INQUIRY INTO ARTS AND CULTURAL PHILANTHROPY

The Media, Entertainment & Arts Alliance

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ABOUT MEAA

The Media, Entertainment & Arts Alliance (MEAA) is the largest and most established union and industry advocate for workers in the creative and cultural industries, with a history going back more than 110 years. Our members include people working in television, radio, theatre, film, entertainment venues, sporting stadia, journalists, actors, dancers, sportspeople, cartoonists, photographers, musicians, orchestral and opera performers as well as people working in public relations, advertising, book publishing and website production – in fact, everyone who works in the industries that inform or entertain.

ACKNOWLEDGEMENT OF COUNTRY

MEAA acknowledges the traditional custodians and cultures of the lands and seas on which we live and work. We pay our respects to all First Nations Peoples, Elders and Ancestors. We acknowledge that sovereignty was never ceded and stand in solidarity towards a shared future.

Inquiry into Arts and Cultural Philanthropy

MEAA welcomes the Committee on Communications, the Arts, and Sport inquiry into Arts and Cultural Philanthropy. This inquiry examines current levels of philanthropic and private support to the arts and cultural sector, as well as potential government initiatives that could increase this level of philanthropic funding.

Introduction

MEAA understands the necessity of philanthropy as part of a broad, sustainable, and diversified funding pool for Australian arts and cultural institutions. However, many of these institutions are already heavily reliant on private support, having been subjected to funding austerity over much of the last 50 years. In this context, encouraging even greater dependency on philanthropic funding raises important public interest concerns.

Philanthropic dependency enables the undue influence of elite tastes and political views over the production of art. This dynamic has a legacy of constraining freedom of expression by facilitating the censorship of artists whose work challenges or insults the tastes of donors. Dependence on philanthropic funding also exposes Australian artistic and cultural institutions to reputational damage where donor wealth is linked to harmful industries.

When programming caters to the wealthy, the arts risk appearing exclusive and disconnected from the experiences and stories of contemporary Australians. Such perceptions erode the social-democratic foundation for public investment in the arts and can lead to a vicious cycle of declining public funding and the gradual privatisation of cultural life.

Overreliance on private funding also presents structural challenges. Philanthropic support is often short-term, leading to longer-term instability and volatility in budgets. This has important ramifications for arts and cultural workers, who are frequently pushed onto short-term or casual contracts aligned with donor funding cycles. At the same time, the need to attract philanthropic funding increases the portion of arts organisations' resources that are fed into cultivating and building donor lists, instead of towards artistic production.

Private support already makes up a sizable portion of arts funding, particularly for state and federal performing arts organisations. Intense competition for limited public resources will continue to push these organisations towards philanthropic dependency unless the government intervenes. Therefore, instead of using tax incentives to encourage philanthropy, the government should increase direct funding to arts organisations, including through enhanced investment in the National Performing Arts Partnership Framework.

A legacy of reduced arts funding

For much of the last 50 years, arts and culture funding in Australia has been in decline, reflecting the rise of neoliberal market principles and the application of New Public Management models to the non-profit sector.[1] Since the Global Financial Crisis, expenditure on arts and culture across all levels of government – including federal, state, and local – has fallen on a per-capita basis.[2] Although spending grew by 14% between 2007-08 and 2021-22, Australia's population increased by 22%. This means that in real dollar terms, arts funding fell from $314 per person to $295 per person over this period.[3]

The crisis in arts funding, however, has a longer history – precipitated by nearly five decades of unpredictable and inconsistent political commitment to arts and culture. Since 1996, Australia has had nine Arts Ministers, only one of whom remained in office for more than three years. Two national cultural policies created by the Australian Labor Party in 1994 and 2013, prior to their subsequent election losses – *Creative Nation* and *Creative Australia* – proved to be fleeting attempts to recognise the true value of cultural activity within Australia. These shifting political cycles have had a corrosive effect on cultural policy and investment, thwarting the development of any long-term vision for arts and culture in Australia.[4]

The effects of long-term funding shortages have been compounded by the outsized impact of the pandemic on the economic health of Australia's arts and cultural sectors. In the initial stages of the pandemic, the Coalition Government largely excluded Australia's arts and cultural sectors from industry support programs.[5] And despite the JobKeeper wage subsidy being available to the sector in theory, precious few arts and entertainment workers received support because the reality of employment practices in the sector made them ineligible.[6] When funding was finally directed to the sector, it was piecemeal and subject to lengthy delays.[7] This left the much of the sector to endure not only long-term funding shortages, but also massive economic loss over the pandemic.

