



Australian Government

Australia  
Council  
for the Arts 

# Valuing the arts

Annual Report  
2018-19



# Letter of transmittal

Minister for Communications, Cyber Safety and the Arts  
Parliament House  
Canberra ACT 2600

September 2019

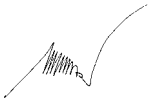
Dear Minister,

On behalf of the Board of the Australia Council, I am pleased to submit the Australia Council Annual Report for 2018-19.

The Board is responsible for the preparation and content of the annual report pursuant to section 46 of the *Public Governance Performance and Accountability Act 2013*, the *Public Governance Performance and Accountability Rule 2014* and the *Australia Council Act 2013*.

The following report of operations and financial statements were adopted by resolutions of the Board on 29 August 2019.

Yours faithfully,



**Sam Walsh AO**  
Chair, Australia Council

# Contents



<b>Agency overview</b>	<b>2</b>	<b>Management and accountability</b>	<b>90</b>
Chair report	4	The Australia Council Board	92
CEO report	6	Committees	99
About the Australia Council	8	Accountability	104
What we do	12	Management of human resources	108
Funding overview	15	Organisational structure	116
		Ecologically sustainable development	117
<b>Annual performance statement</b>	<b>22</b>	<b>Financial statements</b>	<b>120</b>
<b>Our impact</b>	<b>40</b>	List of requirements – corporate	
Individual artists	42	Commonwealth entities	160
Arts organisations	48		
Small to medium arts organisations	50		
Major Performing Arts companies	54		
Government initiatives	58		
First Nations arts	62		
Regional arts	66		
International arts	70		
Capacity building	74		
Research and evaluation	78		
Advocacy	82		
Co-investment and partnerships	86		



# Agency **overview**





Karina Utomo performs in the 2019 Perth Festival production of Cat Hope's *Speechless*, produced by Tura New Music. Credit: Toni Wilkinson.

# Chair report

**There is enormous public value generated through the arts for the whole of civil society - the arts contribute significantly across our nation's health, education, industry, global affairs and more.**

As a society, I believe we must afford far greater recognition to the value of the arts and creativity - which has been proven time and time again - to our wellbeing, our social cohesion, our economy, our daily lives. Australia's arts and creativity are integral to our cultural fabric and are among our nation's most powerful assets. Investing in arts and creativity is investing in our social, economic and cultural success.

I have greatly enjoyed my first year at the helm of Australia's national arts agency. On behalf of the Board, the Australia Council staff and the arts sector, I would like to sincerely thank Tony Grybowski who concluded his term as CEO in October 2018, for his tireless service, vision and dedication to the arts. I would also like to warmly welcome our new CEO, Adrian Collette AM, and our new Board members, Ms Tina Arena AM, Mr Mario D'Orazio and Mr Darren Rudd, all of whom bring significant experience and a longstanding commitment to Australian arts and creativity.

In 2018-19 the Australia Council invested in activity that delivered the immense intrinsic value of enriching arts experiences through to broader impacts that reverberate across society and will continue to do so into the future.

We invested in arts experiences that reached 22.6 million people across the globe. We cultivated creativity and innovation, supporting the creation of more than 9,500 new Australian works. Four Year Funded Organisations presented almost 1,000 world premieres of new Australian

works and Major Performing Arts companies employed almost 10,000 people.

We strengthened international partnerships, our international reputation and Australia's soft power capabilities through support for more than 3,300 arts activities in 55 countries. We have seen audiences increase by 58% in Asia where we have increased our strategic investment to support Australian artists' engagement and success.

This is our final annual report under our strategy for *A Culturally Ambitious Nation* (2014-2019). I am looking forward to the next five years under our new strategy *Creativity Connects Us* (2020-2024). I would like to thank the arts sector and many others for their engagement in our consultation on this new strategy, as well as consultation around the Major Performing Arts Framework and National Indigenous Arts and Cultural Authority (NIACA) over the course of 2018-19. Let us continue to work together with the common goal of supporting a stronger arts and cultural sector in Australia which will deliver even greater social, cultural and economic benefits.

We know that cultural and creative activity already provides \$112 billion to Australia's GDP, and that cultural and creative industries provide 80% more value to the economy than agriculture, forestry and fishing.<sup>1</sup> We also know that artists and creatives are increasingly positioned as major global influencers alongside growing recognition that global leadership in fostering creativity is needed to support jobs of the future and drive economic growth.

<sup>1</sup> The cross-industry comparison is based on Gross Value Added. BCAR 2018, *Cultural and creative activity in Australia, 2008-09 to 2016-17*. ABS 2018, Australian System of National Accounts, 2017-18 (Cat. no. 5204.0).

A close-up portrait of Sam Walsh AO, an older man with glasses, wearing a dark suit, white shirt, and yellow tie. He is smiling slightly and looking towards the camera. The background is blurred.

**“As a society, I believe we must afford far greater recognition to the value of the arts and creativity”**

The arts drive regional growth and tourism and share uniquely Australian stories with the world. They are integral to healthy child development and can meet pressing challenges to our nation’s health and wellbeing including loneliness, mental health and ageing. They make our individual lives better in myriad ways - from the books that transport us across time and space, or the empathetic plays that help us understand the human condition from our stages; to the music that fills us with joy, grief or pleasure, and which can make us move together to a common beat - the arts are a medium of connection which can celebrate and transcend difference all at once.

I would like to thank both the Senator the Hon Mitch Fifield and the Hon Paul Fletcher MP for their commitment to the work of the Australia Council as our arts ministers in 2018-19. I would also like to extend our sincere thanks to the hardworking officers of the Department of Communications and the Arts.

Investment in the arts reflects a commitment to the quality of life of all Australians and we know that even modest investments can deliver substantial impacts and returns. I look forward to working together to ensure there is greater recognition of the true value of the arts and creativity in this country.

A stylized signature of Sam Walsh AO, consisting of a series of vertical lines of varying heights followed by a curved line.

**Sam Walsh AO**  
Chair, Australia Council

# CEO report

**In 2018–19 we stood amidst change on many fronts. As we look to the future, I see an increasingly powerful role for the arts and creativity in this nation – in generating empathy that can connect us across social divides and as the fuel that can ignite our social, cultural and economic success.**

At the Australia Council we are striving to ensure that the full potential of Australian creativity can be realised in a society that recognises and embraces the immense public value of the arts.

The past year marks a changing of the guard at the Council. I acknowledge the vision and legacy of my predecessor, colleague and friend, Tony Grybowski, who concluded his five year term as CEO in October 2018. Tony had a future-focused, long term vision and set in place many important foundations: from new business systems to support our work into the future, and a move to new premises at Pyrmont in August 2019 which will see the whole organisation working collaboratively together on one floor; through to major reform of our grants programs, the strength of our research program, and our internationally recognised capacity building programs which benefited more than 630 arts leaders in 2018–19.

I am pleased to deliver the final annual report under the Council's strategic plan for *A Culturally Ambitious Nation* (2014–2019). Over the lifetime of this strategy, the Council's investment and initiatives have grown the profile and reach of Australian arts experiences. We have seen increasing international recognition, opportunity and demand for Australian arts, and more Australians now recognise their positive impacts on our lives and communities.<sup>1</sup> More than ever, Australians are engaging with First Nations arts – for their beauty, strength and power, and to understand who we are as a nation.

First Nations peoples' self-determination and leadership are vital to our collective prosperity and the Council recognised a record number of First Nations artists this year through the Australia Council Awards and fellowships as well as the National Indigenous Arts Awards. We also provided interim secretariat support to the First Nations arts sector for the development of a National Indigenous Arts and Cultural Authority (NIACA), including the facilitation of 44 consultations across Australia. The need for a NIACA has been discussed for many years and it is exciting to see national momentum build.

I am happy to report that the success of the Council's refinements to our model for the Biennale Arte in Venice were evident in the extraordinary press coverage and critical and public response to this year's exhibition at the Australian Pavilion. Our success begins and ends with the quality of the art, and artist Angelica Mesiti and curator Juliana Engberg have done us proud. I will say, simply, that I found *ASSEMBLY* – which examined the themes of community, creativity and democracy – elegant, deeply moving, and optimistic. I am delighted that the National Gallery of Australia has committed to showing *ASSEMBLY* as part of their 2020 program before touring the work nationally in 2021. This realises the Council's long held ambition to enable as many Australians as possible to experience the Venice exhibition.

This year the Council made a new commitment of \$750,000 over three years to support structured mentorships and

<sup>1</sup> Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.



**“I see an increasingly powerful role for the arts and creativity in this nation”**



two new national awards for artists with disability. Empowering and celebrating artists with disability is imperative in ensuring that Australia’s rich diversity is truly reflected across the breadth of our arts. Ensuring that our arts reflect our society is a priority under our new strategy *Creativity Connects Us* (2020–2024).

The Council is critically aware of the high quality applications deserving support that we cannot fund within the current scope of our budget. These represent enormous potential to realise greater cultural ambitions for Australia and to maximise the impacts of the arts and creativity that reverberate through our society, economy and culture. Australia’s music exports alone generate an estimated \$195 million each year, as we learned from the first comprehensive report to calculate the international export value of the Australian music industry.<sup>2</sup> This new research affirmed that public funding is crucial to export strategies and has a powerful multiplier effect.

Our partnerships with universities, cultural institutions and arts agencies have grown in 2018–19, with the Council collaborating on projects with more than 30 organisations across these sectors. These partnerships

contribute significantly to our research and knowledge creation as well as opportunities to lead evidence-based public dialogue, advocacy and cross-industry collaboration. Our *Arts Futures* body of research aims to keep growing these networks to ensure the challenges and opportunities of disruption can be identified, understood and harnessed.

I would like to thank the Council’s Executive and staff for their tremendous work this year and for their endless passion for the arts. I would also like to thank the Council’s Chair, Sam Walsh AO, and our Board for their commitment and leadership; and our panel members, peers and partners for their contribution to Australian arts and creativity.

Finally, I want to acknowledge all the individual artists, arts organisations and arts workers who provide such immense value to our nation, as well as the audiences, philanthropists and supporters who work with us to ensure that value is carried into the future.

A handwritten signature in black ink, appearing to read 'Adrian Collette'.

**Adrian Collette AM**  
Chief Executive Officer,  
Australia Council for the Arts

2 Australia Council 2019, *Born Global: Australian music exports. A summary by the Australia Council for the Arts.*

# About the Australia Council

## Our role

The Australia Council (the Council) is the Australian Government's principal arts funding and advisory body. We champion and invest in Australian arts and creativity. We support all facets of the creative process, and are committed to ensuring all Australians can enjoy the benefits of the arts and feel part of the cultural life of this nation.

## Our vision and goals

Our vision for *A Culturally Ambitious Nation* is outlined in our Strategic Plan 2014-19 and Corporate Plan 2018-22, underpinned by four strategic goals:

- Australian arts are without borders
- Australia is known for its great arts and artists
- The arts enrich daily life for all
- Australians cherish Aboriginal and Torres Strait Islander arts and cultures.

This is the Council's final annual report under our Strategic Plan for *A Culturally Ambitious Nation*.

Our new strategy for 2020-24 is outlined in our Corporate Plan 2019-23, published in August 2019. Our vision is that *Creativity Connects Us*, underpinned by five strategic objectives:

- More Australians are transformed by arts experiences
- Our arts reflect us
- First Nations arts and culture are cherished
- Arts and creativity are thriving
- Arts and creativity are valued.

## Our legislation

The Australia Council was established by the *Australia Council Act 1975*. Following independent review of the Council's operations in 2012, the *Australia Council Act 2013* (the Act) commenced on 1 July 2013.

As set out in section 9 of the Act, our functions are to:

- support Australian arts practice that is recognised for excellence
- foster excellence in Australian arts practice by supporting a diverse range of activities
- support Aboriginal and Torres Strait Islander arts practice
- support Australian arts practice that reflects the diversity of Australia
- uphold and promote freedom of expression in the arts
- promote community participation in the arts
- recognise and reward significant contributions made by artists and other persons to the arts in Australia
- promote the appreciation, knowledge and understanding of the arts
- support and promote the development of markets and audiences for the arts
- provide information and advice to the Commonwealth Government on matters connected with the arts or the performance of the Council's functions
- conduct and commission research into, and publish information about the arts
- evaluate and publish information about the impact of the support the Council provides
- undertake any other function conferred on it by this Act or any other law of the Commonwealth
- do anything incidental or conducive to the performance of any of the above functions.

## Access, equality, social impact – infusing daily life with poetry

**Red Room Poetry creates poetic projects and learning programs in collaboration with poets, schools and communities for positive social impact.**

Their mission is to make poetry accessible to all, especially those who face the greatest barriers to creative opportunities. Moving beyond words on a page, their work immerses young people and the public in poetry in interesting and surprising ways.

In 2018, poems written by four Illawarra students were published on the back of buses. The poems incorporated Dharawal language and travelled through the Illawarra from June to September 2018 spanning both Reconciliation and NAIDOC weeks. The project instilled pride in the students while keeping language alive and enriching public spaces with culture – public programs by the Red Room reached an estimated audience of 3.8 million in 2018. Red Room Poetry receives Four Year Funding (2017–20).

Poetry in First Languages on Buses. Image courtesy of Red Room Poetry.







Haiku Hands press shot. Credit: Melissa Cowan.

## Driving economic value by supporting Australian music exports

**Australian music exports are increasing and delivering substantial economic and cultural benefits to the nation.**

The growing international activity and success of Australian music artists has seen revenue from overseas royalties collected by APRA AMCOS double in the past five years. Overall, the combined annual export income of Australian artists, music publishers and record labels is estimated to be approximately \$195 million.<sup>1</sup>

Successful music exporters across all career levels require support and assistance to realise their export strategies. Relatively modest investments from government and industry have a powerful multiplying effect.<sup>1</sup> An Australia Council project grant supported all-female electro-rave-pop act Haiku Hands to undertake a 16 date tour across the UK and Europe in October-November 2018 to continue to build ties with the music industry and international audiences. Headline shows built on existing demand and developed their fanbase, and larger festival performances gave them access to an established audience, acting as an invaluable entry point into the wider European music market.

<sup>1</sup> Australia Council 2019, *Born Global: Australian music exports. A summary by the Australia Council for the Arts.*

# What we do



**The Australia Council champions and invests in Australian arts and creativity through an integrated suite of activities:**

- **we invest in artists and organisations through peer assessed grants, fellowships and awards that enable art to be created and experienced**
- **we advocate for the social, cultural and economic value of the arts and creativity**
- **we provide advice to government on matters connected with the arts**
- **we manage Government-directed initiatives and frameworks in support of the arts**
- **we deliver strategic activity that builds industry capacity, increases markets and audiences for Australian creative work and enables more people to be inspired by and benefit from their creative engagement**
- **we conduct research and analysis that deepens understanding of the role and value of arts and creativity**
- **we collaborate with state, territory and local governments**
- **we partner with others to increase investment in and support for creativity.**

Our programs and strategic initiatives are designed to be complementary, supporting artists throughout their careers, increasing access to the arts and culture, and building the capacity and vibrancy of our national creative and cultural industries – vital contributors to Australia’s culture, identity, society and economy.

As a funding, advisory and development agency, we work strategically and in partnership with others. We leverage our networks and expertise to broker connections, provide strategic advice, increase co-investment and build the profile of Australian arts and creativity.

As a core priority the Council supports the artistic and cultural expressions of Australia’s First Nations peoples, the longest continuous arts and culture makers on earth. This forms part of our commitment to support and advocate for a proud and distinctive Australian creative sector that reflects and celebrates Australia’s diversity, the benefits of which are experienced by all Australians.

The Council’s commitment to diversity is embedded in all aspects of our work, guided by our Cultural Engagement Framework. In 2018-19 we made significant progress on our commitment towards public diversity reporting, including work on how we capture, monitor and track diversity across Council activity as we implemented new systems. We continued to implement our Disability Action Plan and commenced the first year of our new Reconciliation Action Plan, aspiring to cultural excellence in how we employ, engage and collaborate with First Nations peoples, and an organisational culture that includes, involves, considers and respects First Nations knowledge and perspectives, and embeds principles of self-determination.

Image from Sydney Opera House season of PYT Fairfield’s *PLAYLIST*. Credit: Alex Wisser.





## Festivals connecting communities

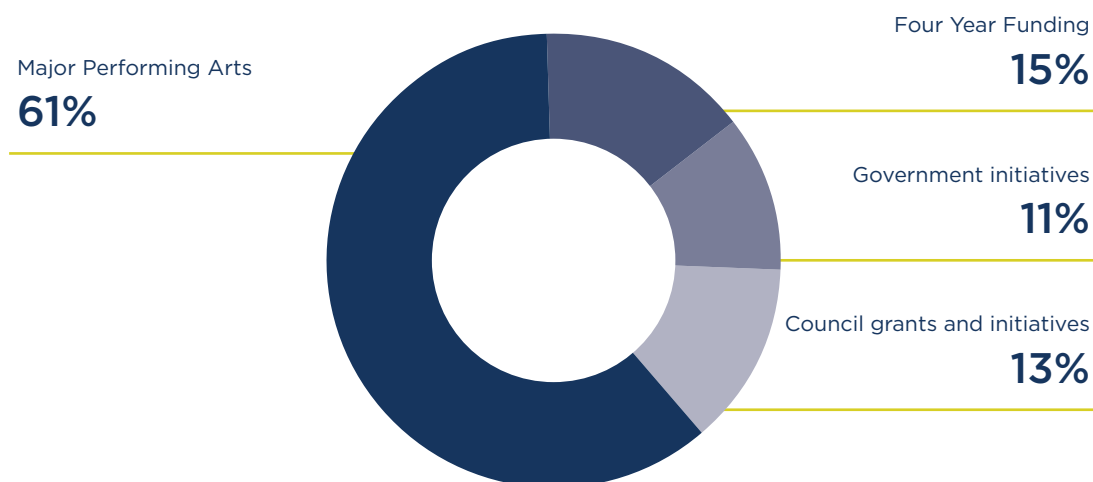
**Festivals in their diverse forms bring people and communities together in immersive arts experiences. Nearly half the Australian population aged 15 years and over (45%), or nine million Australians, attended arts festivals in 2016.<sup>1</sup>**

The Four Winds Festival is a four day festival held over Easter in an exceptional bush setting on the far south coast of NSW. The festival features large scale performances in the venue's iconic 2,000 seat amphitheatre, intimate performances, free community performances, music installations and a program for aspiring young musicians – there are a diverse range of opportunities for the entire community to engage with the festival's artists and their music. An Australia Council project grant supported the festival in 2019, the 20th Easter festival presented by Four Winds.

1 Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.





**Figure 1: Funding overview 2018-19**

\$ Millions	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Four Year Funding <sup>1</sup>	22.8	23.1	22.6	29.0	29.5	28.7
Major Performing Arts	103.1	106.0	107.8	109.1	111.0	113.6
Government initiatives	28.0	28.6	15.4	14.1	24.4	20.2
Council grants and initiatives	45.3	33.8	28.0	24.8	24.3	23.5
<b>Grand total</b>	<b>199.2</b>	<b>191.5</b>	<b>173.7</b>	<b>177.1</b>	<b>189.3</b>	<b>186.0</b> <sup>2</sup>

### Four Year Funding

In 2018-19 the Council provided multi-year operational support to 128 small to medium organisations through the Four Year Funding program, including two strategic organisations and two territory orchestras. The Council also supports the small to medium sector through grants, strategic activity and government initiatives.

### Major Performing Arts

The Major Performing Arts (MPA) Framework supports 29 leading companies in the fields of dance, theatre, circus, opera and orchestral and chamber music. This includes Victorian Opera which transitioned from a Four Year Funded Organisation to an MPA company from January 2019. The MPA Framework is a joint policy of the Australian and state governments and the Australia Council administers funding to the companies on their behalf.

<sup>1</sup> The Four Year Funding program commenced 1 January 2017. Prior to 2017 multi-year funding to small to medium organisations was provided through the Key Organisations program.

<sup>2</sup> The decrease in 2019 grant expenditure compared to the prior year is offset by an increase in programs where the nature of the investment is not direct expenditure into grants. These programs include the Venice Biennale 2019 exhibition which was installed and opened in the 2019 financial year. The combined investment in the arts is consistent with the prior year.

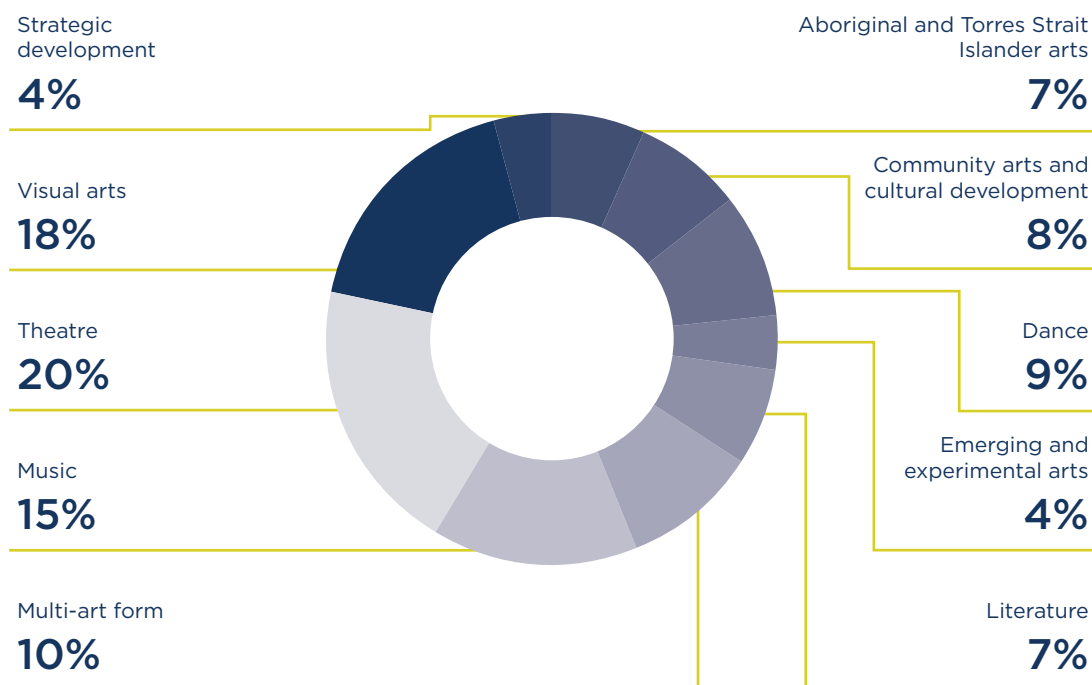
### Government initiatives

The Australia Council delivers a range of funding on behalf of the Australian Government through government initiatives that include the Major Festivals Initiative, the Visual Arts and Craft Strategy, Playing Australia and the Contemporary Music Touring Program. The Council also administers novated Catalyst contracts.

### Council grants and initiatives

Australia Council grants and initiatives support a diverse range of artists, organisations, artistic practice and arts activity through the Council's peer assessed grants, fellowships and awards, and a wide range of strategic development activity delivered nationally and internationally.

**Figure 2: Grants and initiative funding by area of practice<sup>1</sup>**



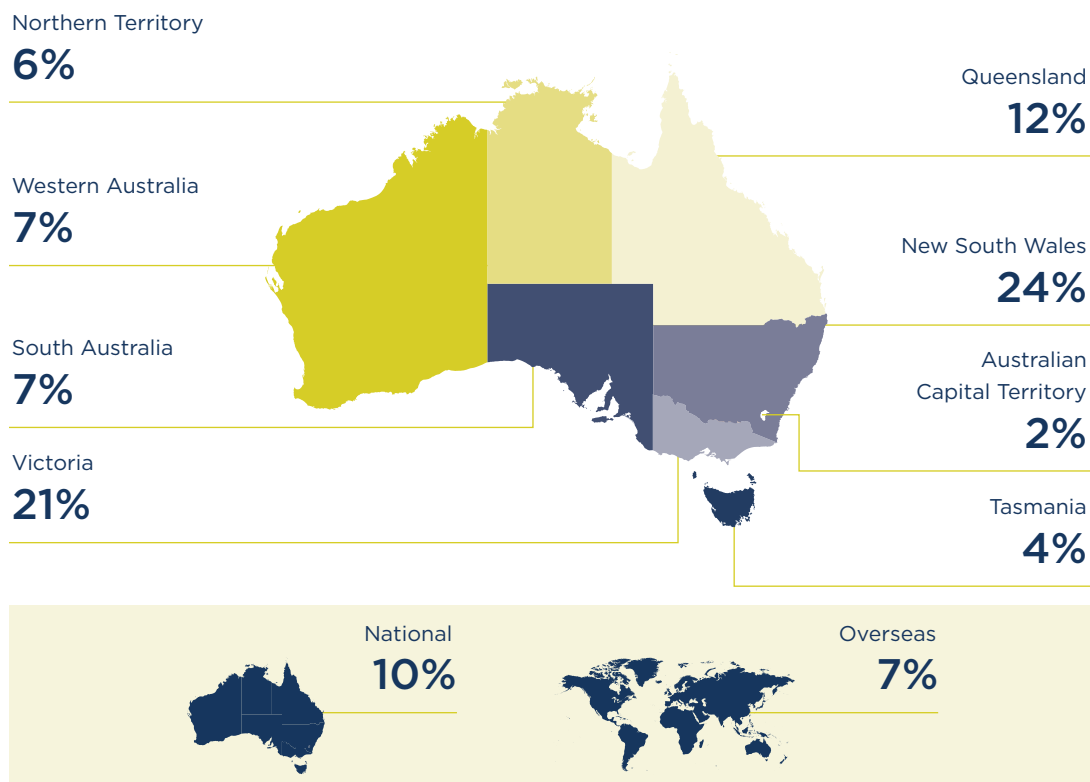
Note: Total percentages do not add to 100% due to rounding.

\$ Million	2016-17	2017-18	2018-19
Aboriginal and Torres Strait Islander arts	5.3	5.4	4.8
Community arts and cultural development	6.1	6.2	6.0
Dance	6.3	6.7	6.2
Emerging and experimental arts	2.4	2.4	2.7
Literature	4.1	4.7	5.1
Multi-art form	5.0	9.5	7.0
Music	9.5	10.3	10.6
Theatre	12.3	15.5	14.1
Visual arts	12.7	13.7	12.7
Strategic development <sup>2</sup>	4.2	3.8	3.2
<b>Grand total</b>	<b>68.0</b>	<b>78.2</b>	<b>72.4</b>

Note: First Nations-led projects are funded through all areas of practice.

- 1 The support comprises grants and multi-year funding paid in 2018-19. This includes project and career development grants, fellowships and awards, Four Year Funding and government and strategic initiatives. An additional \$113.6 million was invested nationally through the MPA Framework.
- 2 This includes capacity building and international development. It combines the categories reported as 'Career, development and other' and 'Market and audience development' in 2016-17 and 2017-18. The Four Year Funding strategic organisations were reported in this category in 2016-17 and 2017-18, and are reported in 'Multi-art form' in 2018-19.

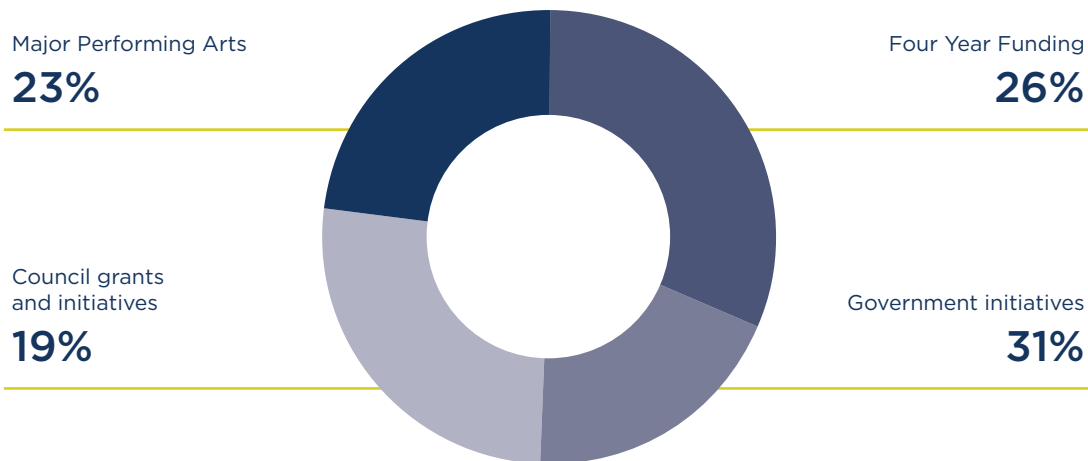
### Figure 3: Funding by location of activity<sup>1</sup>



\$ Million	2016-17	2017-18	2018-19
New South Wales	16.8	19.5	17.5
Victoria	14.8	15.8	15.1
Queensland	7.5	9.3	8.8
South Australia	5.8	6.2	5.2
Western Australia	5.2	5.2	5.4
Tasmania	2.5	3.2	2.7
Northern Territory	4.3	5.7	4.6
Australian Capital Territory	1.4	1.9	1.3
National	4.2	5.5	7.1
Overseas	5.5	5.9	4.9
<b>Grand total</b>	<b>68.0</b>	<b>78.2</b>	<b>72.4</b>

<sup>1</sup> The support comprises grants and multi-year funding paid in 2018-19. This includes project and career development grants, fellowships and awards, Four Year Funding and government and strategic initiatives. An additional \$113.6 million was invested nationally through the MPA Framework.

