

26 September 1997

The Hon Richard Alston MP
Minister for Communications and the Arts
Parliament House
Canberra ACT 2600

Dear Minister

I have pleasure in presenting to you, under Section 38 of the *Australia Council Act 1975*, the Annual Report for the Council for 1996-97.



Millions of Australians have daily contact with the arts, participating either as practitioners or as audiences. The contribution of the arts to our intellectual and cultural life, to our leisure time and, indeed, to our economy and international profile, continues to be increasingly evident throughout the Australian community.

For the year in review, the Australia Council was chaired by Hilary McPhee, who concluded her term on 30 June 1997. I would like to pay tribute to Ms McPhee for her enormous contribution to Council during a period of considerable organisational change. Her tenacity, vision and ability to work with all sides of the political spectrum have left the Council well placed to respond to future challenges and opportunities.

The development of Australia's first National Aboriginal and Torres Strait Islander Arts Policy and its endorsement by Council in May 1997 was a particular highlight of Ms McPhee's term as Chair. The Policy maps a coherent plan for arts development, regional cultural development, intellectual property and moral rights, as well as increased exposure of Indigenous arts in regional, national and international markets.

The year in review is the first full year the Council has been operating within the new structure. Refinements will continue as the Council strives to be ever more responsive to the needs of artists and the wider community.

In 1996-97 the Council directly assisted 599 individual artists and 1,079 organisations. With half a million Australians receiving some income from arts related work and 40,000 working as practising professional artists, we will always face a gap between the number of talented artists and the funds available to assist them. The Council's encouragement of indirect support for the arts through the Audience Development and Advocacy Division is therefore a high priority.

Council research has demonstrated the need to encourage Australia's corporate sector to provide more support for the arts. Sponsorship and philanthropy from the private sector should be seen,

however, as a supplement to, not a substitute for, government arts funding. Government, at all levels, will continue to have a central role to play in supporting Australia's established and emerging artists.

Considerable achievements have been made in strengthening links with State and Territory Governments and arts funding bodies and the Council will build on this work in order to maximise opportunities for the arts sector and minimise overlaps.


The Council acknowledges the continued support of the Federal Government for the Australia Council and for the arts generally, and in particular the four new initiatives announced in the 1996 Budget: Regional Arts, Emerging Artists, Major Festivals and Contemporary Music Export Development.

Australia's arts and its artists are central to our sense of national identity and the way we are perceived by the rest of the world.

Your support enables the Australia Council to fulfil its charter to promote the arts and creative work in order to stimulate and enrich the cultural life of the nation.

I look forward to working with you to meet the challenges of the year ahead.

Yours sincerely

A handwritten signature in cursive script that reads "Margaret Seares".

Dr Margaret Seares
Chair of Council

The Australia Council is a Commonwealth
statutory authority created under the
Australia Council Act 1975.

Section 5 of the Act defines the functions of the Council as:

- (a) to formulate and carry out policies designed:
 - (i) to promote excellence in the arts;
 - (ii) to provide, and encourage provision of, opportunities for persons to practise the arts;
 - (iii) to promote the appreciation, understanding and enjoyment of the arts;
 - (iv) to promote the general application of the arts in the community;
 - (v) to foster the expression of a national identity by means of the arts;
 - (vi) to uphold and promote the rights of persons to freedom in the practice of the arts;
 - (vii) to promote the knowledge and appreciation of Australian arts by persons in other countries;
 - (viii) to promote incentives for, and recognition of, achievement in the practice of the arts;
 - (ix) to encourage the support of the arts by the States, local governing bodies and other persons and organisations;
- (b) to furnish advice to the Government of the Commonwealth either of its own motion or upon request made to it by the Minister, on matters connected with the promotion of the arts or otherwise related to the performance of its functions; and
- (c) to do anything incidental or conducive to the performance of any of the foregoing functions.

The Australia Council is the Federal Government's arts funding and advisory body. Its vision is to enrich the life of the nation by supporting and promoting the arts.

