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30 May 2026

The Hon. Tony Burke MP
Minister for the Arts
Via: [redacted]
National Cultural Policy 2026

Five Structural Reforms for Australian Performing Arts

Dear Minister Burke,

Opera Australia welcomes the Australian Government's National Cultural Policy consultation and its ongoing commitment to successive national cultural policies. We value the chance to participate in this open process, building on the strong foundation established by Revive: A place for every story, a story for every place.

Australia now has an opportunity to build on the strong foundation established through Revive and use the next National Cultural Policy to deliver a small number of structural reforms that would materially strengthen the long-term sustainability, audience reach and global competitiveness of the Australian performing arts sector.

The most significant opportunities are not new programs. They are targeted changes in production incentives, tax treatment, touring frameworks, cultural infrastructure coordination and cultural investment incentives.

Our proposed structural reforms, detailed in this submission, include:

Live Performance Production Incentive (LPPI)
GST Reform for Live Performance
National Touring, Export and Co-Production Framework
National Cultural Infrastructure Coordination
Cultural Investment and Philanthropy

We welcome the opportunity to continue working with Government and the Expert Panels as the next National Cultural Policy is developed.

Yours sincerely

[redacted]

Professor Glyn Davis AO
Chair, Opera Australia

[redacted]

Alex Budd
Chief Executive Officer, Opera Australia

OPERA AUSTRALIA

National Cultural Policy 2026
Five Structural Reforms for Australian Performing Arts

Who we are

Opera Australia makes this submission as Australia's national opera company and the largest employer in the performing arts. Alongside other major arts organisations, we play a central role in supporting a national performing arts sector in which organisations of all sizes can create, employ and connect with audiences throughout the nation.

Our impact is reflected in employment, audience reach, skills development and economic contribution across Australia. It is also reflected in the civic pride and cultural identity generated in the cities, towns and regions where our work is seen, experienced and shared.

Sector Context

- In 2025, Opera Australia employed more than 1,300 people, generated revenue of $122.8 million and delivered 457 performances throughout Australia.
- Opera Australia employs one of the largest concentrations of professional singers, musicians and production staff in the country. Half of our workforce are artists and musicians, with another third being technical and production employees supporting our performances.
- We are part of a performing arts sector that reaches more than 5.4 million Australians each year, employs over 11,000 people, and contributes to cultural and creative industries worth $64 billion, or around 2.5% of GDP.

Our submission

Our submission focuses on five key recommendations centred around structural reform for the sector. Implemented together, these policies would fundamentally strengthen the current cultural policy, supporting a sustainable arts sector for the long term.

If adopted, these reforms would:

- encourage and support new Australian work
- retain and develop Australian creative talent
- unlock investment
- increase creative output and production activity
- expand audiences
- strengthen national cultural infrastructure

These recommendations build on the pillars of Revive: A place for every story, a story for every place, by focusing on the structural settings needed to support artistic ambition, national reach and long-term sustainability.

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Priority #1
Live Performance Production Incentive (LPPI)

Establish a Live Performance Production Incentive (LPPI): a 40 per cent offset on qualifying production costs, delivered as a tax offset for taxpaying entities and a rebate for non-taxpayers.

The Live Performance Production Incentive (LPPI), endorsed by Live Performance Australia and by the National Performing Arts Partnership (NPAP) organisations in our sector-wide submission, is a transformational opportunity for the creative industries. It aligns with sector-wide advocacy and reflects growing consensus around the need for production-based incentives that support both commercial and not-for-profit live performance. Modelled on successful initiatives in the UK and the Australian screen industry, **this change could be the most significant structural policy intervention for Australian live performance in decades**.

Live performance now operates within an increasingly global production economy. Major productions, sets, costumes, technical infrastructure and creative development are internationally mobile and can be commissioned, built and rehearsed in jurisdictions with more competitive production incentives and policy settings. Without comparable mechanisms, Australia risks losing production capability and creative development. This also includes the loss of technical skills, production expertise, and Australian-owned intellectual property.

Opera Australia operates across both subsidised and commercial production models and has direct experience of the financing pressures affecting contemporary live performance production. This gives the company direct insight into how production incentives can unlock additional activity, employment, touring and audience reach.

The LPPI would help establish Australia as a more competitive production jurisdiction for live performance while strengthening domestic creative capability and employment.

If adopted, the LPPI would:

- increase Australian creative, technical and production employment
- encourage productions to be developed, built and toured within Australia
- attract greater private investment and philanthropy into Australian live performance
- expand the creation and international presentation of Australian stories, including large-scale First Nations work
- strengthen regional, national and international touring capacity
- grow export opportunities and cultural diplomacy outcomes through international partnerships
- support more sustainable long-term operating models for subsidised performing arts organisations
- increase audience reach and access through greater production scale and output

Priority #2

GST Reform for Live Performance

Reform the GST treatment of live performance ticketing for charity-endorsed and Deductible Gift Recipient (DGR) organisations by:

- allowing all eligible ticket sales to be treated as **GST-free**; or alternatively
- revising the 75% cost-of-supply calculation methodology within section 38-250 of the GST Act to **increase the effective GST-free threshold** available to eligible organisations; and
- permitting GST eligibility to be assessed at the production or season level using an **average ticket price methodology**, as an alternative to assessment based on individual ticket classes.