**Figure 4: Funding in regional Australia 2018-19**



\$ Million	2015-16	2016-17	2017-18	2018-19
Major Performing Arts	6.5	6.5	6.6	6.8
Government initiatives	8.6	8.9	10.1	9.2
Council grants and initiatives	6.2	5.5	5.7	5.6
Four Year Funding <sup>1</sup>	4.5	7.6	7.8	7.7
<b>Grand total</b>	<b>25.8</b>	<b>28.5</b>	<b>30.2</b>	<b>29.3</b>

The Australia Council directly invested \$29.3 million in funding for the arts in regional Australia in 2018-19. This investment supported the creation of art with and by regional communities and artists; funding for arts organisations based in regional Australia; professional development for regional leaders; and the touring of diverse Australian work to regional audiences, including through government initiatives such as the national regional touring programs. See page 66 for more on our investment in regional arts and their impact.

<sup>1</sup> The Four Year Funding program commenced 1 January 2017. Prior to 2017 multi-year funding to small to medium organisations was provided through the Key Organisations program.



**Figure 5: Direct and indirect investment 2018-19****\$ Millions**

Direct investment	188.4
Indirect investment	13.2
Overhead and depreciation	11.0
<b>Total expenses</b>	<b>212.6</b>

**Direct investment** – includes our investment in the arts sector under funding agreements and our program delivery expenses. This includes project and career development grants, fellowships and awards, Four Year Funding, government initiatives and the Major Performing Arts Framework.

**Indirect investment** – includes our investment in Australian arts through international development activity, capacity building, research, the Venice Biennale project and other strategic initiatives.

**Overhead and depreciation** – includes our operational costs such as our facilities, building, corporate resources and IT as well as our Board, the Australian Pavilion in Venice and depreciation.

## Our grants programs

Our peer assessed grant programs promote artistic excellence and freedom of expression. They support creation, innovation and experimentation across broad and evolving areas of practice.

We offer the following programs:

- Four Year Funding for Organisations
- Career Development Grants for Individuals and Groups
- Arts Projects for Individuals and Groups
- Arts Projects for Organisations
- Fellowships.

## Our guiding principles

The Council's grants programs are guided by two fundamental principles:

1. **The 'arm's length principle'**, embodied in section 12 of the *Australia Council Act 2013*, which provides that the Minister must not give a direction in relation to the making of a decision by the Council, in a particular case, relating to the provision of support (including by the provision of financial assistance or a guarantee).
2. **The 'peer assessment principle'**, whereby decisions on grants are made following assessment by artists, individuals closely associated with the arts, and community representatives who are peers of those being assessed. Grants are offered to artists and arts organisations whose proposals, in competition with those of other applicants, and within budgetary constraints, demonstrate the highest degree of artistic merit and innovation.

## Four Year Funding

The Australia Council's Four Year Funding program provides multi-year funding for arts organisations. This enables them to plan artistic programs and support artists with longer term certainty and increases their capacity to leverage other support and collaborations.

The first round of the Four Year Funding program is supporting 128 organisations from 2017 to 2020, including two strategic organisations and two territory orchestras. In 2018 these organisations created 978 new works and reached audiences of 12.9 million across Australia and the world,<sup>1</sup> delivering significant public value to the nation – from the intrinsic value of enriching arts experiences, through to broader social, economic and cultural impacts.

Maintaining the underlying principles of arm's length and peer assessed investment in Four Year Funded Organisations, the Council has completed the first stage of a two stage application and assessment process for the Four Year Funding program for 2021 to 2024. Following consultation and considering the changes in Commonwealth funding programs for small to medium arts organisations, the Council increased the funding range up to \$500,000.

We received 412 expressions of interest in April 2019 (stage one). Of these, 162 organisations have been invited to submit a full application in stage two.

## Regular grants rounds

Women continue to fare well in our regular grants rounds and we are seeing a continued trend of strong First Nations-led projects

<sup>1</sup> The 128 organisations include Victorian Opera which transitioned to an MPA company from January 2019. Four Year Funded Organisations reporting is for the 2018 calendar year. The data was correct at 30 July 2019.

funded through all areas of arts practice. International activity is a key success factor for the sustainability of Australian arts, and we are seeing a high proportion of applications with international components (45% of approved grants in 2018–19).

Continued improvement in the accessibility of our grants program remains an ongoing commitment, and grant applicants can submit applications in a range of accessible formats. We invest in outreach and engagement with applicants and peers across the diversity priority areas of our Cultural Engagement Framework. One in three applications continue to come from people applying for the first time.

We continue to receive many high quality and ambitious proposals, and meritorious demand for Australia Council funding currently far exceeds our capacity. In our three grant rounds in 2018–19 we received 4,065 applications for arts projects and career development grants and fellowships (up from 3,992 in the previous year), with 587 approved.<sup>2</sup>

### Unfunded excellence

‘Unfunded excellence’ refers to grant applications that peers assess as having high merit and deserving support, but which cannot be funded within the scope of the Council’s budget. These are opportunities not yet realised for the artists and their audiences.

The mismatch between the investment potential of the sector and available funds places significant strain on the ecology, the ability of artists to make a living, and their artistic ambitions. Unfunded excellence represents enormous potential to realise greater cultural ambitions for Australia and to maximise the impacts of the arts that reverberate through our society, economy and culture.

### Peer assessment

Applications for Australia Council grants are independently assessed by artists and arts professionals from across the country who bring deep artistic knowledge, expertise and industry experience.

The peers represent a wide range of perspectives from different career stages, cultural backgrounds and an extraordinary diversity of practice.

In 2018–19 peers were selected from our current peer pool to assess applications across the Council’s project and career development grants, fellowships, government initiatives and Major Performing Arts Collaborative Arts Projects. By June 2019, 56% of the 741 peers in the pool had assessed applications on at least one occasion.

The deep discussions during the assessment process enable a unique exchange of knowledge about emerging artistic practice, innovative collaborations, region specific developments and much more. This strengthens the national sector and enriches the artistic work which supports personal, social, cultural and economic benefits across Australia.

<sup>2</sup> These were applications for our regular grants rounds. Across the organisation, including strategic initiatives we received 4,821 applications and approved 895 in 2018–19.



# Annual performance statement

## Introductory statement

The Board of the Australia Council presents the 2018-19 annual performance statement of the Australia Council, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In the Board's opinion, this annual performance statement is based on properly maintained records, accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act.

## Our purpose

To champion and invest in Australian arts.

## Portfolio Budget Statement (PBS)

Outcome 1: Supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad.

Program 1.1: To champion and invest in Australian arts through grants and initiatives that foster and develop Australia's arts sector and raise the profile of Australian arts nationally and internationally.

Angela Goh,  
*Desert Body Creep.*  
Credit: Zan Wimberly.



# Annual performance statement

## Strategic goal 1:

Australian arts are without borders

<b>Performance criterion</b>	The number of funded artists and arts organisations working across borders nationally
<b>Criterion source</b>	2018-22 Corporate Plan p.9
<b>Results 2018-19</b>	136 The Australia Council supported 136 artists, groups and arts organisations to work across Australian state or territory borders. This includes a range of activity that strengthens Australian arts such as collaborations between arts organisations; national and regional touring exhibitions and performances; and representation at performing arts markets or art fairs and festivals. <sup>1</sup>
<b>Performance criterion</b>	The number of funded Australian artists and arts organisations working internationally
<b>Criterion source</b>	2018-22 Corporate Plan p.9
<b>Results 2018-19</b>	231 The Australia Council supported 231 artists, groups and arts organisations to work overseas. These artists and organisations engaged in a range of activity that grows the profile, mobility and reach of Australian arts such as international tours of exhibitions and performing arts; musicians' tours that capitalise on growing interest in Australian music in international markets; delegations to international arts platforms and events to increase opportunities and build markets for Australian arts; residencies; and exchanges. <sup>1</sup>

<sup>1</sup> The support comprises all programs delivered and administered by the Australia Council acquitted in 2018-19. This includes project and career development grants, fellowships and awards, Four Year Funding, government and strategic initiatives and directed funding through the Major Performing Arts Framework. 2018-19 acquittal data can include activity that was funded in previous years. The data was correct at 30 July 2019.

<b>Performance criterion</b>	The number of Australia Council supported arts activities outside of Australia
<b>Criterion source</b>	2018-22 Corporate Plan p.9
<b>Results 2018-19</b>	3,325 The Australia Council supported 3,325 arts activities overseas that showcased Australian arts, strengthened international partnerships and markets, and enabled Australian arts to flourish overseas. This included presentation of work through performances and exhibitions; as well as learning and community engagement activities; professional development and residency opportunities; and strategic research and market development. <sup>1</sup>
<b>Performance criterion</b>	The international audience numbers for Australia Council supported arts activities
<b>Criterion source</b>	2018-22 Corporate Plan p.9
<b>Results 2018-19</b>	3.5m The Australia Council supported arts activities that reached international audiences of 3.5 million. This is a 25% decrease from 2017-18 (4.7m), but higher than 2016-17 (2.4m). In 2017-18 Australian artists exhibited work at large scale events that are not held each year, such as documenta 14. <sup>1</sup> In 2018-19 there were significant increases in audiences in Asia where we have increased our strategic investment to support Australian artists' engagement. See page 70.
<b>Performance criterion</b>	Number of countries where Australia Council supported arts activities were delivered
<b>Criterion source</b>	PBS 2018-19, Program 1.1 p.56 Target: 50
<b>Results 2018-19</b>	55 The Australia Council supported Australian artists and arts organisations to present and exhibit work in 55 countries, reaching new and growing markets and showcasing Australian work to audiences across all continents of the globe. <sup>1</sup> See page 71.
<b>Performance criterion</b>	Number of initiatives that strengthen ties with other countries
<b>Source</b>	PBS 2018-19, Program 1.1 p.56 Target: 30
<b>Results 2018-19</b>	42 The Australia Council delivered 42 strategic international initiatives, facilitating artistic and cultural exchange, strengthening diplomacy and growing markets for Australian arts in other countries. These initiatives included incoming visitor programs, international platform delegations, exchanges, residencies, and presentation outcomes (see page 70). We have reduced the number of smaller initiatives and aimed for fewer, high quality investments compared to the previous year.

## Strategic goal 1 case study:

Australian arts are without borders

# Nurturing Australian children's literature by growing international markets

**Australian children's books and authors are invaluable cultural assets, playing an essential role in the lives of Australian children and families and in developing the future generation of Australian readers. Eight in ten Australian children read for pleasure,<sup>1</sup> with far reaching benefits for their development, literacy and enrichment. Australia has a strong list of titles with children's books comprising nearly half our book market.<sup>2</sup>**

International market development activities provide vital income opportunities to support the Australian literature sector while showcasing Australian culture and creativity to a global readership. Sharing Australian stories overseas grows our international reputation, attractiveness and influence.

The Australia Council has a long history supporting international engagement through the arts, fostering connections and brokering opportunities for cultural exchange. Our International Arts Strategy maximises opportunities in identified priority markets.

China boasts one of the fastest growing children's book markets in the world, releasing over 40,000 new titles each year. The China Shanghai International Children's Book Fair is the only book fair fully dedicated to books for children aged 0-16 years in the Asia Pacific region, and is a major hub of rights activity for children's literature.

In November 2018, the Council supported a delegation of Australian literary agents, rights managers and publishers to attend the book fair. The fair brought together an extensive range of international exhibitors and more than 33,700 visitors, including publishers, literary agents, illustrators, translators, distributors, booksellers, mobile developers, education and training institutions and children's book lovers.

The Australian delegation was led by the Council's International Development Manager for North Asia who brokered an opportunity for an Australian delegate to participate in the Shanghai Visiting International Publishers fellowship – an exclusive opportunity to gain detailed insight into China's publishing landscape.

The delegation gained invaluable insights into the exciting, dynamic and booming market for children's books in China and built relationships with Chinese publishers and editors, resulting in significant, concrete rights sales that benefit Australian authors. This activity will also bear results in the long term.

1 Aged 5-14. ABS 2019, *Participation in Selected Cultural Activities*, Australia, 2017-18 (cat. no. 4921.0).  
2 Around 25 million titles based on Nielsen BookScan 2017.



Income from international rights sales are a way for Australian authors to augment their diminishing income at home. As Australian writers are now earning less income for the same amount of work,<sup>3</sup> diversification of writing income is vital for sustainable careers.

This strategic market development activity increased opportunities for Australian children's authors and highlighted China as a sophisticated and potentially profitable export market for Australian work for young people across art forms.

**“It’s an extraordinary opportunity for children’s book publishing and, if all the auguries are true, will continue to expand exponentially for some years to come.”**

**publisher Alice Grundy<sup>4</sup>**

- 3 Throsby D and Petetskaya K 2017, *Making Art Work: An economic study of professional artists in Australia*, Australia Council for the Arts.
- 4 Alice Grundy 2018, 'Children's book boom: Alice Grundy on the China Shanghai International Book Fair,' *Books + Publishing*, 21 November 2018.

China Shanghai International Children's Book Fair (CCBF).



**Strategic goal 2:**

Australia is known for its great art and artists

<b>Performance criterion</b>	The number of new Australian works produced
<b>Criterion source</b>	2018–22 Corporate Plan p.11 PBS 2018–19, Program 1.1 p.56 Target: 5,700
<b>Results 2018–19</b>	9,568 The Australia Council supported Australian artists, groups and arts organisations to create 9,568 new artworks. New works include visual artworks, musical compositions, choreography, multi-art form works and literary pieces such as poems, stories, books and magazines. Examples range from a First Nations community organisation which created 1,068 new works through a series of bush dye and fabric design workshops with artists throughout the year, through to theatre companies creating major new theatrical productions which can be years in the making. <sup>1</sup>
<b>Performance criterion</b>	The number of applications supported that involve experimental practice
<b>Criterion source</b>	2018–22 Corporate Plan p.11
<b>Results 2018–19</b>	37 The Australia Council funded 37 emerging and experimental arts (EEA) projects, organisations, fellowships or awards. <sup>2</sup> This included the Australia Council Award for EEA, awarded to Joyce Hinterding, and support for the Australian Network for Art and Technology and Performance Space through the Four Year Funding program. Funded projects included intercultural collaborations, art–science and other interdisciplinary collaborations and partnerships, experimentation with virtual and augmented reality, and artists working with environmental projects. EEA projects drive innovation and collaboration, addressing the question of ‘what is experimental now’. Experimental practice underpins all forms of artistic expression.

1 The support comprises all programs delivered and administered by the Australia Council acquitted in 2018–19. This can include activity that was funded in previous years. The data was correct at 30 July 2019

2 The support comprises grants and multi-year funding paid in 2018–19. This includes project and career development grants, fellowships and awards, Four Year Funding and government and strategic initiatives. It does not include directed funding through the Major Performing Arts Framework.



<b>Performance criterion</b>	The audience numbers for culturally diverse work
<b>Criterion source</b>	2018–22 Corporate Plan p.11
<b>Results 2018–19</b>	5.0m The Australia Council supported First Nations and culturally and linguistically diverse (CALD) artists, groups and organisations to present work that reached audiences of 5.0 million. <sup>1</sup> This included artists who identify as CALD reaching significant audiences in Australia through exhibitions at the Sydney Biennale and Adelaide Biennial. In addition to First Nations and CALD artists and communities, the priorities within the Council's Cultural Engagement Framework are people with disability; regional and remote Australia; children and young people; and older people.
<b>Performance criterion</b>	The proportion of project funding awarded to culturally diverse artists and organisations
<b>Criterion source</b>	2018–22 Corporate Plan p.11
<b>Results 2018–19</b>	24% One quarter of the project funding the Australia Council provided was awarded to First Nations and CALD artists and organisations, or for projects with First Nations or CALD artistic control. This supported a range of activity such as the creation, presentation and touring of work; recordings and publications; masterclasses/workshops and other learning and community engagement activities. <sup>3</sup> The Council believes that Australia's diversity is a great cultural asset that leads to artistic vibrancy and innovation.
<b>Performance criterion</b>	Total funding provided to support new Australian artwork projects
<b>Source</b>	PBS 2018–19, Program 1.1 p.56 Target: \$7.5m
<b>Results 2018–19</b>	\$9.7m The Australia Council provided \$9.7 million to support Australian artists, groups and arts organisations to develop new Australian works of art across arts practice areas. <sup>3</sup>

<sup>3</sup> The support comprises project funding paid in 2018–19 through the Council's grants program and government and strategic initiatives. It does not include Four Year Funding or directed funding through the Major Performing Arts Framework.

### Strategic goal 2 case study:

Australia is known for its great art and artists

## The power of great art to create a genuinely inclusive cultural landscape

**The arts have a particularly powerful role to play at this moment in time: in generating empathy that can bridge social divisions, and in creating a future where diversity is celebrated.**

*Counting and Cracking*, an ambitious co-production by Belvoir and Co-Curious, embodies this power. A large-scale theatrical work telling a Sri Lankan-Australian story written by S. Shakthidharan and directed by Eamon Flack, *Counting and Cracking* has connected communities and continents and made a profound contribution to our unfolding national story.

Sixteen actors play four generations of a family, from Colombo to Pendle Hill, in a story about Australia as a land of refuge, about Sri Lanka's efforts to remain united, and about reconciliation within families, across countries, across generations.

Australian and international artists collaborated to bring this beautiful, moving and epic work to life with authenticity. At times the actors slip into Tamil or Sinhalese language with English translations seamlessly woven into the shifting world created by the ensemble.

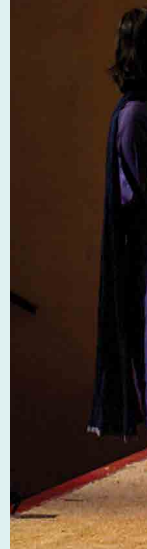
*Counting and Cracking* expresses stories, narratives and characters that reflect the complexity of contemporary Australian experience and identity. The work speaks to an exciting new audience and the power of genuine community engagement – it has had a deep and profound impact on the

local Sri Lankan community who saw for the first time their families' stories and histories placed where they belong, as part of Australia's story.

**“Theatre that has the power to change lives.”**  
HiFi Way

*Counting and Cracking* sold out its world premiere season at the 2019 Sydney Festival followed by standing ovations at Adelaide Festival – it was the hot ticket show of 2019. It won seven Helpmann Awards including best new Australian production.

Ten years in the making, *Counting and Cracking* was initially supported through an individual young artist grant to S. Shakthidharan from the Australia Council's then Theatre Board in 2008. The Theatre Board supported it again through CuriousWorks. Through this and a Carriageworks Associate Artist position, S. Shakthidharan was able to write and develop the play. Multi-year support to CuriousWorks through the Council's former Key Producers – Community Partnerships program was critical to enabling the long development timeline necessary for the work. S. Shakthidharan launched Co-Curious in 2018 as sister company to CuriousWorks.





Belvoir St Theatre, *Counting and Cracking*. Credit: Brett Boardman.

*Counting and Cracking's* success is testament to the significant collaboration between Co-Curious, an innovative small to medium arts organisation and Belvoir, a Major Performing Arts (MPA) company, and the complementary expertise each brought to the project. Its presentation was made possible by significant private investment.

*Counting and Cracking* provides evidence of what is required to undertake genuine cross-cultural collaboration and create a successful mainstage work: time, sustained investment, belief, community engagement and support.

**“An urgent work of high importance.”**

The AU Review

Everyone is talking about ‘diversity’ – this is a work and a process, not without its challenges, but which speaks to the potential of a genuinely inclusive cultural landscape.

**“If we want to be an Australia that asks people to limit themselves to fit in then we diminish our collective imagination; if we want to be an Australia that asks us to expand and present our full selves, we can help fulfil the potential of what this country can be, and I hope *Counting and Cracking* is the beginning of that.”**

S. Shakthidharan

*Counting and Cracking* was co-commissioned by the Major Festivals Initiative (MFI), Sydney Festival and Adelaide Festival and was supported through an Australia Council MPA Collaborative Arts Projects grant. Belvoir is supported through the Major Performing Arts (MPA) Framework.

**Strategic goal 3:**

## The arts enrich daily life for all

<b>Performance criterion</b>	The average audience numbers for Australia Council funded projects
<b>Criterion source</b>	2018-22 Corporate Plan p.13
<b>Results 2018-19</b>	14,308 The Australia Council supported arts activities that reached average audiences of 14,308. Projects funded by the Council engaged audiences through a range of paid and free experiences including workshops/masterclasses; visual arts exhibitions; theatre, dance and music performances; literature events and festivals; EEA experiences; and community arts and cultural development processes. Audiences range from intimate gatherings participating in a virtual reality project through to large scale multi-arts festivals and regional and international tours by companies or individual artists. <sup>1</sup>
<b>Performance criterion</b>	Participation and funding in the arts increasingly reflects Australia's diversity
<b>Criterion source</b>	2018-22 Corporate Plan p.13
<b>Results 2018-19</b>	80% Results of the most recent National Arts Participation Survey <sup>2</sup> show that four in five respondents from culturally and linguistically diverse (CALD) backgrounds attended the arts in 2016, and that three in four Australians agreed that the arts reflect Australia's cultural diversity (75%, up from 64% in 2013). The Council is committed to supporting and advocating for a national arts sector that reflects and celebrates Australia's diversity and is accessible to all Australians. In addition to CALD artists and communities, the priority areas within the Council's Cultural Engagement Framework are people with disability; regional and remote Australia; children and young people; older people; and First Nations people.
<b>Performance criterion</b>	The number of artistic experiences by, with, and for children and young people
<b>Criterion source</b>	2018-22 Corporate Plan p.13
<b>Results 2018-19</b>	44,070 The Australia Council supported 44,070 arts activities created by, with or for children and young people. This included support for young artists under the age of 25; individual artists and organisations creating art with or by children or young people, such as the Australian Theatre for Young People and Powerhouse Youth Theatre; and artistic or literary experiences created for children or young people as the target audience, such as by Patch Theatre Company or children's authors. The artistic experiences ranged from attendances at performances, exhibitions, masterclasses/seminars and other education events, as well as involvement in the creation of new works. Around 77% were delivered through education activities by our multi-year funded organisations. <sup>3</sup>

1 The support comprises project and career development grants acquitted in 2018-19. This can include activity that was funded in previous years. It does not include Four Year Funding or directed funding through the Major Performing Arts Framework. The data was correct at 30 July 2019.

2 Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.

<b>Performance criterion</b>	The level of funding for the arts from private sources administered by the Australia Council
<b>Criterion source</b>	2018-22 Corporate Plan p.13
<b>Results 2018-19</b>	<p>\$2.0m</p> <p>The Australia Council leverages public funding and our expertise to enable more artists and projects to be supported and in 2018-19 received \$2.0 million in support for the arts from our co-investment partners. These include foundations, financial institutions, industry bodies, universities, professional services firms, and hundreds of individuals and families who value the arts and the Australia Council. Their investment went directly to awards, grants, scholarships, fellowships and residencies for individual artists at pivotal moments in their careers, as well as contributing to high impact signature projects which put Australian arts and culture on the world stage. This includes \$410,000 arts investment which the Australia Council received to manage grants on behalf of Perpetual.</p>
<b>Performance criterion</b>	Total number of attendances at Australia Council supported arts activities
<b>Criterion source</b>	<p>PBS 2018-19, Program 1.1 p.56</p> <p>Target: 13m</p>
<b>Results 2018-19</b>	<p>22.6m</p> <p>The Australia Council supported arts activities with attendances of 22.6 million, including 19.1 million in Australia (up from 18.1m last year). This includes audiences of 3.8 million for public programs by Red Room Poetry (see page 10). Two thirds of the total attendances relate to exhibitions.<sup>3</sup></p>
<b>Performance criterion</b>	Number of new Australian artistic works with a public outcome (performed, exhibited, published or recorded)
<b>Criterion source</b>	<p>PBS 2018-19, Program 1.1 p.56</p> <p>Target: 4,500</p>
<b>Results 2018-19</b>	<p>7,632</p> <p>The Australia Council supported 7,632 artistic works that had a public outcome through an exhibition, performance, publication or recording.<sup>3</sup> This was on par with the previous year.</p>

<sup>3</sup> The support comprises all programs delivered and administered by the Australia Council acquitted in 2018-19. This can include activity that was funded in previous years. The data was correct at 30 July 2019.



### Strategic goal 3 case study:

The arts enrich daily life for all

## Promoting healthy aging, connection and inclusion through the arts

**Australians increasingly recognise the important contribution of the arts to our wellbeing and happiness.<sup>1</sup> The arts make our individual lives better and build stronger and more cohesive communities. All Australians have a right to access and participate in arts and creativity and enjoy the enriching benefits of the arts in our daily lives.**

Led by artists Tristan Meecham and Bec Reid, All The Queens Men champion social equality through theatrical and participatory arts experiences that connect communities, audiences and artists. This includes *The Coming Back Out Ball*, which is a spectacular celebration of Lesbian, Gay, Bisexual, Trans and Gender Diverse and Intersex elders, and The LGBTI+ Elders Dance Club, which is a free ongoing social event for rainbow elders and their allies that aims to combat ageism, social isolation and discrimination.

All the Queens Men's social mission is informed by research on the loneliness plaguing elderly populations, which is deemed even more acute for LGBTI+ people.<sup>2</sup> Having lived through historical discrimination, impending old age has meant some elders are going back into the closet for fear of being deprived of companionship and quality care when they need it most.

*The Coming Back Out Ball* acknowledges the resilience of this community and gives a gift of visibility to LGBTI+ elders. It is a night in which the broader community can sit alongside LGBTI+ elders to eat, drink, dance, reminisce and dream together into the future. More than 650 guests and volunteers attended the ball at the Melbourne Town Hall in October 2018.

A feature documentary about the event promoted the lived experiences and histories of LGBTI+ elders to thousands of people who watched the film around the country in cinemas and at film festivals. Recognising the cultural value and social impact of the project, the Coming out Ball was awarded the 2018 Green Room Award (Community Collaboration) and a 2018 VicHealth Award (Health through Art).

1 Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.  
2 Kuyper L & Fokkema T 2010, *Archives of Sexual Behaviour* 39: 1171.



In 2018, All The Queens Men expanded their social mission to connect LGBTI+ elders throughout regional and rural Victoria via a partnership with the Victorian Seniors Festival and local councils and support from the Australia Council. Over 800 people attended the LGBTI+ Elders Dance Clubs presented across Victoria throughout 2018.

As a result of the success of the dance clubs and *The Coming Back Out Ball*, All the Queens Men are developing partnerships to establish further events across Australia and internationally throughout 2019 and 2020.

The community arts and cultural development sector in Australia are astute at fostering new collaborations, and new ways of engaging and thinking that create accessible platforms and impactful opportunities for artists and communities alike – all while producing amazing art.

All the Queens Men were supported by an Australia Council project grant.

All The Queen's Men, *The Coming Back Out Ball*. Credit: Bryony Jackson.



**Strategic goal 4:**

## Australians cherish Aboriginal and Torres Strait Islander arts and cultures

<b>Performance criterion</b>	The level of participation of First Nations people in the arts
<b>Criterion source</b>	2018–22 Corporate Plan p.15
<b>Results 2018–19</b>	38% The Australia Council's <i>Living Culture</i> research found that 38% of First Nations people aged 15 years and over engaged with the arts by: making First Nations arts or crafts; performing First Nations music, dance or theatre; writing or telling First Nations stories; or attending First Nations festivals. <sup>1</sup> The Council recognises the critical role of arts and culture in supporting First Nations wellbeing and supports First Nations arts engagement in a range of ways. These include the Chosen program that supports intergenerational cultural transmission, and advocacy to increase public investment in First Nations arts across portfolios through the Closing the Gap Refresh.
<b>Performance criterion</b>	The number of new works created by First Nations artists and arts organisations
<b>Criterion source</b>	2018–22 Corporate Plan p.15
<b>Results 2018–19</b>	2,659 The Australia Council supported First Nations artists, groups and arts organisations to create 2,659 new works, including Andrea James' <i>Sunshine Supergirl</i> (see page 64). The increase from last year can be attributed to a First Nations community organisation which created more than 1,068 new works through a series of bush dye and fabric design workshops with artists throughout the year. <sup>2</sup>
<b>Performance criterion</b>	Audience numbers for works by First Nations artists
<b>Criterion source</b>	2018–22 Corporate Plan p.15
<b>Results 2018–19</b>	2.4m The Council is committed to supporting the creation, presentation and appreciation of First Nations arts. First Nations works supported by the Council reached audiences of 2.4 million across Australia and the world, including through key events in the Aboriginal and Torres Strait Islander arts calendar such as the Cairns Indigenous Art Fair. Some of the decrease from the previous year can be attributed First Nations artists exhibiting at major visual arts exhibitions in 2017–18. Results of the most recent National Arts Participation Survey show that in 2016, seven million Australians, or 35% of the population aged 15 years and over, attended First Nations arts – a record number of attendance and double that of 2009. More people are attending First Nations arts across art forms. <sup>3</sup>

1 Based on ABS data from the 2014–15 National Aboriginal and Torres Strait Islander Social Survey, customised report for *Australia Council 2017, Living Culture: First Nations arts participation and wellbeing*.

2 The support comprises all programs delivered and administered by the Australia Council paid in 2018–19.

3 Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.

