

Request for Costing an Election Commitment

Name of proposal:	Properly valuing the arts
Person requesting costing:	Shane Rattenbury MLA
Date of request:	28 September 2020
Summary of proposal:	<p>Sustain and enhance a vibrant ACT arts sector.</p> <p>Assist with COVID recovery:</p> <ul style="list-style-type: none"> - Extend rent relief to arts organisations by 6 months - Extend the payroll tax waiver for creative arts and entertainment industries by 6 months - Extend the Homefront grants program for artists with an additional \$1 million <p>Creating local creative and arts jobs and supporting stable and secure employment for artists:</p> <ul style="list-style-type: none"> - Trial a three-year Canberra Creative Industries program to provide 100 local professional artists with a salary for three years to produce original works and engage the community with art - Consult on and develop a plan for a Women’s Walk art project at the West Basin precinct <p>Supporting community arts infrastructure and venues</p> <ul style="list-style-type: none"> - Develop a fund to support arts organisations to maintain their venues in accordance with health and safety requirements and maintain heritage features where they apply. <p>More information at https://greens.org.au/act/valuing-the-arts</p>
Issue the proposal will address:	<p>Most artists in Canberra have lost the majority of their income due to COVID and many have been unable to access Jobkeeper and other Federal Government support packages. Many artists work in the gig economy and in the retail and hospitality sector to supplement their income, but these sectors too have seen very high rates of</p>

	<p>jobs and working hours lost.</p> <p>Separate to this, artists have long been underpaid or expected to work for free in order to 'get a foot in the door', and music venues have not received the support that they need to remain viable in an urbanising city.</p> <p>Unfortunately, young artists often leave Canberra due to the lack of employment opportunities. This creative drain has a long-lasting impact on Canberra, our community and our economy.</p>
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What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

- Rent relief for arts organisations will be delivered as grant payments to head-licensees of arts facilities.
- Administration of the Homefront grants and the fund for community arts facility upgrades will be done within existing resources.

	2020-21 (\$'000)	2021-22 (\$'000)	2022-23 (\$'000)	2023-24 (\$'000)	Total (\$'000)
Extend rent relief for arts facilities	500				500
Extend the payroll tax waiver for creative arts and entertainment industries by 6 months	1,000				1,000
Extend Homefront arts grants (2 more rounds)	500	500			1,000
Establish a fund to support upgrades to community arts venues and facilities		500	500	500	1,500
Designing and administering Canberra Creative Industries trial (paying 100 artists) 1 SOGC and 2 ASO5 positions	232	392	400	408	1,432
Paying 100 artists at ASO1 level		8,352	8,508	8,673	25,533
Project costs for Canberra Creative Industries trial	50	20	20	20	110
Women's Walk art installation - planning and engagement	20				20
Total	2,282	9,764	9,428	9,601	31,095

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?					
	2020-21	2021-22	2022-23	2023-24	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue^(a)	-1,000				
Expenses^(a)	-1,302	-9,764	-9,428	-9,601	-30,095
Capital					
Depreciation					
(a) A negative number indicates a decrease in revenue or an increase in expenses. The expenses row does not include depreciation costs.					

Has any specific information or data been utilised in generating the proposal?
No
Where relevant, is funding for the proposal to be demand driven or a capped amount?
Capped
Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements?
No
Will funding/the cost require indexation?
No
Who will administer the proposal?
Arts ACT
How will the proposal be administered?
Staffing costs for the trial are included. Additional administration management support will be provided from existing resources.
Is the proposal part of a broader package?
Yes – broader arts package. Other elements do not require specific/immediate funding.
Has an allowance been made for expenses necessary to support the implementation of this proposal?
<ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
The Canberra Creative Industries trial (paying 100 artists) will be administered by 1 SOGC and 2 ASO5 positions. Additional management support will be provided from within existing resources. A budget of \$20,000 per year is allocated for project expenses.

Will the proposal generate savings or offsets?
The details of the contracts for each artist will need to be negotiated to be fair for both the artist and the Government. But there is an assumption that a certain level of artistic output by some of these artists will fulfill various ACT Government requirements, thus offsetting additional costs the Government may have spent on performances, art and installations for various projects, spaces and events over the period.
Has the proposal been previously costed by an external (third) party? Will a copy of this material, including any assumptions, be made available to Treasury?
No
What are the community impacts associated with the proposal? Who and how many people will be affected?
The proposal would provide jobs for 100 professional artists, provide grants funding for many more artists, and upgrade community arts facilities.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
No
What is the intended implementation date of the proposal?
To start late 2020
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc.
The Creative Canberra Industries trial will begin in 2021-22.
Will the proposal cease, and if so, when?
Yes in 2023-24. Evaluation of the trial could inform future projects and/or the continuation of this approach.
Is there any additional information relevant to this proposal?
No