



chapter 7 BACK TO THE FUTURE

THE ARTS ECONOMY 30 YEARS AGO

Back around 1970, the size and strength of the arts sector was a fraction of what it is today. Dr H C Coombs gave the following summation as Chairman of the new Australia Council in 1973:

The condition of the arts at the time the Council was established, although there were areas of strength and achievement, was far from satisfactory. In the performing arts the professional companies, with one or two exceptions, were small, precariously financed and inexperienced. Even among the handful of large companies, none was more than two decades old. Film making, after decades of neglect, was just reviving and taking its place as an art form as well as a commercial enterprise, while in literature, the visual arts and the crafts many creative individuals were forced to compromise their standards in order to survive. The Aboriginal arts, except where they struggled to survive underground, were largely depreciated or ignored. Intensifying the effects of this thinness of professional activity, there was a lack of professional organisations capable of stimulating the performance or protecting the rights of artists.¹¹

Nevertheless, the environment had started to favour increasing output of Australian artistic works. This was partly the result of two post-war decades of stable growth and development of the Australian economy beyond its primary and secondary industry base, which helped create an environment favouring tertiary industries and activities, moving towards today's information economy.

In addition, however, the growth in the arts stemmed from Australians' growing confidence in their nation and in their rights within the nation. The culture was branching away from its British base assisted by a growing culturally diverse population, most recently due to large-scale post-war migration from Europe. Youth rebelled everywhere; minority groups were starting to claim their rights. The restrictions on Asian immigration were being lifted, but had not yet resulted in large movements into Australia. Trading relationships were still dominated by

Britain and Europe, but the oil crisis in 1974 would soon be crippling the economies of long-distance shipping, forcing Australians to focus on their own region, the Asia-Pacific. British *rapprochement* with Europe, and its admission into the European Community, compounded this development.

Dr Jean Battersby was Executive Officer of the Australian Council for the Arts and subsequently the Australia Council from 1968 to 1983. Looking back from 1980, she found that the preceding two decades had been a watershed for government cultural policies in Australia – a period of widespread review and changes in social conditions and objectives. Government support of the arts was part of a broader review of cultural policies in community development, education, welfare, migration, the environment, libraries, recreation, sport and Aboriginal affairs.^{1 2}

In 1980, the development of cultural policy was still very recent. Most of the organisations that had been formed to implement the new policies had only just begun effective work and were still preoccupied with policy formulation and trial programs. Battersby also thought that the cultural planners might have tried to do too much too soon. ‘Hasty implementation has inevitably highlighted irreconcilable elements in some policies – for example, how to provide for excellence while catering from finite resources for mass interest.’^{1 3} As we shall see below, this was a major dilemma for the Australia Council, at least in its early years.

It is natural in an Australia Council publication to focus on public funding of the arts. This does not imply a causal connection. The formation of a Federal funding body in 1968 to cover primarily the performing arts was as much a response to the cultural forces promoting greater attention to the arts as the catalyst for these forces. Funding of organisations and individuals has been important for Australian artistic endeavour, but the growth in public funding was part of a general shift towards cultural values in Australian society, not the cause of it.

BIRTH OF THE AUSTRALIAN COUNCIL FOR THE ARTS

The Government, for some time, has been actively considering ways to increase, at national level, Commonwealth patronage of the Arts without creating a monolithic structure which could inhibit the free play of our cultural interests and enthusiasms at all levels. ... With this in mind the Government, in its first decision on cultural activities, has decided to establish an Australian Council for the Arts to be its financial agent and adviser on the performing arts and other activities connected with the Arts in general.

This statement in the House of Representatives by the Prime Minister, Harold Holt, on 1 November 1967, inaugurated contemporary federal arts funding in Australia. The new Council would be concerned with the theatre arts (drama, opera and ballet) and film making for television with an educational and cultural emphasis.

Existing agencies would continue to receive funding: the Australian Broadcasting Commission, the Commonwealth Art Advisory Board and the Commonwealth Literary Fund. So would the Commonwealth Assistance to Australian Composers, which had been set up shortly before to advise the Government and fund Australian composition.