<b>Performance criterion</b>	The proportion of funding from sources other than the Australia Council in support of First Nations arts
<b>Criterion source</b>	2018–22 Corporate Plan p.15
<b>Results 2018–19</b>	47% First Nations projects supported by the Council <sup>4</sup> received almost half of their funding from sources other than the Australia Council. This included earned income through ticket sales, private sector support and public support from other agencies.
<b>Performance criterion</b>	Number of culturally diverse applications supported
<b>Criterion source</b>	PBS 2018–19, Program 1.1 p.56 Target: 150
<b>Results 2018–19</b>	364 Fuelling diversity and vibrancy in Australian arts, the Australia Council supported 364 applications which were from First Nations and CALD artists, groups and organisations, or were for projects with First Nations or CALD artistic control. This was provided through funding of \$17.9 million and supported a range of activity such as the creation, presentation and touring of work; recordings and publications; masterclasses/workshops and other learning and community engagement activities; as well as operational funding for multi-year funded companies. <sup>2</sup>
<b>Performance criterion</b>	Total funding provided to support culturally diverse applications
<b>Criterion source</b>	PBS 2018–19, Program 1.1 p.56 Target: \$10m
<b>Results 2018–19</b>	\$17.9m See commentary for above criterion.

<sup>4</sup> The support comprises project and career development grants acquitted in 2018–19. This can include activity that was funded in previous years. It does not include Four Year Funding or directed funding through the Major Performing Arts Framework. The data was correct at 30 July 2019.

### Strategic goal 4 case study:

Australians cherish Aboriginal and Torres Strait Islander arts and cultures

## Cultural strength and ethical art supporting regional tourism and employment

**Arts experiences play an important and growing role in tourism, engaging visitors with the uniqueness, depth and diversity of Australian culture while supporting local jobs and economies.**

Australia's unique position as home to the world's oldest living culture is part of what makes Australia such a special place to visit. Over 820,000 international tourists engaged with First Nations arts while in Australia in 2017, an increase of 41% since 2013.<sup>1</sup>

The Cairns Indigenous Art Fair (CIAF) supports regional development, tourism and employment through an annual showcase celebrating Queensland First Nations arts and culture. CIAF supports the careers of First Nations artists by providing a platform for exposure, income generation and professional development. It offers an ethical and world-class marketplace that inspires cultural exchange locally, nationally and internationally.

CIAF is a multi-platform event – art is not just hung on walls. An extensive program of art market, art fair, artists talks, art workshops, dance, live music, exhibitions and fashion performance, make for an immersive experience that echoes across the Cairns cityscape.

In July 2018, the CIAF program showcased over 300 visual artists and 230 performers, and attracted 45,600 attendees, with overnight visitor expenditure of \$3.5 million. Overall sales were up 17% on the previous year, and visitation at Cairns' cultural venues and galleries increased by 115%.

2019 marks CIAF's 10th anniversary. Over the past decade, the development of strong local partnerships with Cairns cultural institutions has provided a mainstream platform for Queensland First Nations artists to build a wider following and attract a new non-Indigenous audience, while encouraging First Nations audiences to feel welcome in mainstream venues.

CIAF has become an event in which communities embrace inclusion and the wider audience values First Nations art and culture – 90% of attendees acknowledge CIAF for increasing their understanding of First Nations arts and culture.<sup>2</sup>

1 Australia Council 2018, *International Arts Tourism: Connecting cultures*.

2 CIAF 2019, *CIAF soars with new and enhanced airport partnership*.





CIAF has also become a highlight of the tourism calendar. Its success in attracting visitors is endorsed through an enhanced sponsorship agreement with Cairns Airport, which recognises the significance of Queensland's First Nations arts and culture and the role CIAF plays in boosting regional tourism.

CIAF was awarded the Indigenous Business Excellence Award for 2018 by the Cairns Chamber of Commerce. CIAF is supported through Four Year Funding (2017-20).



CIAF Fashion Performance, model Hans Ahwang. Cairns Indigenous Art Fair. Credit: Kerry Trapnell Photography.

Ngalmun Lagau Minaral Art Centre – Moa Arts. Cairns Indigenous Art Fair. Credit: Blueclick Photography.

# Our impact

The following section of our annual report for 2018-19 provides an account of the Australia Council's support against thematic areas. For each theme there is a section that outlines the work we do in that area and what we delivered in 2018-19, and case studies which demonstrate the impact of the Council's support and the immense public value it delivers.

Individual artists	42
Arts organisations	48
Small to medium arts organisations	50
Major Performing Arts companies	54
Government initiatives	58
First Nations arts	62
Regional arts	66
International arts	70
Capacity building	74
Research and evaluation	78
Advocacy	82
Co-investment and partnerships	86

Angelica Mesiti  
*ASSEMBLY* official opening.  
Credit: Zan Wimberley.





# Individual artists





James Bachelor, *DEEPSPACE*.  
Credit: Charles Tambiah.

**Individual artists are the heart of Australia's cultural life. They create work that has enormous social, cultural and economic value, often for little financial reward.<sup>1</sup> More than three in four Australians agree that artists make an important contribution to Australian society and feel proud when Australian artists do well overseas.<sup>2</sup>**

The Australia Council has a long history of championing and supporting Australian artists at key points in their careers; providing opportunities for emerging artists to innovate and flourish, sustaining and developing mid-career artists, and celebrating and backing established artists. We raise the profile of individual artists and advocate for their value to society.

The Council supported 671 individual artists and groups through grants and strategic activity in 2018-19.

- 1 Throsby D and Petetskaya K 2017, *Making Art Work: An Economic Study of Professional Artists in Australia*, Australia Council.
- 2 Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.

The Council's opportunities for artists include:

- career development grants for individuals
- arts project grants for individuals and groups, supporting a broad range of activities including the creation and presentation of works, publishing, recording, promotion, experimentation, and practice based research
- the new Arts and Disability Mentoring Initiative
- the Chosen and Signature Works programs, supporting artistic and cultural expression and intergenerational knowledge transfer between First Nations artists
- fellowships and awards recognising outstanding Australian artists
- international residencies, delegations and exchanges
- national and international market development support
- capacity building initiatives that develop arts leaders
- Visual Arts and Craft Strategy funding for individuals
- touring support through the national regional touring programs
- participation in the Council's peer assessment process.

## **Arts and Disability Mentoring Initiative**

In June 2019 the Council announced the first six recipients of our new Arts and Disability Mentorship grants. The grants are designed to support collaborations that fuel ambition, embolden ideas and innovation, build networks and capacity, and strengthen future works.

This targeted investment is informed by Australia Council research highlighting the importance of role models and mentors, and of disability-led practice.<sup>3</sup> It is one of a number of initiatives aimed at increasing diverse representation across all areas of Australian arts.

The 2019 recipients were Debra Keenahan, Annie Moors, Jen 'Wart' Waterhouse, Jeremy Hawkes, Matthew Shilcock and Julia Hales.

## **Awards and fellowships**

Exceptional Australian artists are recognised through our prestigious national awards programs, the Australia Council Awards and the National Indigenous Arts Awards. These awards acknowledge the contribution that Australian artists have made to the arts and cultural life of the nation. Two new national awards to celebrate the achievement of artists with disability will be awarded annually on International Day of People with Disability commencing in December 2019.

<sup>3</sup> Australia Council 2018, *Creating Pathways: Insights on support for artists with disability*.



The 2019 Australia Council Awards recipients were Helen Garner (Literature), David Bridie (Music – Don Banks), Joyce Hinterding (EEA), Vicki Van Hout (Dance), Susan Norrie (Visual Arts), Rachael Maza (Theatre), Rhoda Roberts (CACD – Ros Bower) and Fablice Manirakiza (CACD – Kirk Robson). At the 12th annual National Indigenous Arts Awards, the Red Ochre Award recipients were Uncle Jack Charles and Aunty Lola Greeno (for lifetime achievement). The Dreaming Award (for emerging artists aged 18–26 years) went to Jenna Lee.

The Council offers fellowships annually to support outstanding, established artists' creative activity and professional development. Eight accomplished Australian artists received Australia Council Fellowships in September 2018, each worth \$80,000 over two years – Jacob Boehme (Aboriginal and Torres Strait Islander Arts), Paula Abood (CACD), Joanna Lloyd (Dance), Jude Anderson (EEA), Ali Cobby-Eckerman (Literature), Katy Abbott (Music), Nicola Gunn (Theatre) and Vernon Ah Kee (Visual Arts).

### Creating and presenting work

The Council's project grants and initiatives supported 671 individuals and groups in 2018–19.<sup>4</sup> Individuals and groups reported creating more than 4,500 new Australian works and reaching audiences of 3.4 million. They presented 302 exhibitions, 2,088 performances and 919 masterclass, workshops or education programs.<sup>5</sup>

### International engagement

The Council invests in international development activity through a range of initiatives which develop artistic practice and market opportunities for individual artists. The Council supported 149 individual artists and groups to present, exhibit or conduct masterclasses internationally in 2018–19. Individuals and groups supported by the Council's grants funding and international strategic investment raised the global profile of Australian arts by engaging more than 1.3 million attendees at performances, exhibitions and workshops outside of Australia.<sup>5</sup>

In 2018–19, individual artists and arts workers significantly benefited from delegations led by the Council to 18 international platforms, art fairs and markets; 281 artists and arts workers were directly supported through strategic travel grants; and 28 exceptional artists embarked on Council residencies in 13 cities across Europe, North America, North Asia and South Asia. Providing advisory, advocacy and brokerage services for Australian artists (regardless of whether they are funded by the Council), the Council's International Development Managers responded to more than 2,500 requests.

4 Based on funding paid in 2018–19.

5 Based on funding acquitted in 2018–19, which can include activity that was funded in previous years. The data was correct at 30 July 2019.



Abdul-Rahman Abdullah, *Pretty Beach* [detail]  
at the Museum of Contemporary Art for *The National*, 2019.

## Accessing universal emotions across cultures

**By their very essence the arts help us understand and live with our fellow citizens, bridging social divisions by generating empathy, understanding and human connection.<sup>1</sup> Two in three Australians believe the arts help us understand other people and cultures and allow us to connect to others.<sup>2</sup>**

Abdul-Rahman Abdullah is a visual artist who lives and works in rural WA. His work is informed by his experiences as a Muslim Australian of mixed ethnicity and the polarisation of Muslim identity post 9/11.

In his most ambitious work to date, Abdullah's large scale sculptural installation *Pretty Beach* explored loss and the aftermath of his grandfather's suicide. It recalled childhood memories of stingrays gliding beneath his jetty, hidden from view by falling rain yet swimming on undisturbed, linking the rationalisation of loss with memory, nature and place. The work developed new ways of accessing universal emotional responses to ideas of grief and mourning, allowing audiences to engage with a personal sense of vulnerability and respect.

An Australia Council project grant supported the development and presentation of the work at the Museum of Contemporary Art for *The National 2019: New Australian Art*.

1 Bazalgette P 2017, *The Empathy Instinct: How to create a more civil society*.

2 Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.

## Engaging Australians with books and First Nations writing

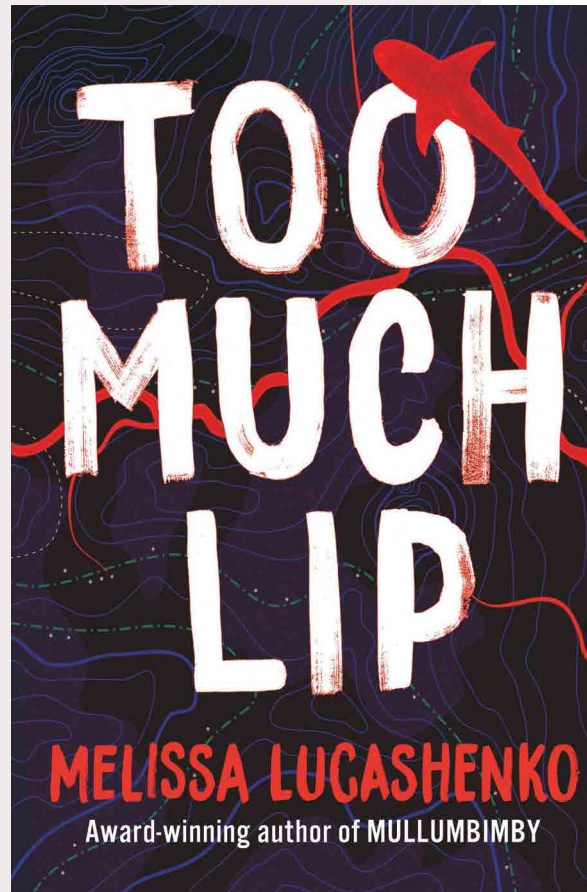
**Australians enjoy reading and would like to do it more – reading books ranks higher than browsing the internet and watching television as the leisure activity Australians enjoy the most.**

Seven in ten think Australian books help us understand the country in which we live, and there is strong interest in books and writing about First Nations Australia. Reading literary fiction is proven to improve empathy and the vast majority of Australians believe books have a value that's greater than their monetary cost.<sup>3</sup>

Melissa Lucashenko's *Too Much Lip* is a contemporary novel about one family's spirited responses to poverty and marginalisation in country NSW. It looks at intergenerational trauma in an energetic and ultimately hopeful way.

An Australia Council project grant enabled the multi-award winning Goorie writer to write full-time for 15 months on *Too Much Lip* which was published in 2018. It has been shortlisted for the 2019 Stella Prize and won the prestigious 2019 Miles Franklin Literary Award.

<sup>3</sup> Kidd DC and Castano E 2013, 'Reading literary fiction improves theory of mind,' *Science* 342:6156, pp. 377-380. Australia Council 2017, *Reading the Reader: A survey of Australian reading habits*.



Melissa Lukashenko, *Too Much Lip*.  
Credit: courtesy of UQP.

**“I’ve always seen my task as a novelist as being to create engaging and powerful stories which bear witness to the world I know.”**  
Melissa Lucashenko

# Arts organisations

**Bringing a national perspective to the management of funding for arts organisations, the Australia Council supports a diverse range of organisations that create, produce, present and promote the arts across all areas of practice.**

Charged with the role of champion and investor, the Council promotes artistic vibrancy, innovation and sustainability. This is delivered through project and multi-year funding for organisations of all sizes, government initiatives and frameworks, national and international strategic development, and capacity building programs. Overall, 564 organisations received funding through the Council in 2018–19.<sup>1</sup>

The Council's investment in Australian arts organisations includes:

- project grants supporting a broad range of activities
- multi-year operational funding for small to medium organisations via the Four Year Funding program
- multi-year funding for Major Performing Arts (MPA) companies
- funding for new collaborations and partnerships between MPA companies and the broader sector and community groups via our MPA Collaborative Arts Projects program

- support for small, medium and major organisations through the Visual Arts and Craft Strategy, the national regional touring programs and the Major Festivals Initiative
- national and international strategic development support for arts organisations to build markets, audiences and organisational capacity, as well as fostering artistic and cultural development
- support for international opportunities arising from our strategic initiatives via our International Arts Strategy Outcome Fund.

The Council's Arts Practice Directors manage the relationships with our multi-year funded organisations and the MPA companies, and engage with both funding applicants and the work that results from the Council's funding. The Arts Practice Directors are a conduit between the sector and the Council and provide the Council with critical art form knowledge to inform our national leadership role across the arts ecology.

<sup>1</sup> Based on funding paid in 2018–19.



## Collaborating and experimenting to make exciting new work

The Last Great Hunt is a highly innovative company that represents the next generation of Australian theatre makers making their mark nationally and internationally. A collective of six Perth-based theatre makers, the company makes a range of new theatre in a variety of forms and styles, including new writing, visual and physical theatre and interactive experiences.

Their new work *Lé Nør [the rain]* is a faux foreign film performed live on stage. It combines cinematic mastery and theatrical magic to tell interwoven stories of love in a world that's falling apart. A significant milestone in the trajectory of the company, it is a work of scale and ambition, building on previous works and experimentation. It premiered to rave reviews at Perth Festival in February 2019, before a regional season at Mandurah Performing Arts Centre.

Partnerships were key to making the work, which was co-commissioned by Perth Festival, the Perth Institute of Contemporary Arts (PICA) and Mandurah Performing Arts Centre. Strategic partnerships and collaborations between arts organisations strengthen the Australian arts ecology while sharing expertise, resources and audiences. The Australia Council supported The Last Great Hunt's 2019 annual program through a project grant.



The Last Great Hunt, *Lé Nør [the rain]*. Pictured: Tim Watts.  
Credit: Daniel Grant, 2019. Courtesy of The Last Great Hunt.

# Small to medium organisations

**Vital to arts sector ecology, hundreds of small to medium Australian arts organisations occupy the significant territory between individual arts practitioners and larger scale companies. Small to medium arts organisations play a critical role in the arts landscape as a leading public activator of Australia's arts and cultural life. Their work embraces and engages local artists and is highly accessible to national and international audiences.**

Many of our small to medium companies are among the most successful Australian companies internationally. Responsive and exceptionally diverse, these companies provide an environment for creative risk, innovation and experimentation, and a platform for new and emerging work. The Council supported 518 small to medium organisations through our grants program, Four Year Funding, strategic activity and government initiatives in 2018-19.

## **Funding**

- \$28.7 million through the Four Year Funding program
- \$10.9 million in project grants and strategic development activity to support small to medium organisations
- \$15.3 million for small to medium organisations through government initiatives, including the Visual Arts and Craft Strategy and the national regional touring programs.

## **The Four Year Funding program**

The 128 organisations receiving Four Year Funding (2017-20) represent diverse art forms and types of practice and provide services to develop the arts sector. They include strong representation from regional Australia, First Nations-led organisations, youth arts companies and companies that are producing and touring disability-led and mixed-ability arts practice. Four Year Funded Organisations are taking a leadership role in developing new artists and leaders, and achieving an array of artistic, social, cultural and economic outcomes to national and international acclaim.

A highly competitive application and assessment process is underway for the Four Year Funding program for 2021 to 2024. There are insufficient funds available to support all the organisations peer assessors deem meritorious of funding, including arts organisations of significant regional, national or international standing.



Flying Fruit Fly Circus, *JUNK*.  
Credit: OGA Creative Agency.

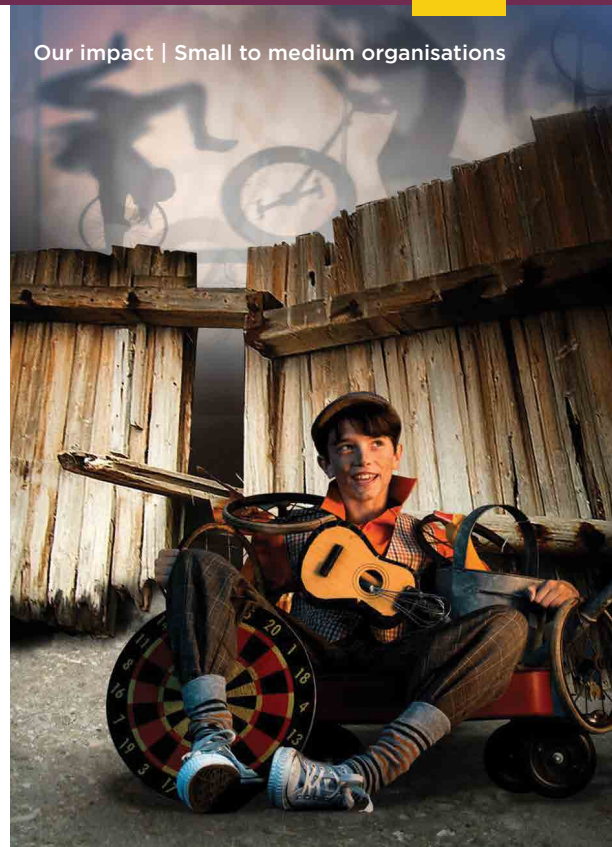
## Creating and presenting work

Project grants for small to medium organisations fund a range of activities, including the creation of new work, practice based research, creative development, professional skills development, experimentation, collaborations, touring, festivals, productions, exhibitions, performances, publishing, recording, services to develop the arts sector and market development activity. Grants are up to two years in duration to support sustainable practice.

Small to medium companies are leading presenters of new Australian work and bring artistic talent and innovation into Australian communities. In 2018–19 project grants supported small to medium organisations to create more than 3,800 new Australia works and reach audiences of 2.3 million. Organisations receiving Four Year Funding delivered 978 world premieres of new Australian works, 362 creative developments and a further 293 new productions, arrangements or remounts of existing Australian works, and reached audiences of 12.9 million.<sup>1</sup>

## Increased international engagement

The small to medium sector takes Australian arts across borders, strengthening international partnerships and enabling Australian artists to develop and flourish overseas. In 2018–19, 26 small to medium companies funded by Council project grants delivered 458 performances and exhibitions overseas, and reached audiences of 1.1 million people – a 49% increase on the previous year. Thirty-nine organisations



receiving Four Year Funding delivered 976 performances and exhibitions in 37 countries and reached audiences of 881,000 – a 26% increase on the previous year.<sup>1</sup>

## Strategic development and capacity building

The Council supports small to medium arts organisations through a range of strategic development, market development and capacity building activities. These include inbound and outbound delegations, projects, exchanges, market representation, leadership programs and the Arts Governance Program. We are currently developing a Business Model Innovation lab which will support organisations to explore and learn about new business models through a pilot learning experience.

<sup>1</sup> Project reporting is based on funding acquitted in 2018–19, which can include activity that was funded in previous years. Four Year Funded Organisations reporting is for the 2018 calendar year. The data was correct at 30 July 2019.



## Cross-industry partnerships driving innovation and future success

For the past 30 years the Australian Network for Art and Technology (ANAT) has been a catalyst for experimentation and innovation across art, science and technology. ANAT forges relationships with industry, academia, community and government to broker opportunities for artists. ANAT is supported through Four Year Funding (2017-20).

**“Our art/science residencies bring artists and scientists together in research partnerships that generate new knowledge, ideas and processes beneficial to both fields.**

**We believe that artists are essential contributors to how we imagine and shape our future.**

**We understand that experimentation is the bedrock of innovation, and that harnessing diverse perspectives and knowledge is key to Australia’s future.”**

ANAT

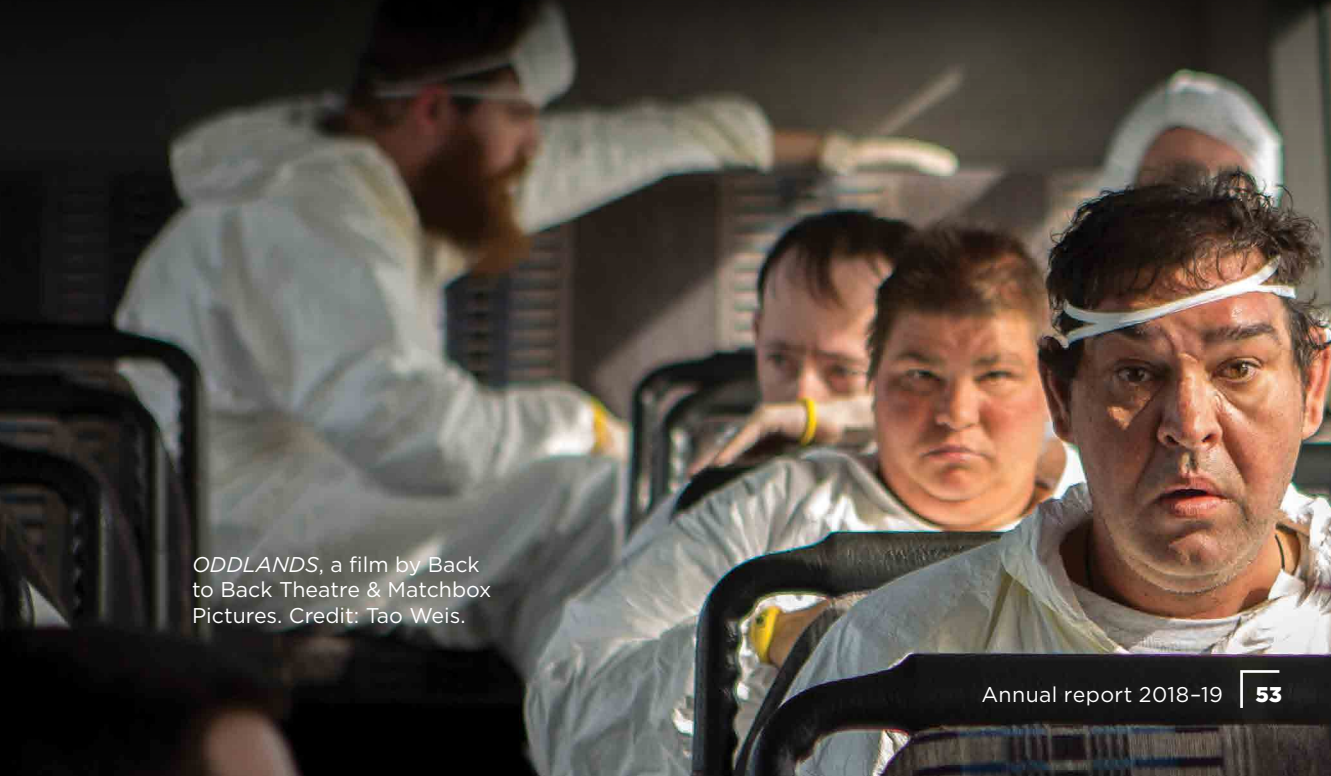
Baden Pailthorpe, *Clanger (longitude, latitude, decibels)*, [installation view] 2018. HD video, 4.1 channel surround sound. 06.30 mins. Credit: Jessica Maurer.

## Arts to film – questioning assumptions through diversity on screen

What began as a disability workshop in the late 80s has become one of our most successful and ground breaking theatre companies. An ensemble of actors identifying as having intellectual disabilities, Geelong-based Back to Back Theatre have made a body of work that questions the assumptions of what is possible in theatre, but also the assumptions we hold about ourselves and others. The company has toured the world – 83 cities in 27 countries – winning a plethora of awards along the way.

Alongside their international ambitions which have been supported by the Australia Council's grants and strategic work, Back to Back Theatre have long aspired to expand their reach through digital platforms. Participation in the 2016 HIVE LAB (an initiative of the Adelaide Film Festival, ABC TV, Australia Council and Screen Australia) resulted in their first major foray into film: the singular comedic and dystopic *Oddlands* which premiered at the Adelaide Film Festival in 2017 where it received the Audience Award for Best Short. It was broadcast on the ABC in March 2019.

Australia Council support for Back to Back Theatre as a Four Year Funded Organisation (2017–20) and strategic support through the HIVE FUND has enabled the company to unlock the potential for a whole strand of new work, which could have long-term multiplier effects for the company, for writers and actors with disabilities, and for the audiences who witness this diversity on screen. The company now have phase one development investment from ABC Drama to explore a six part *Oddlands* series with the potential to reach an estimated worldwide audience of three million people.



*ODDLANDS*, a film by Back to Back Theatre & Matchbox Pictures. Credit: Tao Weis.

# Major Performing Arts companies

**The Major Performing Arts (MPA) companies are integral to the arts ecology in Australia, comprising 29 leading companies<sup>1</sup> in dance, theatre, circus, opera and orchestral and chamber music. MPA companies create arts experiences of the highest standards for significant audience numbers nationally and internationally. They support the careers of Australian performing artists and creatives and the creation of new Australian work.**

The MPA companies are jointly funded by Commonwealth and state governments through the National Framework for Governments' Support of the Major Performing Arts Sector (2011). Funding under the framework enables the MPA companies to plan strategically by providing financial certainty. The partnership between governments is based on a joint approach to the design and administration of the funding, with the Australia Council leading the management of the framework in partnership with state and territory funding agencies. Our lead role is supported by the MPA Panel, an advisory body that helps oversee MPA company performance and provides expert strategic advice.

## **An increase in new Australian work**

In 2018 MPA companies collectively presented 440 works, including 175 world premieres of new Australian works, representing an increase of 18% on 2017. MPA companies also delivered 169 new productions, arrangements and remounts of existing Australian works and 40 creative

developments. A significant proportion of this work was undertaken with the broader arts sector, including cross-art form collaborations as well as co-productions.

## **Audiences in Australia**

The MPA companies provide high quality arts experiences to Australians in metro and regional communities. Over 3.8 million people across Australia attended a performance, exhibition, workshop, or school activity presented by an MPA company in 2018. This includes an audience of 3.1 million people at more than 5,600 performances; 29,000 visitors at six exhibitions; and more than 661,000 participants in workshops or classes.

## **International engagement**

The MPA sector continued to grow the global profile of Australian arts and engage in cultural exchange in 2018, delivering performances and workshops that reached 183,000 people in 21 countries.

Highlights include the Australian Chamber Orchestra's residency as International Associate Ensemble at London's Barbican

<sup>1</sup> This includes Victorian Opera which transitioned from a Four Year Funded Organisation to an MPA company from 1 January 2019. The statistical data reported in this section is for the 2018 calendar year and does not include results for Victorian Opera.



Centre, selling out critically acclaimed performances including the UK premiere of cinematic collaboration *Mountain*. The orchestra also performed in Japan, demonstrating the distinctive approach, energy and high artistic standards of Australian work. The Melbourne Symphony Orchestra directly reached audiences of more than 9,900 people on a tour of China as well as audiences for four broadcasts via China Central TV. Bangarra undertook their 26th international tour, to India and Japan; and the Adelaide Symphony Orchestra toured to Harbin, China to celebrate Adelaide's conferral as a UNESCO City of Music.

