



NSW GOVERNMENT CULTURAL TAX REFORM CONSULTATION

Media, Entertainment and Arts Alliance (MEAA)

AUGUST 2025

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

The Media, Entertainment & Arts Alliance 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.

Submission to the NSW Government Cultural Tax Reform consultation

MEAA welcomes the NSW Government's cultural tax reform consultation. These measures are much needed to improve taxation settings and address endemic funding shortfalls impacting the arts and cultural sector.

Introduction

Australia's arts and cultural sectors are a cornerstone of economic and social life. They contribute more than \$17 billion to the Australian economy and are a major jobs creator, employing 228,000 people.¹ However, Australia's arts and cultural sectors are in crisis. For much of the last 20 years, funding for arts and culture in Australia has been in deficit. The sector has been subject to unpredictable and inconsistent political commitments, with only fleeting attempts to recognise its true value. 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. The establishment of Creative Australia has resulted in a reinvestment in the arts, but the sector remains in decline.

The decline in government funding has also had a corrosive effect on audience participation and workforce conditions. In addition, major disruptions to demand and participation, driven by the cost-of-living crisis and the COVID-19 pandemic, have created a set of challenges that have further undermined participation. As a flow-on effect of reduced investment, diminishing support for cultural activity, and low rates of participation, we have seen the evisceration of stable work, good jobs and careers in the sector. Overall, these issues have left Australian arts and culture in crisis.

MEAA acknowledges the growing role of state and territory governments in leading responses to the funding shortfall facing the arts over the last several decades. In addition, it congratulates the NSW Government for its forthright response to the crisis and for establishing this review of tax measures. Tax reform is a necessary and important piece of the puzzle in addressing the decline in arts and culture. Overall, MEAA members support many of the tax measures proposed in the NSW Government's options paper, including offsets for theatre and live music venues. However, MEAA views tax reform measures as just one aspect of what must be a comprehensive response to the crisis. This comprehensive response must not only address funding shortfalls, but the decline of public participation in the arts, as well as the systemic crisis of work in the sector.

¹ Based on 2018-19 and 2021 figures, respectively. Pennington, A. & Eltham, B. (2021) *Creativity in Crisis: Rebooting Australia's Arts and Entertainment Sector After COVID*. The Australia Institute.

Importantly, this approach must include efforts to increase direct funding to the arts and creative sectors, in recognition of the public good these sectors generate – which is often non-commercial and therefore outside the scope of what the market can provide. Direct funding measures are necessary and urgently needed to support the subsidised arts sector – a sector currently suffering from a decline in per-institution funding through the Performing Arts Partnership Agreement.

These measures must also directly address the issue of declining participation in the arts. A comprehensive approach to promote participation in the arts and culture is needed, covering all levels of government and connecting a range of portfolios including transport, education, training, infrastructure, and housing. Finally, broader policy settings must be considered to address the long-term crisis in conditions and wages in the sector. This must include a plan to respond to systemic workforce problems including the proliferation of precarious work, underpayment, and poor conditions across the sector.

The lack of leadership observed in the cultural sector over the last 50 years has resulted in a crisis of austerity, participation, and insecurity. As a result, arts and culture have come to be viewed as remote from everyday life — as something to be sought out, paid for, accessed and utilised. A comprehensive cultural policy must address all aspects of this problem, including by restoring funding, encouraging participation in the arts, and addressing the systemic causes of poor wages and conditions in the sector.

A crisis in funding

For much of the last 20 years, funding for arts and culture in Australia has been in deficit. Between 2007-08 and 2021-22, expenditure on arts and culture across all levels of government – including federal, state, and local – fell on a per-capita basis.² While spending grew by 14% over this period, Australia’s population increased by 22%, creating a significant deficit in per capita funding. In real dollar terms, this meant that arts and culture funding fell from \$314 per person in 2007-08 to \$295 in 2021-22.³

Over this period, Australia ranked 26th out of 33 OECD countries for government investment in ‘recreation, culture and religion’.⁴ While the average OECD country spent 1.2% of its GDP on this sector during this period, Australia spent only 0.9%.⁵ This put Australia, based on these figures, significantly behind most other OECD countries for

² Vivian, A., Hui, A., Fielding, K., Acker, T., & Rossi, S. (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 *Ibid*

⁴ *Ibid*

⁵ *Ibid*

investment in this sector. Much of this shortfall can be attributed to issues on the federal level, particularly to a hostile Coalition Government.