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[1] Chiara Donelli, Ruth Rentschler, Simone Fanelli, and Boram Lee (2023) Philanthropy patterns in major Australian performing arts organizations. *Journal of Management and Governance* 27(1367–1396), https://doi.org/10.1007/s10997-022-09657-2

[2] Angela Vivian, Alan Hui, Kate Fielding, Tim Acker, and Sari Rossi (2024) *The Big Picture 4: Expenditure on Artistic, Cultural and Creative activity by governments in Australia in 2007–08 to 2021–22*. A New Approach.

[3] See above.

[4] Tamara Winikoff (2020) 'Arguing Value: Attitudes and Activism', in *The Australian Art Field: Practices, Policies, Institutions*, New York: Routledge

[5] Josephine Caust (2024) 'Is 'Revive' a 'game changer' or more of the same? Whose needs are addressed in Australia's new cultural policy and what will change?' *International Journal of Cultural Policy*. https://doi.org/10.1080/10286632.2024.2421304

[6] Allison Pennington and Ben Eltham (2021) *Creativity in Crisis: Rebooting Australia's Arts and Entertainment Sector After COVID*. The Australia Institute.

[7] See above.

In addition, culture wars have continued to erode the security of funding, leading to financial precarity. Despite being established as an independent entity, the Australia Council for the Arts has always been subject to the indirect influence of a Federal Minister, through budget allocations, nominations to the Council and control over the Council's strategic plans. This opened the way to political interference in funding decisions. For example, between 2015 and 2016, former Arts Minister George Brandis withdrew millions from the Council's budget and assumed direct control over the allocation of remaining funds, leading to a significant financial decline among those arts organisations that lost funds.[8]

Since 2022, the Albanese Government has led a significant reinvestment in arts and culture across government. In particular, the establishment of Creative Australia as the centrepiece of *Revive* restored funding that former Minister for the Arts, George Brandis, removed from appropriations to the Australia Council during his term.[9] There has also been a significant restoration of funding to public broadcasters, which act as an important facilitator for artistic and cultural production. However, the real value of this investment has largely been eroded away by inflation – meaning that arts organisations have often been left no better off. For example, although the ABC has benefitted from nominal funding increases, the real value of this funding is now well below 2013 levels.[10]

In addition, there has been an effective decline in funding through the National Performing Arts Partnership Framework. While the government has increased nominal funding levels, it has paired this with a significant increase in the number of organisations included in the pool. In 2014 the number of organisations under the Partnership was 28. However, by 2023, this number had skyrocketed to 39 – equal to a nearly 40% increase. While MEAA is very supportive of the widening of the Partnership to include a greater diversity of arts organisations, it must not be accompanied by a de facto reduction in funding for those organisations within it.

Constrained public funding has had a significant effect on Australia's major performing arts institutions, including opera, orchestra, and ballet. Travel budgets have been cut, confining audience participation to larger metropolitan centres. There has also been a rise in casualisation, with as many as one-third of orchestra positions converted into precarious forms of work. In addition, there is a growing tendency to leave positions

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[8] Josephine Caust (2016) 'The continuing saga around arts funding and the cultural wars in Australia', *International Journal of Cultural Policy* 25(6): 765-779. https://doi.org/10.1080/10286632.2017.1353604; Bem Eltham (2015) 'Budget 2015: George Brandis' extraordinary raid of the Australia Council', *ABC News*, https://www.abc.net.au/news/2015-05-13/eltham-brandis-extraordinary-raid-of-the-australia-council/6467534

[9] Creative Australia (2024) *One Year of Revive*, https://www.creative.gov.au/news-events/news/one-year-revive

[10] Nell Fraser (2025) 'New Government Supports for the ABC', *Flagpost*. https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/Research/FlagPost/2025/February/New_government_supports_for_the_ABC

vacant for long periods of time to save on costs. These are strong indicators of a sector in crisis.

Today, Australia's arts funding remains well below the OECD average, with an estimated additional $5 billion per year needed to bring funding levels into line.[11] It is against this backdrop of comparatively low and historically volatile public funding that a greater reliance on philanthropy has emerged.[12] As a result, state and federal performing arts companies have developed a greater dependence on these funding sources for revenue.

Financial data illustrates the extent of this philanthropic dependency. In 2018, the Australian Ballet obtained philanthropic funding in excess of 20% of total revenue; the West Australian Ballet received donations equivalent to nearly 12% of total revenue; Queensland Ballet equal to nearly 23%; and Bangarra Dance Company equal to 19%.[13] In addition, corporate sponsorships have also risen dramatically.[14]

These figures also indicate that philanthropic dependency is growing. Between 2000 and 2018, average philanthropic donations across performing arts organisations increased significantly relative to overall funding. While total revenue generated by Australia's performing arts organisations increased on average by a factor of 2.8, philanthropic income increased by 6.8, indicating growing dependency over time.[15] This is borne out in the budgets of individual institutions. Opera Australia, for example, received $3.8 million in donations in 2000. By 2018, this number was at $10.5 million, representing a massive increase.[16] It is likely that similar trends have continued across national and state performing arts organisations in subsequent years.