### Employment and turnover

The MPA companies continue to be major employers of Australian artists, creatives and arts workers. They provide important infrastructure to nurture talent and skills that are the life blood of the creative industries and broader Australian workforce. In 2018 the MPA companies employed more than 9,900 people, 58% of whom were artists and creatives. The MPA companies achieved a record \$591.9 million combined turnover in 2018, a 2% increase from 2017. Approximately a third of this was from government sources (31%), with these organisations leveraging a further \$2.25 for each \$1 of government funding invested 2018. The companies received \$121.9 million of private sector income in 2018 an increase of 10% on 2017.<sup>2</sup>

### Strengthening the MPA Framework

Since the MPA Framework's inception in 1999 the Australian arts and cultural landscape has undergone significant change. At the September 2017 Meeting of Cultural Ministers (MCM), Arts and Culture Ministers from all jurisdictions asked officials to identify opportunities to strengthen the framework.

The first phase of public consultation in July and August 2018 included an online survey managed by the Department of Communications and the Arts which

received over 8,000 responses. The second phase of consultation was managed by the Australia Council on behalf of MCM in October and November 2018. It included 15 public consultation forums and state-based company meetings held across all Australian jurisdictions and resulted in the submission of 370 formal stakeholder responses.

The national consultation identified a number of opportunities to strengthen the framework, including:

- increased access to the MPA companies including through affordability, regional performances and delivery of educational programs
- increased diversity, including greater gender and Indigenous representation and leadership
- more new works and Australian content
- increased transparency in decision making
- stability of funding balanced with accountability
- updated processes for determining which companies are supported
- a more coordinated approach to touring of MPAs.<sup>3</sup>

Ministers are considering the options and officials will continue to work collaboratively in the lead up to MCM in October 2019.

Jennifer Irwin's 'Female Dancer, act 3' design for *The Merry Widow*, commissioned by the Opera Conference, Australia's national partnership of professional opera companies.



<sup>2</sup> 2017 private sector income corrected to \$111 million from 2017-18 annual report.

<sup>3</sup> Australia Council 2019, *Major Performing Arts Framework Summary of the Second Phase Public Consultation Outcomes*.



*Bangarra: 30 years of sixty five thousand, 'To Make Fire'. Sydney Opera House. Credit: Daniel Boud.*



## Celebrating 30 years of 65,000

The value of targeted long-term investment in arts companies through the MPA Framework is evident in the quality, reach and achievements of MPA companies such as Bangarra Dance Theatre – an Aboriginal and Torres Strait Islander organisation of national and international acclaim for its powerful dancing, distinctive theatrical voice and utterly unique soundscapes, music and design.

Opening in June 2019, *Bangarra: 30 years of sixty five thousand* is Bangarra's landmark 30th anniversary season. This diverse program of three contemporary works displays the passionate storytelling, rich artistry and deep community connections that have made Bangarra the premier Aboriginal and Torres Strait Islander performing arts company in Australia. With roots in the world's oldest continuing culture, *Bangarra: 30 years of sixty five thousand* carries the spirit of Bangarra into its fourth decade, promising many more years of deeply moving and authentic Aboriginal and Torres Strait Islander stories.



## Virtual experiences and real world connections

**Digital technology is transforming the nature of arts engagement, enabling more Australians to experience the arts in increasingly interconnected ways – growing rather than diminishing arts audiences.**

The Adelaide Symphony Orchestra's Encore in VR (virtual reality) project is breaking ground by providing a totally immersive orchestral experience outside of a concert. In 2018, the Adelaide Symphony Orchestra worked with VR technology provider Jumpgate, SA Health's Office for the Ageing and 14 community centres across South Australia to enable older members of the community to reconnect with their love of live music through VR.

Participants saw and heard the music as if they were sitting in the middle of the orchestra. Any apprehension around the new technology dissolved once the music started, and conversation about the music with volunteers built social connections and capital from the virtual experience.

The ASO is an MPA company embracing VR as part of the new frontier in audience outreach and community engagement.



Adelaide Symphony Orchestra, *Virtual Reality Project 2018.*

# Government initiatives

The Australia Council delivers a range of funding on behalf of the Australian Government. These grants support the development of ambitious performing art works for Australia's major festivals; regional touring of performing arts, contemporary music and visual arts exhibitions; and the strength and resilience of the contemporary visual arts and craft sector.

## Major Festivals Initiative

**Grant allocation: \$1.5 million**

The Major Festivals Initiative supports the commissioning, development and showcasing of new Australian performing arts productions, particularly those of scale and ambition, for the nation's state-based major international arts festivals. Many of these works have gone on to have a life within other Australian and international venues and festivals. The initiative provides seed, creative development and pre-production funding. It is a vital enabler for artists, production companies and festivals.

The Confederation of Australian International Arts Festivals Inc (the Confederation) is directly responsible for selecting projects for support and manages the development of the selected works. Confederation members are Adelaide Festival, Brisbane Festival, Darwin Festival, Melbourne International Arts Festival, Perth International Arts Festival, Sydney Festival and Ten Days on the Island. Working together, the Confederation provides a curatorial hothouse to nurture exceptional new artistic works.

An increase in available funding post-2015 has allowed festivals to commission more work. There is now greater capacity for seed and creative development funding, with a strategic aim that artists and production companies have the space to develop higher quality works that subsequently reach pre-production and presentation stages. For example, *Counting and Cracking*, a co-production by Co-Curious and Belvoir, received creative development funding in 2015-16 and pre-production funding in 2017-18. See case study on page 30.

## Catalyst - Australian Arts and Culture Fund

**Grant allocation: \$3.8 million**

In 2017-18, administration of Catalyst funding agreements was transferred from the Department of Communications and the Arts to the Australia Council. Catalyst decisions were made by the Minister for Communications and the Arts, based on advice from the Department of Communications and the Arts and independent assessors. A range of projects across all states and territories were funded, including sculpture, music, playwriting, performances, visual arts, dance, theatre, art installations, digital arts, ballet, puppetry, tours and festivals. These projects are now reaching completion.

## Playing Australia

**Grant allocation: \$7.4 million**

Playing Australia is the Australian Government's regional performing arts touring program. It provides grants to tour professionally produced performing arts to regional and remote communities – providing opportunities for Australian artists and creatives, and increasing the audience reach of Australian arts.

The three Playing Australia rounds in 2018-19 attracted 38 applications and delivered 27 successful grants. Four companies are in receipt of multi-year funding as part of the National Touring Status stream of Playing Australia.

## Contemporary Music Touring Program

**Grant allocation: \$0.4 million**

The Contemporary Music Touring Program assists Australian musicians to tour original contemporary music to regional and remote areas. It supports Australian music and musicians' careers and connects musicians with audiences across the country. The two rounds in 2018-19 attracted 54 applications and delivered 22 successful grants.

In March 2019 the Australian Government announced a 2019-20 Budget measure of \$2 million over four years to double the current investment in the program.

## The Visual Arts and Craft Strategy

**Grant allocation: \$6.6 million**

The Council delivers funding under the Visual Arts and Craft Strategy (VACS) in partnership with state and territory governments. VACS funding supports the strength and sustainability of the contemporary visual arts and craft sector by providing funding for individual artists, arts and craft organisations, arts events and artist run initiatives.

In 2018-19 the Council provided \$1 million in VACS funding to 38 individual artists, administered through the Council's grants program; \$4.3 million in multi-year operational funding to 28 national leadership organisations in the visual arts; \$0.6 million in multi-year operational funding to organisations delivering national initiatives; and \$0.7 million for the Contemporary Touring Initiative.

## Contemporary Touring Initiative

The Contemporary Touring Initiative is an element of the VACS. It supports significant exhibitions by living contemporary visual artists and craft practitioners. The program is targeted at ambitious organisations whose projects demonstrate innovation, as well as strong partnerships and impact in regional communities. One round was offered in February 2019 and five of nine applications were funded.



*In Between 2* [turntable backdrop].  
Credit: Sarah Walker.

## Touring high calibre art that entertains across the country

**Government initiatives such as Playing Australia support and promote the creative work of Australian artists and organisations, strengthen the sector and deliver greater access to enriching arts experiences for all Australians.**

Across August and September 2018, Playing Australia supported Performing Lines to tour The Farm's production of *Cockfight* across six states and territories, delivering 19 performances including ten in regional locations. Woven around the lives of two men from different generations, trapped in an office, *Cockfight* proved to be fun, funny and accessible. As a high-energy, thoroughly entertaining experience, the show provided a path for audiences into contemporary dance and into topics around competition, ageing and masculinity that transcend socio-economic background and geographic location. *Cockfight* was awarded Performing Arts Connections Australia's 2019 Drover Award for Tour of the Year.

The Farm, *Cockfight*. Credit: Darcy Grant.







Clare Belfrage,  
*Quiet Shifting, Oceana  
and Yellow*, 2018.  
Credit: Pippy Mount.

## Promoting the achievements and skill of outstanding artists

More than three in four Australians agree that artists make an important contribution to Australian society and Australians are proud of our artists on the international stage.<sup>1</sup> The Contemporary Touring Initiative supports significant exhibitions by living contemporary visual artists and craft practitioners.

From 2018–20 the initiative is supporting a JamFactory Icon tour celebrating the work of one of Australia's most internationally recognised glass artists, Clare Belfrage. Belfrage's solo exhibition *A Measure of Time* was presented in conjunction with the SALA (South Australian Living Artist) Festival in 2018 before touring to a further 10 venues nationally. With a career spanning almost three decades, the multi award winning artist has forged an international reputation for her finely detailed glass sculptures that marry organic blown forms with intricate line work. Belfrage has found her style by integrating glass approaches from across the globe.

1 Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.

# First Nations arts

Australia's First Nations arts are diverse expressions of the world's oldest continuing living culture. They are a source of great pride to Aboriginal and Torres Strait Islander peoples and a reflection of cultural strength, resilience, innovation and artistic excellence. The Australia Council is committed to long-term support for First Nations arts as one of our strategic goals and in keeping with the functions of our Act.

The Council undertakes a broad range of activity to support First Nations arts and cultural expression, including investment through project grants and multi-year funding; targeted investment through the Chosen and Signature Works programs; capacity building and strategic development nationally and internationally; the National Indigenous Arts Awards; and research that investigates the First Nations arts ecology and promotes greater access and participation in First Nations arts experiences by all Australians.

## Investment

Our investment is underpinned by First Nations decision-making. Our First Nations strategy panel comprising senior arts leaders provides expert advice; and our dedicated funding to First Nations people, groups and organisations through our grants program is assessed wholly by Aboriginal and Torres Strait Islander peer assessors.

The Council invested \$13 million in First Nations artists and communities in 2018–19. We are seeing strong First Nations-led projects funded through all areas of arts practice. First Nations artists and arts organisations supported by the Council created more than 2,600 new works and reached audiences of 2.4 million. A record number of First Nations

artists were acknowledged through the Australia Council Awards and fellowships as well as the National Indigenous Arts Awards.

Signature Works Innovation Lab 4 was held in Hobart in March 2019, a four day immersive workshop with the aim of developing new First Nations works of scale. Fourteen artists and four mentors participated, with six successful pitches awarded \$10,000 each. Signature Works story production investment of \$25,000 each was awarded to six artists, including Andrea James for Sunshine Supergirl.

The Chosen program supports intergenerational artistic and cultural transmission through community-led cultural apprenticeships and residencies. In 2018–19, Chosen supported ten projects with an investment of \$454,000. First Nations communities value this strategic program due to limited funding opportunities for intergenerational knowledge transfer between Elders and youth.

We continue to invest in international exchange opportunities for First Nations artists and companies. In 2018–19 we continued our support for the Global First Nations Exchange during the New York in January performing arts events, and established a new partnership with Native Earth Performing Arts to support



touring and exchange for Australian First Nations artists in Canada.

In its second year of a strategic partnership with the Sydney Opera House, Badu Gili continued to showcase First Nations artists at the most prominent place in Sydney and the first point of call for international tourists. Sydney Opera House received over 242,000 visitors for Badu Gili and this project.

### Research and advocacy

In 2018, the Australia Council commissioned a detailed research project to uncover the needs of the First Nations community for the development of a First Nations Leadership Program. The research indicated a critical requirement for a First Nations specific leadership program and the Council is working with the First Nations arts sector on its development.

Other research in 2018–19 included fieldwork for *Creating Art* (forthcoming), exploring how First Nations performing arts are created and reach audiences; *International Arts Tourism: Connecting Cultures* (November 2018) highlighting the power of First Nations arts to engage international tourists; and publication of our evidence-based submission to the Closing the Gap Refresh in an accessible online format (July 2018).

We continued to use our evidence base to advocate for ethical trade of First Nations arts, the critical role of arts and culture in Closing the Gap, and in submissions highlighting the importance of First Nations arts in Australia's tourism strategies and soft power. We commenced a review of the Protocols or Working With Indigenous Artists, in collaboration with Terri Janke.

### National Indigenous Arts and Cultural Authority (NIACA)

The Council is providing interim secretariat support to the First Nations arts sector for the development of a National Indigenous Arts and Cultural Authority (NIACA), including the facilitation of a national consultation process. A total of 44 consultations were conducted from October 2018–June 2019. The consultation will culminate in a national gathering in 2020.

The need for an independent NIACA has been identified by the First Nations arts and cultural sector as a significant gap in the existing structures and has been discussed for many years. Momentum is building nationally in support of an independent central peak body for the First Nations arts and cultural sector, providing First Nations artists and cultural organisations with a national voice across all areas of practice.

The 2019 National Indigenous Arts Awards. Back row, L-R: Ali Cobby Eckermann, Rhoda Roberts AO, Vicki van Hout, Aunty Lola Greeno, Rachael Maza, Uncle Jack Charles, Jacob Boehme, Jenna Lee, Vernon Ah Kee. Bottom row, L-R: Thomas E.S. Kelly, Lee-Ann Tjunypa Buckskin, Wesley Enoch.





## Telling uniquely Australian stories

**The Australia Council supports all stages of the creative process to bring Australian stories to life. The Council's 2017 Signature Works innovation lab led to a successful pitch to support development of Andrea James' theatre work *Sunshine Super Girl* about Wiradjuri tennis champion Evonne Goolagong.**

*Sunshine Super Girl* is a quintessentially Australian story about a Black girl from the bush who, with the unlikely support of an outback farming town and her loving family, rises to become a world tennis champion in 1971 at the tender age of 19 – making Evonne Goolagong a household name.

The Council supported the second phase of creative development of *Sunshine Super Girl* in December 2018. Produced by Performing Lines, the development brought together artists and collaborators, and culminated in a showing with invited guests including Evonne and her husband Roger Cawley. With commissioning support from 10 presenters, the work will now head into production and hit stages in 2020.

Creative development of Andrea James' *Sunshine Super Girl*.  
Image courtesy of Performing Lines.

## Cultural strength supporting wellbeing, education, employment and community connections

First Nations arts engagement supports empowerment, community connectedness and wellbeing among First Nations Australians.<sup>1</sup> Arts provide opportunities for First Nations peoples and the broader Australian community to connect with the living stories and landscapes of Australia's First Nations, and with each other.

*Milpirri Jurntu* is a partnership between the Lajamanu community and the NT's premier contemporary dance company Tracks. A bilingual, bicultural, intergenerational project, Milpirri culminates in a spectacular sunset community performance that brings together dance and music, young and old, past and present. The 7<sup>th</sup> Milpirri was held in November 2018. In a remote community of 608 people it featured 141 local performers and an audience of around 520, demonstrating whole community engagement.

An independent evaluation found the 2018 Milpirri fostered partnerships across community health, education and the arts; enhanced community organisations and employment; improved participation at school; decreased shaming among the school attendees; improved social, emotional and cultural wellbeing; and increased cultural continuity and cross-cultural learning.<sup>2</sup>

1 Australia Council 2017, *Living Culture: First Nations arts participation and wellbeing*.

2 Marshal A 2018, *Milpirri Jurntu 2018 Evaluation Report*.



Tracks Dance Company. 2019 *Milpirri Jurntu*. Youth dancers. Credit: Peter Eve.

# Regional arts

**The stories of regional and remote communities are integral to Australia's cultural identity and the artistic excellence among regional artists, communities and organisations is critical to a vibrant arts sector that reflects Australia's depth and diversity. Australia's regionally-grown artists, works and stories captivate audiences locally, in major cities and around the world. In regional Australia, engagement with the arts enriches lives and creates stronger, healthier and more cohesive communities.**

The arts in regional and remote Australia are a priority for the Council. We champion and invest in them through a broad range of programs and strategies, and through our core activities such as peer services, outreach and research. Our commitment to supporting regional arts and artists, and increasing regional communities' access to the arts, is embedded across our work.

## Investment

In 2018–19 the Council invested \$29.3 million in funding for the arts in regional Australia (see page 18). This supported the creation of art with and by regional communities and artists, professional development for regional leaders, and the touring of diverse and excellent Australian work to regional audiences. One quarter of the 128 small to medium organisations receiving Four Year Funding from the Council (2017–20) are based in regional or remote areas, including First Nations and youth arts organisations. Regional arts reflect the intersections between diverse groups and identities.

## Creating and presenting work

In 2018–19 the Council supported regionally based artists, groups and arts organisations to create more than 2,500 new works and present 384 exhibitions and 6,047 workshops, masterclasses and education programs. Their public outcomes reached audiences of 3.3 million locally, nationally and globally.<sup>1</sup>

## International engagement

Through grants and international strategic initiatives including the International Arts Strategy Outcomes Fund, the Council supports great regional artists' and arts organisations' international ambitions. In 2018–19 this included support for international literature delegations; international visual arts partnerships, exhibitions and artist exchanges; participation in performing arts platforms and showcases; and international tours by regional companies and musicians.

## Capacity building

In 2018–19 the Council's leadership programs included components held in Launceston, Bunker Bay, Daylesford and Broome. Local leadership

<sup>1</sup> The support comprises all programs delivered and administered by the Australia Council acquitted in 2018–19. This can include activity that was funded in previous years. The data was correct at 30 July 2019.



exchanges enable regional guests to join the conversations in these programs and provide a unique perspective of development from a regional context.

In December 2018 the Council delivered a two-day Arts Skills Exchange in Broome in partnership with Country Arts WA, Arts Law Centre of Australia, Queensland University of Technology and Our Community. Over 35 local leaders participated in the program learning new skills and receiving funding information from Council and partner staff.

### Outreach and peers

The Council works closely with state and territory jurisdictions, local government authorities, arts service organisations and a wide range of key stakeholders to deliver targeted bespoke grant information sessions. Working in partnership with these and other agencies we go on the road holding funding presentations, Q&As, and one on one meetings. We leverage our presence at conferences and arts events by sitting on panels, taking meetings in a dedicated Australia Council booth/lounge, or by providing specialist funding sessions.

In 2018-19, the Artists Services team held grant information sessions, Q&As, roundtables and one on ones with over 1,500 artists and arts workers in 23 regional and remote areas

nationally. Jeremy Smith, Arts Practice Director and lead for Regional and Remote Australia under the Cultural Engagement Framework undertook extensive engagement with regional and remote communities including in Alice Springs, Tennant Creek, Warburton, Bendigo and Albany.

Our peer assessment model implemented in 2014 has enabled greater geographic, demographic and artistic diversity among our expert peers, strengthening both the assessment process and enriching the Council's sector knowledge. More than a quarter of the peers used in 2018-19 were from regional or remote Australia (29%).

### Research

In July 2018, the Council published *Electorate Profiles*, a new online resource that shows data on arts and cultural engagement in each electorate across Australia.

In November 2018, the Council published *International Arts Tourism: Connecting Cultures*, which indicated the many rich arts offerings in regional areas may be helping to drive regional tourism among international visitors. International arts tourists are more likely to travel to regional Australia than international tourists overall, and this trend is growing.

Peter Goodbourn and Jessica Rouse in *A Light Shade of Red*.  
Credit: Nic Duncan.







Kim Williams and Lucas Ihlein, Seed & Song Community planting day – sugarcane and sunflowers, at ‘The Beacon’, Mackay Regional Botanic Gardens, as part of the *Watershed Land Art Project*, 2018. Credit: Robert Bole.

## Artists and farmers coming together to envision a new future

**Socially engaged art responds to urgent real world problems while simultaneously creating new genres and aesthetic approaches. It results in new collaborations, ways of engaging and ways of thinking which provide both artists and communities with important new platforms and opportunities.**

Wollongong artists Kim Williams and Lucas Ihlein have been visiting the Mackay region since 2014 to gain a deeper understanding of the sugarcane industry and to investigate how artists and farmers can work together on large-scale human/ecology problems. Their in-depth social and ecological engagement informed the stories told through their exhibition *Sugar vs the Reef?* at Artspace Mackay from November 2018 to January 2019. The products of the artists’ extended collaborations in Mackay stimulated dialogue around complex intersections between environmental management, social behavior and cultural traditions.

The exhibition and its companion *Watershed Land Art Project* at Mackay Regional Botanic Gardens were outcomes of Lucas Ihlein’s 2016–17 Australia Council Emerging and Experimental Arts Fellowship.

## Regional touring making musical connections with communities

**People living in regional Australia increasingly recognise the positive impacts of the arts on their daily lives and communities. Around seven in ten regional Australians agree that the arts make life more rich and meaningful and that it is exciting to see new styles of art.<sup>1</sup>**

Throughout 2018, the Melbourne Symphony Orchestra (MSO) travelled to ten regional Victorian centres giving a total of 22 performances and 26 workshops for close to 13,000 people. Performances of Handel's *Messiah* in Bendigo and Ballarat with members of the Ballarat Choral Society and Bendigo Chamber were sell-out successes and important collaborations between local communities and the MSO.

Through connections the MSO has made with Traditional Owners via its annual regional touring program, the MSO is undertaking a unique project which will see the development of a musical Acknowledgement of Country for each of the 11 official First Nations language groups of Victoria. In partnership with Short Black Opera, led by Deborah Cheetham AO, the MSO is delivering a series of on-Country workshops with First Nations communities as part of the project, believed to be the first of its kind in Australia. The MSO is supported through the MPA Framework.



Melbourne Symphony Orchestra musicians on 2018 regional tour. Credit: Lucy Rash.

<sup>1</sup> Australia Council 2017, *The Arts in Regional Australia: A research summary*.

# International arts

**The Australia Council is the leading public investor in Australian international arts and cultural activity, supporting artists and arts organisations to take up the creative, economic and cultural opportunities offered by international mobility and connection. This in turn creates enormous public value for the Australian community and yields significant soft power benefits, strengthening our reputation as a sophisticated and creative nation with a confident, outward-looking and future focused arts sector.**

In 2018-19, the Council invested \$2.1 million in strategic international activity, including support for incoming visitor programs, international platform delegations, exchanges, residencies, and presentation outcomes. Australian artists are increasingly looking to their peers in Asia for exchange and our investment has shifted to support this increased engagement with \$0.5 million invested in strategic international activity in Asia in 2018-19.

The regional priorities of the Council's International Arts Strategy are Western Europe, North America, North Asia, and Southeast Asia. Highlights of the Council's 2018-19 strategic international activity include:

## Europe

Venice Biennale, Tanzmesse, Ice Hot Nordic Dance Platform, December Dance at Concertgebouw Brugge, IETM Spring Plenary, Blast Theory and pvi collective exchange, Dublin Theatre Festival: The Next Stage, residencies

## North America

CINARS, Global First Nations Performing Arts Network and Exchange, New York in January, International Performing Arts for Youth Showcase, New York Publishers' Program, residencies.

## North Asia

Asia Discovers Asia Meeting, China Shanghai Performing Arts Fair, China Children's Bookfair, TPAM - Performing Arts Meeting in Yokohama, West Kowloon and Performance Space exchange, Taiwan First Nations Exchange, residencies.

## South and Southeast Asia

Experimenter Curators' Hub, India Literature Exploratory, Kochi Muziris Biennale, Borak Arts Series, Asia Producers' Platform.

Our deep in-market intelligence and established networks have been vital in enabling and fast-tracking the international aspirations of Australian artists and in turn, their international success. Our team of International Development Managers located in key markets answer this critical need and actively build partnerships to facilitate ongoing artistic and cultural dialogue. The demand for advice and intelligence on international engagement is high with the International Development team responding to more than 2,500 requests for information and advice in 2018-19.

Investing in international influencers to experience Australian art and engage with artists and companies in situ continues to reap benefits for the arts sector.



In 2018-19 the Council hosted 158 international curators, publishers, programmers, producers and presenters to experience Australian work and build connections with Australian artists through incoming visitor programs at Australian platforms including Liveworks, the 9th Asia Pacific Triennial of Contemporary Art, Dance Massive, and the Visiting International Publishers Program; as well as programs delivered in-market alongside Australian work programmed at major festivals. The outcomes from engaging these key influencers include rights sales of Australian literature to North America and Europe, exhibitions of contemporary visual arts at major galleries and biennales in Europe in Asia in 2019 and 2020, and performing arts tours to Europe, North America and North Asia.

In 2018-19, the Council supported 281 artists and arts organisations in research and market development activity through attendance at international platforms. We increased capacity for engagement with Asian markets through investment in new platforms at the China Children's Book Fair and Borak Arts series. Our 17 international residency programs provided artistic development and cultural exchange opportunities for 28 exceptional artists across arts practice areas in priority international regions. The residency opportunities offered through the Council are increasingly underpinned by exchange and in 2018-19 we offered new reciprocal programs with Japan, India and Canada.

Our long-term approach to international engagement recognises the importance of sustained engagement, reciprocity and partnerships; as well as the need to support the progression of international engagement from research and network building, through development and creation of work, to presentation, touring and sales. Investing in the outcomes of our international strategic activity is vital to ensuring Australian artists and companies can undertake a long term



MADE Ensemble members in *The Frock*, Japan 2018. Choreography: Graeme Murphy. Credit: Sandi Sissell. This tour resulted from international market development initiatives.

approach to international engagement. In 2018-19 the Council's International Arts Strategy Outcomes Fund invested \$1.2 million in 56 outcomes of our strategic international initiatives, including exchange and collaboration, exhibition, presentation and touring in our priority regions of Europe, North America, North Asia, and Southeast Asia.

Funding through the grants program remains an important element of the Council's support for Australian arts and artists internationally. Across the Council in 2018-19 we supported 231 artists, groups and arts organisations to deliver 3,325 activities overseas that reached international audiences of 3.5 million. There were significant increases in audiences in Asia, where we have increased our strategic investment to support Australian artists' engagement.

**Figure 6: International audience reach by continent<sup>1</sup>**

North America	301,000	9%
South America	5,300	0%
Europe	1,923,000	55%
Asia	1,219,000	35%
Oceania	35,000	1%
Africa	31,000	1%

<sup>1</sup> Based on acquittal data for 2018-19 for public outcomes supported by the Australia Council. This can include activity that was funded in previous years. The data was correct at 30 July 2019.



## Australian contemporary visual art is a global phenomenon

The arts are a powerful tool for building national identity, cultural exchange and cultural diplomacy. Australian contemporary visual art is a global phenomenon and Australian artists are connecting with international markets by presenting their work in major biennales, art fairs and exhibitions.

The Kochi Muziris Biennale in India is an art exhibition and festival that is the largest of its kind in South Asia. From December 2018 to March 2019, its fourth edition featured 95 artists from 36 countries. The Australia Council partnered with Australia Fest, an initiative of the Australian High Commission, to present two of Australia's most acclaimed Aboriginal artists Julie Gough and Brook Andrew.

The Biennale is a landmark art platform in the increasingly important South Asian market with its counterpart in the Dhaka Art Summit. These events are forming an ecosystem for contemporary visual arts practice from a distinctly South Asian locus and it is fantastic to have Australia be a vital contributor to this ecosystem. More than 600,000 people attended the Kochi Muziris Biennale in 2018. The biennale also attracts a huge number of tourists who detour to Kerala for the event, developing new audiences for Australian art and artists.

Brook Andrew, *Seeing I - IV*, Installation view. Kochi-Muziris Biennale 2018, Kerala, India. Curator: Anita Dube. Credit: Amrit Gill.





## Creating opportunities for Australian dance in Europe

Through the arts, Australian stories and perspectives are shared with the world, growing our global connections and presence.

December Dance is a biennial international platform for showcasing dance works to European presenters. The 12<sup>th</sup> edition of December Dance was held in Bruges, Belgium in December 2018 and focused on the best of the dance scene from Australia and New Zealand. Twelve Australian artists and companies presented in the two-week program with most performances selling out to an enthusiastic local and international audience.

As well as supporting a number of the artists and companies presenting through our International Arts Strategy Outcomes Fund, the Council delivered an international incoming visitors program, supporting 38 key European presenters to see work in the program. A number of Australian artists and companies programmed in December Dance will tour their work in Europe in 2019 and beyond as a result.

*Complexity of Belonging, Chunky Move. Credit: Jeff Busby.*

# Capacity building

**The Australia Council develops and strengthens leadership across the arts and cultural sector by delivering a high performing suite of capacity building programs. These programs develop people, foster connections and broker opportunities for Australian arts and artists at home and overseas. They grow skills and networks that support artistic ambitions and participation in a stronger global arts community, strengthening Australia's position as a preferred global partner.**

Responding to the needs of the sector, the Council's capacity building programs target a range of arts professionals and support leaders at different stages of their careers. From general managers and producers to artistic directors and practising artists, the programs nurture dynamic and diverse leaders. More than 630 arts leaders benefited from these programs in 2018-19.

The Council's capacity building opportunities include:

- the Arts Leaders and Future Leaders programs
- the International Leadership Program
- the Arts Governance Program
- leadership exchanges and masterclasses
- secondments and leadership collaborations
- scholarships and partnerships.

Arts Leaders and Future Leaders are the Council's core leadership programs. Two cohorts in each program were active during the 2018-19 period. A total of 97 emerging, mid-career and established arts professionals participated in several residential intensives, online workshops, group projects and peer-to-peer engagement.