In the same statement, Mr Holt announced the Government’s decision to start work on the establishment of an Australian National Gallery in Canberra.

The first year’s funding of the new Council, in 1968-69, totalled \$1,500,000, which is equivalent to about \$10 million in today’s money. The figure was about 35% higher than the Government’s previous allocation to the Australian Elizabethan Theatre Trust. Table 7.1 overleaf shows the distribution of these funds. The principles for the allocation of funds included:

- + Making grants only to performing arts organisations (applications arising from film, television and the other arts were deferred pending the outcome of reports from various Council committees).
- + Giving priority, at existing levels of operation, to organisations at present receiving Commonwealth support. This basically meant funding the Australian Opera, the Australian Ballet Company, the Elizabethan Trust Orchestras that provided the music for the Ballet and Opera, and the main metropolitan drama companies.
- + Directing grants primarily towards the development of professional performance and therefore to wholly professional groups, to other groups to increase their professional content, and to organisations providing groups with professional help or services.
- + Giving high priority to supporting and developing facilities for professional training in the performing arts, for directors, artists, technical and administrative staff.

Table 7.1: Funding of the performing arts, 1968-69

	\$thousand	
	Original values	1996-97 values
Australian Council for the Arts		
Opera (Australian Opera 94%, WA Opera Company 6%)	205	1,412
Ballet (Australian Ballet 87%, Australian Ballet School 10%, State ballets 3%)	291	2,001
Elizabethan Trust Orchestra (Australian Opera and Australian Ballet)	167	1,153
Drama (10 metropolitan-based theatres, NIDA, one training scheme)	275	1,892
Federal co-ordinating organisations (AETT 87%, Arts Council 13%)	261	1,798
Special projects (89%) and studies (11%)	180	1,240
International visits (four grants)	50	344
Festivals (five)	44	303
Aboriginal activities in performing arts	10	69
Reserve	17	120
Total Australian Council for the Arts	1,500	10,331
States		
New South Wales 1968-69	349	2,402
Victoria 1966-67	262	1,848
Queensland 1967-68	118	834
South Australia 1967-68	152	1,071
Western Australia 1967-68	110	776
Tasmania 1967-68	41	287
Total States	1,033	7,218

Source: UNESCO-ANU Seminar on Public Support for the Performing Arts, Volume II: Background Papers, Australian National University 25-31 1969

- + Allocating some funds each year to the commissioning of new works, and to help finance cultural exchanges in the performing arts with other countries.
- + Making no grants for capital purposes from the Council's normal sources. This was seen as the task of State and local governments.

In addition to \$10 million (1997 prices) allocated through the new Council, the States provided about \$7 million according to Table 7.1. Local government provided recurrent funds for municipal bands and major festivals, and the main capital city councils supported the State symphony orchestras. The City of Brisbane in 1967-68 contributed a sum equal to \$230,000 at 1997 prices, which included funding for the Queensland Symphony Orchestra. Sydney City Council provided an annual equivalent of \$170,000 to the Sydney Symphony Orchestra, and Melbourne City Council \$140,000 to the Melbourne Symphony Orchestra.¹⁴ Total local government funding of the arts in 1968-69 cannot be determined, but is unlikely to have exceeded \$1.5 million in today's monetary values.

In 1968-69, literature was the responsibility of the Commonwealth Literary Fund, which had provided the equivalent of \$530,000 in the previous year. Assistance to Australian composers totalled about \$80,000 in 1996-97 values.

The Federal and State figures are in general agreement with Table A4.1 in Appendix 4, which shows the combined 'core' arts funding to amount to just under \$30 million in 1968-69, expressed in 1996-97 prices. The table includes visual arts and crafts at \$6.9 million (all but a tiny amount from the States), and community arts at \$1.4 million.

Including an allowance for local government, total public funding of 'core' arts was perhaps \$31 million. By 1996-97, 'core' arts funding of literature, visual arts, performing arts and community cultural activities had increased to \$224.5 million, seven times the 1968-69 level after allowing for inflation.