The dangers of philanthropic dependency

Australia's state and national performing arts companies are already heavily reliant on philanthropic funding. In this context, further encouraging a move towards non-government funding, including sponsorships and philanthropy, comes with the risk of dependency. Excessive dependence on philanthropy risks distorting programming priorities, constraining freedom of expression, entrenching perceptions of elitism, exacerbating inequality between institutions, and exposure to reputational damage and

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[11] Morgan Harrington *et al* (2026) Hottest or not? *Government support for Australian music*, The Australia Institute.
[12] Creative Partnerships Australia (2023) *Submission to the Productivity Commission Philanthropy Inquiry*, https://assets.pc.gov.au/__4data/assets/pdf_file/0003/359517/sub140-philanthropy.pdf
[13] Chiara Donelli, Ruth Rentschler, Simone Fanelli, and Boram Lee (2023) Philanthropy patterns in major Australian performing arts organizations. *Journal of Management and Governance* 27(1367–1396), https://doi.org/10.1007/s10997-022-09657-2
[14] See above.
[15] See above.
[16] See above.

financial volatility. Collectively, these pressures can erode the social licence that underpins public support for the arts.

First, philanthropic dependency enables the undue influence of elite tastes and political views over the production of art. As Louise Adler notes in *The Guardian*, "donations [to arts institutions] now come with expectations, seats at the board table and judgments about curatorial decisions".[17] As philanthropy is increasingly tied to this influence, programming risks becoming shaped by donor preferences – rather than artistic merit or public value.

Donor control over programming is also associated with a loss of artistic independence, as experimental, challenging, or socially critical work is displaced in favour of 'safe' or 'donor aligned' projects. It also presents a challenge to freedom of speech, as donors can leverage their financial power to censor artists whose work challenges or insults their tastes. In these cases, censorship may be driven by the withdrawal – or fear of withdrawal – of funding by donors.

Recent events illustrate these dynamics. In 2023, three cast members of Sydney Theatre Company's (STC) performance of *The Seagull* wore traditional keffiyeh headdresses during the curtain call.[18] Following the incident, the company faced a significant financial crisis, reportedly driven by the withdrawal of donors who objected to its 'lax handling' of the incident – resulting in at least seven staff redundancies.[19] One sponsor reportedly remarked after the incident that the STC had "learnt its lesson" about allowing unauthorised protests to occur.[20] This episode illustrates how philanthropic leverage can have direct consequences for freedom of expression.

In addition, when artistic production caters to the wealthy, it contributes to perceptions of elitism and fails to reflect the interests and stories of modern Australians. In such cases, public interest programming may be forgone in favour of more 'prestigious' forms of art, designed to appeal to donor rather than broader public tastes. Public funding models, by contrast, are intended to work through arms-length processes, relying on peer assessment based on artistic merit, rather than private direction. While imperfect,

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[17] Louise Adler (2025) 'From Creative Australia to Sydney writers' festival, the direct threat facing the arts is coming from within', *The Guardian,* https://www.theguardian.com/australia-news/2025/feb/25/whats-the-big-idea-extract-louise-adler-creative-australia

[18] Kelly Burke (2023) Performance cancelled after Sydney Theatre Company apology for pro-Palestinian protest on stage, *The Guardian,* https://www.theguardian.com/culture/2023/nov/29/sydney-theatre-company-deeply-sorry-after-pro-palestinian-protest-on-stage

[19] Yoni Bashan (2024) Sydney Theatre Company to cut staff after Palestine protest, *The Australian,* https://www.theaustralian.com.au/business/margin-call/sydney-theatre-company-cuts-staff-after-palestine-protest/news-story/c047ea033e3d06c1505e209f80ab0790

[20] Michael Bailey (2023) 'Idiotic thing to do': Sponsor says STC has 'learnt its lesson', *Australian Financial Review,* https://www.afr.com/life-and-luxury/arts-and-culture/idiotic-thing-to-do-sponsor-says-stc-has-learnt-its-lesson-20231130-p5eo61

such mechanisms are designed to promote transparency, accountability, and alignment with the public interest.

