

AUSTRALIA COUNCIL RESPONSE TO AUSTRADE'S *BEYOND TOURISM 2020* CONSULTATION

Introduction

The Australia Council for the Arts is the Australian Government's principal arts funding and advisory body. The Council is the national advocate for the arts and our purpose is to champion and invest in Australian arts.

Our focus is on increasing the visibility of Australia's vibrant arts and culture, and recognising the evolving way that Australians make and experience art. This contributes to Australia's economic, social and cultural success, and enables the significant benefits generated by the arts to be experienced by the public.

We are a champion for Australian arts both here and overseas. Through our support for the arts, we work to strengthen Australia's reputation as a sophisticated and creative nation with a confident, outward-looking and future focused arts sector; promote the excellence and vibrancy of Australian arts; and leverage Australia's cultural and creative industries in support of the Government's foreign, trade and development policy priorities.

We are pleased to provide this paper in response to [the invitation to comment on the Beyond Tourism 2020 Strategy](#). The paper highlights opportunities to leverage and invest in arts and culture to support Australia's next tourism strategy. It responds to six of the consultation questions: future trends, regional dispersal, Indigenous tourism, Australian expertise, resilience, and data.

1. Future trends: What do you see as the future trends which will shape and change the industry over the next 10 years?

Growth of arts and cultural tourism

Over the next ten years we foresee arts and culture becoming an increasingly important part of the experience for international visitors to Australia. Our 2018 research report *International Arts Tourism: Connecting cultures*¹ highlights growing potential for the arts to drive and support tourism activity, and for artists to increase their engagement.

The research found that 3.5 million tourists (43%) engaged with the arts during their stay in 2017. This was up by 47% from 2013, a higher growth rate than for international tourist numbers overall (37%). The proportion of international tourists engaging with the arts while in Australia has ranged between 39% and 43% over the last decade, with an upward trend since 2012. More international tourists engage with the arts than visit wineries or casinos, or attend organised sports events.

Arts experiences engage tourists with the uniqueness, depth and diversity of Australian culture, support local economies and share Australian stories and perspectives with the world. The vibrancy of Australian arts demonstrates our prosperity, and exemplifies the

¹ Australia Council for the Arts 2018, *International Arts Tourism: Connecting cultures*, <http://www.australiacouncil.gov.au/research/international-arts-tourism-connecting-cultures/>

freedom of expression, creativity and innovation associated with open, democratic societies. The attractiveness of our culture, expressed through the arts, can be better leveraged to advance our tourism, trade and diplomacy objectives.

The growing value of cultural tourism is acknowledged globally. In a recent survey of Member States of the United Nations World Tourism Organisation (UNWTO), 90% of respondents accorded a specific place for cultural tourism in their tourism policy, 69% indicated that cultural tourism is 'very important to tourism policy', and 84% indicated cultural tourism had a specific place in their tourism marketing and promotional plans.²

Arts and culture should prominently feature in Australia's tourism strategy, including investment in Australian arts and artists.

The increasing importance of creativity and the global influence of artists

The influence of artists and creatives is rapidly growing. As borders become increasingly permeable and new technologies enable new opportunities for distribution and experiencing arts from around the world, dialogue, collaboration and exchange between Australian artists and their international counterparts continues to rapidly increase. New international audiences are experiencing Australian arts, and more diverse art will be experienced in Australia in keeping with our increasingly diverse community. More people will engage meaningfully through creative exchange, here and overseas, supporting development of our national brand and attracting tourists to Australia.

Much recent research and commentary has focused on the importance of creativity to future success and national interests. This is only increasing with technological and societal change. Artists and creatives are increasingly being positioned as major global influencers alongside the increasing recognition that global leadership in fostering creativity is needed to drive economic growth.

Arts and culture are becoming ever more economically valuable as creativity underpins the jobs of the future. International predictive data on work in 2030 released by NESTA tells us that creative jobs are likely to see a growth rate of 87% by 2030, contrasted with a sharp decline across more traditional industries.³ Investing in Australian arts will foster an innovative and creative nation that is competitive, attractive and dynamic.

Arts and culture supporting ties with Asia

While traditional international tourist markets have remained stable, we are seeing growth in the numbers of arts tourists from our own region.⁴ Almost 620,000 arts tourists came to Australia from China in 2017, the largest individual group. The five countries making up the largest numbers of international arts tourists in 2017 were China, the UK, the USA, New Zealand and Japan.

³ Bakshi, H, Downing, J, Osborne, M & Scheider, P 2017, *The Future of Skills: Employment in 2030*. Pearson and Nesta, UK, cited in Russel Howcroft's National Press Club Address, 15 August 2018.