VISION OF '69 — THE PERFORMING ARTS

From the outset the new Council benefited from a number of outstanding personalities working to develop its role. Foremost in the early years was the first Chairman, Dr H C 'Nugget' Coombs. He gave an address on progress and plans in May 1969.¹⁵

Given the tight funding, with demand being more than twice as high as supply in the initial year, Dr Coombs said the Council was forced to define its prime responsibility as the pursuit of excellence through existing companies: the national companies and the main metropolitan drama groups. As far as the latter were concerned, the Council's Drama Committee had advocated special efforts to develop the companies in Melbourne and Sydney, which would ultimately be based at the Victorian Arts Centre and the Sydney Opera House.

These companies, the Committee believed, should be enabled to expand greatly to include country and interstate touring, experimental theatre, development of new playwrights, professional training, and the provision of a wide range of aids and services to smaller drama companies.

The Council somewhat reluctantly accepted these recommendations as an interim solution. It felt it was a bit like trying to build the top section of a pyramid in isolation from its base. It would in the long run be necessary to fortify the strength and quality of that base of amateurs and part-professionals in order to support the top layers of excellence. Furthermore, the Council felt that the pursuit of

excellence needed to be supplemented by the encouragement of diversity and, above all, by the stimulus of creative innovation. Without this stimulus, the established companies risked losing their sense of urgency and vitality, of becoming mere ‘establishments’ as had often happened in Europe according to Nugget Coombs – ‘dinosaurs’, we might say now.

The increased support of the performing arts – particularly important for the metropolitan theatres – coincided with a period of vital growth in the theatre world in Australia. In the 1950s, Ray Lawler’s *Summer of the Seventeenth Doll* had achieved what no Australian play had done before. Despite its quintessential Australian theme, it had achieved critical success ‘in the hardest and most testy school of all – the Mother Country.’¹⁶

State-supported theatre in the early 1960s was little more than a pipedream despite the success of *The Doll*, and professionalism was a reality for very few, according to Leonard Radic, author of an authoritative analysis of Australian post-war theatre history. Nevertheless, by 1968-69 professional theatre companies did qualify for Council funding. Equally importantly, 1967 saw the birth of Betty Burstall’s writers’ workshop theatre in Melbourne, La Mama, which specifically staged new writers, especially Australians. Jack Hibberd, John Romeril and Barry Oakley were among these writers, joined by David Williamson in 1970.

John Bell’s Nimrod Theatre in Sydney and the Melbourne Pram Factory both opened their doors in late 1970. ‘Between them these two theatres, and the groups and individuals who worked in them, were to revolutionise Australian playwriting. While markedly different in character, temperament and outlook, the two were in one respect as one: their wholehearted commitment to the cause of the Australian play.’¹⁷

The Australian Council for the Arts was keenly aware of these trends and did manage to allocate 12% of its scarce total funds to ‘special projects and studies’, as shown in Table 7.1. The purpose of the special projects fund was to support the ‘base of the pyramid’. In Dr Coombs’s words, this was where the first interest of young audiences was stimulated, artists took their first steps towards professionalism, young and iconoclastic directors found their stimulus and opportunity, and the creative artist was most likely to find the workshop within which to learn his or her craft. He listed nine projects that had already been assisted through the Special Projects Fund.

A few years later, June Collis was able to state: ‘Australian theatre has arrived. There are today 20 professional theatres around the country. In nearly 200 years, its history has evolved from an early colonial dependence on Britain to a high degree of national self-reliance. Opera, ballet and drama, both indigenous and imported, receive substantial subsidy from Federal and State Governments and are well supported by the public.’¹⁸

These theatres ranged from the Sydney Opera House, the Adelaide Festival Centre and mainstream drama theatres to generally small ventures such as Sydney’s Jane Street and Nimrod Theatres, La Mama and the Pram Factory in Melbourne, and Perth’s Hole-in-the-Wall Theatre. The fact that practically only the large central State cultural centres have survived to the present day is a reminder that theatre management remains a precarious business despite the funding. However, other companies often rise from the ashes of those that disappear.