The current GST framework for live performance creates significant administrative complexity, compliance risk and disincentives for incremental revenue growth. Under the existing application of section 38-250 of the A New Tax System (Goods and Services Tax) Act 1999, GST-free treatment is determined by reference to individual ticket prices relative to a prescribed cost threshold. The underlying calculation methodology has remained effectively unchanged since July 2000 despite substantial changes in operating models, cost structures, ticketing systems, pricing practices and audience behaviour.

The current approach is administratively burdensome and poorly suited to contemporary subsidised live performance, where productions commonly contain multiple ticket classes, dynamic pricing structures, subscription packages and varying access initiatives across a single season. For example, a single production may include premium seats, subscription discounts, school or access prices and dynamic pricing adjustments, each of which can create different GST treatment despite being part of the same production economics.

Reform should focus on simplifying compliance, reducing retrospective tax risk and supporting more sustainable revenue growth within subsidised live performance organisations. The financial impact of reform would be significant. Based on Opera Australia’s 2025 ticket sales, GST-free treatment of eligible ticketing could have released approximately $3 million in a single year for reinvestment into artistic activity, workforce development, touring, audience access and the development of new Australian work. Across the broader subsidised performing arts sector, the cumulative impact would be substantially greater, creating additional capacity **without increasing direct government expenditure**.

The preferred reform would allow all ticket sales by eligible charity-endorsed and DGR live performance organisations to be treated as GST-free.

Alternatively, the Government could revise the 75% cost-of-supply calculation methodology underpinning section 38-250 to better reflect contemporary operating models, cost structures and ticketing practices within subsidised live performance, including reforms that increase the effective GST-free threshold available to eligible organisations.

A further complementary reform would permit GST eligibility to be assessed at the production or season level using an average ticket price methodology, while retaining the existing ability to assess GST treatment by reference to individual ticket classes. This would reduce administrative burden while providing greater pricing flexibility and certainty.

If adopted, these reforms would:

- simplify GST administration and reduce compliance costs
- reduce retrospective taxation risk arising from complex ticket pricing structures
- remove structural disincentives to incremental revenue growth

- support more sustainable operating models for subsidised live performance organisations
- provide greater flexibility to balance commercial revenue with accessibility and community pricing initiatives
- redirect resources currently absorbed by GST into productions, touring, workforce development, audience access and new Australian work
- establish a more consistent and contemporary national taxation framework for subsidised live performance

Opera Australia recognises the complexity and broader policy implications of GST reform in this area and would welcome the opportunity to work collaboratively with Government and relevant agencies to explore practical implementation **models that support both sector sustainability and broader Government policy objectives.**

Priority #3
National Touring, Export and Co-Production Framework

Reinstate and expand Playing Australia/Playing the World touring support to reflect actual touring costs, provide multi-year agreements and invest in digital infrastructure that extends live performance to regional, remote and international audiences while strengthening Australia's cultural exports and Asia-Pacific engagement.

Australia currently lacks a coordinated national touring, export and co-production framework for live performance. Existing funding programs have not kept pace with the rising costs and increasing complexity of national touring, nor with the strategic opportunities presented by international cultural exchange, co-production, and export markets. Current project-based funding structures also limit the long-range planning required for large-scale live performance touring.

Touring supports audience development, workforce sustainability and national cultural cohesion. International touring also strengthens cultural diplomacy, generates export income and expands Australia's creative engagement within the Asia-Pacific region. Touring also supports the development and commercialisation of Australian creative intellectual property in international markets. Existing international touring programs remain heavily oversubscribed and are not scaled to contemporary touring costs or opportunities.

Playing Australia should be expanded and indexed to reflect the real cost of touring across Australia, particularly to regional and remote communities. Multi-year funding agreements would support more ambitious touring models, longer-term audience development and enduring partnerships between producers, presenters and venues.

Existing national co-production and collaboration frameworks should also be periodically reviewed to ensure they remain aligned with contemporary production economics, touring models and international partnership opportunities. Legacy mechanisms, including Opera Conference funding arrangements, were established in a different production environment and should be assessed alongside and considered as part of broader national cultural development initiatives, including the Major Festivals Initiative, to explore more integrated approaches to commissioning, co-production, touring and international presentation.

If adopted, the updated framework would:

- expand access to live performance for regional and remote Australian communities
- strengthen audience development and cultural participation nationally
- support long-term employment and workforce sustainability across the live performance sector
- encourage more ambitious national touring models and multi-year partnerships
- support more integrated national approaches to co-production, commissioning and international cultural presentation

- strengthen cultural diplomacy and Australia's creative engagement within the Asia-Pacific region
- increase export opportunities for Australian productions, artists and creative industries
- support cultural programming and international engagement opportunities associated with Brisbane 2032

Priority #4
National Cultural Infrastructure Coordination

Recognise and coordinate the structural alignment between performing arts companies, major performing arts venues and all levels of government.

