



ALGA
Australian Local
Government Association

ALGA Submission to the new National Cultural Policy 2026

Introduction

The Australian Local Government Association (ALGA) is the national voice of local government in Australia. We represent 538 councils through a federated structure of seven state and territory Associations (Member Associations).

Originally founded in 1947, ALGA is the only peak body that represents and unites local government across Australia to influence national priorities, shape effective public policy and drive targeted outcomes in every corner of the nation.

This submission should be considered in conjunction with any submissions made by Member Associations and individual local governments.

Overview

ALGA welcomes the opportunity to contribute to the development of the new National Cultural Policy. This review provides a timely opportunity to respond to emerging priorities and ensure that local government is appropriately recognised as a key place-based delivery partner in arts and culture.

ALGA considers that the five pillars established in *Revive: A place for every story, a story for every place* are complementary and collectively support strong outcomes for Australia's arts and cultural sector. Accordingly, this submission does not address each pillar individually but instead focuses on two priority issues that constrain local governments' capacity to support cultural infrastructure, participation and community outcomes.

Decision-making and policy setting

ALGA seeks **recognition of local government as a core partner in arts and culture service delivery and infrastructure is vital.**

Local governments play a critical and often under-recognised role in sustaining Australia's arts and cultural life. They are the primary on-the-ground investors and enablers of place-based creative activity, supporting everything from community festivals, libraries, galleries and museums to public art, creative placemaking, First Nations cultural programs and local creative industries.

This leadership helps drive the visitor, tourism and night-time economies, and support employment, particularly in regional and remote areas. Beyond their economic impact, arts and culture contribute to community mental health, social cohesion and resilience, including preparedness for and recovery from natural disasters. When embedded in place-based planning and development, they enrich public spaces and strengthen local cultural identity – demonstrating that arts and culture are not optional extras but core to vibrant, inclusive and economically resilient communities.

Local Governments' proximity to, and deep knowledge of, local communities puts them in a unique position to support place-based arts and local cultural practices that provide welcoming and inclusive communities for all members and visitors.

However, despite their significant contribution to arts and culture, local governments are largely absent from the most recent National Cultural Policy. The development of a new National Cultural Policy provides an important opportunity to address this gap and ensure local government perspectives are reflected in national cultural planning, investment and program design.

Recommendation 1: ALGA recommends that the National Cultural Policy explicitly recognises the key role local governments play in arts and culture across Australia.

Funding constraints

ALGA seeks recognition of the **need for funding for local government's role in cultural infrastructure, programming and community participation.**

The primary source of funding for local governments is the Federal Financial Assistance Grants. However, these grants have steadily declined—from 1 per cent of Commonwealth taxation revenue in 1996 to 0.51 per cent prior to the most recent Federal Budget, and now just 0.49 per cent.

Given the broad range of essential services local governments deliver—including roads, waste, recycling, planning and development, domestic animal services, community health—this declining funding base leaves councils with very limited capacity to support and invest in arts and culture, despite their strong commitment to doing so.

Yet compared to other tiers of government, local governments are carrying a growing share of financial responsibility for arts and culture. The Cultural and Creative Statistics Working Group at the Australian Office for the Arts estimates expenditure of \$2,157.8 million by Local Government in 2023–24 for cultural activities. This represented 25% of the total government funded expenditure on cultural activities, and a Local Government sector expenditure increase of 18% (or \$331.1 million) between 2021–22 and 2023–24. This growing contribution is not matched by dedicated, ongoing funding streams, placing increasing pressure on councils to sustain cultural infrastructure, programs and services for their communities

Recommendation 2: ALGA recommends a significant uplift in local government formula-based, untied funding (Financial Assistance Grants) for local government to provide greater certainty and capacity to invest in cultural infrastructure, programming and community participation.

Infrastructure

Local governments are major stewards of cultural infrastructure, owning nearly 75% of arts venues nationwide and directly managing 66% of them. Key assets include performing arts centres; public galleries; theatres; museums; libraries; and public areas and multipurpose creative spaces like town halls, which often function as central community hubs for local art and heritage events. Local governments often face significant funding pressures to ensure this infrastructure is effectively planned, developed, maintained, and enhanced to meet evolving community needs and population growth.

This substantial contribution extends beyond capital investment to include significant ongoing costs, such as the maintenance and upgrade of facilities, as well as the specialised staff required to operate and

deliver cultural programs. State and Commonwealth arts programs, along with independent artists, often rely on the infrastructure and workforce provided by local governments. The Financial Assistance Grants, provide councils the ability to direct funding towards operations, such as cultural centres.

The [2024 ALGA National State of Assets Report](#) highlights the significant need for replacement of local government-owned buildings and facilities - including cultural infrastructure - due to poor condition, function, and capacity. However, the full extent and condition of local government arts and cultural infrastructure is not well understood at a national level. This lack of comprehensive data makes it difficult to assess current capacity, identify gaps and prioritise investment across the sector.

ALGA would welcome a thorough, nationally coordinated audit of the arts and cultural assets and infrastructure owned and managed by local governments. This would establish a benchmark evidence base to inform future policy, funding priorities and investment decisions, and support more strategic, coordinated planning across all levels of government. The last available economic activity report on the arts was conducted in 2018, and benchmarked Local Government as the owners of 80.4% of all performing arts infrastructure in Australia.¹

Recommendation 3: ALGA recommends that Creative Australia undertake a comprehensive audit of arts and cultural assets owned and managed by local governments to develop a robust evidence base to inform future policy, funding priorities and investment decisions.

Grants

Many Commonwealth arts and culture funding programs are primarily designed for arts organisations or companies and often exclude local government applicants. This is evidenced in major programs such as the National Performing Arts Partnership Framework and the Visual Arts, Craft and Design Partnership Framework 2025–2028.

These exclusions create a significant barrier to councils' ability to sustain and invest in cultural infrastructure, programs and community participation. Given the scale of local government's contribution to the cultural sector, it is critical that councils are recognised as eligible applicants across relevant funding streams.

Recommendation 4: ALGA recommends that local governments be explicitly recognised as eligible arts organisations under all Australian Government arts and cultural funding programs, ensuring councils can access funding on an equitable basis to support cultural infrastructure, programming and community participation.

Conclusion

Local government investment underpins cultural and creative activity in communities across Australia. However, this contribution is not consistently reflected in national policy or funding settings. It is therefore essential that local government is represented in arts and cultural decision-making, and that councils are provided with sustainable funding to maintain infrastructure and deliver programs that support cultural participation and community wellbeing.

A new National Cultural Policy should explicitly recognise local government as a core delivery partner, provide more sustainable and predictable funding, build a stronger national evidence base on local

¹ <https://paca.org.au/wp-content/uploads/2019/08/2017-PAC-Aust-Economic-Activity-Report.pdf>

cultural infrastructure, and ensure councils are eligible for relevant Commonwealth cultural funding programs.

Sincerely,



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