Australia is a culturally rich nation and artists are central to our sense of national identity and the way we are perceived by the world. The Australia Council fulfils a crucial role in supporting Australian artists and arts organisations to pursue artistic excellence, to create and present their work, to take advantage of opportunities to improve and develop their skills, and to tour and promote their work to wider audiences. It directly supports young, emerging, developing and established artists through a range of grant programs offered across all artforms, and it encourages arts and non-arts organisations to support and present artists' work, thereby expanding employment opportunities for all artists.

The Council has a unique responsibility to reflect Australia's evolving national identity to its citizens and to the world. The Council's national focus reflects the culture and creativity of both regional and urban communities, and it has a statutory obligation to ensure access to, and participation in, the arts by all Australians. The arts of Aboriginal people and Torres Strait Islanders are valued and supported; and communities across Australia are enriched by opportunities to incorporate the arts in local cultural life. The Council also maintains and develops cooperative arrangements with State and Territory arts funding authorities, local governments, and key international agencies in all its activities.

The Australia Council was formed as an interim Council in 1973 and was given statutory authority by the *Australia Council Act 1975*. It replaced an earlier, non-statutory body called

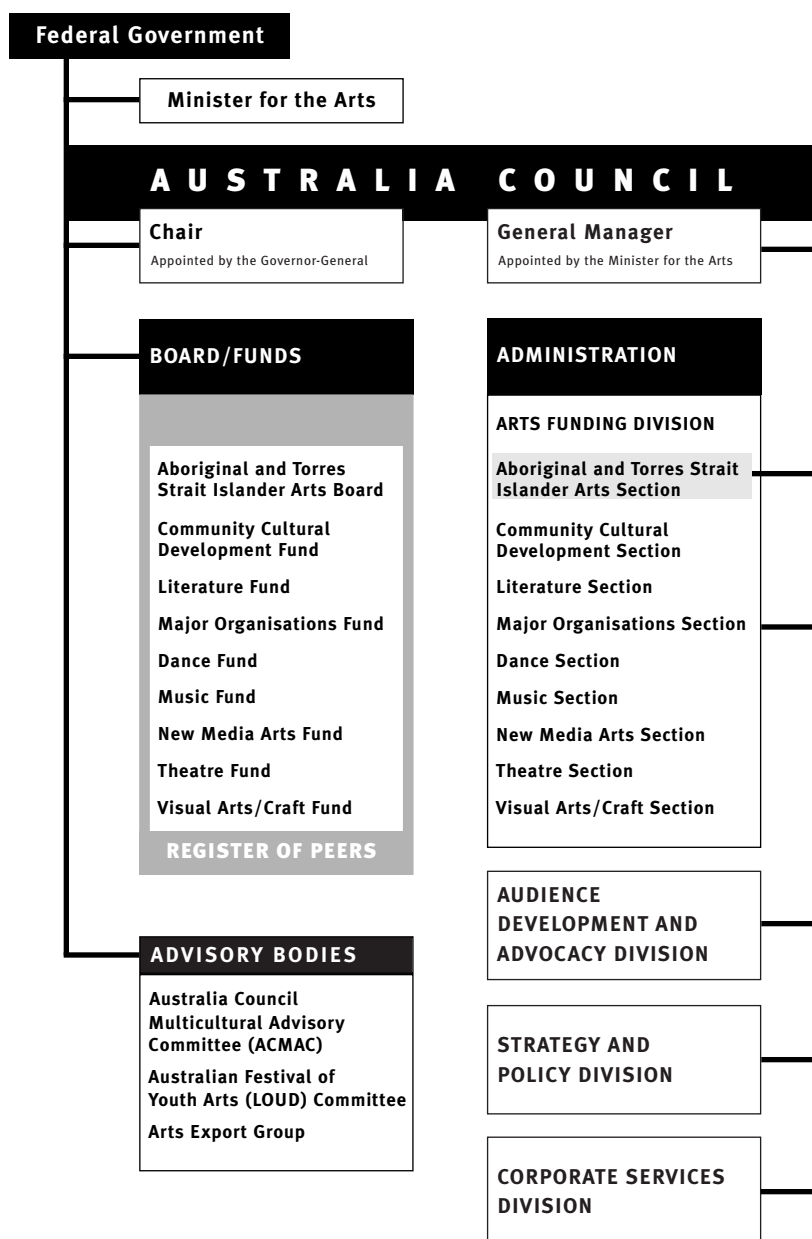
the Australian Council for the Arts which was established in 1968 as a division of the Prime Minister's Department. The Council subsumed other arts-related government functions, such as the Commonwealth Literary Fund, which had supported needy writers since 1908, and the Commonwealth Art Advisory Board, which was set up in 1912 to develop a national art collection and, from 1927, to advise on matters relating to the visual arts. The Australia Council was granted considerably expanded functions and greater independence from government in its policy-making and funding roles than its predecessors. As with similar bodies in Canada and New Zealand, the Australia Council's structure and functions were based on those of the Arts Council of Great Britain.