⁴ In this research, an international arts tourist is defined as an international visitor who did at least one of the following activities while in Australia: attended theatre, concerts or other performing arts; visited museums or galleries; visited art/craft workshops/studios; attended festivals/fairs or cultural events; experienced First Nations art/craft and cultural displays; attended a First Nations performance.

By 2017, almost half (48%) of international arts tourists were visitors from Asia, up from 32% in 2008. Asian markets have been identified as a tourism focus by both arts organisations and tourism bodies in Australia. Given the high impact of arts experiences on tourists' perceptions of Australia, arts tourism is a powerful soft power asset to support our most significant trade partnership.⁵

Growth of festivals and the potential impact of regulatory changes

Attendance at festivals, fairs and cultural events is the fastest growing arts activity among international tourists. Over one million international tourists attended these in 2017, an increase of 61% since 2013. Data from our National Arts Participation Survey collected for the first time in 2016 show that nearly half of Australians aged 15 years and over (45%) attend arts festivals.⁶

Arts festivals are a critical and growing component of the Australian arts ecology – from festivals in the laneways of major cities to festivals drawing locals and tourists to regional centres; and from major international multi-arts festivals to First Nations festivals in remote Australia. Festivals in their diverse forms provide opportunities for Australians and international visitors to experience a wider variety of arts than usual. They bring people and communities together in immersive arts experiences, and invigorate our economy. Festivals in regional Australia are powerful drivers for regional tourism, including intrastate overnight trips.⁷

A range of factors may be contributing to the increase in attendance at festivals, fairs and cultural events, such as the growth in the number of festivals on offer. A major study by Creative Victoria found that over half of creative festivals in Victoria had begun in the last ten years. It also found that 35% of attendees travel to festivals (from overseas or other parts of Australia) and those who attend festivals travel beyond metropolitan areas.⁸

Changes in the regulatory environment have the potential to negatively impact the strength of the festival sector and the tourism value it generates. Music festivals are currently the most popular type of festival among Australians, attended by one in four (27%) and one in two of those aged 15 to 24 years (47%).⁹

2. Regional dispersal: Given that growth in tourism beyond 2020 will mainly come from inbound visitors, particularly those from the Asian region, how can we achieve greater dispersal into our regions for longer periods of time?

There is strong and growing potential for a range of arts experiences to help drive regional tourism. Our research¹⁰ has found that international arts tourists are more likely to travel outside capital cities (42%) than overall tourists (34%). This trend is growing – since 2013

⁵ Australia Council for the Arts 2018, *International Arts Tourism: Connecting cultures*, <http://www.australiacouncil.gov.au/research/international-arts-tourism-connecting-cultures/>

⁶ Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*, <https://www.australiacouncil.gov.au/research/connecting-australians/>

⁷ Tourism Research Australia 2014, *Events: Drivers of Regional Tourism*. Australian Government: Austrade, Canberra.

⁸ Creative Victoria 2018, *Victoria's Creative Industry Festivals Review*, Melbourne, <https://creative.vic.gov.au/research/reports/victorias-creative-industry-festivalsreview>

⁹ Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*.

¹⁰ Australia Council for the Arts 2018, *International Arts Tourism: Connecting cultures*, <http://www.australiacouncil.gov.au/research/international-arts-tourism-connecting-cultures/>

there has been a 41% increase in international arts tourists visiting regional areas, while total international tourists visiting regional areas increased by 37%. Although large arts venues and major events in capital cities attract the largest numbers of international tourists, the many rich arts offerings in regional areas are attracting tourists seeking diverse and authentic experiences including strong and growing engagement with festivals and First Nations arts.

International visitors who engage with the arts are also more likely to go beyond the east coast states. While the Northern Territory, South Australia, Tasmania and the ACT attracted smaller numbers of total international tourists overall in 2017, a higher proportion were arts tourists compared to those who visited NSW, Victoria and Queensland.

While it is not possible given the limitations of our data, to identify specifically *where* international tourists participated in arts activities (only that they both engaged with the arts *and* travelled to certain locations), it is clear that those international tourists who are interested in the arts are more likely to seek diverse travel experiences beyond capital cities.

Over 1.7 million international visitors from Asia engaged with arts experiences on their stay in 2017 (43% of this group). The biggest growth area since 2013 for arts tourists from Asia was attendance at festivals, fairs and cultural events, which increased by 115%, compared to 61% growth for arts tourists from any country.¹¹ The growing interest in festivals highlights a particular opportunity to encourage regional dispersal among this group. Studies by Austrade and Creative Victoria have indicated that festivals in regional Australia are drivers for regional tourism, including intrastate overnight trips.¹²

Case Study: Silo Trails

Painted grain silos across regional Australia form silo trails as towns leverage these giant canvases to highlight their creativity, resilience, and desirability as tourism destinations.