After a successful pilot of the program, the Department of Foreign Affairs and Trade confirmed its continued support for the International Leadership Program. A further 30 international arts professionals from nine eligible Indo-Pacific countries will join the leadership programs in Australia over the next three years. Ten leaders from China, India, the Philippines, Indonesia, Papua New Guinea and Vietnam are currently participating in the programs.

Now in its third year, the Arts Governance Program is a national program to support arts organisations in enhancing their governance practices. To date, the program has enabled over 1,000 managers and board directors to refresh and improve their governance practices. During the 2018-19 period, a total of 143 leaders attended face-to-face workshops and over 320 viewed online webinars.

Leadership Exchanges in Broome and Perth broadened the access of these leadership programs by inviting 59 local and regional leaders to join the conversations.

Participants of the Future Leaders Program undertook self-directed secondments in a range of Australian and international arts institutions. A total of 23 secondments were

supported in organisations such as Dark Mofo (Australia), Regional Arts Victoria (Australia), Sharjah Art Foundation (United Arab Emirates), Centre for the Less Good Idea (South Africa), Cemeti (Indonesia), Detroit Symphony Orchestra (United States) and Banff Centre for Arts and Creativity (Canada).

In 2018, the Council introduced a new leadership collaboration fund for alumni of the leadership programs. The purpose of the opportunity is to support ongoing exchange and collaboration between alumni on completion of the formal programs. Activities include a range of artistic, cultural and capacity building elements and are linked to leadership development. A total of 10 collaborations between 43 alumni were supported during the year.

The Council continued to invest in leadership development through partnering with strategic institutions both internationally and in Australia. Through a range of scholarships, arts leaders access further opportunities and our development impact is increased. In 2018-19, five mid-career performing arts leaders received scholarships to participate in the International Society of the Performing Arts Fellowship Program and a senior First Nations leader participated in the Australian Rural Leadership Foundation Milparanga program. In 2019 we introduced a new global leadership development opportunity for CEOs through a partnership with National Arts Strategies in the United States.

**“I’ve found it a rich and rewarding experience that has fundamentally altered my perspective on what good arts leadership looks like and how it can be practised.”**

Arts Leaders participant

**“The program has given me a bird’s eye view of my own work, and myself, and I am very happy with that viewpoint, which can get lost in the everyday rhythm of life.”**

International Future Leaders participant

**“The support I got was massive and very impressive. My secondment has not only enhanced my learnings so much, but also given me so many friends for life.”**

Future Leaders secondment participant



Perth leadership exchange, November 2018.



## Maximising network capabilities

The Australia Council contributes to the long-term resilience of the Australian arts community by investing in the individuals who lead our sector, and by activating knowledge-sharing and network-building across regions and areas of practice.

In December 2018 the Council hosted a unique arts specific training and networking program for arts workers, arts managers and board directors from the Broome region. The two day interactive learning experience brought together multiple training and outreach programs. It connected and inspired participants and enhanced their arts leadership skills. The exchange was a partnership with Country Arts WA, Arts Law and the Institute of Community Directors Australia, an Our Community enterprise.



Camels on Cable Beach in Broome.  
Credit: Emily Jane Smith.

Future Leaders participant Dan Graham.  
Credit: Robert Brindley.



## Creating pathways to disability-led leadership and employment

**The Australia Council has a longstanding commitment to access and inclusion and fostering representation and diversity in the arts. We recognise the barriers and inequities in society that impact on arts practice and participation, including for people with disability. Visible success stories, role models and mentors are key to building opportunities and leadership.<sup>1</sup>**

Dan Graham is a theatre director and emerging advocate for artists with disability. The Council supported Dan to travel to New York in January 2019 for his Future Leaders secondment to take advantage of the critical mass of performing arts activities. He met with access departments in theatres which do not currently exist in Australia and brought back new ideas and best practice for the local sector. The leadership opportunities are helping Dan secure further opportunities to develop his practice and professional career.

<sup>1</sup> Australia Council 2018, *Creating Pathways: Insights on support for artists with disability*.



# Research and evaluation

Through research and evaluation the Australia Council builds essential knowledge about Australian arts. Our evidence base informs decision making, strategic planning and policy; leverages new investment opportunities; and supports the sector and government with insights on arts practice, audiences and markets. The Council's national leadership role in research and evaluation is a critical foundation of our advocacy for the arts.

In 2018–19 the Council published a substantial body of new research and analysis. This builds on the significant evidence base available on the Council's online research hub, Arts Nation, which is a dynamic and interactive data source on Australian arts. The Council has a legislative mandate to conduct and commission research about the arts and to evaluate the impact of the Council's support.

## Research publications

**Electorate Profiles** (July 2018) is an interactive online resource about arts and culture in each of Australia's 150 federal electorates. It draws on a range of sources including data on employment and businesses, and analysis of arts and sport ticketing data the Council commissioned from TEG Analytics. The Electorate Profiles provide a valuable resource for a range of stakeholders who can access insights about the arts in their community at the click of a mouse. They were refreshed with new data sources added in September 2019.

**Australia Council submission to the Closing the Gap Refresh** (July 2018) compiles the growing body of evidence showing that participation in arts and culture supports outcomes across the Closing the Gap framework. In July 2018 we presented the research and evidence from our submission in an accessible online format.

**Creating Pathways: Insights on support for artists with disability** (September 2018) brings together findings and insights from a range of research undertaken in 2017–18 to inform the Council's approach to future support for artists with disability.

**International Arts Tourism: Connecting cultures** (November 2018) presents data from Tourism Research Australia (TRA) alongside additional resources to gain insights into international arts tourism in Australia.

**Arts and Disability: A research summary** (December 2018) brings together findings from Australia Council research publications and a research overview compiled by the Meeting of Cultural Ministers to build the evidence base about disability and the arts.

**Arts Futures** (May 2019) is a new body of work exploring the evolving environment for the arts and society. Through targeted research projects, public events and knowledge activities such as workshops, discussions and roundtables, Arts Futures is exploring new and innovative business models and structures; the impact of new and emerging technologies; and the changing roles of artists and of creativity. Arts Futures launched with a series of speaking, discussion and workshop events held

between June 2018 and June 2019, including a Vivid Ideas event *The Space in Between*.

### Research in progress in 2018-19

In 2018-19 the Council developed a summary of findings from a 2016-2019 Australian Research Council Linkage project addressing the economic and cultural impacts of Australian music exports. *Born Global: Australian music exports* (published July 2019) investigates the effects of globalisation and digitisation on music exporting and offers the first benchmark figure for the total value of Australian music exports.

The Council also progressed the final stage of a significant research series that seeks to understand and increase engagement with First Nations arts. *Creating Art* (forthcoming), explores how First Nations performing arts are created and reach audiences. It completes the series which includes *Building Audiences* (2015) and *Showcasing Creativity* (2016).

Other research in progress included work for the next National Arts Participation Survey, a series of research projects contributing to *Arts Futures* and work with the New Zealand Ministry of Culture and Heritage on a joint project that will help both organisations measure and articulate the public value of arts and culture.

### Evaluation

The Council conducts evaluations to examine the effectiveness and impact of programs, and inform ongoing program

delivery and future strategic direction. In 2018-19 these included an evaluation of the first full year of the International Leadership Program and an evaluation of the first year of outcomes reported by Four Year Funded Organisations.

We also provided analysis of: submissions to the second phase of consultation on opportunities to strengthen MPA Framework; responses to a survey as part of a national consultation process to assist with the development of a National Indigenous Arts and Culture Authority (NIACA); and responses to a survey about the Council's proposed strategic priorities for 2020 to 2024.

### Australian Research Council (ARC) Linkages

The Council was an industry partner in five arts-related projects funded by the ARC in 2018-19, providing financial and in-kind support for new research across a range of disciplines and arts practice areas, including arts-science collaborations.

### Submissions

In 2018-19, the Council drew on our research to provide evidence-based submissions to the Standing Committee on Communications and the Arts Inquiry into the Australian Music Industry (October 2018), the Department of Foreign Affairs Soft Power Review (October 2018), and Austrade's Beyond Tourism 2020 Consultation (March 2019).

## ELECTORATE PROFILES

Choose an electorate to view its arts and culture profile



## Imagining arts futures

**We live in an interconnected world undergoing profound disruption. How do emerging challenges and opportunities across industries and society impact – or have the potential to impact – artists and creatives?**

The Council has embarked on a body of work called *Arts Futures* which to ensure that the challenges and opportunities of disruption can be identified, understood and harnessed. It aims to activate and grow the capacity that already exists in the sector through sharing knowledge and experience and building networks. To develop the conversation, in June 2019 the Council hosted *The Space in Between*, a discussion on the future of creativity and the arts, as part of Vivid Ideas.

The panel for the Australia Council's Vivid event, *The Space in Between*.  
Left to right: Astrid Edwards, Gene Moyle, Emre Deniz, Jenna Lee and Seb Chan.





State Opera South Australia's *Carmen* in Victoria Square. Credit: Soda Street Productions.

## Arts a bigger tourism drawcard than wineries, casinos or sport

**In November 2018, the Australia Council published new research showing the arts are increasingly on the itinerary for visitors to Australia. *International Arts Tourism: Connecting cultures* highlights the growing potential for the arts to drive and support tourism activity.**

The research shows that arts tourist numbers grew by 47% between 2013 and 2017, a higher growth rate than for international tourist numbers overall (37%). Visitors to Australia are more likely to engage with arts (43%) than to visit wineries (13%), casinos (12%) or attend organised sporting events (6%).

The Council used the research in our response to Austrade's Beyond Tourism 2020 consultation. We asserted that arts and culture should prominently feature in Australia's tourism strategy, including investment in Australian arts and artists.



# Advocacy

**In a culturally ambitious nation, artistic enterprise, creative innovation and respect for culture are entrenched and the immense public value of arts and creativity is recognised. These values drive our advocacy.**

For half a century the Australia Council has been an advocate for the role and careers of artists, and the importance of the arts to our nation's social, economic and cultural success. Through our research, deep sector knowledge and evidence-based advice we seek to inform and influence policy development, investment, arts activity and public debate. Our advocacy is implicit in our functions defined in the *Australia Council Act 2013*.

As a priority under our new strategy *Creativity Connects Us*, published in August 2019, the Australia Council is elevating advocacy to ensure greater recognition of the public value of arts and creativity. We will increase awareness of the value of public investment in arts and culture to ensure a well-supported cultural sector which delivers even greater social, cultural and economic returns.

The Council's national leadership role in research and evaluation is a critical foundation of our advocacy for the arts. Our research is internationally recognised; frequently referenced by our international peers and the media and is revisited long after its initial release. In 2018-19 the Council published a substantial body of new research and analysis on arts tourism, arts and disability and the role of artists and creativity in the future, as well as an online tool to explore engagement with the arts in each of Australia's 150 federal electorates. Our research was featured in 42 media reports in 90 days from April to July 2019 across print, online and

broadcast media, reaching an estimated audience of more than 27 million.

In 2019, under the auspices of the Meeting of Cultural Ministers, the Council commenced a partnership with the New Zealand Ministry of Culture and Heritage to work on a joint project that will help both organisations measure and articulate the public value of arts and culture. It will provide new evidence to inform strategic decisions and enhance discussions about the value of the arts and will contribute to development of New Zealand's wellbeing framework.

Senior staff gave plenary and keynote addresses and appeared on panels on a range of topics throughout 2018-19, including at the *5th National Indigenous Economic Forum*; *Meeting Place*; Diversity Arts Australia's *Fair Play Creative Industries Symposium*; CEDA's *Women in Leadership - diversity in the arts* event; *Createx Festival*; *REMIX Sydney*; and the *International Metropolis Conference*. Important insights from our National Arts Participation Survey have continued to drive deeper insights about the value of the arts to social cohesion, and as part of our *Arts Futures* body of work, the Council has been leading a series of public conversations about the value of the arts and creativity across industries into the future, including a Vivid Ideas event.

In 2018-19 the Council stepped up our advocacy in the media. Senior staff appeared across broadcast, online and print media contributing to discussions on



issues impacting the sector. Among the discussions Council staff have contributed to are the public value of the arts, measures to address the proliferation of inauthentic First Nations art, and the push for increased diversity in the arts.

As a Commonwealth agency, the Council works with the government of the day and their policies. We work collaboratively with other agencies and departments to build awareness across government of Australia's arts and cultural interests, to increase understanding of the intrinsic and instrumental value of the arts, and to advocate for the ways in which Australian artists and audiences can be effectively supported. We actively contributed to the review of the National Arts and Disability Strategy in 2018-19, working closely with the lead agency, the Department of Communications and the Arts. Our *Creating Pathways* research highlighted important insights about pay gaps and disparities for artists with disability.<sup>1</sup>

The Council also advocates on key issues through submissions to government and appearances at parliamentary inquiry hearings. In 2018-19 the Council provided evidence-based submissions to the Standing Committee on Communications and the Arts Inquiry into the Australian Music Industry; the Department of Foreign Affairs Soft Power Review; and Austrade's Beyond Tourism 2020 Consultation. We continued to advocate for the critical role of arts and culture in the Closing the Gap Refresh; for initiatives to address fake First Nations arts; and for appropriate support structures, protection and remuneration for Australian artists.

**'I don't care how big or how small you are. If you don't have anything to say about the diversity of communities that now call Australia home then you're out of touch.'**

The Australia Council's CEO, Adrian Collette, told the ABC that arts companies must be focused on diversity if they are to be effective.<sup>2</sup>

**'Our artists should be celebrated - and they should be remunerated accordingly.'**

Australia Council Chair Sam Walsh AO's Australia Council Awards speech was widely cited.

The Council advocates for increased public and private investment in the arts. In 2018-19 we continued to build on the success of our existing partnerships to pursue new sources of co-investment, leveraging our funding and expertise to increase support for Australian arts.

1 Australia Council 2018, *Creating Pathways: Insights on support for artists with disability*.

2 Michaela Boland 2019, 'New Australian CEO says arts companies that ignore diversity are "out of touch"', *ABC Arts*, 20 February 2019.



## Investing in the arts to increase Australia's soft power

In October 2018, the Australia Council made a submission to the Department of Foreign Affairs and Trade Soft Power Review. It argued that greater investment in arts and culture could increase our soft power capabilities and support the goals of the Foreign Policy White Paper.

Artists are among Australia's greatest assets for 'standing out' in an international context and Australia's position of influence is increasingly impacted by the attractiveness of our culture. The creative and political freedom enjoyed by Australian artists attracts foreign investment, and signals to the world that we are a diverse, open and innovative nation. The partnerships created through arts and culture strengthen bilateral relationships with existing allies and offer an accessible connection point for emerging relationships, shared knowledge and exchange. Australia is yet to fully recognise the value of arts and culture to soft power and our foreign policy goals.

Angelica Mesiti, *ASSEMBLY*, 2019 (production still) three-channel video installation in architectural amphitheater. HD video projections, colour, six-channel mono sound, 25 mins, dimensions variable. © Photography: Josh Raymond. Commissioned by the Australia Council for the Arts on the occasion of the 58th International Art Exhibition—La Biennale di Venezia, courtesy of the artist and Anna Schwartz Gallery, Australia and Galerie Allen, Paris.



## Advocating for increased support for Australian music

In October 2018, the Australia Council made a submission to the Standing Committee on Communications and the Arts inquiry into the Australian music industry. Executive Director Frank Pannucci, Arts Practice Director Paul Mason and Research Director Rebecca Mostyn appeared before the committee in November 2018.

The Council highlighted concerns about the substantial oversubscription of our grants program and argued that supporting infrastructure should be expanded to meet increasing need in the music sector. Our submission was cited substantially in the committee's report, which recommended increased investment in the Council's grants programs.

A Council project grant supported production of Tara Tiba's sophomore album *Omid* released in 2019. Credit: Stef King.

# Co-investment and partnerships

**The Council is growing support for the arts through co-investment and partnerships which leverage our investment, amplify our impact and assist others to create opportunities for Australian artists and audiences. This year our co-investment projects engaged more than 200 individual supporters as well as partners across the corporate, cultural and education sectors who share our ambitions for the nation's artistic, cultural and creative life. These collaborations rely on the Council's trusted brand and expertise, which is underpinned by half a century of delivering innovative approaches to arts investment.**

Co-investment increases the levels of support for arts and culture in Australia and strategic partnerships create high impact opportunities by combining the knowledge, resources and influence of individuals and organisations who are passionate about art and its transformative power. Our partnerships with other funding bodies, philanthropic foundations, corporations, institutions and individual donors have delivered extraordinary experiences this year for audiences and supported Australia's leading artists and the next generation of creative talent.

In 2018–2019 we were delighted to work with partners Perpetual, PPCA, Harding Miller Foundation, University of Melbourne, Maddocks, Macquarie Group Foundation, Myer Foundation, the Mordant Family, Pratt Foundation, Nelson Meers Foundation, Sid and Fiona Myer Foundation, Neilson Foundation, Harold Mitchell Foundation, Morgans Foundation UKARIA, UNSW Art and Design, Museum of Australian Democracy at Old Parliament House and hundreds of individuals and families who value the arts and the work of the Australia Council.

Our partnerships with universities, cultural institutions and arts agencies have grown in 2018–19, with the Council collaborating on projects with more than 30 organisations across these sectors. These partnerships contribute significantly to our research and knowledge creation as well as broader opportunities to lead evidence based public dialogue, advocacy and cross-industry collaboration.

## **Australia at the Venice Biennale**

Australia's presence at the Venice Biennale is made possible through the continued success of its public-private partnership model. The campaign for the 2019 Biennale has been a great success, with more than 70% of the project supported through private funding. The Council gratefully acknowledges our Education Partner for 2019–23, the University of Melbourne, and our longest corporate supporter, Maddocks. As an extension of the Maddocks partnership the Council managed the Maddocks Art Prizes for 2019, recognising two early career Australian contemporary artists and giving them the opportunity to visit the Venice Biennale.



### **The Cross family supports young arts workers**

Current Venice donors the Cross family extended their support by creating new fellowships which provided additional financial support for participants in the Council's Professional Development program across two Venice Biennales.

### **Perpetual's awards and scholarships**

Following the successful delivery of \$1.3 million in support for artists on Perpetual's behalf, the Council has renewed its agreement to manage Perpetual's awards. For the first time the Council also managed two of their respected literary awards. The Kathleen Mitchell Award supports young authors and Holden Sheppard is this year's recipient of \$15,000 for *Invisible Boys* (Fremantle Press). The \$15,000 Dal Stevens award recognises an author aged 30 or under for best literary short story or essay, and the 2019 recipient is Jonathan Dunk for *Park* (Sydney Review of Books).

### **PPCA partnership supports Australian music**

Since its establishment in 2013 the Council's highly successful partnership with PPCA has supported 30 new releases by Australian musicians. The 2019 recipients of these \$15,000 recording grants are Little Quirks, Tia Gostelow, Ecce Vandal, Rafael Karlen, and Philip Samartzis.

### **The Cat Empire partners with the Council to support touring**

Australian band The Cat Empire has partnered with the Council to create an overseas touring grant for an up-and-coming musical artist/group to kick start an international career. The 2019 recipient is composer, performer and cultural practitioner of Aboriginal and Torres Strait Islander music, Jessie Lloyd, who will take her *Mission Songs Project* to Mexico.

### **The Harding Miller Foundation support women**

Kim Harding and Irene Miller are passionate about supporting high potential women to combat gender inequality in their professions of choice. In 2018 they partnered with the Council to create a new scholarship and the inaugural recipient of this prestigious \$30,000 scholarship for a female opera singer is soprano Natalie Aroyan.

### **The Mordant Family/Australia Council Affiliated Fellowship in Rome**

In 2019 the Council confirmed a new five-year agreement to continue the Mordant Family/Australia Council Affiliated Fellowship which supports a two-month fellowship at the American Academy in Rome. Multi-disciplinary artist Alex Seton is the third recipient of the fellowship, best known for his contemporary applications of traditional marble carving techniques.

### **UKARIA music residency**

After a successful first year the partnership continues between the Council and UKARIA to deliver a \$20,000 residency program which enables two creative teams to develop their musical practice and create new work in UKARIA's state-of-the-art facilities in the Adelaide Hills. Composers Thomas Meadowcroft, Hilary Kleinig and Andrew Schultz have been awarded the 2019 residencies.

Author and recipient of the 2018 Marten Bequest Scholarship, Jessica Friedman.





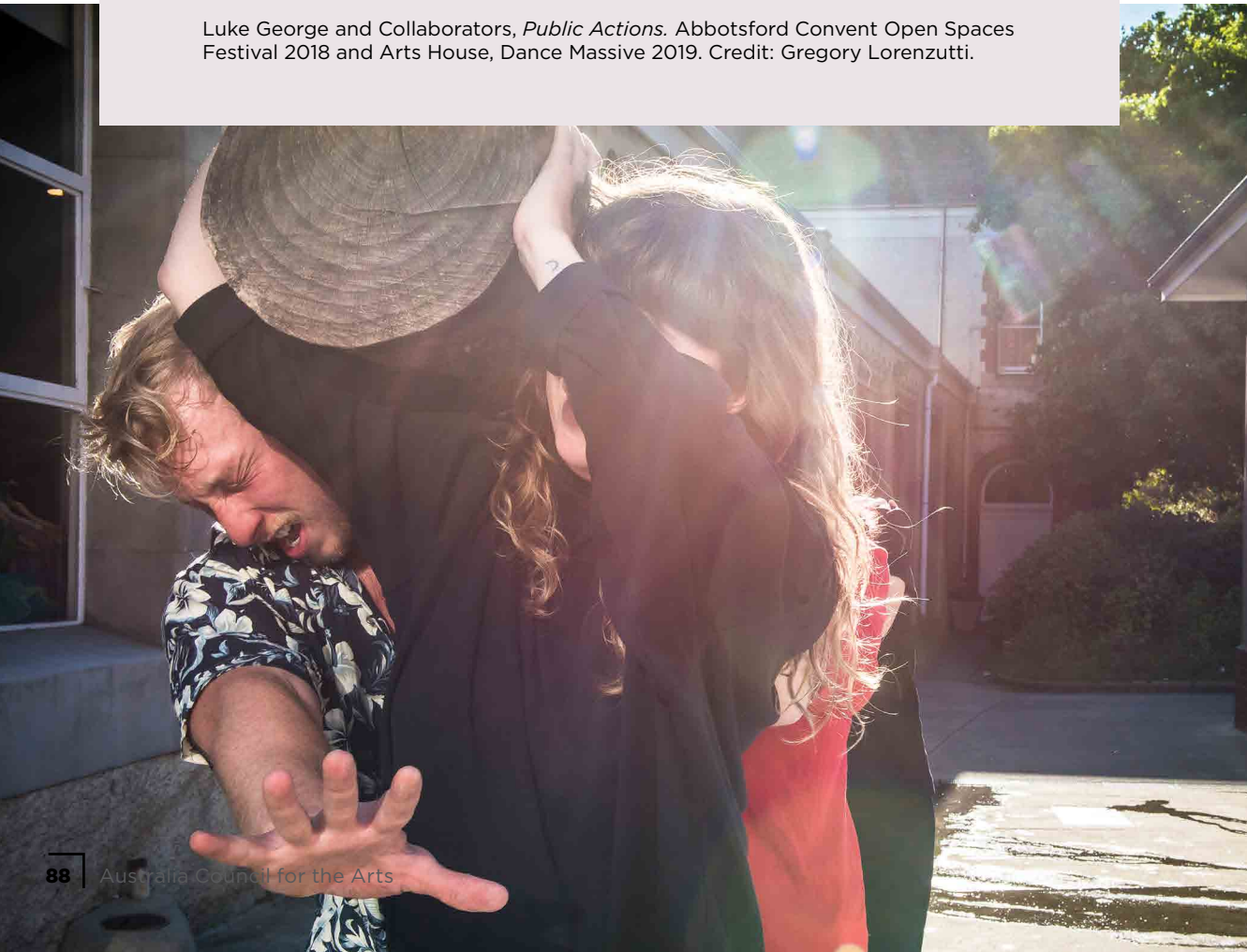


## Co-investing in new Australian work and international success

The Keir Choreographic Award is a national biennial award dedicated to commissioning short works and promoting innovative, experimental and cross-artform practices in contemporary dance. The Award is a successful co-investment model and partnership with Dancehouse, Carriageworks, the Australia Council and Keir Foundation.

Luke George's work *Public Actions* was commissioned for the 2018 Keir Choreographic Award. It was then further commissioned by Arts House and developed into a full length work for Dance Massive 2019, where it was the hit of the festival. *Public Actions* is now being presented internationally.

Luke George and Collaborators, *Public Actions*. Abbotsford Convent Open Spaces Festival 2018 and Arts House, Dance Massive 2019. Credit: Gregory Lorenzutti.





The Cat Empire. Credit: Lachlan Douglas.

## Great Australian artists giving back

Successful Australian band The Cat Empire partnered with the Australia Council to offer a new international touring grant and mentoring opportunity in 2019, which was awarded to Jessie Lloyd's *Mission Songs Project*. The Cat Empire, who have been touring internationally since 2001, also offered mentoring and career support to Jessie from both the management and musicians' perspective.

**“The Australia Council has always been proud that we funded The Cat Empire on one of their early international tours, and for the band to now be reinvesting in other artists is an act of real leadership.”**

Paul Mason, Australia Council Arts  
Practice Director for Music



# Management and accountability

The Australia Council Board	92
Committees	99
Accountability	105
Management of human resources	109
Organisational structure	115
Executive team	116
Ecologically sustainable development	117
Financial statements	120
List of requirements - corporate Commonwealth entities	160

Trevor Jamieson in *THE SEASON*  
by Nathan Maynard, produced  
by Tasmania Performs.  
Image by Simon Pynt.





# The Australia Council Board

Under the *Australia Council Act 2013*, the Australia Council is overseen by the Board. Its membership comprises a range of expertise across artistic practice, arts management, business, management, public policy, corporate governance and administration, regional issues, gender, multicultural and First Nations community participation in the arts, finance, philanthropy, legal affairs, corporate strategy and research.

**Figure 7: Details of Accountable Authority during the reporting period current report period (2018-19)**

Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority
<b>Mr Sam Walsh AO</b>	Expertise in: <ul style="list-style-type: none"> <li>• arts governance</li> <li>• arts policy development</li> <li>• arts philanthropy.</li> </ul>	Senior leadership roles across the mining and automotive industries and charity, community and business associations in Australia and the UK.
<b>Miss Lee-Ann Tjunypa Buckskin</b>	First Nations arts practitioner (film, visual arts, festivals). Expertise in: <ul style="list-style-type: none"> <li>• arts management</li> <li>• arts governance</li> <li>• arts policy development</li> <li>• regional and remote arts</li> <li>• youth arts</li> <li>• CALD and First Nations arts.</li> </ul>	Senior leadership and advisory roles across the arts and creative sector including Co-Chair of Tarnanthi Festival and Director of Anangu Ku Arts.
<b>Mr Adrian Collette AM</b>	CEO, Ex-Officio Expertise in: <ul style="list-style-type: none"> <li>• arts governance</li> <li>• arts management</li> <li>• arts policy development.</li> </ul>	Senior leadership roles across the university, arts and publishing sectors. Current Australia Council CEO.

1 Appointed as Chair for three year period on 10 April 2018, effective from 1 July 2018.

2 Appointed for a third term on 6 March 2019, effective 1 July 2019 until 15 May 2021. This reappointment takes her to her statutory maximum of 9 years. Joined Board as member in 2013, appointed Deputy Chair in 2016.

3 Appointed by the Board as CEO for five year period, effective 21 January 2019, approved by the Minister for the Arts on 11 October 2018. Adrian previously served as Australia Council Board member 1 July 2013–20 January 2019.



The Board has a maximum of twelve (12) members, including the Chief Executive Officer (CEO) who is an Executive (Ex-Officio) member of the Board.

Terms of appointment are generally three years. Members are eligible for re-appointment; however, appointments are limited to a total of nine years. The Minister for Communications and the Arts appoints the Board.

The full biographies of our Board members are on the Australia Council website at: <https://www.australiacouncil.gov.au/about/our-structure/>

Period as the Accountable Authority or member					
Executive/ Non-Executive	Date of commencement	Date of cessation	Number of Board meetings attended	Number of meetings eligible to attend	
Non-Executive Chair	10 Oct 2016	30 June 2021 <sup>1</sup>	4	4	
Non-Executive Deputy Chair	1 July 2013	15 March 2021 <sup>2</sup>	3	4	
Executive CEO, Ex-Officio	21 January 2019	20 January 2024 <sup>3</sup>	4	4	
Non-Executive	1 July 2013	20 January 2019			

Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority
<b>Mr Tony Grybowski</b>	CEO, Ex-Officio	Former Australia Council CEO. His term of appointment ended on 23 October 2018.
<b>Mr Tim Blackwell</b>	A/g CEO, Ex-Officio	Acting CEO from 24 October 2018–20 January 2019.
<b>Ms Tina Arena AM</b>	Arts practitioner (singer songwriter).	Multi-award winning Australian singer-songwriter, record producer, actress and performing artist; extensive experience in musical theatre; significant contributions to the music industry and French and Australian culture.
<b>Mr Leigh Carmichael</b>	Arts practitioner (graphic design, visual arts, festivals). Expertise in: <ul style="list-style-type: none"> <li>• arts management</li> <li>• arts policy development.</li> </ul>	Experienced graphic designer and art and creative director for small to medium organisations. Creative Director and Brand and Marketing Director for the Museum of Old and New Art and the Dark Mofo festival in Tasmania.
<b>Mr Mario D’Orazio</b>	Expertise in: <ul style="list-style-type: none"> <li>• arts governance.</li> </ul>	Wide experience and senior leadership roles in media, technology and the arts, including managing director of Channel 7 Perth for 7 years.
<b>Mr Khoa Do</b>	Arts practitioner (film and theatre). Expertise in: <ul style="list-style-type: none"> <li>• youth arts</li> <li>• CALD arts.</li> </ul>	Multi-award winning practitioner across the arts and creative sector; international keynote speaker; community and youth worker and leader.