The work of the Australia Council has always been guided by two fundamental principles. The 'arms length' principle, which is enshrined in the Australia Council Act, determines that the Council is independent of government and free to act autonomously in the administration of its budget. This ensures that decisions about specific grants are made at a distance from political processes.

The second principle is 'peer assessment' whereby decisions on grants are made by artists and community representatives who are the 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. The Council remains independent from the day-to-day business of the artists and arts organisations it assists.

The Australia Council is committed to providing the best possible system of peer-assessed funding of creative work, and will continue to ensure that creativity and excellence in the arts flourish and that all Australians have access to the arts and to the stimulation and enjoyment the arts can bring.

Organisation Chart as at 30 June 1997



ORGANISATION CHART

THE AUSTRALIA COUNCIL

The governing body of the Australia Council is responsible for determining priorities and providing a policy and budgetary framework within which the Council and its Board, Funds and advisory bodies operate.

In accordance with the terms of the *Australia Council Act 1975*, the Council has between 10 and 14 members including the Chair. The Chair is appointed by the Governor-General on the advice of the Minister for the Arts. Members, with the exception of the General Manager who is a member of Council ex officio, are part-time statutory appointments made by the Minister. Terms of appointment are generally three years. Members are selected to ensure relevant expertise in the arts and regional, gender, ethnic and Indigenous community representation.

During 1996-97, the Council met six times, two of which were by teleconference.

The various Funds and the Aboriginal and Torres Strait Islander Arts Board administer the Council's arts funding role and are the Council's main source of advice with regard to the development of arts policy and grant programs. The Board and Funds have up to seven members, who may be appointed for four years, but in general appointments are for no more than three years. Except for the New Media Arts Fund, which was established as a Committee of Council, the Fund and Board Chairs are also members of the Council, and as such are appointed by the Minister.

In addition to their role in providing advice to the Council, the Board and Funds develop their own policies – within the framework of policies and priorities determined by the Council – to assist the assessment of grant programs in their artform areas. The power to make grant decisions is delegated from the Council to the Board and Funds.

In addition to policy input from peers on the Funds and Board, peers are involved in Council's decision-making processes through the Register of Peers. The Funds and Board select peers from the Register to assist them in assessing grant applications and making artform policy. Peers are listed on the Register for up to three years and may be invited once by each Fund to assist in grant assessment meetings. There is no limit to the number of times they may be invited to provide 'in-the-field' assessments and general policy advice. The Council's Conflict of Interest Code states that no applications are eligible for assessment where a member of the peer body making the grant decision is also the applicant, or is the sole or major beneficiary through a third party.

The Council also relies on the expert advice of peers in several specialist committees or forums established to examine particular issues which may affect more than one artform. Committees and advisory bodies currently operating include the Australia Council Multicultural Advisory Committee (ACMAC), the Australian Festival of Youth Arts (LOUD) Committee, and the Arts Export Group.

Following the Minister's appointments of new members to Council and the Funds in July 1996, over 40 members attended for a one-day induction in August 1996.

MEMBERS OF THE AUSTRALIA COUNCIL AT 30 JUNE 1997

Hilary McPhee (Vic), was appointed Chair of the Australia Council for three years from 21 March 1994. At the expiration of her term, she was reappointed Acting Chair until 30 June 1997. Ms McPhee was formerly Publishing Director of Pan Macmillan Australia, responsible for developing the Macmillan and Picador imprints. Prior to that she co-founded McPhee Gribble Publishers, an independent publishing company with a reputation for developing new authors, quality fiction, non-fiction and children's books. The incoming Chair, Dr **Margaret Seares** (WA), Executive Director, Community Relations, at the University of Western Australia and former Executive Director of the WA Department for the Arts, took up her appointment from 7 July 1997.