This crisis in funding was precipitated by nearly four 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.⁶

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.⁷ 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.⁸ When funding was finally directed to the sector, it was piecemeal and subject to lengthy delays.⁹ This left the much of the sector to endure not only long-term funding shortages, but also massive economic loss over the pandemic.

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 has opened the way to political interference in funding decisions. For example, between 2015 and 2016, the Arts Minister George Brandis withdrew millions from the Council's budget and had direct control over the allocation

⁶ Winikoff, T. (2020) 'Arguing Value: Attitudes and Activism', in *The Australian Art Field: Practices, Policies, Institutions*, New York: Routledge

⁷ Caust, J. (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>

⁸ Pennington, A. & Eltham, B. (2021) *Creativity in Crisis: Rebooting Australia's Arts and Entertainment Sector After COVID*. The Australia Institute.

⁹ *Ibid*

of remaining funds.¹⁰ This led to a significant decline among those arts organisations that lost funds over this period.¹¹

Since 2022, there has been a reinvestment in arts and cultural policy across all three levels of government. In particular, the establishment of Creative Australia as the centrepiece of *Revive* has delivered significant funds to the sector. This restored funding that former Minister for the Arts, George Brandis, removed from appropriations to the Australia Council during his term.¹²

There has also been a significant restoration of funding to public broadcasters, who are an important facilitator of arts and cultural production. These changes brought an additional \$83.7 million to the ABC, lost as a result of the Coalition's freeze on annual indexation, and moved the broadcaster from a three to five-year funding cycle to provide a greater degree of stability to operations.¹³ However, it is important to note that inflation has largely eroded the real value of these nominal funding increases.¹⁴ This means that funding for the broadcaster is now, in real terms, below 2013 levels.¹⁵

There has also been a renewed commitment to Australia's major arts training and educational institutions. For example, the federal government committed \$115.2 million towards NIDA, AFTRS, and a range of other institutions.¹⁶ This funding has provided much-needed investment in the next generation of performers and screen professionals.

On a state level, the election of the Minns' Labor Government came with a significant boost for arts and culture. This included funding for key infrastructure maintenance at cultural institutions across the state, including the Sydney Opera House, as well as funds for the establishment of Sound NSW, and additional commitments to the State's 24-hour economy strategy.¹⁷ However, in the last year there have been cuts to key

¹⁰ Caust, J. (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>; Eltham, B. (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>

¹¹ *Ibid*

¹² Creative Australia (2024) *One Year of Revive*, <https://www.creative.gov.au/news-events/news/one-year-revive>

¹³ Seth-Purdie (2022) *Only partial restoration of ABC funding and function*. The Australia Institute.

¹⁴ Fraser, N. (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

¹⁵ *Ibid*

¹⁶ Barlow, K. (2024) 'Exclusive: Budget to promise \$115.2 million arts bailout', *The Saturday Paper*, <https://www.thesaturdaypaper.com.au/news/economy/2024/05/11/exclusive-budget-promise-1152-million-arts-bailout>

¹⁷ NSW Government (2023) *NSW Government supports creative audiences and workers with boost for music, arts, events and the night-time economy*, <https://www.nsw.gov.au/media-releases/nsw->

institutions across the state, including to the State's regional art galleries, which have left three out of four of these institutions in a funding crisis.¹⁸