Period as the Accountable Authority or member				
Executive/ Non-Executive	Date of commencement	Date of cessation	Number of Board meetings attended	Number of meetings eligible to attend
Executive CEO, Ex-Officio	15 May 2013	23 October 2018	1	1
Executive A/g CEO, Ex-Officio	24 October 2018	20 January 2019	0	1
Non-Executive	6 March 2019	5 March 2022	0	1
Non-Executive	10 October 2016	30 June 2022*	4	4
Non-Executive	12 March 2019	1 March 2022	1	1
Non-Executive	1 July 2013	31 January 2022**	4	4

Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority
<b>Ms Zoe McKenzie</b>	Expertise in: <ul style="list-style-type: none"> <li>• arts governance</li> <li>• arts policy development</li> <li>• international engagement</li> <li>• media and communications.</li> </ul>	Extensive experience and senior roles across the private and public sector including as a senior policy adviser to governments at state and federal levels in Australia and France.
<b>Ms Sophie Mitchell</b>	Expertise in: <ul style="list-style-type: none"> <li>• arts governance.</li> </ul>	Senior roles across the private sector. Previously a Trustee, Queensland Performing Arts Trust, and Member of the Australian Government Takeovers Panel.
<b>Mr Darren Rudd</b>	Expertise in: <ul style="list-style-type: none"> <li>• arts governance</li> <li>• CALD arts.</li> </ul>	Senior leadership roles domestically and globally including in IT services, consulting, technology and digital solutions. Board member of the State Library of New South Wales Foundation and the India Australia Business and Community Awards.
<b>Mrs Christine Simpson Stokes</b>	Expertise in: <ul style="list-style-type: none"> <li>• arts governance</li> <li>• arts philanthropy</li> <li>• youth arts</li> <li>• First Nations arts.</li> </ul>	Extensive experience in business management and media, and as a philanthropist and supporter of the arts.
<b>Ms Rebecca Weisser</b>	Arts practitioner (writer and editor). Expertise in: <ul style="list-style-type: none"> <li>• arts policy development.</li> </ul>	Extensive experience as a journalist, editor and public policy and communications consultant. Senior roles across the public and private sector.

4 Granted leave of absence between 31 January 2019 and 24 February inclusive.

5 Appointed for a second three year term on 28 November 2018, effective from 25 February 2019.

6 Appointed for a second three year term on 28 November 2018, effective from 7 December 2018.

\* Appointed for a second three year term on 6 March 2019, effective from 1 July 2019.

\*\* Appointed for a third three year term on 28 November 2018, effective from 1 February 2019.

Period as the Accountable Authority or member					
Executive/ Non-Executive	Date of commencement	Date of cessation	Number of Board meetings attended	Number of meetings eligible to attend	
Non-Executive	10 October 2016	30 June 2022* <sup>4</sup>	4	4	
Non-Executive	1 July 2013	31 January 2022**	4	4	
Non-Executive	4 Apr 2019	3 April 2022	1	1	
Non-Executive	25 February 2016	24 February 2022 <sup>5</sup>	3	4	
Non-Executive	7 September 2015	6 December 2021 <sup>6</sup>	4	4	



## Board governance

The Board and Council staff are guided by internal policies and guidelines. Key to ensuring good corporate governance is the Council's Governance Manual that outlines the expected and appropriate ethical standards for Board members and staff to uphold including:

- directors' obligations
- confidentiality and disclosure of the Council's business
- conflicts of interest
- sponsored travel and acceptance of gifts or benefits.

A Code of Conduct, with which every member of the Council, its Board and committees are expected to comply, is provided with the Governance Manual. It outlines the responsibility entrusted to these members and the fundamental principles and values that guide the work of the Council.

If a Board member requires legal advice on any matter, the Chair advises the CEO to make arrangements for obtaining this advice. There were no requests for legal advice by a Board member in 2018-19.

# Committees

Pursuant to section 31 of the *Australia Council Act 2013* (the Act), the following committees and panels provided specialist advisory services and recommendations to the Board and management for consideration and approval:

1. Audit and Finance Committee
2. Nominations and Appointments Committee
3. Strategy Committee
4. Decisions Review Committee
5. Rescission of Decisions Committee
6. Appeals Committee
7. Peer Assessment Panels
8. Aboriginal and Torres Strait Islander Arts Strategy Panel
9. Major Performing Arts Panel
10. Venice Commissioning Panel.

## Audit and Finance Committee

The Audit and Finance Committee was chaired by Board member Ms Sophie Mitchell during 2018–19.

The committee provides oversight of the Council's financial reporting and budgeting functions, internal and external audit processes, risk management, the system of internal controls and compliance with legal and regulatory requirements.

The Chair of the Council, the Chief Executive Officer, the Chief Financial Officer and General Counsel have a standing invitation to attend committee meetings. The committee met four (4) times during the year. The Audit and Finance Committee reviews its Charter annually. In 2018–19 the committee determined to revise and update the charter within the following year.

Representatives from the Council's internal and external auditors were invited to attend the committee meetings. The Chair of the committee reported on relevant matters at the following Board meetings.

**Figure 8: Attendance at Audit and Finance Committee meetings**

Name	Meetings attended	Eligible to attend
Ms. Sophie Mitchell	4	4
Mr Adrian Collette AM*	1	2
Mr. Khoa Do**	1	2
Ms. Zoe McKenzie	4	4
Mrs. Christine Simpson Stokes	3	4
Mr. Mario D'Orazio***	0	0

\* Mr Adrian Collette's term as Audit and Finance Committee member concluded 31 December 2018.

\*\* Mr Khoa Do was appointed to Audit and Finance Committee on 1 March 2019.

\*\*\* Mr Mario D'Orazio was appointed to the Audit and Finance Committee on 28 June 2019.

## Nominations and Appointments Committee

The Nominations and Appointments Committee is chaired by the Deputy Chair of the Board, Miss Lee-Ann Tjunypa Buckskin. The committee facilitates and oversees the nominations process for the Council's peer and strategy panels in consultation with senior management.

The committee considers all nominations at its meetings and then makes recommendations to the Board for appointment of the endorsed nominees. The Board considers each recommendation and approves the relevant appointments. The committee met three times in 2018-19.

**Figure 9: Attendance at Nominations and Appointments Committee meetings**

Name	Meetings attended	Eligible to attend
Miss. Lee-Ann Tjunypa Buckskin	2	3
Mr. Leigh Carmichael	2	3
Mr. Khoa Do	3	3
Ms. Rebecca Weisser	2	3

## Strategy Committee

The Strategy Committee is chaired by Board member Ms Zoe McKenzie. The committee met three times in 2018-19.

The Committee assists the Council on matters of strategic importance and provides advice to support the realisation of the organisation's strategic and corporate objectives.

**Figure 10: Attendance at Strategy Committee meetings**

Name	Meetings attended	Eligible to attend
Mr. Adrian Collette AM*	1	1
Mr. Leigh Carmichael	2	3
Mr. Khoa Do	3	3
Ms. Zoe McKenzie	3	3

\* Mr Adrian Collette AM was appointed to the Strategy Committee on 17 April 2019.

## Decisions Review Committee

The Board has empowered the Decisions Review Committee, under the Council's Authorisations Framework and the Act, to determine requests for review of grant related decisions. To meet the requirements for review, the applicant must establish a relevant administrative ground to dispute a decision.

The Decisions Review Committee does not assess the artistic merit of applications. Its purpose, under the Board's direction, is to ensure the peer assessment panels and senior officers have followed procedural fairness in making decisions.

The membership comprises the CEO, the Chair of the Audit and Finance Committee, a member of the Nominations and Appointments Committee and one additional Board member. From 30 June–23 October 2018, Mr Tony Grybowski was Chair of the committee. For period 24 October 2018–20 January 2019 Mr Tim Blackwell was Chair. As of 21 January 2019, Mr Adrian Collette AM was Chair of the committee. Further information is available at <https://www.australiacouncil.gov.au/funding/appealing-a-grant-decision>.

The Decisions Review Committee did not meet in 2018–19.

## Rescission of Decisions Committee

The Board has empowered the Rescission of Decisions Committee, under the Council's Authorisations Framework and the Act to:

1. Suspend a decision by a Panel, Committee, Officer(s) or Employee(s) approving a grant or loan of money or the provision of a scholarship, fellowship, award, or other benefits, until such time as a decision is made whether to rescind or confirm it; and

2. Rescind or confirm a decision by a Panel, Committee or Officer(s) or Employee(s) approving a grant or loan of money or the provision of a scholarship, fellowship, award, or other benefits.

The Rescission of Decisions Committee consists of the Deputy Chair and the CEO. The Chair may exercise the power in unison with the CEO when the Deputy Chair is absent. The authority shall only be exercised where the project outcomes contemplated in a grant application or funding decision under review may not comply with all applicable laws, or could reasonably be deemed to have the effect of bringing the Council into disrepute.

The Rescission of Decisions Committee did not meet in 2018–19.

## Appeals Committee

The Board has empowered the Appeals Committee, under the Council's Authorisations Framework and the Act, to consider and determine any appeal from a Board or committee member or senior officer of the Council against a decision by the Rescission of Decisions Committee to rescind a previously approved decision.

The Appeals Committee consists of the Chair (or the Deputy Chair where the Chair has participated in the decision to rescind or confirm the subject of the appeal) and three Board members, as elected by the Chair (or Deputy Chair) providing that the Board members have not been involved in the decision under appeal. At least one committee member is to have experience as an arts practitioner.

The Appeals Committee did not meet in 2018–19.

### Peer assessment panels

A peer is a practising artist, arts worker or industry expert with knowledge and experience of the Australian arts sector. Decision making on funding based on the assessment of artistic merit by a panel of peers is a core principle of the Council. The Council convenes assessment panels across a range of arts practices, with membership changing between assessment meetings rather than remaining static.

The Council has a large and diverse pool of over 740 peers to select from when forming assessment panels. Peers are chosen for their experience and knowledge, which enables them to make an informed assessment about the work in a particular art form or area within the arts sector. Close monitoring ensures there is an appropriate mix across a number of diversity characteristics.

The Council has a robust governance structure for the peer assessment process. Peers must declare all actual, potential or perceived conflicts of interest in accordance with the Council's Conflicts of Interest Policy (which is included in the Peer Assessment Handbook). Governance matters are also discussed during a peer's induction to the role and are reiterated during assessment meetings.

Recommendations made by peers are considered by certain senior officers of the Council who are authorised to make grants and pursue particular purposes already approved by the Board or its committees. The senior officers consider the ranking reports by panels of peer experts when allocating the grant budget.

There were 414 opportunities for peers to participate in one of the 56 assessment meetings during 2018-19, involving 346 individual peer assessors.

### Aboriginal and Torres Strait Islander Arts Strategy Panel

As part of the Council's commitment to First Nations self-determination and decision-making, our First Nations strategy panel comprises senior arts leaders who provide expert advice supporting the development and promotion of traditional and contemporary arts practices. The panel encourages new forms of cultural expression by Aboriginal and Torres Strait Islander people who practise any art form and live in urban, regional and remote areas.

#### Membership of the Aboriginal and Torres Strait Islander Arts Strategy Panel as at 30 June 2019

Mr Wesley Enoch	NSW	Chair
Ms Nancy Bamaga	QLD/TSI	Member
Ms Jody Broun	NSW/WA	Member
Mr Jason Eades	VIC	Member
Mr Patrick Mau	TSI/QLD	Member
Ms Hetti Perkins	NSW/NT	Member
Ms Sonia Smallacombe	NSW/NT	Member
Mr Major Sumner	SA	Member
Mr Jared Thomas	SA	Member

- Deputy Chair Miss Lee-Ann Tyunypa Buckskin (SA) held observer status on the panel during 2018-19.



## Major Performing Arts Panel

The Major Performing Arts (MPA) Panel is authorised by the Board to maintain the National Framework for Governments' Support of the MPA sector, to monitor the performance of the MPA companies and provide strategic advice on critical sector issues.

### Membership of the MPA Panel as at 30 June 2019

Mr Derek Young AM*	VIC	Chair
Prof Larissa Behrendt	NSW	Member
Ms Kate Brennan	VIC	Member
Ms Helen Cook	WA	Member
Ms Rosheen Garnon	NSW	Member
Ms Rachel Healy	SA	Member
Prof Judith McLean	QLD	Member

\* Mr Derek Young AM commenced as Chair 21 January 2019, replacing Mr Adrian Collette AM.

## Venice Commissioning Panel

The Venice Commissioning Panel of the Australia Council Board provides project governance oversight for Australia's representation at the Venice Biennale. The Panel is comprised of four Australia Council Board members and sets the overall strategic direction and objectives of the project. This Panel was established in October 2017 as part of the Council's governance model to strengthen Australia's presentation at the Venice Biennale.

### Membership of the Venice Commissioning Panel as at 30 June 2019

Mr Sam Walsh AO	WA	Chair
Miss Lee-Ann Tjunypa Buckskin	SA	Member
Mr Leigh Carmichael	TAS	Member
Mrs Christine Simpson Stokes	WA	Member

# Accountability

## Responsible Minister

The Minister responsible for the Council until May 2019 was Senator the Hon Mitch Fifield, Minister for Communications and the Arts. On 26 May 2019 The Hon Paul Fletcher MP became responsible for the Council following his appointment as Minister for Communications, Cyber Safety and the Arts.

## Department of Communications and the Arts

The Department may attend Council Board meetings as an observer. Senior representatives from the Department attended meetings during 2018-19.

## Ministerial directions and rules

The Council is bound by the *Australia Council Rule 2013* ('the Rule') issued for the purpose of section 48(1)(a), (b) and (c) of the Act. Section 48(1) of the Act provides for restrictions on financial transactions and requires that ministerial approval is sought in writing for an amount prescribed by the rules.

The Rule prescribes the amount of \$1,000,000 for the purposes of section 48(1)(a), (b) and (c) of the Act.

No ministerial directions were received in 2018-19.

## General Policy Orders and government policies

No General Policy Orders or government policies affecting the Council were issued in 2018-19. Previously issued General Policy Orders and government policies continued to be noted.

## Judicial decisions and reviews by outside bodies

During 2018-19 there were no judicial decisions or decisions of administrative tribunals that have had, or may have, a significant impact on the Council's operations.

## Changes affecting the Council

No significant external changes affected the Council in 2018-19.

## Significant events

No significant events in the context of section 19 of the PGPA Act occurred during 2018-19. This section requires the Council to notify the responsible Minister of events such as proposals to form a company, partnership or trust, to acquire or dispose of a significant shareholding in a company or commence or cease business activities or to make other significant changes.

## External audit

Under section 7 of the *Auditor General Act 1997* the Auditor-General acts as the external auditor for the Commonwealth. The Australian National Audit Office (ANAO) supports the Auditor-General, whose primary client is the Australian Parliament. The ANAO did not conduct any performance audits of Council during 2018-19. There were no reports on the operations of the Council by the Auditor General (other than the report on the financial statements) or by a parliamentary committee.

## Internal audit

During 2018-19 the Council's internal auditors, O'Connor Marsden, conducted their final audit: Follow up on up review on recommendations from previous audits.

RSM were appointed as the Council's internal auditors in September 2018 and conducted three further audits during 2018-19 including Third Party Grants and Awards, Effectiveness of staff related policies and procedures and Accounts payable and limited data analytics.

## Freedom of information

The Council is a Commonwealth agency subject to the *Freedom of Information Act 1982*. As such, it is required to publish information for the public as part of the Information Publication Scheme. The Council website provides details of the information published in accordance with the Information Publication Scheme requirements. The information can be found at <https://www.australiacouncil.gov.au/about/freedom-of-information/>

## Grants

Information on awarded grants is available online at: <https://www.australiacouncil.gov.au/funding/awarded-grants/>

## Service charter

The Council's service charter reflects its commitment to provide excellent client service. It confirms the Council's responsibility for maintaining service standards that are respectful, responsive and fair, that clients and other stakeholders can expect.

The Council service charter can be found at: <https://www.australiacouncil.gov.au/about/service-charter/>

## Risk management

The Council has a Risk Management Policy and an associated Risk Management Framework that provides a comprehensive approach to managing risk in a systematic and transparent manner. The framework provides principles and guidelines to assist staff to identify, evaluate and effectively manage all significant risks. The framework also requires the Council to prepare a Risk Management Report for the Board's review every six months, which is an essential component to ensuring the framework's principles are being implemented.

The Council has a Fraud Control Policy, which provides guidance on what constitutes fraud, the Council's responsibility for managing fraud and the process for addressing and reporting suspected incidents of fraud.

These documents are reviewed and updated annually to ensure alignment with current legislation and best practice. Each year the Council also produces a Risk Management Annual Plan and a Fraud Control Annual Plan, which detail specific activities to be performed under these areas, such as internal audit reviews. These plans are approved by the Audit and Finance Committee.

The principles outlined in these documents are embedded in the diverse decision-making processes across the organisation.

The current Risk Management Policy, Risk Management Framework and Fraud Control Policy and their respective annual plans are available on the Council's intranet.

### **Project control group**

The Project Control Group (PCG) continued to ensure a consistent organisation wide approach towards the management of projects which significantly contribute to the achievement of the Council's strategic goals and corporate objectives.

The PCG comprises members of the Executive team, and it approves, endorses, monitors and provides guidance for strategic project activity, which has an impact across the entire organisation.

### **Workplace forum staff representatives**

A Workplace Forum staff representative presents a staff report at each Board meeting which contains information on current staff issues. The representative may be invited to participate in discussion about the staff report at the discretion of the Chair.

Ms Stacey Sidley and Ms Simonette Turner continued in the role of Workplace Forum staff representatives, until Ms Turner left the organisation in April 2019 and Ms Sidley stood down in May 2019. Following the nomination process as outlined in the Workplace Forum Charter, Ms Sophie Byrne and Ms Samantha Groth were appointed to the Forum as staff representatives in May 2019.

All new Workplace Forum staff representatives participate in an initial induction to understand the nature of the role and the confidentiality required to perform it. The Workplace Forum staff representatives are also subject to the Workplace Forum Charter in carrying out their roles.



Robbie Avenaim Jim Denley and Jess participating in the *Safe in Sound* concert series 2018-19. Credit: Tainanos Pakioufakis.



## Art providing therapy and wellbeing

**Safe in Sound draws on artists' extensive experience in sound art and improvisation to encourage focused listening for people with disabilities, family and carers.**

From July to December 2018, a Council project grant supported Safe in Sound to stage an intimate, relaxed concert series in the homes of families impacted by Leukodystrophy. The concerts featured Robbie Avenaim on percussion, distinguished saxophonist and flautist Jim Denley in Sydney, and acclaimed vocalist Carolyn Connors in Melbourne.

The unique performances provided positive experiences of improvised sound art for people who would not otherwise be able to experience it, and new contexts for live music composition and performance. Family members and carers witnessed profound benefits beyond the immediate enjoyment of the experience.

**“...to see the look of absolute joy and excitement on her face as she composed her own unique music with Robbie and Carolyn was priceless.”**

Safe in Sound participant



# Management of human resources

## Industrial relations and workplace consultation

The Australia Council Enterprise Agreement 2017-2020 came into effect on 2 November 2017. Our Workplace Consultative Committee (WCC) enables facilities and the rights of employee representatives to support the employment relationship for operational issues, provide consultation on employment policies and matters relating to enterprise agreement. The WCC membership includes the Workplace Forum staff representatives, workplace delegates for the Community and Public Sector Union and the nominated management representatives from Human Resources.

In addition to consultative obligations upheld under our Enterprise Agreement, our Workplace Forum provides for effective communication within the organisation. The Forum's objectives are to foster a healthy working environment and positive workplace culture; encourage active participation by all staff in the organisation; and develop and promote positive workplace relations across all levels of the organisation. In 2018-19 the forum comprised up to two staff and two management representatives, being the Director Human Resources and Facilities and the CEO.

## Promoting a healthy and safe workplace

The Council is committed to providing a workplace where people feel safe and are not at risk of physical or psychological injury. In 2018-19 no notifiable incidents were reported to Comcare under the *Work Health and Safety Act 2011*, and no notices were issued, or investigations required to be conducted.

In addition to providing staff with work, health and safety (WHS) information, compliance induction modules, onsite flu vaccinations and ergonomic workstation assessments

to promote a safe workplace, during 2018-19 Human Resources and the WHS Committee supported a wellbeing program. Activities included meditation and yoga sessions, mini-health assessments and topical presentations to provide positive mental health strategies.

The WHS Committee meets on a bi-monthly basis. Prior to each meeting workplace inspections are conducted to assess and manage risks. The WHS Committee is chaired by a staff member with elected staff representatives from all work areas and two management representatives. The WHS Committee meeting minutes are made available to all staff electronically and on a central notice board.

WHS reporting is undertaken through the Human Resources and Facilities teams. There are systems in place for staff to readily report any hazards, near misses, injuries or incidents, including First Aid assistance. Identified hazards, near misses and risks have corrective action applied when reasonably practicable to do so. The Council's Board receive a WHS report as a standing agenda item at each meeting.

## Staff profile

Employees are appointed under section 43 of the *Australia Council Act 2013* with most staff covered by the terms and conditions set out in the Australia Council Enterprise Agreement. Members of the Council's Executive and Leadership teams are employed on individual employment agreements.

As at 30 June 2019 there were 108.1 full-time equivalent (FTE) employees. This represents an increase from 97 in 2017-18, and 98.7 in 2016-17, due to the fulfilment of vacancies at end of year. The average staffing level (ASL) for the year was 103.4, compared with the previous year's 99.5.

**Figure 11: All ongoing employees current report period (2018-19)**

	Male			Female			Indeterminate*			Total
	Full-time	Part time	Total male	Full-time	Part time	Total female	Full-time	Part time	Total indeterminate	
NSW	9	2	11	20	6	26	-	-	-	<b>37</b>
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9</b>	<b>2</b>	<b>11</b>	<b>21</b>	<b>5</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37</b>

**Figure 12: All non-ongoing employees current report period (2018-19)**

	Male			Female			Indeterminate*			Total
	Full-time	Part time	Total male	Full-time	Part time	Total female	Full-time	Part time	Total indeterminate	
NSW	17	2	19	55	2	57	-	-	-	<b>76</b>
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>17</b>	<b>2</b>	<b>19</b>	<b>55</b>	<b>2</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76</b>

**Figure 13: All ongoing employees previous report period (2017-18)**

	Male			Female			Indeterminate*			Total
	Full-time	Part time	Total male	Full-time	Part time	Total female	Full-time	Part time	Total indeterminate	
NSW	7	2	9	17	5	22	-	-	-	<b>31</b>
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7</b>	<b>2</b>	<b>9</b>	<b>17</b>	<b>5</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31</b>

**Figure 14: All non-ongoing employees previous report period (2017-18)**

	Male			Female			Indeterminate*			Total
	Full-time	Part time	Total male	Full-time	Part time	Total female	Full-time	Part time	Total indeterminate	
NSW	17	1	18	51	1	52	-	-	-	<b>70</b>
Qld	-	-	-	-	-	-	-	-	-	-
SA	-	-	-	-	-	-	-	-	-	-
Tas	-	-	-	-	-	-	-	-	-	-
Vic	-	-	-	-	-	-	-	-	-	-
WA	-	-	-	-	-	-	-	-	-	-
ACT	-	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	1	-	1	-	-	-	<b>1</b>
<b>Total</b>	<b>17</b>	<b>1</b>	<b>18</b>	<b>52</b>	<b>1</b>	<b>53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71</b>

\* This language follows the Australian Government guidelines. The Council recognises that terminologies and identifiers are rapidly evolving.

The Council's staff profile continues to reflect the diversity, flexibility and skills required to meet the changing needs of a dynamic arts sector. The representation of employees in targeted equal opportunity groups at 30 June 2019 is shown as a percentage of total employees

in Figure 15. All equal employment opportunity group representations have improved from the previous year, with culturally and linguistically diverse representation at the Council increasing significantly from the previous year.

**Figure 15: Representation of employees in equal employment opportunity groups at 30 June 2019**

	FY2016-17	FY2017-18	FY2018-19
Aboriginal and Torres Strait Islander people	6.9%	5.8%	6.2%
People with disability	3.9%	3.9%	5.3%
Culturally and linguistically diverse	11.8%	9.3%	13.9%
Women	65.0%	72.8%	73.4%

### Developing our people

The Council provided many secondments and higher duties arrangements over the year to support change initiatives and several internal promotions were attained. Human Resources enables self-service to employees for skill and professional development programs. A key focus for capacity development was aligning with the business systems transformation program implementation, involving both internal and external training providers. The Executive Directors participated in a 360-feedback process in June 2019.

### Recognising our people

In addition to the Council's formal annual performance review process and recognition of achievements at All Staff presentations, six staff award categories based on the Council's values were presented to recipients on 13 December 2018. Nominations were open to all Council staff for all awards with exception of the Executive team. From the nominations, the Workplace Forum staff representatives select the Collaboration award recipient and the Executive team determine the balance of recipients.

### Advertising

The Council uses advertising for a limited range of purposes: to recruit staff, publicise initiatives and grant program closing dates, to invite clients to public information sessions and to call for tenders. The total cost of staff recruitment advertising was \$13,467 compared to \$15,781 in 2017-18. The cost of advertising for all other purposes was \$34,093 in 2018-19 compared to \$25,061 in 2017-18.

### Executive remuneration

During the reporting period ended 30 June 2019, the Australia Council had 13 Executives who meet the definition of key management personnel (KMP). KMP are determined by the Council to be the Chief Executive Officer (CEO), current Board members, former Board members who resigned during the year and the Portfolio Minister. Their names and length of term as KMP are summarised on the following page:

**Figure 16: Names and lengths of terms key management personnel**

Names	Titles	Term as KMP
Mr Sam Walsh AO	Chair of the Board	Full year
Miss Lee-Ann Tjunypa Buckskin	Deputy Chair of the Board	Full year
Mr Adrian Collette AM	Chief Executive Officer	Member of the Board until 20 January 2019. Appointed as Chief Executive Officer 21 January 2019
Mr Tony Grybowski	Chief Executive Officer	Part year – appointment concluded 23 October 2018
Ms Tina Arena AM	Member of the Board	Part year – appointed 6 March 2019
Mr Leigh Carmichael	Member of the Board	Full year
Mr Mario D’Orazio	Member of the Board	Part year – appointed 12 March 2019.
Mr Khoa Do	Member of the Board	Full year
Ms Zoe McKenzie	Member of the Board	Full year
Ms Sophie Mitchell	Member of the Board	Full year
Mr Darren Rudd	Member of the Board	Part year – appointed 4 April 2019
Mrs Christine Simpson Stokes	Member of the Board	Full year
Ms Rebecca Weisser	Member of the Board	Full year

In the notes to the financial statements for the period ending 30 June 2019, the Australia Council disclosed the following KMP expenses.

**Figure 17: Key management personnel remuneration**

	2019 \$
<b>Key management personnel remuneration for the reporting period</b>	<b>\$</b>
Short-term benefits:	
Base Salary	628,916
Bonus	14,942
Other benefits and allowances	-
<b>Total short-term benefits</b>	<b>643,858</b>
Superannuation	57,186
<b>Total post-employment benefits</b>	<b>57,186</b>
Other long-term benefits	
Long service leave	2,179
<b>Total other long-term benefits</b>	<b>2,179</b>
<b>Total key management personnel remuneration</b>	<b>703,223</b>



## Framework for determining remuneration

### Key management personnel

The remuneration of the Council's key management personnel is set by the Remuneration Tribunal ('Tribunal').

No remuneration is paid by the Council to the Portfolio Minister. The Portfolio Minister's remuneration and benefits are set by the Tribunal and not paid by the Council.

Remuneration and allowances for the Council's Board are determined by the Tribunal. The guiding determination for the reporting period ending 30 June 2019 was the Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2018.

The Tribunal's determination for the Principal Executive Office (PEO) Classification Structure and Terms and Conditions guides the CEO remuneration. It provides the Australia Council Board with discretion to determine the CEO's total remuneration within the range from 10% below to 5% above the Total Remuneration Reference Rate (TRRR) but may not exceed the TRRR in the first 12 months of an appointment.

The CEO is eligible for 'at risk' performance pay of up to 15% of total remuneration. Performance pay is linked to the achievement of key performance indicators which are set annually by the Chair and the Board and aligned to the Council's strategy and objectives. Any performance payment is subject to the views of the Portfolio Minister.

Increases to the remuneration for both the Board members (who are all non-executive) and the CEO are determined by the Tribunal. The Tribunal advise the Council the outcome of an annual review of remuneration for Holders of Public Office.

Where the Australia Council makes a change in relation to the CEO's terms and conditions, including remuneration, the Tribunal must be advised within 4 weeks of such a change being determined.

### Senior executives

Senior executives are determined by the Council to be the Executive Directors who report directly to the CEO.

Executive Directors are employed under individual common law employment agreements. The total remuneration package of the Executive Directors is determined by the CEO and reviewed annually, in line with the Council's performance management process.

The Executive Directors are eligible for 'at risk' performance pay of up to 10% of total remuneration. Performance pay is linked to the achievement of key performance indicators which are set annually by the CEO and aligned to the Council's strategy and objectives.