Michael Lynch (NSW), General Manager of the Australia Council since 15 August 1994, has had a long career in arts administration and film and television. He was formerly General Manager of the Sydney Theatre Company, casting director with his own agency, Forcast, and an actors' and directors' agent, as well as being involved with the Nimrod Theatre and the Australian National Playwrights Conference. Mr Lynch is a member of the Sydney Organising Committee for the Olympic Games (SOCOG) Cultural Committee.

Lucette Aldous (WA), Senior Lecturer in Dance at the WA Academy of Performing Arts, is one of Australia's best known prima ballerinas. She has danced with the Australian Ballet, the Royal Ballet, Ballet Rambert, the London Festival Ballet and in Rudolf Nureyev's film of *Don Quixote*. Ms Aldous was appointed a member of the Australia Council for three years from 9 December 1995.

Edmund Campion (NSW), Associate Professor of History at the Catholic Institute of Sydney, was appointed Chair of the Literature Fund

and a member of Council for three years from 4 December 1995. Father Campion is the author of several works including *Rockchoppers* and *A Place in the City*, and is a member of the Australian Society of Authors. He is also the Sydney editor of *Eureka Street*, and a reviewer for *The Bulletin*.

Shane Colquhoun (WA), was appointed Chair of the Dance Fund and a member of the Australia Council for one year from 24 July 1996, an appointment subsequently extended to 31 December 1997. Mr Colquhoun is a freelance arts manager who has held senior management positions with the Perth Theatre Company, 2 Dance Plus Ltd, and the West Australian Ballet Company. He has been a consultant to the WA Department for the Arts, was Chair of their Theatre Advisory Panel and is President of Ausdance WA. Mr Colquhoun has danced with the West Australian Ballet, the Deutsche Oper Ballet, West Berlin, and the London Festival Ballet, and has toured extensively in the UK, Europe, USA, China and Australia.

Deborah Klika (NSW), a film and television producer, director and scriptwriter, who operates her own consulting firm Comedy Script Services, was appointed as a member of the Australia Council for three years from 27 March 1997. She has been a freelance researcher and assistant director at the ABC, the Australian Film Television and Radio School, the Australian Film Commission and the University of NSW School of Theatre Studies, and a member of the NSW Government Women's Consultative Committee. Ms Klika is a member of the Australian Film Institute, the Australian Writers Guild, Women in Film and Television, the Sydney Film Festival and the National Trust.

Terry Lane (Vic), radio broadcaster and presenter of *The National Interest* on ABC Radio National, was appointed as a member of the Australia Council for a three-year term from 12 December 1994. He is the author of several



books, including *Tit for Tat*, has written articles for leading newspapers, and has a wide knowledge of classical music and performance.

Lex Marinos OAM (NSW), actor, director and broadcaster, was appointed Chair of the Community Cultural Development Fund and a member of the Australia Council for three years from 1 July 1995. Mr Marinos has worked with most major theatre companies in a wide range of classical and modern plays as well as in film and television. He is also a broadcaster for ABC radio and is currently the Director of the New South Wales Carnivale.

Richard Mills (Qld), composer and conductor, is Artistic Director of the WA Opera Company. He was appointed a member of the Australia Council from 9 December 1995 and Chair of the Music Fund from 1 January 1997. Dr Mills has been artistic consultant to the Queensland Symphony Orchestra and the Brisbane Biennial, Artistic Director of the Adelaide Chamber Orchestra, Artist in Residence at the ABC and the Australian Ballet, and a member of the

Australia Council's Performing Arts Board. He is one of the country's most frequently commissioned and performed composers and a regular guest conductor of Australia's leading orchestras.

John Moriarty (NSW) is a co-owner and a director of Jumbana Pty Ltd, and has recently established a development consultancy firm in Sydney. Mr Moriarty was appointed Chair of the Aboriginal and Torres Strait Islander Arts Board and a member of the Australian Council from 27 March 1997 for a three-year term, replacing **Richard Walley** OAM, who had been Chair of the Board and a Council member from 17 September 1992 to 31 December 1996. Mr Moriarty is a Board member of the University of South Australia Foundation and of the Commercial Development Corporation, and a member of the Visions of Australia Committee and of the St Peters Council Art and Cultural Committee.