A crisis in participation

At the same time as these significant long-term funding shortfalls, there has been a decline in participation in the arts. Major disruptions to demand and participation, driven by the cost-of-living crisis, have created a set of challenges that have reduced public participation in the arts and culture. Despite the overwhelming majority of Australians agreeing that arts and culture are vital, many feel that cultural activity is too expensive and inaccessible. The most recent National Art Participation Survey, for example, found that nearly half of Australians (49%) are not attending as many arts and cultural events as they would like to.¹⁹ This is a marked increase from pre-pandemic levels (42%).²⁰ Potential causes of this change are the recent cost-of-living crisis, the lingering impacts of the pandemic, or, as Creative Australia puts it, a “more enduring shift in behaviour”.²¹

First, there is evidence that the cost-of-living crisis is driving declining participation in the arts and cultural sectors. Inflation has impacted not only the price of tickets, but driven up the costs of transportation, food, and equipment associated with attending arts and cultural events. These cumulative costs are halting audience participation. For example, the most recent National Art Participation Survey found that attendance costs were the most common (38%) barrier to attendance.²² These barriers were most pronounced for those aged 35 years and younger.²³

In addition, audiences have continued to lag since the pandemic, with performing arts and live music companies reporting reduced audience numbers.²⁴ And while the same proportion of Australians are now attending festivals and other arts events per year than they did pre-pandemic, they are attending them less frequently. For example, the most recent National Art Participation Survey found that weekly attendance has dropped

government-supports-creative-audiences-and-workers-boost-for-music-arts-events-and-night-time-economy

¹⁸ Burke, K. (2025) ‘Shock to creative ecology’: NSW regional art galleries face funding crisis after state pulls financial support’, *The Guardian*, <https://www.theguardian.com/australia-news/2025/jul/01/shock-to-creative-ecology-nsw-regional-art-galleries-face-funding-crisis-after-state-pulls-financial-support>

¹⁹ Creative Australia (2023) *Creating Value: Results of the National Arts Participation Survey*, <https://creative.gov.au/sites/creative-australia/files/documents/2025-04/National-Arts-Participation-Survey-results-2022-1.pdf>

²⁰ *Ibid*

²¹ *Ibid*

²² *Ibid*

²³ *Ibid*

²⁴ Siebert, B. (2025) ‘Music venues still recovering from the effects of COVID’, *Central News*, <https://centralnews.com.au/2025/06/27/music-venues-still-recovering-from-the-effects-of-the-covid/>

across all art forms.²⁵ There are also concerning signs about the declining rates of pre-purchased subscriptions and rising rates of last-minute tickets being purchased.²⁶ These audience behaviours in turn create financial instability for arts organisations, contributing to the crisis in funding.

In addition, today, fewer Australian children are learning music, singing, acting, painting and doing other forms of cultural and creative activity at school. This undermines the strong relationship between early arts education and subsequent participation in the arts. The Australian Curriculum Assessment and Reporting Authority (ACARA), for example, shows that arts enrolments in Australia have significantly declined at the senior level, from 22.6% of boys and 37.5% of girls in 2011, to 16.9% of boys and 29.1% of girls in 2021, respectively.²⁷ This trend is especially pronounced in low socio-economic communities, where participation is inhibited not only by cost, but by work constraints and poor access to transport and cultural infrastructure.

These barriers to participation disproportionately disadvantage those from low socio-economic status communities, people with a disability, migrants, refugees, LGBTQIA+ communities and First Nations people. First Nations people, who are one of the fastest growing segments of our population, remain at risk from a range of factors reflected in high rates of incarceration, suicide, unemployment, substance abuse and disability. In addition, too many First Nations people are shut out from cultural participation due to mounting inequalities and systemic discrimination.

Barriers in cost, time and opportunity in turn contribute to entrenched perceptions of arts and culture as ‘inaccessible’, ‘elite’ and ‘not for me’. In an Australia Council Survey, the percentage of people who believed that ‘the arts tend to attract people who are somewhat elitist or pretentious’ increased from 30% to 43% in the three-year period from 2013 to 2016.²⁸ In turn, where cultural activities are perceived as overly commodified, profit-driven, or where access is reserved for the privileged few, average Australians are less likely to define and respect these activities as ‘arts and culture’, or as important elements of civil society. This in turn contributes to a devaluation of the arts.

