIA codes indicating 'regional' or 'remote' status, which excludes almost all second-tier markets in the country (which are generally classified metropolitan or outer metropolitan). A more strategic approach would be to consider the postcode of the audience, rather than the venue. Data shows that regional and remote audiences are attracted to the type of works of scale that cannot usually be presented in their own towns, but that they are drawn into the regional hubs of the Second Cities to attend them when they are regularly presented. Playing Australia needs to be reformed, or other programs created, to assist with the touring costs of these works, and significant investment over the coming decades should be considered to develop the Second Cities as significant regional arts hubs, creating a robust, viable second-tier market for the performing arts nationally.