Christopher Pearson (SA) is an essayist, reviewer and journalist and was appointed as a

The Australia Council met at the Queensland Arts Office in Brisbane for their May 1997 meeting, which was attended by both the outgoing and the incoming Chair. Left to right

(standing): John Rimmer, Terry Lane, Geoffrey Street, Lex Marinos, Christopher Pearson, Kristina Scudds (staff representative), Shane Colquhoun, Lucette Aldous, Michael Lynch, Deborah Klika, Edmund Campion; (seated): Hilary McPhee, Margaret Seares, Ron Radford; inset: Richard Mills, John Moriarty.

Photos:

Brian Condron (main)
Peter Kelly (inset right)

community interest representative member of the Australia Council for a three-year term from 27 March 1997. He is the editor of the *Adelaide Review*, a columnist for the *Courier Mail* and the *Australian Financial Review*, and the winner of a National Trust Award. He was a founding editor of the *Sydney Review*, and has been publisher of Wakefield Press.

Ron Radford (SA), Director of the Art Gallery of South Australia, was appointed to the Australia Council and to Chair of the Visual Arts/Craft Fund for three years from 10 June 1997. Mr Radford has worked in the art museum profession in Victoria and South Australia for 25 years and has been responsible for the acquisition of over 4,000 works of heritage and contemporary art and curated over 80 exhibitions. He is a member of the Commonwealth Government's Heritage Collections Committee and of South Australia's Cultural Tourism Action Committee. Mr Radford replaced **Doug Hall**, director of the Queensland Art Gallery.

John Rimmer (Vic), is Director of Acuity Consulting Pty Ltd, a consultant to Multimedia Victoria, and a member of the Library Board of Victoria. Mr Rimmer was appointed as a member of the Australia Council for three years from 27 March 1997, and subsequently appointed by Council as Chair of the New Media Arts Fund. He has been Executive Director of Multimedia Victoria; and a senior executive in the Victorian Government, in the Office of Communications and Multimedia, the Cabinet Office, and Government and Intergovernmental Relations. He is a former recording pianist for the ABC.

Geoffrey Street (Vic), was appointed Chair of the Theatre Fund and a member of the Australia Council for three years from 24 July 1996. His wide experience in the performing arts includes programming of major events and festivals. Mr Street is currently based in Melbourne as the Programming Manager of the Victorian Arts Centre Trust. Previously he

was General Manager of the Brisbane Biennial International Festival of Music. He has also worked for the Queensland Arts Council.

Kristina Scudds, a Project Officer with the Audience Development and Advocacy Division, was elected staff representative on Council for the 1996-97 year.

In other changes to the membership of Council during the year under review, Deputy Chair **Hugh Mackay** resigned his position on the Council from 31 December 1996, and **Domini-ca Whelan** completed her three year term on 21 February 1997. **Doug Hall**, Chair of the Visual Arts/Craft Fund, whose term was due to expire on 12 December 1997, resigned from Council as at 31 January 1997.

AUSTRALIA COUNCIL STAFF

Supporting the work of the Council, its Board, Funds and advisory bodies, is a full-time staff of 118 located in Sydney. Staff are appointed under the *Australia Council Act 1975*, on terms and conditions similar to those of the Australian Public Service.

The organisation consists of four Divisions: Arts Funding, Audience Development and Advocacy, Strategy and Policy, and Corporate Services, each headed by a Director.

Structural changes resulting from the previous year's management review were completed during the year under review. The major change was the formation of an Operations Section within the Arts Funding Division, to streamline the processing and registration of grant applications and other routine aspects of the administration of the Australia Council's funding responsibilities.

The 1996 Federal Budget also had repercussions on the Council's staffing structure, requiring regrading and contraction in some

areas. Agreement was reached on the structure by the end of 1996 and the last vacant positions were being filled by the close of the financial year.