²⁵ Creative Australia (2023) *Creating Value: Results of the National Arts Participation Survey*, <https://creative.gov.au/sites/creative-australia/files/documents/2025-04/National-Arts-Participation-Survey-results-2022-1.pdf>

²⁶ For example, see Creative Victoria (2023) *Audience Outlook Monitor*, <https://creative.vic.gov.au/resources/audience-outlook-monitor>

²⁷ Thomson, P. (2025) ‘Why bother with arts education in schools?’ *The Australian Educational Researcher*, 52:781–801. <https://doi.org/10.1007/s13384-024-00741-0>

²⁸ Australia Council (2017) *Connecting Australians: Results of the National Arts Participation Survey*, <https://creative.gov.au/research/connecting-australians-results-national-arts-participation-survey-june-2017>

A crisis in work

An immediate consequence of declining investment, waning support for cultural activity, and low participation rates is the evisceration of stable work, good jobs and careers. The majority of the cultural workforce is excluded from secure work, engaged as contractors and freelancers in jobs that are largely unregulated and inherently precarious. Within this work, there are often no minimum rates of pay, superannuation is almost non-existent, and late payment is common. Musicians, for example, work in an industry where 90% of work is not regulated by a minimum fee, up to a quarter of gigs are unpaid, and undercutting is rife.²⁹ Meanwhile, those in permanent jobs struggle to leverage the collective bargaining system in an era of declining public funding and commercial disruption.

On the sets of some of the biggest and most profitable productions, work is routinely governed by decision-makers who are remote and have no real understanding, training or incentive to establish physically and culturally safe workplaces. Screen industry workers, for instance, are being pressured into jobs with work schedules of 12 hour-plus days – heightening health and safety risks. In addition, the economic instability and precarious employment endemic to the industry leave workers vulnerable to bullying, harassment, and discrimination.

Incomes across the industry remain consistently low. As one measure of the state of work in the arts and cultural sector, *the Artists as Workers* report found that professional artists earn about \$54,500 per year, including work from outside of the creative sector.³⁰ This income falls well below both the median income in Australia and the earnings of workers with comparable education and skill levels in other sectors of the economy.³¹

The consequences of workforce decline threaten all forms of cultural participation, undermining the principle of arts, culture and civic action as a public good. A thriving civil society can only be sustained through widespread and inclusive social participation in the arts and culture, and for that we need a strong, confident, and respected workforce. As the pressures of work and economic survival demand more of our time, governments need to ensure that the cultural participation of workers, families, and communities is being adequately supported.

²⁹ MEAA (2024) *Insecure work and poor pay forces musicians to hang up their instruments: new survey*, <https://www.meaa.org/mediaroom/insecure-work-and-poor-pay-forces-musicians-to-hang-up-their-instruments-new-survey/>

³⁰ Throsby, D. & Petetskaya, K. (2024) *Artists as Workers: An Economic Study of Professional Artists in Australia*, Creative Australia. <https://creative.gov.au/research/artists-workers-economic-study-professional-artists-australia>

³¹ *Ibid*

Individual tax relief measures welcome, but more is needed to support workers

Government intervention is urgently needed to support workers in the arts and creative sectors. A survey of MEAA's membership shows strong backing for individual tax measures proposed in the NSW Government's options paper.

To begin, of nearly 90 NSW-based members of MEAA who responded to its survey, 79% strongly support removing or reducing taxes on prizes, grants, and awards. Members overwhelmingly cited the persistently low income levels in the sector as the key reason why they would support this measure. For example, one screen industry worker wrote that:

Artists generally have a very limited income: grants and prizes should be given tax free to give them the greatest chance to actually concentrate on the work they do.

MEAA members also overwhelmingly support measures to allow artists to claim more for expenses related to their art production. Of those surveyed, 81% strongly support this measure. To justify their support, members cited the combination of low income and high production costs – which, by virtue of their employment status, were often borne by them as individual workers. For example, one theatre worker wrote that:

Work-related expenses for artists and technicians can be incredibly expensive, and in an industry heavily reliant on casual and freelance labour, workers often have to pay out of their own pockets.