Between 2015 and 2018 and through a partnership with cultural organisation FORM and grain handler CBH Group, six country towns in the Wheatbelt region of Western Australia were painted by internationally acclaimed urban artists. The PUBLIC Silo Trail has transformed Western Australia's regional heartland into an open-air art gallery, raising the profile and awareness of these towns as an interesting and attractive place to visit. The trail aims to increase opportunities for tourism and the economic flow on effects of increased visitation, while also improving arts access to regional communities along the trail.

Silos are a common sight across regional Australia. Painted, they attract tourists to country towns, with visitors altering their driving route to include a town with silo art. There is strong and growing potential for the arts to help drive regional tourism. In 2016–17, 43 cents in every tourism dollar went to regional Australia.¹³

¹¹ Australia Council for the Arts 2018, *International Arts Tourism: Connecting cultures*, <http://www.australiacouncil.gov.au/research/international-arts-tourism-connecting-cultures/>

¹² Tourism Research Australia 2014, *Events: Drivers of Regional Tourism*. Australian Government: Austrade, Canberra. Creative Victoria 2018, *Victoria's Creative Industry Festivals Review*, Melbourne, available at <https://creative.vic.gov.au/research/reports/victorias-creative-industry-festivalsreview>

¹³ Tourism Research Australia 2017, *State of the Industry 2016-17*, available at <https://www.tra.gov.au/tra/soi/2017/index.html>

3. Indigenous tourism: How can industry and Australian and state and territory governments better coordinate and support the development and continuation of Indigenous tourism businesses, experiences and offerings on a national basis?

The need for increased investment and for centrality in our national brand

With a history tracing back more than 65,000 years, the knowledge and cultural practice of Aboriginal and Torres Strait Islander communities provide us with the oldest heritage in the world. From bark paintings to contemporary performance, Australia's rich First Nations arts are a significant drawcard for tourists and provide economic opportunities for First Nations communities. First Nations arts excel globally and stand out as uniquely Australian, playing a central role in developing our national identity and brand.

Across government there is an opportunity to increase investment in First Nations arts and culture, including cultural tourism and the scaling up of existing programs to help meet demand. Funding for First Nations culture made up just 1% of total direct government expenditure for First Nations Australians in 2015–16.¹⁴ Culture has recently been determined to be a cross system priority through the Closing the Gap Refresh.¹⁵

Greater visibility of First Nations cultures through more dedicated cultural platforms and institutions would enhance our attractiveness to international audiences. Fairs such as the Cairns Indigenous Art Fair and Darwin Aboriginal Art Fair are examples of successful platforms for First Nations arts, showcasing works from some of the most remote First Nations communities in Australia. Income from art sales are returned to the community, where artists directly benefit. Major art fairs like these continue to grow in attendance.¹⁶

The Australia Council's long-term investment in First Nations arts, including domestic capacity building and international development skills for First Nations artists, is already paying enormous dividends in the rapidly growing offer of excellent First Nations artistic work that is eagerly being taken up by domestic and international markets and audiences. Market and audience trends demonstrate the significant and growing levels of interest in Australia's First Nations arts and culture.

Growing demand for First Nations arts experiences

Australia's First Nations cultures are part of what makes Australia such a special place to visit and travel in. Seven million Australians attended First Nations arts in 2016, double the

¹⁴ This includes 'Cultural facilities and services' (outlays on libraries, facilities and services for the creative and performing arts, museums, art galleries and other cultural facilities and services, support to individual artists, monuments, historic houses and sites, zoos and botanic gardens, aquariums and arboreta, national, regional and local celebrations; and organisations engaged in promoting cultural activities); 'Broadcasting and film production'; and 'Recreation and culture nec' (not elsewhere categorised). Based on Productivity Commission 2017, *Indigenous Expenditure Report 2017*, *Advanced Database*, accessed 2/2/18. See the Australia Council's submission to the Closing the Gap Refresh. <http://www.australiacouncil.gov.au/research/closing-the-gap-submission/>

¹⁵ COAG Statement on the Closing the Gap Refresh, 12 December 2018, <https://www.coag.gov.au/sites/default/files/communique/coag-statement-closing-the-gap-refresh.pdf>

¹⁶ For example, see Cairns Indigenous Art Fair 2017, *CIAF 2017 wraps up with record sales*, CIAF News, 7 August 2017. <https://ciaf.com.au/news/ciaf-2017-wraps-record-sales>

number in 2016. Eight in ten Australians agree that First Nations arts are an important part of Australia's culture.¹⁷

There is also increasing demand for First Nations arts experiences among international tourists.¹⁸ Nearly 830,000 international tourists engaged with First Nations arts while in Australia in 2017, an increase of 41% since 2013. 300,000 attended a First Nations performance and 660,000 attended an art, craft or cultural display. International tourists are more likely to engage with First Nations arts than attend sporting events.