Dependence on philanthropic funding also exposes institutions to reputational damage where donor wealth is linked to harmful industries.[21] This phenomenon, coined 'artswashing', involves the investment of controversial sources of funding into the arts as a public relations exercise; thereby 'laundering' the reputation of the wealthy benefactor. Prominent examples include the Sackler family's funding of the arts, which was tied to attempts to resuscitate their reputation following the US opioid crisis.[22] Another includes fossil fuel company Shell's sponsorship of a climate change exhibition at the Queensland Museum, which the company was accused of using to "mislead teachers and children about the cause of climate change".[23]

Reliance on philanthropy can also introduce financial risks. Private funding is often short-term, leading to longer term instability and volatility in budgets. Unlike state funding, philanthropic funding can often be withdrawn at short notice, creating financial precarity within arts organisations. This has important ramifications for arts workers, who are more likely to be pushed onto short-term or casual contracts to align with donor cycles. This is especially crucial in an industry already plagued with extensive casualisation and precarity.

In addition, the push towards philanthropy increases the portion of arts organisations' resources that are fed into cultivating and building donor lists, hosting events, and building networks of high-net-worth individuals, instead of towards the promotion of artistic endeavour. Over time, this can cause mission drift, in which the strategic priorities of arts institutions are reshaped around attracting donor money, and away from their core artistic mission.

Private funding also tends to flow to established arts institutions that can offer prestigious forms of recognition for donors. These include named buildings, stages, and wings, prestigious events and parties, and access to networks of other high-net-worth individuals. This drives inequality in the arts, as money tends to flow to established metropolitan institutions, widening disparities in cultural access based on socioeconomic or regional status.

Taken together, the cumulative effects of philanthropic dependency – elitism, reduced accessibility, reputational exposure, political influence, funding volatility and structural

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[21] James Arvanitakis (2014) 'Is there any clean money left to fund the arts?', *The Conversation,* https://theconversation.com/is-there-any-clean-money-left-to-fund-the-arts-24159

[22] Alex Marshall (2024) 'Institutions Are (Quietly) Taking Sackler Money', *New York Times*, https://www.nytimes.com/2024/01/25/arts/sackler-family-donations.html

[23] Graham Readfearn (2025) Queensland Museum accused of misleading teachers and children about the cause of climate change, *The Guardian,* https://www.theguardian.com/australia-news/2025/dec/08/queensland-museum-accused-of-misleading-teachers-and-children-about-the-cause-of-climate-change

inequality – weaken the social licence of Australia's artistic and cultural institutions. Perhaps most significantly, heavy emphasis on philanthropy allows governments to justify reduced investment, which reinforces a shift away from the perception of arts and culture as public goods. This in turn erodes the social-democratic rationale for public funding, potentially leading to a vicious cycle of reduced public funding and the effective privatisation of the arts.

Reliance on private funding already makes up a sizable portion of arts funding. Intense competition for limited public resources will continue to push arts organisations towards philanthropic dependency unless the government intervenes. For this reason, MEAA holds that instead of spending government money on incentivising further philanthropic dependency, government funds should be spent directly on Australian arts and cultural institutions. This will bring enhanced funding stability, transparency, and accountability to the sector and renew focus on the arts as a public good – necessarily tied to, and a creature of, the public interest.

Conclusion

Australia's arts and cultural sector stands at a crossroads. Decades of inconsistent leadership, declining per-capita public investment, and growing reliance on sponsorships and philanthropy have reshaped the funding landscape in ways that carry profound consequences for artistic independence, workforce stability and public trust. While philanthropy can play a complementary role within a diversified funding model, it cannot substitute for sustained, principled public investment.

Excessive dependence on philanthropy risks distorting programming priorities, constraining freedom of expression, exacerbating inequality between institutions, and exposing the sector to reputational damage and financial volatility. It also undermines the foundational premise that arts and culture are public goods – essential to democratic life, civic participation and national identity – rather than the purview of the elite.

Artistic and cultural expression is inherently political, necessarily testing prevailing norms and values. There must be a positive recognition of the inherent value of this work and, as a consequence, it must be protected from undue influence. Philanthropic dependency is a threat to this principle as it leaves artistic organisations and individuals vulnerable to the withdrawal of funding based on social or political disagreement or offence.

A resilient and independent cultural sector requires stable, long-term public funding allocated through transparent, arms-length processes. Strengthening direct government investment will enhance accountability and equity across the sector and

ensure that artistic and cultural work reflects the diversity of a contemporary, modern Australia. If governments are serious about sustaining a vibrant, inclusive and democratically grounded cultural life, the solution lies not in deepening philanthropic dependence through tax incentives, but in renewing a commitment to public support for the arts.