Most MEAA members also support introducing tax offsets for touring artists. Of those surveyed, 62% strongly support and 21% moderately support the measure. Members again pointed to the high costs and low pay associated with the live music industry as reasons why they supported the measure. Tax offsets, in this context, would allow musicians to recoup some of the money spent on travel expenses, including transport and accommodation. As one musician wrote:

If I'm lucky enough to play at a major festival... [I'll] earn a few hundred dollars while we're gigging there. Most of that goes on petrol or fares to get there, sometimes accommodation, food, not to mention if I have young kids in tow.

However, more comprehensive action is needed to support arts workers. Tax relief measures are a welcome first step, however, their potential impact is limited by entrenched low incomes across the sector. To make meaningful progress, the real wages of arts workers must be lifted – either through industrial relations reforms (e.g. limiting precarious employment), or by linking public funding to the requirement to provide secure, well-paid jobs in the sector.

Industry tax offsets supported, but must be accompanied by good jobs and direct funding measures

Overall, MEAA members broadly support proposed measures to establish tax offsets for both the theatre industry and live music venues. Nearly three in four (72%) MEAA members strongly support tax offsets for live music venues, and nearly four in five (79%) support tax offsets for the theatre industry. This indicates that both measures received support from MEAA's membership.

However, members' support for these measures is contingent on the expectation that recipient organisations will, as a condition of this funding, provide stable and fair employment for employees. The overwhelming view of MEAA members is that if government money is to be used to subsidise commercial operations in the theatre and live music industries, then it must be accompanied by a commitment to provide good, safe and sustainable jobs at MEAA standards. For example, one member wrote that:

If the arts and creative businesses are getting tax breaks and support, they should absolutely be held to a high standard, making sure they provide good, safe, and sustainable jobs that meet MEAA's standards.

MEAA therefore recommends that any organisations or agencies receiving government support, either direct or indirect, should provide stable, secure, and properly paid work as a condition of receiving that support. This could be reflected in criteria related to the receipt of tax incentives or direct funding from government.³²

In addition, MEAA believes that tax relief measures must be linked to increased direct funding measures. Industry-based tax offsets are welcome, but they are insufficient to resolve broad-based funding crisis in the sector. This is because these tax relief measures will mainly benefit large, incumbent, commercial operators. This, in turn, stands to place them at a comparative advantage in the market – especially relative to the subsidised, small, independent, and not-for-profit sectors. These other sectors, in comparison, may be left behind. As one member from the live theatre industry put it:

I support introducing tax offsets for live music venues, but my concern is that this would only really affect the mainstream commercial venues that do get investment instead of the many smaller independent level venues that need the help more.

It is worth stressing that the subsidised sectors have already been disadvantaged by a legacy of falling per capita funding, particularly via the Performing Arts Partnership Agreement. This has occurred because the number of organisations included under the partnership has increased by nearly 40% – from 28 in 2014 to 39 in 2023 – over which

³² Pennington, A. & Eltham, B. (2021) *Creativity in Crisis: Rebooting Australia's Arts and Entertainment Sector After COVID*. The Australia Institute.

time there has not been a commensurate increase in real funding allocated to the partnership.

While MEAA in principle supports the government's decision to widen the partnership, it believes that such actions must be tied to an increase in funding. To do otherwise risks leaving many organisations in funding deficit. For example, many of Australia's leading symphony orchestras are now experiencing funding shortfalls, leading to cost-cutting and a culture of philanthropic dependency. MEAA is aware that in some cases, 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, and a growing tendency to leave positions vacant for long periods of time to save on costs. These are strong indicators of a sector in crisis.

Philanthropic incentives supported, but with strong reservations

Members show a moderate level of support for strengthening incentives for philanthropic giving to the arts. Of those surveyed, only 44% strongly support these measures, while another 19% moderately support these measures. While positive support for the change was driven by the necessity of finding sources of funding for the arts and creative sector, it came with significant concerns about the potentially corrosive influence of philanthropic interests in the arts. For example, one musician member wrote that:

...donations, while useful, are problematic. Recent events have seen donors pull out of support for a theatre because they disagree with a (symbolic) piece of clothing which was worn by an actor; or someone said something they didn't agree with.