One in four international tourists who engaged with the arts in Australia in 2017 engaged with First Nations arts, and more than one of three of those who travelled outside of capital cities. Arts tourists who visited regional areas of the NT had particularly high levels of engagement – eight in ten attended a First Nations arts activity while visiting Australia in 2017 (79%), more than triple the numbers of international arts tourists overall (24%).

Promoting ethical practices in the tourism sector

While tourism presents strong and growing opportunities, there are also serious issues with the exploitation of First Nations arts in the tourism industry. Respect for culture, diversity, quality and self-determination must be grappled with across government and all businesses that engage with First Nations arts – whether it is commercial tour operators, souvenir sellers, commercial galleries or theatre companies. We need to celebrate and promote the uniqueness of First Nations culture as a strength without reinforcing historical inequities and stereotypes.

The Indigenous Art Code advocates for ethical trading in First Nations art and the Fake Art Harms Culture¹⁹ campaign aims to stop the production and sale of imitation art. Created by the Indigenous Art Code, Arts Law and Copyright Agency/Viscopy, the campaign highlights concerns about the sale of artworks that 'look and feel' like First Nations art but have no connection to culture or communities. These commercially-produced goods – mostly aimed at the tourist market – are often made in India, Indonesia or China from non-traditional materials and feature inauthentic and culturally inappropriate designs. They range from bamboo didgeridoos to key rings to paintings. The fake art and souvenir supply issue cheats artists, communities, buyers and Australia as a country.

The Australia Council has advocated for options to address the inauthentic art issue, including potential amendments to Australia's intellectual property and consumer protection regimes as well as non-legislative mechanisms such as protocols, authenticity labels and awareness raising activities.

In December 2018, the House of Representatives Standing Committee on Indigenous Affairs tabled its report on the inquiry on inauthentic First Nations style art and craft.²⁰ This report

¹⁷ Australia Council 2017, *Connecting Australians: Results of the National Arts Participation Survey*, <https://www.australiacouncil.gov.au/research/connecting-australians/>

¹⁸ Australia Council for the Arts 2018, *International Arts Tourism: Connecting cultures*, <http://www.australiacouncil.gov.au/research/international-arts-tourism-connecting-cultures/>

¹⁹ See: <https://indigenousartcode.org/fake-art-harms-culture/>

²⁰ House of Representatives Standing Committee on Indigenous Affairs 2018, *Report on the impact of inauthentic art and craft in the style of First Nations peoples*, https://www.aph.gov.au/Parliamentary_Business/Committees/House/Indigenous_Affairs/The_growing_presence_of_inauthentic_Aboriginal_and_Torres_Strait_Islander_style_art_and_craft/Report

notes that the majority of First Nations-style souvenirs in Australia are inauthentic; most buyers are unaware of this; and most non-Indigenous Australians and international tourists cannot tell which are authentic. It recommends that the Australian Government consults with First Nations communities on the development and implementation of a certification trade mark scheme (recommendation 4) and an information guide on authentic First Nations arts for all arriving passengers at all airports or ports of entry in Australia (recommendation 5). It also recommends additional funding for the Indigenous Art Code (recommendation 2); business support for art centres (recommendation 3); consultation on the development of stand-alone legislation to protect Indigenous Cultural Intellectual Property (ICIP), and that the establishment of a National Indigenous Arts and Cultural Authority (NIACA) is part of this consultation process (recommendation 8).

A National Indigenous Arts and Cultural Authority (NIACA)

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. The Australia Council is providing interim secretariat support to the First Nations arts sector, including the facilitation of a national consultation process to assist the development of a NIACA.²¹ This has been underway since October last year and will culminate in a national gathering in November this year.

A NIACA could focus on First Nations arts and cultures as a priority area of national significance, promoting the rights of First Nations artists and cultural custodians and a strong, empowered and growing First Nations arts and cultural sector. It could provide a strategic and integrated response on culturally based solutions to arts and cultural matters, grounded in First Nations self-determination and the authority of cultural custodians. It provides an opportunity to develop mechanisms for government, industry and the broader community to better understand how to consult, seek permission, attribute, acknowledge and provide returns to First Nations artists and cultural custodians.