In his address to the UNESCO seminar quoted above, Dr Coombs warned against Federal dominance of arts funding. Great companies need a home, he said, a building of their own like Covent Garden, La Scala or the Bolshoi. He may have overstated the case slightly: some companies with a global reputation like the Welsh National Opera do succeed without their own building. But it was important that State and local governments provided the local habitation for cultural companies, as was happening in the case of the Sydney Opera House and the Victorian Arts Centre.

OTHER PAST VISIONS

According to Nugget Coombs, the arts in Australia had too long continued to arise out of and reflect Western European tradition. ‘Asian visitors and influences are more and more common in this country,’ he said – a very astute observation in 1969 before Asian mass immigration.¹⁹ Every festival brought dance and music groups from Asian countries; Richard Meale’s and Peter Sculthorpe’s compositions showed Asian influences, as did Ian Fairweather’s paintings.

The Council was already exploring the idea of establishing a regular circuit for the performing arts through Indonesia, Malaysia, Thailand, the Philippines, China and Japan – a circuit to be served regularly with examples of Australian music, dance, and visual art. While our concept of mutuality with Asian countries has developed as more Asians have come to live here, the fact remains that Asia was recognised as an important influence from early in the 30-year period with which we are concerned.

In addition to Australia's 'exciting and increasing involvement with Asia', Coombs advocated the importance of the 'living and vigorous tradition of Aboriginal theatre' – another prophetic vision at the time. He envisaged a future where Melbourne became the centre of the great and growing tradition of classical ballet, and Sydney became a focus of the 'freer forms of modern dance derived essentially from the recent American tradition'. Then 'perhaps in Darwin we will establish a centre for Aboriginal theatre – all three of these centres influencing one another and providing a stimulus both in technique and in imagination'.

The early work of the Council was concerned largely with the theatre arts, but the Prime Minister gave it authority to explore and submit reports on the state of the arts in general. The field of music was being investigated, beyond the already relatively well-funded symphony orchestras. A major inquiry into the crafts began in 1972.

Finally, the Council's committee on film making and television marked 'perhaps the most exciting prospect for the extension of governmental support for the arts'. The committee had recommended a three-level plan designed to assist the development of film-making resources and capacity into an industry of competence and quality:

- ✦ Establishing an Australian Film and Television School
- ✦ Establishing a Film and Television Corporation to be responsible for a production fund to provide equity and loan capital for film production, and a marketing authority designed to promote the sales of Australian film and television products abroad
- ✦ Establishing an Experimental Film Fund to provide finance on an equity or loan basis for low-budget experimental productions, and to finance a television program for displaying these productions.

The Australian Film Commission subsequently took over the second and third functions, and the school was established independently. The subsequent growth of a high-quality Australian film industry with a major international presence is now history. The spate of Academy Award (Oscar) nominations for Australian actors, directors and others is only the latest evidence of success. Assisted by generous tax breaks for some years, this cultural industry has truly come of age over the past decade.

In November 1972, opposition leader Gough Whitlam announced the Labor Party's policy for the arts. As well as foreshadowing a significant increase in total Federal funding, the policy recognised that the existence of various funding bodies had become unwieldy and proposed coordinating them under a single organisation. After the Labor victory, what was shortly thereafter to be known as the Australia Council met in February 1973. Its responsibilities were greatly widened to comprise seven Boards: Aboriginal Arts, Crafts, Film and Television, Literature, Music, Theatre, and Visual Arts.

THE COMMUNITY ARTS VISION

One controversial point was the single-minded promotion of standards of excellence in the arts which had been pursued largely by concentrating funds in professional fields – and hence largely in the cities.²⁰

However, the Council was also committed to widening access and fostering the understanding and application of the arts in the wider community. This led to the establishment of a community arts program to fund schemes for broader public participation in the arts, which became the Community Arts Board in 1978. Community arts represented a new dimension beyond the original Coombs vision of the arts 'pyramid', which focused on the performing arts as these were usually defined.

