

20 September 2002

Senator the Hon. Rod Kemp
Minister for the Arts and Sport
Parliament House
Canberra ACT 2600

Dear Minister

I present to you, under Section 9 of the *Commonwealth Authorities and Companies Act 1997*, the Annual Report for the Australia Council for 2001-02. The Councillors of the Australia Council are responsible under Section 9 of the Act for the preparation and content of a Report of Operations in accordance with Orders issued by the Minister for Finance. The following Report of Operations was adopted by resolution of the Council on 9 September 2002.

I would firstly like to thank my predecessor, Dr Terry Cutler, who chaired the Australia Council until 11 April 2002, for his important contribution, particularly in the areas of research, policy and information technology development, which have continued to receive the solid commitment of Council since his departure.

Thanks also go to retiring Council Members, Li Cunxin, Nicholas Hasluck, Beth Jackson, Deborah Klika, Patrick Morgan, Helen Nugent and David Whitney, all of whom have given generously of their time and expertise in supporting the arts in Australia through their work with Council. I am sure that our new Members, Terrey Arcus, Peter Goldsworthy, Adam Lewis and Michael Snelling, will make an equally important contribution. On behalf of the Australia Council, I thank the outgoing councillors and welcome the incoming members.

This has been a challenging year for the world and for the arts in Australia. It is impossible to review the past year without reflecting on the tragic events of September 11 – events which continue to impact upon us as world citizens and as an arts community.

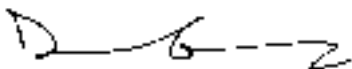
Three weeks after September 11, Australia was the focus for the Next Wave Festival in New York at the Brooklyn Academy of Music. Over 130 Australian writers, dancers, actors, musicians and filmmakers connected in a powerful and sensitive manner with a city resonating with emotion.

A further issue that has affected the world and, in turn, the arts sector in this country, during the past year has been the crisis in the insurance industry, particularly as it relates to public liability cover and premiums. The Australia Council has been proactive in this area, as outlined in the Year in Review, and has supported initiatives by both Federal and State governments.

Industry research, arts education and the Federal Government's Young and Emerging Artists Initiative are other areas on which Council has focused during the year. These are all covered in some detail later in the Report.

Finally, I would like to thank your Department for its assistance during the past year. I would also like to acknowledge the important role the staff of the Australia Council plays in continuing to encourage the richness and diversity of the arts in Australia.

Yours faithfully



David Gonski AO
Chairman