Case study: Lighting up the Opera House with world-renowned First Nations art

The Australia Council is delivering *Badu Gili* – meaning ‘water light’, as part of a three year partnership between the Council and the Sydney Opera House. It explores ancient First Nations stories in a spectacular seven-minute projection, illuminating the Opera House’s eastern Bennelong sail daily at sunset year-round. In its first year, *Badu Gili* displayed artworks by five renowned First Nations artists: Jenuarrie, Alick Tipoti, Frances Belle Parker, and the late Lin Onus and Minnie Pwerle. *Badu Gili* was experienced by more than 160,000 visitors, and positive media and social media interest expanded its reach to a substantial global audience online. This is highly successful example of First Nations arts interacting with one of our most recognisable cultural icons and tourism assets. First Nations arts and cultures must be front and centre in our national brand and story.

²¹ See: <https://niaca.com.au/>

4. Australian expertise: Looking beyond tourism demand and supply, how can the next long term strategy seek to leverage the export capability of Australian tourism businesses?

The next long term strategy can seek to leverage the export capabilities of Australia's vibrant arts and cultural offerings. There is a clear and growing potential for the arts to drive and support tourism activity, and for our artists to increase their engagement with the international tourist market. Investment in Australian arts will foster an innovative and creative nation that is dynamic and attractive to international visitors.

Artists are among Australia's greatest assets for 'standing out' in an international context. They play an invaluable role in defining our country's culture, identity, workforce and international reputation through communicating our history, values and ideas, and sharing the rich mosaic of experiences that have shaped our identity and way of life. Artists interpret our past, imagine our futures and reflect Australian perspectives and stories internationally, playing an integral role in how Australia is perceived globally. The ties between arts, commerce and the economy are deepening, with arts and culture potentially playing a much greater role in benefiting the export of Australian cultural goods and services, as well as attracting inward investment.

5. Resilience: How can the Australian tourism industry ensure it is resilient to the impact of global shocks beyond 2020 (economic, political and environmental)?

Arts and culture promote resilience in the tourism sector

Recognising the contribution of the arts and cultural sector to tourism in Australia can help to future proof the Australian tourism industry. Australian arts reflect our political plurality and cultural diversity, transcending the vagaries of short term political change.

Investing in the strength of Australia's artistic and cultural assets enhances our position as a preferred destination for foreign investment, tourism and education, delivering economic, political and cultural benefits. The creative and political freedom enjoyed by Australian artists contributes to perceptions about our intellectual capital and attraction as a partner, signalling to the world that we are a diverse, open and innovative nation.

International arts tourists are high value tourists. They tend to stay longer and spend more than international tourists overall. International arts tourists spent \$17 billion in 2017, making up 60% of the \$28 billion spent by all international tourists that year.²²

The longer a visitor stays in Australia, the more they spend in total. Arts tourists tend to stay longer and spend more in total than the average tourist. Spend by international arts tourists increased by 55% between 2013 and 2017, a greater increase than the total international visitor spend (46%).²³

²² This relates to their total spend while in Australia – the data does not break down spend on individual activities.

²³ Australia Council for the Arts 2018, *International Arts Tourism: Connecting cultures*, <http://www.australiacouncil.gov.au/research/international-arts-tourism-connecting-cultures/>

6. Data: What role do you see data analytics and segmentation playing now and into the future?

Data and segmentation play an important role

Arts and cultural tourism is an increasingly important segment of the Australian tourism industry and trends should continue to be tracked using Tourism Research Australia (TRA) International Visitor Survey (IVS) and National Visitors Survey (NVS) data and related research.

Many major arts and cultural institutions already collect data on their domestic and international visitors through surveys, ticket sales and membership programs. These data sources can also be used to help build a fuller picture of arts and cultural tourism in Australia.

Case Study: The Sydney Opera House

A globally recognised cultural icon, the Sydney Opera House is one of the most recognisable symbols of Australia and Australian art and culture. In 2016–17 a Brand Asset Valuator (BAV) report identified the Opera House as Australia's most 'unique' and 'distinctive' national brand, assessing it as a NSW 'mega-brand'.

Through its brand power and global reach, the Opera House promotes Australia as a modern, creative society with world-class institutions. Also Australia's premier tourist attraction, the Opera House precinct contributes an estimated \$640 million per annum to tourism expenditure from visitors to Sydney according to Deloitte Access Economics.²⁴

²⁴ Deloitte 2013, *How do you value an icon? The Sydney Opera House: economic, cultural and digital value*, <https://www2.deloitte.com/au/en/pages/sydney-operahouse/articles/value-an-icon-sydney-opera-house.html>