The introduction of a community arts policy did not happen without considerable resistance (it ultimately succeeded after Labor resumed government in 1983):

There were about five major reports into the Australia Council in the seventies, mostly brought about by people who couldn't cop the idea that artists were genuine contributors to society. ... In many of those reports the rationalist model was to get rid of this thing called community arts for four reasons: one – it wasn't anything to do with the arts; two – it was about recreation, welfare and therapy; three – that it was about local arts and therefore should be sent out to the states or to local government; and four – real artists weren't involved.²¹

Andrea Hull went on to define the important merits of community arts as follows:

- ✦ Having drawn initial inspiration from the central principle of decentralisation espoused by the Whitlam Government, community arts were very much part of the local communities existing all over Australia. Support of community arts recognised the right of everyone to participate in creative activities and have access to cultural life.

- ✦ Community arts championed the voice of the non-English-speaking people of Australia, and as such helped to break down the ‘myths that dominated the cultural life at the time, a lot of it to do with the inherited middle class system of England’.

Therefore, community cultural development is an essential source of nourishment and enrichment of Australian cultural life. It is about being a successful multicultural society and projecting this image abroad. This impetus was reinforced by the political climate, which increasingly favoured integration and community expression.

SUMMING UP AND LOOKING AHEAD

Thirty years ago, the founders of today’s arts policy thrust got more things right than they got wrong. Following the brief they were given and recognising its shortcomings, they concentrated their initial efforts on the pursuit of excellence, and in the beginning the focus was on the performing arts: theatre, ballet, and opera. With the introduction of the Australia Council in 1973 the scope was widened to include visual arts and crafts, Aboriginal arts, music, literature, film and television.

With the exception of Indigenous arts, however, the Board structure was organised to deal with individual artforms. The focus was substantially modified with the formation of the Community Arts Board, cutting across artforms, ethnic and geographic boundaries and complementing the specific arts-related boards.

The arts policy focus is now changing even more radically with the development of digital technology, influencing the arts directly as well as indirectly through a multitude of other influences on the social, cultural and economic circumstances of Australians. These factors were not within the perspective of the Australia Council founders, but the following insight from H C Coombs is worth quoting here:

Film and television are art forms in their own right – their influence on the more traditional art forms is potentially explosive and their very existence creates the possibility of new mixed media forms which may add greatly to the range of human experience. ... Because of the great influence which clearly films and television already have it is important that we should understand them.²²

Substitute ‘new media arts’ for ‘film and television’, and the statement is as valid today as it was in 1970. It is also an essentially unpredictable influence. The Australia Council would be well advised to test its strategic planning assumptions against alternative plausible scenarios for the next ten or fifteen years.

The Australia Council’s current structure is influenced by the changing social, cultural, economic, political and – not least – technological forces on the arts. Artforms with their own Fund include dance, literature, music, theatre and visual arts and crafts. The Aboriginal and Torres Strait Islander Board and the Community Cultural Development Fund work across artforms. The Australia Council Multicultural Advisory Committee assists the Council in implementing the Arts for a Multicultural Australia policy.

The New Media Arts Fund, launched in May 1998, also works across artforms because this is the very nature of the new electronic technologies. Its objective is to ‘support interdisciplinary arts practice which displays a critical and innovative approach to art and its place in society’. However, the cross-over of artforms does not necessarily involve new technologies; chamber orchestras appear on the stage with dancers, visual arts and dance are presented as a whole, and so on. Fusions of different music artforms have been observed for decades.

The pursuit of excellence remains an important objective for the Australia Council. The Major Organisations Fund was set up in 1995 to promote the effective delivery of artistic excellence by Australian arts organisations of national standing: six dance companies, seven theatre companies, Circus Oz, the Australian Chamber Orchestra, the Sydney Symphony Orchestra and Musica Viva are currently under its aegis.

It is futile to try and make exact predictions about the Australian arts economy. To date, it has continued to grow while core arts funding has remained more or less constant, though infrastructure development financed at State and local government level has increased significantly. The emphasis has to some extent shifted from direct public funding as such to a greater reliance on securing legally earned income through copyright, securing support through other avenues such as private sector patronage, and other means. In the prevailing climate of economic rationalism driven by competition, relative power relationships are changing, including those between the individual artist and creator and those producing and performing the creations, and between domestic and multinational players.