These responses reflect the concerns that artists and creative workers have about the political implications of philanthropic dependency. Some responses emphasised that a good way to govern philanthropic donations would be to do so through an independent, arms-length body, allowing donors to contribute to the arts but not exercise too much individual or political influence over programming.

Others suggested that the need for philanthropic funding was papering over the proper role of government in funding the sector, which, all things being equal, would be preferable to philanthropic funding. These members suggested that, ideally, the answer to the funding shortage should not be to introduce tax breaks for philanthropists, but to better directly fund the sector. For example, one member from the screen industry said:

The government can give money more efficiently, and fairly, than private donors. If the government is failing to be fair and efficient, the solution isn't giving private donors better incentives, it's making the government fairer and more efficient.

Property tax relief receives broad support, but safeguards are needed

Measures to remove or reduce property taxes to incentivise the use of vacant properties as creative spaces also received support. Overall, 65% of MEAA members strongly support these initiatives, with an additional 19% showing moderate support. Members generally show some concern about the possibility for abuse of this system, but granted that it could open much-needed space for cultural activity. For example, one theatre worker wrote that:

I strongly support removing property taxes to incentivise the use of vacant properties as creatives spaces because in Sydney we are in dire need of more venues. As long as the removing of property taxes creates more spaces and not just further lines the pockets of landlords for doing nothing, this would be a benefit.

This suggests that members welcome this tax relief measure where there are appropriate safeguards against misuse.

Australia needs a comprehensive cultural agenda

The measures proposed in the NSW Government's options paper go some way to addressing the key issues facing the arts and creative sector. However, MEAA views tax reform as just one aspect of what must be a comprehensive response to the crisis. This response must include mechanisms to address all three aspects of the crisis in arts and culture: funding, participation, and workforce decline. Currently there is no apparent framework addressing the inadvertent barriers that discourage people from participating in arts and culture, address the degradation of the workforce, or reinvest in the ailing subsidised sector.

Crucially, this comprehensive response must recognise and support value beyond the commercial sector of the arts and creative industries. The pervasive influence of the market, triggered by the long-term decline in direct funding, has created an environment where recognition of artistic and cultural activity is dependent upon the direct monetary value or 'savings' it produces. Although it is important to recognise arguments about the economic benefits of arts and culture, governments must also look more broadly at the intrinsic and immeasurable value of cultural and civic activity, because it is here where public interest in the sector is defined.

Arts and culture have far-reaching value beyond the economy. They provide cultural and social benefits that touch all aspects of life, including education, health, and wellbeing. Beyond this, arts and culture help us to understand and communicate our national identity within Australia and beyond. The stories that we watch, hear, and read help to shape, challenge, and reflect our perceptions of ourselves. When projected outwards, our arts and culture help us to communicate our identity to the world.

Arts and culture are also central to First Nations people. Artistic and cultural practices are fundamental in the continuation of identity, stories, history, and resistance for First Nations people.³³ And as the world's longest continuously living culture, First Nations people offer a unique and invaluable contribution to Australian cultural and artistic life.³⁴

Furthermore, participation in the arts is a cornerstone of social democracy. It allows us to question, reflect, and express ideas, and critique prevailing norms, values, and beliefs. Three in four Australians, when surveyed, say that the arts are an important way to get a different perspective on a topic or issue.³⁵ As such, the arts and cultural activities are central to a thriving civil society – or, as Whitlam put it, “a precondition to a healthy democracy”.³⁶

It is based on the recognition of this value that arts and cultural activities are supported. Despite the barriers to accessing arts and cultural activities, the overwhelming majority (84%) of Australians see a significant positive impact in engagement with the arts.³⁷ As a result, most Australians (61%) believe that culture and creativity should receive public funding.³⁸ As such, public support for the arts is grounded in an understanding of its social, cultural, and democratic value.