As well as the Operations Section, Arts Funding Division comprises nine sections. The Aboriginal and Torres Strait Islander Arts Board administration is headed by a Director and the eight other sections are headed by a Manager. These senior officers manage the grant assessment process and artform development for the Aboriginal and Torres Strait Islander Arts Board and each of the Funds: Community Cultural Development, Literature, Major Organisations, Dance, Theatre, Music, New Media and Visual Arts/Craft.

The Strategy and Policy Division comprises Public Affairs, Policy and Planning, and the Library, each headed by a Manager, and the Secretariat. The Corporate Services Division includes Finance and Services, Human Resources, and Information Technology, each headed by a Manager. The Audience Development and Advocacy Division comprises sections responsible for Council's work in the areas of national audience and market development, arts marketing skills development, and international marketing and promotions.

SENIOR MANAGEMENT

The Australia Council's senior management team is headed by the General Manager and includes the Directors of the four Divisions – Arts Funding, Audience Development and Advocacy, Strategy and Policy, and Corporate Services – the Director of the Aboriginal and Torres Strait Islander Arts Section, and the Finance and Services Manager.

Christine Sammers, formerly Executive Officer of the Community Cultural Development Unit, was Director of the Arts Funding Division from its establishment in April 1996



until her departure in June 1997 to have a baby. Prior to joining the Council in 1992, Ms Sammers was a freelance director, writer, administrator and designer in the performing arts and film. **Don Baxter**, formerly Executive Director of the AIDS Council of New South Wales, was appointed Director, Arts Funding, from 1 July 1997.

Dr Sue-Anne Wallace, Director of the Audience Development and Advocacy Division since its formation in April 1996, was formerly Executive Officer of the Visual Arts/Craft Unit. Prior to joining the Australia Council, Dr Wallace was head of Education and Cultural Action (Public Access) at the National Gallery of Australia in Canberra. Dr Wallace left the Council on 28 July 1997 to take up a senior position at the Museum of Contemporary Art in Sydney.

Sarah Gardner is Director of the Strategy and Policy Division. She was Acting Director of the Division from May 1995, and Director from February 1996. Ms Gardner has been with the Australia Council since 1990, first as Public Affairs Manager and then as Operations and Communications Manager with the Performing Arts Unit. Prior to joining the Council she

Senior management, left to right (standing): Lydia Miller, Michael Lynch, Sarah Gardner; (seated): Sue-Anne Wallace, Catherine Watts; Insets: Gabriel Chan, Christine Sammers
Photo: Brian Condron (top)
Branco Gaica (inset top)

had been a senior consultant with Issues Australia and National Media Coordinator for the Australian Bicentennial Authority.

Catherine Watts, Director of Corporate Services Division, joined the Australia Council in April 1996. Ms Watts was formerly Secretary of the Australian Law Reform Commission. She has degrees in arts and law and an extensive background in corporate and legal administration.

Lydia Miller was Director of the Aboriginal and Torres Strait Islander Arts Section until June 1997 when she left the Council to study law. Ms Miller, a performing artist, director and producer, is of Kukuelandji, Kokopera and Waanji lineage.

Gabriel Chan, Finance and Services Manager, joined the Australia Council in June 1989. Prior to this appointment, Mr Chan was College Accountant with the Sydney College of Advanced Education. Mr Chan is a member of the Institute of Chartered Secretaries and Administrators, the Chartered Institute of Management Accountants, the Australian Society of Certified Practising Accountants, and numerous other professional bodies.

Contact Officer

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THE YEAR IN REVIEW

In carrying out its statutory responsibilities during 1996-97, the Australia Council and its Funds/Board:

- received approximately 24,000 inquiries resulting in 5,225 formal applications seeking \$158 million in funding;
- considered applications from 3,321 individual artists and 1,904 organisations;
- financially supported 599 individual artists with an average grant of \$16,399;
- provided 1,079 organisations with average grants of \$47,154 to support artistic pursuits and arts development;
- assisted 275 projects with an international component, enabling visual artists, craftspeople, writers, exhibitors, performing arts groups and individuals to develop overseas markets or to travel overseas for residencies, festivals, performances or promotional events;
- produced 26 new and revised publications, including six research reports and two co-published books;
- involved 130 artists and other peers in 47 policy and grant assessment meetings or teleconferences of Council, its Funds/Board and Committees;
- organised eight public information and discussion forums throughout the country.