The digital agenda will have a profound impact on the way we – or some of us – read books, view art, listen to music and watch dramatic works. The formation of the New Media Arts Fund is a natural response to what is already happening in the commercial world to which the individual artist belongs. In terms of creativity and economic power, new commercial entities are emerging all the time, and the digital revolution has been hailed as a great opportunity for the creative small and medium-sized enterprise. However, it also places individual artists under threat because of the difficulty of protecting their interests under a technology capable of producing copies that are indistinguishable from the original.²³

It would be wrong to hang the futuristic hat entirely on the peg of on-line and other digital technology. The current Chair of the Australia Council, Dr Margaret Seares, is on record as an advocate of the broader functions of the Council. Welcoming her predecessors' success in making the Australia Council a more flexible and responsive organisation, and the introduction of triennial government funding, she recently said:

This all enables us to refocus our energies on to those functions in our Act which have had to take something of a back seat. ... Among the functions is one which says the Council is 'to promote the appreciation, understanding and enjoyment of the arts', and that we should 'promote the general appreciation of the arts in the community'. Feedback from the arts community is suggesting to us that the environment ... is such that it is imperative that this function is pushed to the forefront of Council's work and I am fully committed to supporting the field in this way.²⁴

The first five points in the Council's strategic plan sum it up. Despite all the changes to the arts economy and environment, the major strategic objectives of the *Australia Council Act* remain what they were a quarter of a century ago. One might indeed add that they read as true and relevant today as they did then – though perhaps the last objective should *encourage* rather than merely *recognise* cultural diversity in an era when multiculturalism has become a vastly greater force:

- + To promote excellence in the arts
- + To support the creation of new work
- + To foster participation and appreciation of the arts by all Australians

- + To promote the unique Aboriginal and Torres Strait Islander cultures as integral to Australia's national identity

- + To recognise the cultural diversity of the arts.

Between 1968, when the Australian Council for the Arts began, and the start of the Australia Council in 1973, the objectives generally developed to cover those listed above. Community programs and the need to broaden interest and participation were part of Dr Coombs' frame of reference in his first Chairman's report:

To some extent, of course, the arts are elitist. At their best, they are the work of the exceptionally talented, and historically have been enjoyed by the relatively few. Nevertheless the charter of the Council, as it will be embodied in legislation, clearly calls on it and the Boards to widen opportunities for the practice of the arts and to widen access to, and understanding, enjoyment and application of the arts in the community generally. But it also calls upon the Council to promote standards of excellence. The problem facing the Council and the Boards is essentially that of achieving a proper balance in the allocation of effort and resources to the various objectives – particularly between the promotion of excellence and the widening of participation in and experience of the arts.²⁵

As we have seen, community arts gained board status five years later (the function subsequently, in 1987, was expanded further into community cultural development).

While recognising the vision of those setting the objectives of Australian arts policy, one must ask whether these objectives continue to cover the future. We cannot predict the future, but we know that it will be very different in terms of communication and change. What the arts economy is today may be a very different entity a decade into the new millennium – with major consequences for both creators and consumers of artistic products as technologies merge and social values shift.

To cope with such uncertainty is the greatest challenge for those shaping the arts policy of the future. What technological and artistic challenges will artists across the artforms have to meet? What international influences will inspire the arts? How will the arts, with or without radical new technology, help shape multicultural Australia? How is the plunge into interactive communications going to affect an area such as community cultural development? What fusions within and between

artforms will emerge? How will the traditional Australian arts co-exist with new technology-driven and essentially international influences?

How large a part of the economy will be occupied by the cultural industries and fuelled by core arts professionals? Will the growth continue?

We don't know, but we are fairly confident of one thing: relying on economic rationalism with its short-term view of development will not provide the answer. Of course, economic theory and statistics are important in defining the interactions of the current arts economy and the wider economic structure. But they are deficient as indicators of the long-term influence that the arts have on a nation's cultural and social development, and its ultimate success as a major partner in the world economic scene.