

2024 Election Commitment – ACT Greens

Name of Commitment:	Supporting Arts and Live Music		Reference Number: GRN007
Request Submitted by:	Shane Rattenbury MLA, ACT Greens		
Date Request Received:	10-Oct-24		
Additional Information Requested (details and date)	Clarification was sought on what comprises the 'arts budget' and the allocation of increased funding and resourcing for staffing (11-Oct-2024).		
Additional Information Received (details and date)	Further information provided on the scope of the arts budget in the proposal and resourcing (11-Oct-2024).		

Financial Implications					
Impact On:	2024-25	2025-26	2026-27	2027-28	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a)(b)}	-5,075.0	-10,916.6	-11,184.1	-11,333.0	-38,508.7
- Employee Expenses	0.0	-327.0	-336.0	-345.0	-1,008.0
- Other Expenses	-5,075.0	-10,589.6	-10,848.1	-10,988.0	-37,500.7
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	0.0	0.0
Net Operating Balance	-5,075.0	-10,916.6	-11,184.1	-11,333.0	-38,508.7
Capital Requirement	0.0	0.0	0.0	0.0	0.0
Cash Surplus/Deficit	-5,075.0	-10,916.6	-11,184.1	-11,333.0	-38,508.7
<small>(a) A negative number indicates a decrease in revenue or an increase in expenses.</small>					
<small>(b) Excludes depreciation</small>					

Other Information
Costing Methodology Used:
- Costing Technique:
<p>This costing is for \$38.509 million over four years from 2024-25, including \$11.333 million indexed and ongoing from 2027-28, to:</p> <ul style="list-style-type: none"> • increase funding for artsACT, approximately doubling grant funding available for arts centres and organisations; • increase funding for the Cultural Arts program; • engage artists for ACT Government projects under longer term contracts; • establish an accessibility fund; and • establish an Industry Development Officer (1 x full-time equivalent (FTE) Administrative Service Officer 6) and a Commissioning Officer (1 x FTE Senior Officer Grade C). <p>The proposal also includes other elements to be delivered within existing resources by artsACT, including finalising policy settings for the Civic and Gungahlin entertainment precincts, establishing entertainment precincts in Belconnen, Molonglo, Woden, Tuggeranong and EPIC, and "fixing public liability insurance so it works for the [arts] sector".</p> <p>Salary costs have been calculated using the 2024-25 Average Salary Costing Template.</p>
- Proposal Parameters:
<ul style="list-style-type: none"> • The costing assumes that administrative expenses associated with the program would be absorbed by artsACT within the Chief Minister, Treasury and Economic Development Directorate (CMTEDD). • The costing assumes a full take-up of all programs. • The costing has used a workers' compensation rate of 1.45 per cent.

Caveats or qualifications to the costing:

- Treasury has applied indexation using the Consumer Price Index (CPI) for all programs as they would be ongoing and supplement existing base funding.
- Treasury considers that entertainment precincts in Belconnen, Molonglo, Woden, Tuggeranong and EPIC would be unable to be delivered within existing resources, noting that CMTEDD received \$250,000 as part of the 2021-22 Budget to establish precincts in Civic and Gungahlin.
- Treasury notes that the delivery of entertainment precincts would likely involve directorates and agencies across the ACT Government, including the Environment Planning and Sustainable Development Directorate (EPSDD), Access Canberra and Policy and Cabinet within CMTEDD.
- Treasury considers it is unlikely that EPSDD or other areas of CMTEDD could absorb administrative expenses associated with the delivery of entertainment districts across the ACT given the broad scope of work.
- Treasury notes that the proposal is unclear around the nature and scope of reforms to public liability insurance in the arts sector and that any direct intervention in the public liability insurance market would likely result in further costs.
- Treasury notes that it would have policy responsibility for the delivery of any reforms to the public liability insurance market and, without clarification of the proposal's scope, it is unable to determine whether it could absorb any administrative expenses associated with the proposal.

Other Comments:

Treasury's costing differs from that submitted due to the inclusion of CPI to relevant programs and \$625,000 over three years from 2025-26 for the delivery of entertainment precincts in Belconnen, Molonglo, Woden, Tuggeranong and EPIC.

- Statistical Data Used:

Treasury estimates.
CMTEDD estimates and information from the ACT Greens website.
CPI estimates as per the 2024 Pre-Election Budget Update.



Stuart Hocking PSM
Under Treasurer
16 October 2024