CONSOLIDATION OF THE NEW AUSTRALIA COUNCIL

The year under review is best described as one of consolidation. The major policy and structural review featured in the previous two annual reports drew to a close, the culmination of a change process which began in August 1994 with the establishment of the peer assessment review. These changes were determined and guided by the Council under the chairmanship of Hilary McPhee, whose term also ended on 30 June 1997.

Ms McPhee presided over an unprecedented period of change in the Australia Council and leaves it a more streamlined, transparent and focused body, able to concentrate on the strategies and policies which best fulfil its responsibilities to the arts and the wider Australian community.

The recommendations of the second stage of the Cordiner King Hever management review were also consolidated during 1996-97, making the organisation more cohesive, with better communication internally and externally, and a stronger focus on strategy and policy development.

The outcomes targeted by Council during the review were:

- a more flexible, transparent and accountable assessment process;
- better access to a larger number and wider range of peers, the majority being practising artists;
- increased funding of individual artists;
- increased audiences, demand, and private and corporate support for Australian creative work;
- improved internal management practices within the Australia Council.

Work on achieving the targeted outcomes progressed during 1996-97.

At its November 1996 meeting Council agreed to the introduction of a Triennial Grants category in place of the previous Program Grants category. In line with Council's communication strategy, a series of forums and meetings were held around the country in February and March 1997 to discuss the implications and future possibilities arising from Council's decision. Separate discussions were held with State/Territory arts funding authorities and these will continue through 1997-98.

Australian artists are assisted with the costs of overseas touring in order to develop overseas markets and present Australian talent to the world. For example, the Australia Council has provided coordination, promotional and logistical support for a total of 16 events in the *newImages* program, an extensive program of contemporary arts to be staged across Britain from June to November 1997, with financial assistance totalling \$350,000. The Goldner String Quartet will perform at London's prestigious Wigmore Hall as part of the *newImages* program. Photo: Musica Viva Australia

So far, applicants have voiced their appreciation for the opportunity to have timely and candid discussions but it would be prudent to expect some negative reactions as the effect of the strictly limited budget allocations is felt later this year.

The single Grants Handbook, introduced in 1996, was again produced in 1997, and further improvements in streamlining of the grants structure and refinement of programs, criteria and processes were consolidated.

A parallel development with the Grants Handbook has been the redesign of grant application forms to make them easier for applicants to use while at the same time facilitating the capture of information required by Fund members for assessment purposes.

Register of Peers

Peers, defined by Council as 'anyone who, by virtue of their knowledge or experience, is equipped to make a fair and informed assessment of artistic work and grant applications', are used in a variety of capacities. They participate in Fund or Board meetings by providing expert advice on the assessment of grant applications and the development of artform policy.

In this capacity peers augment the expertise of Fund and Board members so as to provide a more informed base from which to make decisions.

All Funds have now completed the first full year of grants assessment rounds under the two-tier peer assessment system introduced in April 1996. Peers from the Register (which now contains over 1300 names) have been involved in all these meetings and have also provided performance, script and application assessments which have been used as part of the assessment process. Since July 1996, 193 peers from the Register have been used, with 41 of these peers attending grant assessment meetings.

Corporate Plan

The new Australia Council Corporate Plan for 1996-99 was finalised and published in August 1996 and delivered to the Minister, Members of Parliament and State and Territory Governments. The Plan takes account of the expansion of Council's functions and the restructure of its operations and is now a working document that is readily understood by staff, the public and government alike.

The Corporate Plan affirms the long-held principles of the Council. The seven goals of the Plan are to:

- promote excellence in the arts;
- support the creation of new work;
- foster participation in and appreciation of the arts by all Australians;
- promote the unique Aboriginal and Torres Strait Islander cultures as integral to Australia's national identity;
- recognise cultural diversity in the arts;
- increase resources, opportunities and audiences for Australian arts;
- ensure the highest standards in public accountability and service.

Action planning to achieve key result areas defined for each of the goals has focused our



activity and will significantly enhance future reporting.