**Figure 18: Information about remuneration for key management personnel**

Name	Position title	Short-term benefits		
		Base salary \$	Bonuses <sup>1</sup> \$	Other benefits and allowances \$
Mr Sam Walsh AO	Chair of the Board	59,415		
Miss Lee-Ann Tjunypa Buckskin	Deputy Chair of the Board	44,690		
Mr Adrian Collette AM <sup>2</sup>	Chief Executive Officer	174,490	14,942	
Mr Tony Grybowski	Chief Executive Officer	107,807		
Ms Tina Arena AM	Member of the Board	10,211		
Mr Leigh Carmichael	Member of the Board	32,770		
Mr Mario D’Orazio	Member of the Board	9,706		
Mr Khoa Do	Member of the Board	34,329		
Ms Zoe McKenzie	Member of the Board	35,141		
Ms Sophie Mitchell	Member of the Board	42,424		
Mr Darren Rudd	Member of the Board	7,563		
Mrs Christine Simpson Stokes	Member of the Board	37,600		
Ms Rebecca Weisser	Member of the Board	32,770		
<b>Totals</b>		<b>628,916</b>	<b>14,942</b>	<b>-</b>

<sup>1</sup> Bonuses represent the amounts accrued for the 2018–19 financial year.

<sup>2</sup> Mr Adrian Collette AM was a Board member up until 20 January 2019. He was appointed Chief Executive Officer on 21 January 2019.

**Figure 19: Information about remuneration for senior executives**

Total remuneration bands	Number of senior executives	Short-term benefits		
		Average base salary	Average bonuses <sup>3</sup>	Average other benefits and allowances
\$245,001–\$270,000	4	200,120	20,660	5,790
\$320,001–\$345,000	1	262,852	26,711	11,580

<sup>3</sup> Bonuses represent the amounts accrued for the 2018–19 financial year.

### Information about remuneration for other highly paid staff

Highly paid staff are defined as those individuals earning above the threshold remuneration.

The Council did not employ any staff outside the Senior Executives whose total remuneration exceeded the threshold remuneration of \$220,000 for the year ended 30 June 2019.

Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
Superannuation contributions	Long service leave	Other long-term benefits		
\$	\$			
5,644				65,059
4,246				48,936
11,819	2,179			203,430
8,171				115,978
970				11,181
3,113				35,883
922				10,628
3,261				37,590
7,606				42,747
4,030				46,454
719				8,282
3,572				41,172
3,113				35,883
<b>57,186</b>	<b>2,179</b>		-	<b>703,223</b>

Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
28,016	10,250			264,836
23,364	12,269			336,776

# Organisational structure

**The CEO is responsible to the Board for the day-to-day administration of the Council. In conjunction with the Chair, the CEO liaises with the Minister concerning Government arts policies and the Council's budget, statutory powers and functions. The CEO also liaises with the Department of Communications and the Arts concerning the Australian Government's arts policies.**

**The Office of the CEO** manages government reporting and secretariat support for the Board and its Committees and Strategy Panels. Aboriginal and Torres Strait Islander Arts sits within the office and leads arts and cultural strategies that increase the appreciation, understanding and experience of First Nations arts.

**Grants and Engagement** delivers applicant focussed grant programs supported by high quality artist services. This includes the development of a diverse pool of expert peers and managing their involvement in the grants assessment process for individual artists, groups and arts organisations. Specialist arts practice knowledge enables strategic advice and representation to the sector to enhance artistic vibrancy and sustainability.

**Major Performing Arts and National Engagement** promotes sustainability and excellence through management and support for the Major Performing Arts Framework. Specialist knowledge enables strategic advice and representation to the sector within the national context. The division manages key relationships with state and territory funding bodies. It also maintains an investment strategy and financial oversight of Major Performing Arts companies, providing analytical and evidence-based outcomes and trends for the benefit of the Australian arts ecology.

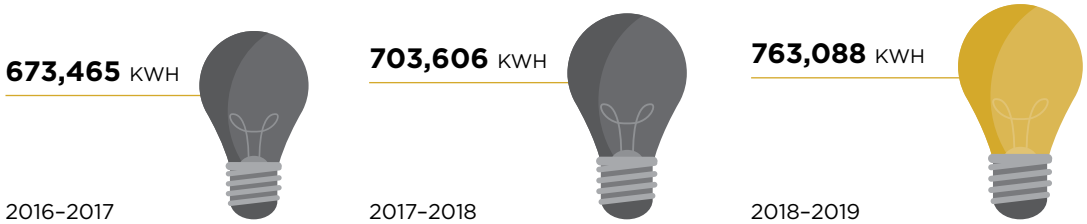
**Strategic Development and Advocacy** leads the Council's advocacy, communications, government engagement, international development, strategy and planning, and capacity building. The division builds sustainability in the arts ecology, undertakes strategic research, analysis and evaluation, and invests in building the capacity of arts organisations and individuals. Through strategic work at both the national and international level the division leverages specialist knowledge to deliver strategic projects, partnerships and activities that support artistic development and build audiences and markets for Australian arts.

**Corporate Resources** delivers specialist services in finance, financial business analysis, human resources management, workplace health and safety, legal and governance, project controls and risk management, IT infrastructure, business information services including operations help desk facilities, records management, and facilities management.

# Ecologically sustainable development

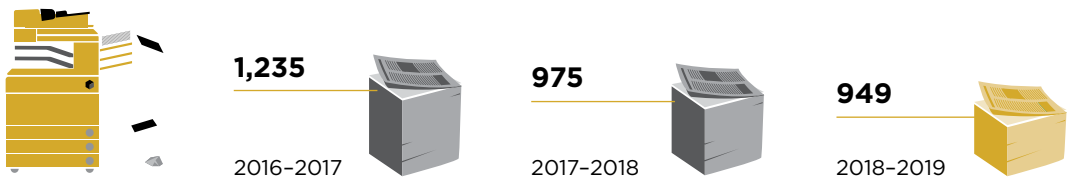
This information is provided in accordance with section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*.

## Energy consumption



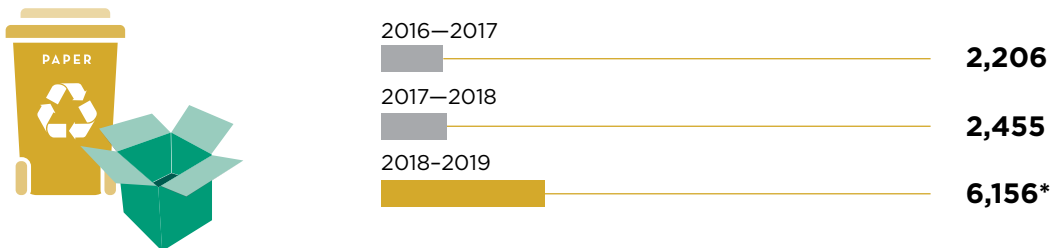
## Paper consumption

Reams per year (80gsm paper)



## Recycled paper/cardboard

Weight (kg)



\* This increased figure is in part due to the preparation for the August 2019 office relocation.





Somebody's Daughter Theatre, *No More Hiding in Silence*.  
Greenscreen: Kgshak Akec, Sam Reed, Kharen Harper. Credit: Matt Campigli.



## Creating pathways back into community

**Somebody's Daughter Theatre is a company of artists with a 38 year record of working with some of the most vulnerable and powerless in our society. Through theatre, visual art, music and film the company works with women in prison, women post-release and marginalised young people, creating high quality theatre and pathways back into education and community.**

In May 2019 Somebody's Daughter Theatre launched a new video clip *No More Hiding in Silence*. It was adapted from a scene in the play *Expectant*, which was devised and performed by the women in the Dame Phyllis Frost maximum security prison in 2016.

The film clip brings the voices and experiences of the women to a much wider audience, bringing greater awareness to domestic violence – a key issue that leads to a cycle of addiction and incarceration for many women and young people. Somebody's Daughter Theatre is supported through Four Year Funding (2017-20).

## Celebrating female talent and perspectives

Debra Batton and Sue Broadway first met working with Circus Oz in the 1990s, travelling the world to perform in theatres and circus big tops. Twenty years on they reunited to create *One and the Other*, a one of a kind show that irreverently slips between circus, theatre, clown and vaudeville.

*One and the Other* is a rare exploration of the female middle-aged body as powerful and glorious. It's a physical theatre duet of dominance, subversion, restraint and celebration. Their work expresses an older feminist perspective in this time of #metoo. Presented at La Mama Courthouse in October 2018, *One and the Other* was supported by an Australia Council project grant and produced by an all-female creative team.



Sue Broadway and Debra Batton in *One and the Other*. Photographer: Ponch Hawkes.

# Financial statements

**Independent Auditor's Report** 122

**Certification** 124

**Primary financial statements:**

Statement of comprehensive income 125

Statement of financial position 127

Statement of changes in equity 129

Cash flow statement 132

**Overview** 133

**Notes to the financial statements:**

**1. Financial performance** 135

1.1 Expenses 135

1.2 Own-source revenue and gains 139

**2. Financial position** 142

2.1 Financial assets 142

2.2 Non-financial assets 143

2.3 Payables 148

2.4 Other provisions 149

**3. People and relationships** 151

3.1 Employee provisions 151

3.2 Key management personnel remuneration 152

3.3 Related party disclosures 153

**4. Managing uncertainties** 154

4.1 Financial instruments 154

4.2 Fair value measurement 157

**5. Other information** 159

5.1 Assets held in trust 159

**List of requirements** 160





## Artists with disability creating great art

Artists with disability create great art that is being recognised.<sup>1</sup> Walter Kadiki, Australia's leading Deaf Poet, was invited to collaborate and perform with NOW-ID, an interdisciplinary dance and design company based in the US. Walter's powerful poetry was the impetus and focus for the new work, *A Tonal Caress*. The original contemporary dance-based work was performed at the Utah Museum of Fine Arts in the USA in July 2018.

1 Australia Council 2017, *Creating Pathways: Insight on support for artists with disability*.

Walter Kadiki, *A Tonal Caress* poetry project with NOW ID, Salt Lake City. Image courtesy of the artist.

# Independent Auditor's Report



## INDEPENDENT AUDITOR'S REPORT

To the Minister for Communications, Cyber Safety and the Arts

### Opinion

In my opinion, the financial statements of the Australia Council for the Arts ('the Entity') for the year ended 30 June 2019:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2019 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following statements as at 30 June 2019 and for the year then ended:

- Statement by the Accountable Authority, Chief Executive and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Board Members are responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Board Members are also responsible for such internal control as the Board Members determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board Members are responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Board Members are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

GPO Box 707 CANBERRA ACT 2601  
19 National Circuit BARTON ACT  
Phone (02) 6203 7300 Fax (02) 6203 7777



**Auditor's responsibilities for the audit of the financial statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Jodi George  
Executive Director  
Delegate of the Auditor-General

Canberra  
30 August 2019

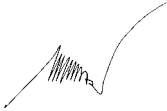
# Certification

## **Statement by the Accountable Authority, Chief Executive and Chief Financial Officer**

In our opinion, the attached financial statements for the year ended 30 June 2019 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australia Council will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board members.



**Sam Walsh AO**  
Chair  
29 August 2019



**Adrian Collette AM**  
Chief Executive Officer  
29 August 2019



**Timothy Blackwell**  
Executive Director  
Corporate Resources (CFO)  
29 August 2019

# Statement of comprehensive income

for the period ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000	Original budget \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	1.1A	12,616	12,142	13,067
Suppliers	1.1B	12,807	10,821	10,237
Grants	1.1E	185,964	189,251	187,092
Depreciation and amortisation	2.2A	1,135	847	830
Impairment of assets	1.1C	-	880	-
Impairment loss on trade receivables	1.1D	-	38	-
Finance costs	1.1F	-	7	-
Loss from asset disposal	1.1G	2	3	-
Foreign exchange losses	1.1H	10	19	-
<b>Total expenses</b>		<b>212,534</b>	214,008	211,226
<b>Own-source income</b>				
<b>Own-source revenue</b>				
Interest	1.2A	1,413	1,201	1,300
Rental income	1.2B	722	754	740
Other revenue	1.2C	2,598	2,676	1,000
<b>Total own-source revenue</b>		<b>4,733</b>	4,631	3,040
<b>Net (cost of) contribution by services</b>		<b>(207,801)</b>	(209,377)	(208,186)
Revenue from Government	1.2D	208,186	209,393	208,186
<b>Surplus on continuing operations</b>		<b>385</b>	16	-
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation surplus		-	914	-
<b>Total comprehensive income</b>		<b>385</b>	930	-

The above statement should be read in conjunction with the accompanying notes.

### **Budget variances commentary**

**Employee benefits** expenses are lower than budget by \$451k due to higher staff costs being capitalised for the business systems transformation program and vacancies in some staff roles offset by higher leave liabilities due to a lower discount rate being applied.

**Suppliers expenses** comprise both core overhead expenses and program expenses related to investment in the arts (Refer Note 1.1B). Supplier expenses are above budget due to an increase in program expenses.

**Grants expenditure** is lower than budget by \$1,128k. However, the decrease in grant expenditure compared to budget was offset by an increase in program expenses. The combined investment in the arts has increased by \$1,859k driven by higher other revenue (see below) and cost savings in employee benefits.

**Depreciation and amortisation** is higher than budget by \$305k as the implementation of the business systems transformation program resulted in higher amortisation expenses for computer software and the Council's relocation to new premises in September 2019 resulted in accelerated depreciation of leasehold improvements, furniture and fittings for the current location, 372 Elizabeth Street, Surry Hills.

**Interest income** is higher than budget by \$113k due to the timing of income and expenditure resulting in higher cash balances than expected during the year.

**Rental income** is \$18k lower than budget as a sub-tenant terminated their lease early.

**Other revenue** is higher than budget by \$1,598k due to increases in Venice donations and third party income, higher than expected returned grants and other income associated with Council initiatives.

# Statement of financial position

as at 30 June 2019

	Notes	2019 \$'000	2018 \$'000	Original budget \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	2.1A	6,718	10,954	5,020
Trade and other receivables	2.1B	1,246	1,324	7,523
<b>Total financial assets</b>		<b>7,964</b>	12,278	12,543
<b>Non-financial assets</b>				
Land and buildings	2.2A	8,613	8,798	8,178
Leasehold improvements	2.2A	942	245	-
Plant and equipment	2.2A	886	1,117	1,258
Computer software	2.2A	1,907	413	900
Other	2.2A	399	405	-
Prepayments	2.2B	855	667	502
<b>Total non-financial assets</b>		<b>13,602</b>	11,645	10,838
<b>Assets held for sale</b>		<b>384</b>	384	384
<b>Total assets</b>		<b>21,950</b>	24,307	23,765
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers	2.3A	1,734	1,733	1,928
Grants	2.3B	1,188	3,154	4,153
Deferred revenue	2.3C	313	364	-
Other payables	2.3D	579	802	898
<b>Total payables</b>		<b>3,814</b>	6,053	6,979
<b>Provisions</b>				
Employee provisions	3.1A	2,404	2,188	2,179
Other provisions	2.4A	1,007	1,726	2,096
<b>Total provisions</b>		<b>3,411</b>	3,914	4,275
<b>Total liabilities</b>		<b>7,225</b>	9,967	11,254
<b>Net assets</b>		<b>14,725</b>	14,340	12,511
<b>EQUITY</b>				
Reserves		8,983	9,324	8,014
Retained surplus		5,742	5,016	4,497
<b>Total equity</b>		<b>14,725</b>	14,340	12,511

The above statement should be read in conjunction with the accompanying notes.



**Budget variances commentary**

**Trade and other receivables** are lower than budget by \$6,277k primarily due to the receipt of GST recoverable before the balance date.

**Total non-financial assets** are higher than budget by \$2,764k due to the implementation of the business systems transformation program and leasehold improvements for the new premises which the Council will relocate to in September 2019.

**Total payables** are lower than budget by \$3,165k due to timing of payments for grants and to suppliers.

**Total provisions** are lower than budget by \$864k primarily due to the reduction of the provision for surplus lease space and the exhaustion of the provision for Orchestra Victoria transition support.

## Statement of changes in equity

for the period ended 30 June 2019

	2019 \$'000	2018 \$'000	Original budget \$'000
<b>RETAINED SURPLUS</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	5,016	10,396	4,497
Adjusted opening balance	5,016	10,396	4,497
<b>Comprehensive income</b>			
Surplus for the period	385	16	-
Distribution of equity	-	(5,000)	-
<b>Total comprehensive income</b>	<b>385</b>	<b>(4,984)</b>	<b>-</b>
<b>Transfers from/(to) reserves</b>			
Transfers from/(to) Venice Biennale reserves	341	(392)	-
Transfers from/(to) Venice Pavilion reserves	-	(4)	-
<b>Sub-Total transfers from/(to) reserves</b>	<b>341</b>	<b>(396)</b>	<b>-</b>
<b>Closing balance as at 30 June</b>	<b>5,742</b>	<b>5,016</b>	<b>4,497</b>
<b>ASSET REVALUATION RESERVE</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	2,539	1,625	1,625
<b>Adjusted opening balance</b>	<b>2,539</b>	<b>1,625</b>	<b>1,625</b>
<b>Comprehensive income</b>			
Other comprehensive income	-	914	-
<b>Comprehensive income</b>	<b>-</b>	<b>914</b>	<b>-</b>
<b>Closing balance as at 30 June</b>	<b>2,539</b>	<b>2,539</b>	<b>1,625</b>
<b>Other reserves</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	6,785	6,389	6,389

## Statement of changes in equity

for the period ended 30 June 2019

	2019	2018	Original budget
	\$'000	\$'000	\$'000
<b>Transfers (from)/to reserves</b>			
Transfers (from)/to Venice Biennale reserves	(341)	392	-
Transfers (from)/to Venice Pavilion reserves	-	4	-
<b>Sub-Total transfers (from)/to reserves</b>	<b>(341)</b>	396	-
<b>Closing balance as at 30 June</b>	<b>6,444</b>	6,785	6,389
<b>TOTAL EQUITY</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	14,340	18,410	12,511
<b>Adjusted opening balance</b>	<b>14,340</b>	18,410	12,511
<b>Comprehensive income</b>			
Surplus for the period	385	16	-
Asset revaluation reserve	-	914	-
Return of cash reserve to the Official Public Account	-	(5,000)	-
<b>Total comprehensive income</b>	<b>385</b>	(4,070)	-
<b>Closing balance as at 30 June</b>	<b>14,725</b>	14,340	12,511

The above statement should be read in conjunction with the accompanying notes.

**Budget variances commentary**

The total equity balance at 30 June 2019 is higher than budget by \$2,214k due to:

- a. retained earnings being \$1,245k higher than budget due to a surplus of \$385k, a transfer in from the Venice Biennale reserve of \$341k and the balance of retained earnings at 1 July 2018 being \$519k above budget due to the budget being set before 30 June 2018.

The variance in the opening balance was a combination of factors in the 2018 year which saw a result \$916k better than expected being offset by transfers to the Venice reserves totaling \$396k.

- b. the asset revaluation reserve balance at 1 July 2018 was \$914k above budget due to the budget being set before the revaluation surplus at 30 June 2018 was calculated.

The transfer from Venice Biennale reserve of \$341k relates to donations received for the Venice Biennale exhibition in the financial years up to 2018 and utilised in 2019. The balance as at 30 June 2019 of \$121k (2018: \$462k) represents funds received for future exhibitions.

The Venice Pavilion reserve represents philanthropic donations received and taken to income in the financial years up to and including 2019 and which were specifically used to fund the Venice Pavilion capital rebuild project. The balance at 30 June 2019 was \$6,323k (2018: \$6,323k).

## Cash flow statement

for the period ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000	Original budget \$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Appropriations		208,186	209,393	208,186
Receipts from Government		223	381	-
Disposal proceeds for property, plant and equipment		1	-	-
Interest		1,428	1,224	1,300
GST received		18,639	24,716	16,500
Other		3,241	3,136	1,915
<b>Total cash received</b>		<b>231,718</b>	238,850	227,901
<b>Cash used</b>				
Employees		12,399	12,132	13,067
Suppliers		14,551	11,814	11,005
Grants and Programs		205,888	208,340	202,929
<b>Total cash used</b>		<b>232,838</b>	232,286	227,001
<b>Net cash from/(used by) operating activities</b>		<b>(1,120)</b>	6,564	900
<b>INVESTING ACTIVITIES</b>				
<b>Cash used</b>				
Purchase of property, plant and equipment		3,116	820	770
<b>Total cash used</b>		<b>3,116</b>	820	770
<b>Net cash from/(used by) investing activities</b>		<b>(3,116)</b>	(820)	(770)
<b>FINANCING ACTIVITIES</b>				
<b>Cash used</b>				
Distribution of equity		-	5,000	-
<b>Total cash used</b>		-	5,000	-
<b>Net cash from/(used by) financing activities</b>		-	(5,000)	-
<b>Net increase/(decrease) in cash held</b>		<b>(4,236)</b>	744	130
Cash and cash equivalents at the beginning of the reporting period		10,954	10,210	4,890
<b>Cash and cash equivalents at the end of the reporting period</b>	2.1A	<b>6,718</b>	10,954	5,020

The above statement should be read in conjunction with the accompanying notes.

### Budget Variances Commentary

The opening cash balance for 2019 was \$6,064k better than budget due to the timely receipt of GST recoverable in June 2018. This was offset by a reduction in grants payable of \$2,965k and higher capital expenditure \$2,346k arising from the business systems transformation program and leasehold improvements at the Council's new premises.



# Overview

## Objectives of the Council

The Australia Council (the Council) is an Australian Government controlled entity. It is a not-for-profit entity.

The purpose of the Council is to champion and invest in Australian arts.

The Council is structured to meet one outcome:

*Supporting Australian artists and art organisations to create and present excellent art that is accessed by audiences across Australia and abroad.*

The continued existence of the Council, in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the Council's administration and programs.

## The basis of preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*:

The financial statements have been prepared in accordance with:

- a. *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and
- b. *Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements* issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

## New accounting standards

### *Adoption of new Australian accounting standard requirements*

The Council has applied AASB 9 from 1 July 2018. There has been no significant impact of this change on the Council's financial statements. Trade and Other Receivables that were classified as loans and receivables under AASB 139 are now classified at amortised cost. Impairment Loss on Trade Receivables is shown in the Statement of Comprehensive Income. Previously, impairment of trade receivables was shown as Doubtful Debt Expense.

The Council has not early adopted and applied any new, revised or amending Accounting Standards and Interpretations that are not yet mandatory for the financial year ended 30 June 2019.

## Financial statements

The Council intends to adopt new, revised or amending Accounting Standards and Interpretations in the operating year commencing 1 July after the effective date of these standards and interpretations as set out in the table below.

Title	Description	Effective date	Operating year	Note
AASB 15	Revenue from Contracts with Customers	1 January 2019	30 June 2020	(i)
AASB 16	Leases	1 January 2019	30 June 2020	(ii)

### Table notes

- i. These changes will not have a significant impact.
- ii. The Council will introduce a single on-balance sheet accounting model for lessees and will recognise a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Council will recognise new assets and liabilities for the lease of its new premises at 60 Union Street, Pyrmont. The nature of expenses related to those assets will now change because the Council will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Council recognised operating lease expense on a straight-line basis over the term of the lease and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

Based on the information currently available the Council estimates it will recognise a right-of-use asset of \$20,604,545 and a lease liability of \$18,239,617 on 1 July 2019.

## Taxation

The Council is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and Good and Services Tax (GST).

## Events after the reporting period

The Council is not aware of any significant events that have occurred since the balance date which warrant disclosure in these financial statements.

# Financial performance

This section analyses the financial performance of Australia Council for the year ended 30 June 2019.

## 1.1 Expenses

	2019	2018
	\$'000	\$'000
1.1A: Employee benefits		
Wages and salaries	10,971	10,749
Superannuation		
Defined contribution plans	1,177	1,115
Defined benefit plans	277	269
Leave and other entitlements	191	9
<b>Total employee benefits</b>	<b>12,616</b>	<b>12,142</b>

### Accounting policy

Accounting policies for employee related expenses is contained in the People and Relationships section.

## 1.1B: Suppliers

### Core

Goods and services supplied or rendered	4,158	5,002
<b>Total goods and services supplied or rendered-Core</b>	<b>4,158</b>	<b>5,002</b>

### Programs

Goods and services supplied or rendered	6,553	3,769
<b>Total goods and services supplied or rendered-Programs</b>	<b>6,553</b>	<b>3,769</b>

### Other suppliers

Minimum lease payments	2,228	2,228
Provision for surplus lease space	(172)	(219)
Workers compensation expenses	40	41
<b>Total other suppliers</b>	<b>2,096</b>	<b>2,050</b>
<b>Total suppliers</b>	<b>12,807</b>	<b>10,821</b>

## Financial statements

### Leasing commitments

Operating lease commitments payable include commitments for leased premises, IT contracts and related services and overseas studios. Commitments for leased premises include the existing office lease at 372 Elizabeth Street, Surry Hills, NSW until 30 September 2019 and for a new office lease at 60 Union Street, Pyrmont from 1 September 2019 onwards. The new office lease is for a period of 10 years.

Property lease payments are subject to an annual increase in accordance with contractual terms. Commitments are shown GST inclusive where relevant.

	2019	2018
	\$'000	\$'000
<b>Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:</b>		
Within 1 year	6,845	5,495
Between 1 to 5 years	8,217	2,442
More than 5 years	16,977	87
<b>Total operating lease commitments</b>	<b>32,039</b>	<b>8,024</b>
<b>GST Recoverable on commitments for the non-cancellable operating leases are as follows:</b>		
Within 1 year	601	465
Between 1 to 5 years	735	160
More than 5 years	1,535	-
<b>Total GST recoverable on operating lease commitments</b>	<b>2,871</b>	<b>625</b>

### Accounting policy

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets. From 1 July 2019 the Council is required to adopt AASB 16 Leases and the nature of the premises lease expense for the new premises will change because the Council will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

### 1.1C: Impairment of assets

Write off computer software	-	880
<b>Total impairment of assets</b>	<b>-</b>	<b>880</b>

No assets were impaired during the year (2018: \$880k).

### 1.1D: Impairment loss on trade receivables

<b>Impairment loss on trade receivables</b>	<b>-</b>	<b>38</b>
---	----------	-----------

There was no impairment loss on trade receivables during the year (2018: \$38k).

	2019	2018
	\$'000	\$'000
<b>1.1E Grants</b>		
Council grants and initiatives	23,514	24,274
Government initiatives	20,171	24,427
Small to Medium Arts organisations	28,726	29,537
Major Performing Arts	113,553	111,013
<b>Total grants</b>	<b>185,964</b>	189,251
<b>Grants commitments comprise the following major categories:</b>		
<b>Major Performing Arts companies</b>		
Within 1 year	125,807	25,856
Between 1 to 5 years	154,676	-
<b>Total Major Performing Arts companies</b>	<b>280,483</b>	25,856
<b>Small to medium arts organisations</b>		
Within 1 year	31,267	31,934
Between 1 to 5 years	290	31,648
<b>Total small to medium arts organisations</b>	<b>31,557</b>	63,582
Commitments in 2019 relate to the Four Year Funding for Organisations program.		
<b>Visual Arts and Craft Strategy</b>		
Within 1 year	5,376	5,326
Between 1 to 5 years	292	289
<b>Total Visual Arts and Craft Strategy</b>	<b>5,668</b>	5,615
<b>Catalyst novated grants</b>		
Within 1 year	1,805	4,135
Between 1 to 5 years	-	1,805
<b>Total catalyst novated grants</b>	<b>1,805</b>	5,940
<b>Other grants</b>		
Within 1 year	2,401	4,641
Between 1 to 5 years	1,264	1,717
<b>Total other grants</b>	<b>3,665</b>	6,358
<b>Total grant commitments</b>		
Within 1 year	166,656	71,892
Between 1 to 5 years	156,522	35,459
<b>Total grant commitments</b>	<b>323,178</b>	107,351
<b>GST recoverable on commitments for grants payable</b>		
Within 1 year	15,134	6,509
Between 1 to 5 years	14,229	3,221
<b>Total GST recoverable on grants payable commitments</b>	<b>29,363</b>	9,730



## Financial statements

For organisations under MPA, Small to Medium Arts, Visual Arts and Craft Strategy and Catalyst Novated grants funding arrangements, the quantum of commitments will be determined by the point in time at which the balance date falls within the funding agreement cycle.

### Accounting policy

Grants and program expense and payables include grants to artists and arts organisations, funding to major performing arts and small-to-medium organisations, art sector projects, such as the Venice Biennale, that are managed by the Council and costs associated with implementing government initiatives.

Grants and program liabilities are recognised at the amounts approved by the Council for disbursement as contractually payable.

	2019	2018
	\$'000	\$'000
1.1F: Finance costs		
Unwinding of discount	-	7
<b>Total finance costs</b>	<b>-</b>	<b>7</b>
1.1G: Loss from asset disposal		
Loss on disposal	<b>2</b>	3
<b>Total losses from asset disposal</b>	<b>2</b>	<b>3</b>
1.1H: Foreign exchange losses		
Realised foreign exchange losses	<b>10</b>	19
<b>Total foreign exchange losses</b>	<b>10</b>	<b>19</b>

## 1.2 Own-source revenue and gains

### Own-source revenue

	2019	2018
	\$'000	\$'000
1.2A: Interest		
Deposits	1,413	1,201
<b>Total interest</b>	<b>1,413</b>	<b>1,201</b>

#### Accounting policy

Interest revenue is recognised using the effective interest method.