Performing arts companies and the venues in which they perform are structurally interdependent. The next National Cultural Policy should recognise this relationship and establish a formal mechanism for coordination between governments, major cultural institutions and venue operators on long-term cultural infrastructure planning.

The Federal Government plays a primary role in supporting national and major performing arts companies: their artistic output, workforce development, touring activity, audience reach and long-term sustainability. State and local governments have a central role in supporting the venues, precincts and civic infrastructure through which that work reaches the public. Greater coordination between governments also creates opportunities to strengthen connections between federally supported cultural organisations and state-supported education systems, particularly in audience development, arts participation and creative workforce pathways.

While the funding, ownership and management of companies and venues often sit within different jurisdictions and policy frameworks, the success of the performing arts depends on the strength of the partnership between those who create the work and those who enable it to be experienced by the public. The artistic, civic and economic impact of the sector is most fully realised when companies and venues operate in close alignment, and investment in companies, venues and cultural infrastructure is coordinated toward shared outcomes.

If adopted, a coordinated national framework would:

- ensure that investment in companies, venues, and cultural infrastructure is coordinated, complementary and directed toward shared national outcomes
- align company funding with venue and infrastructure planning and support long-term planning and operational certainty across the performing arts sector
- reduce fragmented decision-making and strengthen coordination between governments, venues and cultural institutions
- strengthen pathways between cultural institutions, education systems and future creative workforce development

Priority #5
Cultural Investment and Philanthropy

Strengthen cultural investment and philanthropy through targeted incentives that encourage private capital to support new Australian work, cultural infrastructure, sector reserves and long-term artistic development.

Opera Australia encourages Government to consider increasing the tax deductibility of philanthropic gifts, regardless of size, and extending equivalent incentives to non-cash donations, such as shares and property. These measures would help broaden the donor base and encourage a stronger culture of long-term philanthropy across the not-for-profit sector, while recognising that different philanthropic giving mechanisms can support increased investment in arts and cultural organisations.

Any enhanced incentive should be designed with clear safeguards, public benefit tests and appropriate caps so that it stimulates cultural investment without creating open-ended tax exposure or privileging arts donations over other charitable causes.

In addition to philanthropic giving, the next National Cultural Policy should consider mechanisms that encourage investment in Australian creative content and allow Australian arts companies to benefit from the commercialisation of intellectual property they help create. This could include targeted investment vehicles, matched funding or production finance mechanisms linked to new Australian work.

Opera Australia also endorses Live Performance Australia's proposal for a sector-wide Reserves Rebuild Fund. This proposal should be targeted to organisations with clear public benefit obligations, transparent reserve policies and demonstrated need. Thin or exhausted reserves remove performing arts organisations' capacity to absorb future shocks, invest in new work, or take the creative risks that distinguish world-class performing arts. A dedicated fund to restore reserve levels is a precondition for long-term sustainability.

If adopted, these measures would:

- leverage private capital into public cultural outcomes
- foster ongoing philanthropy throughout the entire arts sector
- strengthen the long-term financial sustainability and resilience of arts organisations
- increase the sector's capacity to invest in new productions, workforce development and audience growth
- encourage broader participation in cultural philanthropy through more accessible and flexible giving structures
- increase investment in Australian creative intellectual property and support arts companies to retain a greater share of long-term commercial value

Opera Australia recognises that structural reform must sit alongside continued investment in artistic, workforce and audience development. The following examples demonstrate how Opera Australia is already contributing to the objectives established through Revive and the broader National Cultural Policy framework.

Opera Australia's Contribution to National Cultural Policy Objectives

Through its artistic program, workforce investment and national partnerships, Opera Australia continues to contribute to the objectives established through Revive: A place for every story, a story for every place. Our work also contributes to the broader public policy objectives, including social cohesion, wellbeing, skills development and the responsible adoption of emerging technologies. Recent initiatives include:

- commissioning and presenting major new Australian work, including large-scale First Nations productions and collaborations with Australian artists and creatives
- expanding audience access through national touring, digital initiatives and partnerships with venues and presenters across Australia
- investing in artist development and long-term career pathways for singers, musicians, creatives, technicians and arts workers
- strengthening international partnerships and co-productions with leading companies and festivals
- supporting one of the largest concentrations of performing arts employment and training in Australia
- contributing to Australia's international cultural profile through touring, partnerships and globally recognised productions

The reforms proposed in this submission are intended to strengthen the structural settings that support this work across the broader Australian performing arts sector.

Conclusion

Australia's next National Cultural Policy has the opportunity to carry forward the ambition of *Revive* while addressing the structural conditions that will determine whether the performing arts can thrive over the next decade. Australia does not lack artistic capability. It lacks the policy settings needed to support artistic ambition and long-term sustainability.

Our five recommendations are practical, targeted and mutually reinforcing.

Opera Australia welcomes the opportunity to continue contributing to the development of Australia's next National Cultural Policy and would be pleased to provide any further information that may assist the Government or Expert Panels. We can be contacted through the Office of the CEO via Hannah Bourke: [redacted]