1996-97 BUDGET

The Council's appropriation in the 1996-97 Budget was \$63.8 million, down from \$72.9 million in 1995-96, in line with across-the-board Government cuts and in the context of the Council's ability to manage its budget within its triennial funding agreement. The reduction included the removal of \$2.6 million for the Australia Foundation for Culture and the Humanities, which was funded separately in 1996-97, and the phasing out of payments for the Australian Artists Creative Fellowships program.

The Council applied a two per cent reduction in funding, along with the loss of indexation, to organisations with multiyear funding agreements, and Council's administration and peer assessment activities were reduced by 10 per cent. As a result, and with the provisions described below for new initiatives totalling \$2.8 million in 1996-97, funding levels set by the Council earlier in the year for the advertised grant programs of the Literature, Theatre, Dance, Music, Visual Arts/Craft, New Media Arts and Community Cultural Development Funds and the Aboriginal and Torres Strait Islander Arts Board were able to be retained. This ensured that, as much as possible, arts organisations and individuals funded through the Council could stay viable.

A positive outcome from the Budget was a three-year package of initiatives totalling \$14 million to be administered by the Council. Designed to assist emerging artists, contemporary music export development, major festivals and regional arts, these initiatives are being implemented in the following ways.

Emerging Artists

Complementing the Council's existing support



Emerging artists: young Aboriginal a cappella and rap group from Queensland, Aim 4 More, recorded their first CD with the help of the Aboriginal and Torres Strait Islander Arts Board funding.

for emerging artists, the new funding is being allocated through strategic partnerships focusing on the exhibition and presentation of work. The initiative operates largely outside existing Council grant programs with partnerships being established by seeking expressions of interest from key relevant organisations.

The scope of the partnerships will be broad, including the exhibition of artists' work at regional or urban exhibition spaces, production of small catalogues, documenting and/or reviewing artists' work, the development of first release CDs for emerging musicians, concert series, the presentation and promotion of productions by emerging choreographers, dancers and theatre performers, traineeships, mentorships or the provision of studio access.

Council is close to finalising a number of agreements with key arts organisations to undertake strategic initiatives in all artform areas for 1997-98. An emerging artists survey and a special reporting process has been developed for use in this initiative.

Contemporary Music Export Development
Managed by the Council's Audience Development and Advocacy Division, this initiative involves two components: international promotions with music industry bodies, and an investment program.

The international promotions component includes support for *The Big Backyard* to produce new rock music radio programs (including Indigenous rock).

The investment program will assist export-ready Australian music artists and bands to tour to other countries to generate CD releases and increase CD sales as part of well-planned marketing strategies.

Implementation of the initiative was being finalised at the close of the year under review.

Major Festivals

\$1.5 million over three years was earmarked to support the development and showcasing of new Australian work by Australia's international arts festivals.

The following projects were funded under this initiative through the Audience Development and Advocacy Division:

- Adelaide Festival for the production and presentation of *The Masterkey Project*, a bi-cultural theatrical production based on the novel by Japanese writer Masako Togawa, and adapted and directed by Australian theatre designer, Mary Moore; and the Stalker Theatre Company's *Bending Moments*, a production incorporating film and physical theatre. Both productions will be presented at the 1998 Adelaide Festival and the 1998 Perth Festival.
- Sydney Festival towards the production and presentation of the Black Swan Theatre Company/Company B co-production of *Cloudstreet*, a stage adaptation of the novel by Western Australian author Tim Winton. *Cloudstreet* will be presented at the 1998 Sydney Festival and the 1998 Perth Festival.
- Adelaide Festival Towards 2000 Commissions: the commissioning of a number of arts projects by members of the Confederation of Australian International Arts Festivals.
- Melbourne International Festival for the production and presentation of the

Handspan/Regurgitator co-production of *Raised by Wolves* at the 1997 Melbourne International Festival and the 1998 Adelaide Festival.

Regional Arts Development

The Government allocated \$7.5 million over three years for regional arts development, in recognition of the particular needs of artists and communities in regional and rural Australia. At the Cultural Ministers' Council meeting in December 1996, a decision was made to devolve the allocation for 1997-98 (\$2.5 million) and 1998-99 (\$3.5 million) to States and Territories on an agreed basis. Proposals were submitted through the Australia Council and endorsed by the Minister.

This process has been managed by the Strategy and Policy Division as part of its Local and Regional Arts policy activities (see page 52).