### 1.2B: Rental income and lease incentives

Operating lease	722	754
<b>Total rental income</b>	<b>722</b>	<b>754</b>

#### Subleasing rental income commitments

The Council in its capacity as lessor has subleasing arrangements in place for office space at 372 Elizabeth Street, Surry Hills. This lease will cease at 30 September 2019 and all current subleasing arrangements will end at that date. Lease Commitments shown are GST inclusive.

#### Commitments for sublease rental income receivables are as follows

Within 1 year	144	859
Between 1 to 5 years	-	162
<b>Total sublease rental income commitments</b>	<b>144</b>	<b>1,021</b>

#### GST payable on commitments for sublease rental income

Within 1 year	13	78
Between 1 to 5 years	-	15
<b>Total GST payable on sublease rental income commitments</b>	<b>13</b>	<b>93</b>

#### Lease incentive

The Council will move to new premises on 1 September, 2019. Under the terms of the new lease contract at 60 Union Street, Pyrmont, the Council will receive a lease incentive of \$3,929k (inclusive of GST).

## Financial statements

	2019	2018
	\$'000	\$'000
1.2B: Rental income and lease incentives ( <i>continued</i> )		
Commitments for lease incentive receivables are as follows		
Within 1 year	1,387	-
Between 1 to 5 years	832	-
More than 5 years	1,710	-
<b>Total lease incentive commitments</b>	<b>3,929</b>	<b>-</b>
GST payable on commitments for lease incentive		
Within 1 year	126	-
Between 1 to 5 years	76	-
More than 5 years	155	-
<b>Total GST payable on lease incentive commitments</b>	<b>357</b>	<b>-</b>
1.2C: Other revenue		
<b>Returned Grants</b>	<b>502</b>	<b>956</b>
<b>Income from fund raising:</b>		
Venice Biennale	956	643
Venice Pavilion	-	4
Workplace giving	5	39
Other	40	33
<b>Department of Communications and the Arts:</b>		
Australian Brandenburg Orchestra	-	250
International Arts Strategy Outcomes Fund	10	-
<b>Department of Foreign Affairs and Trade:</b>		
Visiting International Publishers	-	3
Asia Pacific Regional Conference	-	9
Arts Leaders Program	213	122
<b>Contributions from other non-government entities:</b>		
Venice Biennale sponsorship	82	-
Venice Biennale professional development program	69	95
Venice Biennale Champions program	334	120
Other	387	402
<b>Total other revenue</b>	<b>2,598</b>	<b>2,676</b>

**Accounting policy***Revenue*

For reciprocal grants (equal value is given back by the Council to the provider), such as 'Arts Leaders Program', the Council only recognises the grants as revenue when the Council has satisfied its performance obligations under the terms of the grant.

For non-reciprocal grants, the Council only recognises the grants as revenue when the grant is receivable or received.

	2019	2018
	\$'000	\$'000
1.2D: Revenue from Government		
<b>Appropriations</b>		
Departmental appropriations	<b>208,186</b>	209,393
<b>Total revenue from Government</b>	<b>208,186</b>	209,393

**Accounting policy***Revenue from Government*

Funding received or receivable from the Council's portfolio department (appropriated to the Department for payment to the Council) is recognised as Revenue from Government by the Council (as a corporate Commonwealth entity) unless the funding is in the nature of an equity injection or a loan.

# Financial position

This section analyses the Australia Council assets used to conduct its operations and the operating liabilities incurred as a result.

## 2.1 Financial assets

	2019	2018
	\$'000	\$'000
2.1A: Cash and cash equivalents		
Cash on hand or on deposit	6,718	10,954
<b>Total cash and cash equivalents</b>	<b>6,718</b>	<b>10,954</b>

### Accounting policy

Cash and cash equivalents includes \$292k (2018: \$386k) for monies held in trust for The Marten Bequest and Harding Miller Foundation which is offset in other payables in Note 2.3D. Refer to Note 5.1 for further information.

## 2.1B: Trade and other receivables

External parties	131	217
<b>Total goods and services receivables</b>	<b>131</b>	<b>217</b>
<b>Other receivables</b>		
GST Receivable	1,112	1,024
Interest	3	18
Other	-	65
<b>Total other receivables</b>	<b>1,115</b>	<b>1,107</b>
<b>Total trade and other receivables</b>	<b>1,246</b>	<b>1,324</b>

### Trade and other receivables expected to be recovered

No more than 12 months	1,246	1,324
<b>Total trade and other receivables</b>	<b>1,246</b>	<b>1,324</b>

### Trade and other receivables aged as follows

Not overdue	1,246	1,324
<b>Total trade and other receivables</b>	<b>1,246</b>	<b>1,324</b>

There was no expected credit loss during the year (2018: \$16k). Credit terms for goods and services were within 30 days (2018: 30 days). Sub-lease tenants invoices are payable in advance of the rental period.

**Accounting policy***Receivables*

Receivables, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance. Allowances for expected credit losses are made on an on-going basis.

*Impairment of financial assets*

Financial assets are assessed for impairment at the end of each reporting period.

**2.2 Non-financial assets**

2.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles for 2019

	Land \$'000	Build- ings \$'000	Leasehold improve- ments \$'000	Plant and equip- ment \$'000	Comp- uter soft- ware \$'000	Other \$'000	Total \$'000
<b>As at 1 July 2018</b>							
Gross book value	149	8,649	4,203	1,944	5,998	411	21,354
Accumulated depreciation, amortisation and impairment	-	-	(3,958)	(827)	(5,585)	(6)	(10,376)
<b>Total as at 1 July 2018</b>	149	8,649	245	1,117	413	405	10,978
Additions							
Purchases	-	-	912	189	1,806	-	2,907
Disposals							
Cost	-	-	-	(3)	(3,838)	-	(3,841)
Accumulated depreciation	-	-	-	-	3,838	-	3,838
Depreciation and amortisation	-	(185)	(215)	(417)	(312)	(6)	(1,135)
<b>Total as at 30 June 2019</b>	149	8,464	942	886	1,907	399	12,747
<b>Total as at 30 June 2019 represented by</b>							
Gross book value	149	8,649	5,115	2,130	3,966	411	20,420
Accumulated depreciation, amortisation and impairment	-	(185)	(4,173)	(1,244)	(2,059)	(12)	(7,673)
<b>Total as at 30 June 2019 represented by</b>	149	8,464	942	886	1,907	399	12,747



## Financial statements

Plant and equipment includes computer equipment and office furniture and fittings.  
Other Assets includes works of art.

No indicators of impairment were found for property, plant and equipment.

Computer software additions for the year include \$1,806k (2018: \$297k) and plant and equipment additions for the year include \$138k (2018: \$242k) related to the business system transformation program.

A violoncello is expected to be sold within the next 12 months and consequently it has been classified as Assets held for sale.

All non financial assets were assessed for revaluations in accordance with the revaluation policy. Information was obtained on the movement of underlying drivers of value from independent valuers. On that basis it was assessed that a fair value adjustment is not required.

The Council owns the Australian Pavilion building in Venice (value at 30 June 2019 – \$8,229k). A land concession had been granted by the Municipality of Venice to allow the Council to use the land on which the Pavilion sits. The latest land concession expired on 31 December 2018 and the Council has requested an extension of the land concession from the Municipality of Venice.

### Reconciliation of the opening and closing balances of property, plant and equipment for 2018

	Land \$'000	Build- ings \$'000	Leasehold improve- ments \$'000	Plant and equip- ment \$'000	Comp- uter soft- ware \$'000	Other \$'000	Total \$'000
<b>As at 1 July 2017</b>							
Gross book value	149	8,361	4,186	1,646	5,574	382	20,298
Accumulated depreciation, amortisation and impairment	-	(333)	(3,825)	(740)	(4,344)	(11)	(9,253)
<b>Total as at 1 July 2017</b>	149	8,028	361	906	1,230	371	11,045
Additions							
Purchases	-	-	16	309	424	-	749
Surplus on revaluation	-	787	5	82	-	40	914
Disposals							
Cost	-	-	-	(32)	-	-	(32)
Accumulated Depreciation written back	-	-	-	29	-	-	29
Depreciation and amortisation	-	(166)	(137)	(177)	(361)	(6)	(847)
Less: Elimination of accumulated depreciation	-	(499)	(4)	(62)	-	(11)	(576)
Elimination on revaluation	-	499	4	62	-	11	576
<b>Total as at 30 June 2018</b>	149	8,649	245	1,117	1,293	405	11,858

	Land	Build-ings	Leasehold Improve-ments	Plant and Equip-ment	Comp-uter Soft-ware	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total as at 30 June 2018 represented by</b>							
Gross book value	149	8,649	4,203	1,944	5,998	411	21,354
Accumulated depreciation, amortisation and impairment	-	-	(3,958)	(827)	(4,705)	(6)	(9,496)
<b>Total as at 30 June 2018</b>	149	8,649	245	1,117	1,293	405	11,858
<b>Provision for impairment of intangibles</b>							
Provision for impairment of computer software	-	-	-	-	(880)	-	(880)
<b>Total as at 30 June 2018</b>	149	8,649	245	1,117	413	405	10,978

### Accounting policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition.

#### *Asset recognition threshold*

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the Council where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Council's leasehold improvements with a corresponding provision for the 'make good' recognised.

## Accounting policy (continued)

### Revaluations

Following initial recognition at cost, property, plant and equipment are carried at latest revaluation less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depend upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

When an item of property, plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount. At the date of the revaluation, the asset is treated in one of the following ways:

- a. the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. For example, the gross carrying amount may be restated by reference to observable market data or it may be restated proportionately to the change in the carrying amount. The accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses; or
- b. the accumulated depreciation is eliminated against the gross carrying amount of the asset.

### Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2019	2018
Buildings on freehold land	40–50 years	40–50 years
Buildings on leasehold land	50–75 years	50–75 years
Leasehold improvements	Lease terms	Lease terms
Plant and equipment	3–50 years	3–50 years
Other – works of art	15–100 years	15–100 years

**Accounting Policy (continued)****Impairment**

All assets were assessed for impairment at 30 June 2019. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**Computer software**

The Council's computer software comprise internally developed software for internal use as well as implementation costs for cloud-based software. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Implementation costs for cloud-based software are amortised over the terms of the relevant service agreements. Internally generated software is amortised on a straight-line basis over its anticipated useful life. The useful life of the Council's internally developed software is 4 years (2018: 7 years).

All software assets were assessed for indications of impairment as at 30 June 2019.

	2019	2018
	\$'000	\$'000
<b>2.2B: Prepayments</b>		
Prepayments	855	667
<b>Total other non-financial assets</b>	<b>855</b>	<b>667</b>
<b>Other non-financial assets expected to be recovered</b>		
No more than 12 months	798	661
More than 12 months	57	6
<b>Total other non-financial assets</b>	<b>855</b>	<b>667</b>

No indicators of impairment were found for other non-financial assets.

	2019	2018
	\$'000	\$'000
<b>2.3 Payables</b>		
2.3A: Suppliers		
Trade creditors and accruals	1,620	1,185
Operating lease rentals	114	548
<b>Total suppliers</b>	<b>1,734</b>	<b>1,733</b>
<b>Suppliers expected to be settled</b>		
No more than 12 months	1,734	1,619
More than 12 months	-	114
<b>Total suppliers</b>	<b>1,734</b>	<b>1,733</b>

Settlement was made within 30 days. Payments to suppliers include GST Payable.

Suppliers expected to be settled under 12 months includes \$114k (2018: \$434k) for operating lease rentals.

### 2.3B: Grants

Other	1,188	3,154
<b>Total grants</b>	<b>1,188</b>	<b>3,154</b>
<b>Grants expected to be settled</b>		
No more than 12 months	1,188	3,154
<b>Total grants</b>	<b>1,188</b>	<b>3,154</b>

Settlement was usually made according to the terms and conditions of each grant.

This was usually within 30 days of performance or eligibility.

### 2.3C: Deferred revenue

Venice Biennale - future programs	98	92
States & territories - future programs	61	16
Department of Foreign Affaires and Trade	-	178
National Indigenous Arts and Cultural Authority (NIACA) Government Partnership	75	-
Rental income	61	64
Other	18	14
<b>Total deferred revenue</b>	<b>313</b>	<b>364</b>

	2019	2018
	\$'000	\$'000
<b>2.3D: Other payables</b>		
Salaries and wages	275	249
Other	304	553
<b>Total other payables</b>	<b>579</b>	<b>802</b>

Other payables includes an amount payable of \$292k (2018: \$386k) to The Marten Bequest and Harding Miller Foundation, which is offset in the cash and cash equivalents balance in Note 2.1A.

#### Other payables to be settled

No more than 12 months	579	802
<b>Total other payables</b>	<b>579</b>	<b>802</b>

## 2.4 Other provisions

### 2.4A: Other provisions

	Provision for restoration \$'000	Provision for surplus lease space \$'000	Provision for Orchestra Victoria \$'000	Total \$'000
<b>As at 1 July 2018</b>	885	292	549	1,726
Amounts used	-	-	(530)	(530)
Amounts reversed	-	(170)	(19)	(189)
<b>Total as at 30 June 2019</b>	<b>885</b>	<b>122</b>	<b>-</b>	<b>1,007</b>

	2019	2018
	\$'000	\$'000
<b>Provision for restoration expected to be settled</b>		
No more than 12 months	885	-
More than 12 months	-	885
<b>Total provision for restoration</b>	<b>885</b>	<b>885</b>

#### Provision for surplus lease space expected to be settled

No more than 12 months	122	226
More than 12 months	-	66
<b>Total provision for surplus lease</b>	<b>122</b>	<b>292</b>

#### Provision for Orchestra Victoria expected to be settled

No more than 12 months	-	549
<b>Total provision for Orchestra Victoria</b>	<b>-</b>	<b>549</b>



### **Accounting judgements and estimates**

#### *Provision for restoration*

The Council currently has an agreement for the leasing of premises at 372 Elizabeth St, Surry Hills, which requires the Council to restore the premises to their original condition at the conclusion of the lease. With the Council's relocation to new premises in September 2019, this provision will be fully exhausted to restore the premises to their original condition.

#### *Provision for surplus lease space*

A provision for surplus lease space at 372 Elizabeth St, Surry Hills, was created as at 30 June 2014, as the contracted space was considered to be in excess of the Council's ongoing operating requirements. Consequently, the Council was deemed to have a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs of meeting the lease obligations have been offset by estimated income from subleasing surplus space. The provision as at 30 June 2019 was reduced based on the estimated sublease income. With the Council's relocation to new premises in September 2019, this provision will be fully exhausted.

#### *Orchestra Victoria transition support*

In the 2014 financial year the Council agreed to provide support to Orchestra Victoria, in relation to Orchestra Victoria's transition in ownership to The Australian Ballet. As at 30 June 2014 the Council committed to make available \$1.434m for transition costs and support for loss of proficiency payments required under the agreement which Orchestra Victoria has with its employees. The Council's obligations in this regard have been recognised and measured as a provision. The Council's obligation with regard to transition were fulfilled in the year 2014-15. Payments of \$530k were made towards loss of proficiency in 2019 (2018:\$158k). In accordance with the terms of the agreement, the Council's obligations in regards to loss of proficiency were fulfilled by 31 December 2018.

# People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

## 3.1 Employee provisions

	2019	2018
	\$'000	\$'000
3.1A: Employee provisions		
Leave	2,404	2,188
<b>Total employee provisions</b>	<b>2,404</b>	<b>2,188</b>

### Employee provisions expected to be settled

No more than 12 months	1,499	1,276
More than 12 months	905	912
<b>Total employee provisions</b>	<b>2,404</b>	<b>2,188</b>

#### Accounting policy

Liabilities for 'short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

#### Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Council's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave is an estimate of the present value of the liability at 30 June 2019. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

#### Separation and redundancy

Provision is made for separation and redundancy benefit payments. The Council recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

**Accounting policy (continued)**

*Superannuation*

The Council's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The Council makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The Council accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

**3.2 Key management personnel remuneration**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Council, directly or indirectly, including any Board member (whether executive or otherwise) of the Council. The Council has determined the key management personnel to be the Chief Executive, current Board members, former Board members who retired during the year and the Portfolio Minister.

Key management personnel remuneration is reported in the table below:

	<b>2019</b>	2018
	<b>\$'000</b>	\$'000
Short-term employee benefits	<b>644</b>	1,892
Post-employment benefits	<b>57</b>	197
Other long-term employee benefits	<b>2</b>	48
<b>Total key management personnel remuneration expenses</b>	<b>703</b>	2,137

The total number of key management personnel that are included in the above table are 13 (2018: 17).

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the Council.

In 2019, the key management personnel are defined as those who have the authority and responsibility for planning, directing and controlling the activities of the Council. These are the Board members and the Chief Executive Officer. They decide on the Council's strategy and approve the corporate plan and budgets and authorise all material decisions. Accordingly, Executive Officers who had been included in the prior year are excluded in 2019.

### 3.3 Related party disclosures

#### *Related party relationships:*

The Australia Council is an Australian Government controlled entity. Related parties to the Australia Council are Board members, the Chief Executive, the Portfolio Minister and other Australian Government entities.

#### *Transactions with related parties:*

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

The following transactions with related parties occurred during the financial year:

The Australia Council received income for a professional development program of \$8,000 from The National Gallery of Australia. Mrs Christine Simpson Stokes was a Board member of the Australia Council and a family member was Chair of The National Gallery of Australia. There is no balance outstanding at year end.

The Australia Council made a venue hire payment to the Ananguku Arts & Cultural Aboriginal Corporation to the value of \$5,000. During this time Ms Lee-Ann Buckskin was a director of the Ananguku Arts & Cultural Aboriginal Corporation and also Deputy Chair of the Australia Council. There is no balance outstanding at year end.

The Australia Council made a grant payment to the Carclew Youth Arts Centre to the value of \$19,500. During this time Ms Lee-Ann Buckskin was a producer at the Carclew Youth Arts Centre and also Deputy Chair of the Australia Council. There is no balance outstanding at year end.

# Managing uncertainties

This section analyses how the Australia Council manages financial risks within its operating environment.

## 4.1 Financial instruments

	2019	2018
	\$'000	\$'000
4.1A: Categories of financial instruments		
<b>Financial assets</b>		
Cash and cash equivalents	6,718	10,954
<b>Total cash and cash equivalents</b>	<b>6,718</b>	10,954
<b>Receivables</b>		
Receivables for goods and services	131	217
Interest receivables	3	18
<b>Total loans and receivables</b>	<b>134</b>	235
<b>Total financial assets</b>	<b>6,852</b>	11,189
<b>Financial Liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	1,620	1,342
Other payables	579	645
Grants and programs	1,188	3,154
<b>Total financial liabilities measured at amortised cost</b>	<b>3,387</b>	5,141
<b>Total financial liabilities</b>	<b>3,387</b>	5,141

**Change in accounting policy**

The Council has applied AASB 9 from 1 July 2018. There has been no significant impact of this change on the Council's financial statements. Trade and Other Receivables that were classified as loans and receivables under AASB 139 are now classified at amortised cost. Impairment loss on trade receivables is shown in the Statement of Comprehensive Income. Previously, impairment of trade receivables was shown as Doubtful Debt Expense.

Expected credit losses are deducted from the carrying amount of the trade receivables in the Statement of Financial Position. Previously, the provision for doubtful debts was shown as a separate deduction from the gross carrying amount of trade receivables.

**Accounting policy***Financial assets*

The Council has financial assets only in the nature of cash and receivables.

The classification of financial assets depends on how the Council manages its financial assets and the characteristics of their contractual cash flow.

*Receivables*

Receivables are measured at amortised cost less expected credit losses.

*Impairment of financial assets*

Financial assets are assessed for impairment at the end of each reporting period.

*Financial liabilities*

Financial liabilities are recognised and derecognised upon 'trade date'.

Supplier, grants and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

	2019	2018
	\$'000	\$'000
4.1B: Net gains on financial assets		
Interest revenue	1,413	1,201
<b>Net gains on financial assets</b>	<b>1,413</b>	<b>1,201</b>

**4.1C: Fair value of financial instruments**

Carrying amount is equal to fair value.

**Financial assets**

Cash at bank	6,718	10,954
Receivables for goods and services	134	235
<b>Total financial assets</b>	<b>6,852</b>	<b>11,189</b>

**Financial liabilities**

Trade and other creditors	2,199	1,987
Grants and programs	1,188	3,154
<b>Total financial liabilities</b>	<b>3,387</b>	<b>5,141</b>



#### 4.1D: Credit risk

The Council is exposed to minimum credit risk as the maximum exposure to credit risk is the risk that arises from potential default of debtors. This amount is equal to the total amount of goods and services trade receivables and interest receivables (2019: \$134k and 2018: \$235k).

#### Credit quality of financial assets not past due or individually determined as impaired

	Not past due nor impaired 2019 \$'000	Not past due nor impaired 2018 \$'000	Past due or impaired 2019 \$'000	Past due or impaired 2018 \$'000
Cash and cash equivalents	6,718	10,954	-	-
Receivables for goods and services	134	235	-	16
<b>Total</b>	<b>6,852</b>	<b>11,189</b>	<b>-</b>	<b>16</b>

#### 4.1E: Liquidity risk

The Council's financial liabilities are trade creditors and grant payables. The Council has sufficient available financial assets to meet all financial liabilities at 30 June 2019. The exposure to liquidity risk is based on the notion that the Council will encounter difficulty with regard to obligations associated with financial liabilities. This is highly unlikely due to liabilities being budgeted and adequately covered by the appropriation received by the Council.

#### Maturities for non-derivative financial liabilities in 2019

	On demand \$'000	Within 1 year \$'000	Between 1 to 2 years \$'000	Between 2 to 5 years \$'000	More than 5 years \$'000
Trade Creditors	-	2,199	-	-	-
Grants and programs	-	1,188	-	-	-
<b>Total</b>	<b>-</b>	<b>3,387</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Maturities for non-derivative financial liabilities in 2018

Trade Creditors	-	1,185	-	-	-
Grants and programs	-	3,154	-	-	-
<b>Total</b>	<b>-</b>	<b>4,339</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 4.1F: Market risk

### *Currency risk*

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Australia Council is exposed to foreign exchange currency risk primarily through undertaking certain transactions denominated in foreign currency.

The Australia Council is exposed to foreign currency denominated in EURO, United States dollar, Pound sterling, New Zealand dollar, Indian Rupee, Canadian dollar, Renminbi and Yen.

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated currency gains and losses are not material.

### *Interest rate risk*

The Council manages its interest rate risk by holding surplus funds with banks in accordance with S 59 (1) of the PGPA Act 2013 and with its investment policy.

## 4.2 Fair value measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the statement of financial position do not apply the fair value hierarchy.

The different levels of the fair value hierarchy are defined below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

### **Accounting policy**

The Council values its non-financial assets at fair value as per AASB 13. The Council enlists professional external valuers for valuing its overseas properties. Freehold properties are valued on the basis of market comparables and leasehold properties with restrictions on sale are valued on the basis of deprival of market rent. Properties of a specialised nature (Venice Pavilion) and leasehold improvements are valued on the basis of depreciated replacement cost. Works of Art are valued on the basis of market comparables. Full professional valuations are performed every three to five years. In the interim years an update on the drivers of market value is obtained from the valuers and an adjustment to fair value made only when material.

**4.2: Fair Value Measurement** *(continued)*

	2019 \$'000	2018 \$'000	Category (Level 1, 2 or 3) <sup>1</sup>	Valuation Technique(s)	Inputs Used
<b>Non-financial assets</b>					
Land	<b>149</b>	149	Level 2	Market comparables	Price per square metre Market rate of interest
Freehold property	<b>370</b>	379	Level 2	Market comparables	Price per square metre Market rate of interest
Buildings on leasehold land	<b>561</b>	573	Level 2	Estimated rental value	Price per square metre Market rate of interest
Venice Pavilion (leasehold property)	<b>7,533</b>	7,696	Level 2	Depreciated replacement cost	Current replacement cost
Leasehold improvements	<b>942</b>	246	Level 2	Depreciated replacement cost	Cost, estimated obsolescence and service capacity
Property, plant and equipment	<b>886</b>	875	Level 2	Depreciated replacement cost	Cost, estimated obsolescence and service capacity
Works of art	<b>399</b>	405	Level 2	Market comparables	Professional appraisals of similar artworks
<b>Total non-financial assets</b>	<b>10,840</b>	10,323			

1. The remaining assets and liabilities reported by the Council are not measured at fair value in the Statement of Financial Position.

# Other information

## 5.1 Assets held in trust

### Assets held in trust

Established through the estate of the late John Chisholm Marten, the Marten Bequest is administered by the Australia Council on behalf of Perpetual Limited as trustee. Scholarships are awarded across nine arts disciplines, providing financial support for Australian artists to undertake study and training both here and overseas. The Australia Council uses its expertise to promote and review scholarship applications. It then recommends to Perpetual the successful recipients, and manages their scholarship payments.

The Harding Miller Foundation was established by Irene Miller and Kim Harding to champion the education opportunities for women. In 2017, the Foundation established through the Australia Council a scholarship to support the study and training for a female opera-singer. The Australia Council uses its expertise to promote and review scholarship applications. It then recommends to the Foundation the successful recipient, and manages her scholarship payments.

	2019 \$'000	2018 \$'000
<b>Donations and bequests</b>		
<b>As at 1 July 2018</b>	<b>386</b>	225
Receipts	<b>410</b>	310
Payments	<b>(504)</b>	(149)
<b>Total as at 30 June 2019</b>	<b>292</b>	386
<b>Total monetary assets held in trust</b>	<b>292</b>	386

### Non-monetary assets

Each year Perpetual pays the total annual scholarships and awards amount to the Australia Council. These monies are held in trust in a bank account by the Australia Council. During the year the Australia Council pays each beneficiary a quarterly sum based upon the scholarship/award conditions.

# List of requirements – Corporate Commonwealth entities

PGPA Rule Reference	Part of Report	Description	Requirement
<b>17BE</b>	<b>Contents of annual report</b>		
17BE(a)	About the Australia Council	Details of the legislation establishing the body	Mandatory
17BE(b)(i)	About the Australia Council	A summary of the objects and functions of the entity as set out in legislation	Mandatory
17BE(b)(ii)	Annual performance statement	The purposes of the entity as included in the entity's corporate plan for the reporting period	Mandatory
17BE(c)	Accountability	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers	Mandatory
17BE(d)	Accountability	Directions given to the entity by the Minister under an Act or instrument during the reporting period	If applicable, mandatory
17BE(e)	Accountability	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(f)	Not applicable	Particulars of non-compliance with: <ul style="list-style-type: none"> <li>a. a direction given to the entity by the Minister under an Act or instrument during the reporting period; or</li> <li>b. a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act</li> </ul>	If applicable, mandatory
17BE(g)	Annual performance statement	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule	Mandatory
17BE(h), 17BE(i)	Not applicable	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance	If applicable, mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(j)	The Australia Council Board	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	Mandatory
17BE(k)	Organisational structure	Outline of the organisational structure of the entity (including any subsidiaries of the entity)	Mandatory
17BE(ka)	Management of human resources	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: <ul style="list-style-type: none"> <li>a. statistics on full-time employees;</li> <li>b. statistics on part-time employees;</li> <li>c. statistics on gender;</li> <li>d. statistics on staff location</li> </ul>	Mandatory
17BE(l)	Funding overview	Outline of the location (whether or not in Australia) of major activities or facilities of the entity	Mandatory
17BE(m)	The Australia Council Board	Information relating to the main corporate governance practices used by the entity during the reporting period	Mandatory
17BE(n), 17BE(o)	Financial statements	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): <ul style="list-style-type: none"> <li>a. the decision-making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and</li> <li>b. the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions</li> </ul>	If applicable, mandatory



List of requirements – Corporate Commonwealth entities

PGPA Rule Reference	Part of Report	Description	Requirement
17BE(p)	Not applicable	Any significant activities and changes that affected the operation or structure of the entity during the reporting period	If applicable, mandatory
17BE(q)	Not applicable	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	If applicable, mandatory
17BE(r)	Not applicable	Particulars of any reports on the entity given by: <ul style="list-style-type: none"> <li>a. the Auditor-General (other than a report under section 43 of the Act); or</li> <li>b. a Parliamentary Committee; or</li> <li>c. the Commonwealth Ombudsman; or</li> <li>d. the Office of the Australian Information Commissioner</li> </ul>	If applicable, mandatory
17BE(s)	Not applicable	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report	If applicable, mandatory
17BE(t)	Accountability	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs)	If applicable, mandatory
17BE(ta)	Management of human resources	Information about executive remuneration	Mandatory

**Australia Council for the Arts**

Level 5, 60 Union Street Pyrmont NSW 2009  
PO Box 576 Pyrmont NSW 2012

**Phone** +61 2 9215 9000

**Toll free** 1800 226 912

**Fax** +61 2 9215 9111

**NRS** 1800 555 677

mail@australiacouncil.gov.au  
australiacouncil.gov.au

© Australia Council 2018.

ISSN 0725-7643

This work is copyright. Apart from any use permitted under the *Copyright Act 1968*, all rights are expressly reserved. Requests for further authorisations should be directed to the Communications section at the above address.

In accordance with the Australian Government's printing standards for documents presented to Parliament, this publication has not been printed on recycled paper.



Australian Government

Australia  
Council  
for the Arts 

The logo for the Australia Council for the Arts, which is a stylized white figure of a person with their arms raised in a 'V' shape, with a circle above their head.