Much of this cultural and artistic activity lies beyond what the market can provide. As such, society requires cultural investment that exceeds what the market offers, based on a recognition of the public good it generates. This investment must be effectively and sustainably funded, for societal improvement rather than for profit alone. In turn, where non-commercial artistic and cultural markets fail, it is the responsibility of government

³³ Parliament of the Commonwealth of Australia (2021) *Sculpting a national cultural plan*, <https://apo.org.au/sites/default/files/resource-files/2021-10/apo-nid314842.pdf>

³⁴ *Ibid*

³⁵ Australia Council (2017) *Connecting Australians: Results of the National Arts Participation Survey*, <https://creative.gov.au/research/connecting-australians-results-national-arts-participation-survey-june-2017>

³⁶ Williams, K. (2019) *Whitlam, the Arts, and Democracy*, The Whitlam Institute. <https://www.whitlam.org/publications/2019/11/13/whitlam-the-arts-and-democracy>

³⁷ Australia Council for the Arts (2020) *Creating Our Future: Results of the National Arts Participation Survey*, <https://www.australiacouncil.gov.au/research/wpcontent/uploads/2020/08/Creating-Our-Future-Results-of-the-National-Arts-ParticipationSurvey-PDF.pdf>

³⁸ Creative Australia (2023) *Creating Value: Results of the National Arts Participation Survey*, <https://creative.gov.au/sites/creative-australia/files/documents/2025-04/National-Arts-Participation-Survey-results-2022-1.pdf>

to recognise and preserve this value, rather than impose commercial and market-based measures which tend to erode rather than build the sector. While the private sector, commercial interests, philanthropists, donors, and sponsors are a vital and welcome part of the arts and entertainment sector, they cannot replace the role of governments who, on behalf of citizens, must ensure that the interests of communities are represented in cultural policy, plans, practices and institutions.

The tax offsets proposed in the Government's options paper, though in many respects a positive step for the overall sector, fail to account for the need to recognise the value of non-commercial artistic and cultural production. Cultural activities are frequently beyond the scope of the market and need to be funded differently – often directly – to make such activities viable. As such, there is a strong need for direct public investment in the arts that must not be overlooked.

Second, it is critical that a comprehensive approach to arts and culture addresses the decline in participation across the sector. As highlighted in previous sections of this submission, the ever-increasing demands of modern life – including the cost-of-living crisis – have constructed a set of real and imagined barriers around participation in the arts and culture. These barriers not only relate to the cost of tickets, but to the additional costs of transport, food, equipment and supplies. As such, it is critical that a comprehensive response to the participation crisis include an evaluation of policy instruments across a range of different departments, including transport, healthcare, education, training, care services, health, housing, utilities, and public infrastructure.

There is a strong positive relationship between arts education and adult participation in the arts.³⁹ As such, governments should encourage arts education from a young age and ensure that there are ample opportunities to participate across all spheres of life — that there are enough art schools, dance teachers, music events and literary workshops — but also that there are adequate support systems to enable families and communities to participate in these activities and benefit from these services. Arts education outside of the education system is also a crucial way to stimulate future participation in arts and culture, including through the use of vouchers through which recipients can receive discounted access to arts and music classes, institutions, and events.

MEAA acknowledges the positive work done by the NSW Government in relation to boosting demand for the arts, including its recent inquiry into arts and music education and training across primary, secondary, and tertiary levels.⁴⁰ In addition, we note the

³⁹ Zakaras, L. & Lowell, J. (2024) *Cultivating Demand for the Arts*, The Wallace Foundation. https://wallacefoundation.org/sites/default/files/2024-08/arts-learning-and-arts-engagement.doi_.10.7249%252FMG640.pdf

⁴⁰ Parliament of New South Wales (2024) *Joint Select Committee on Arts and Music Education and Training in New South Wales*, <https://www.parliament.nsw.gov.au/committees/listofcommittees/Pages/committee-details.aspx?pk=325>

government's use of vouchers to help families with school-aged children access creative and cultural activities.⁴¹

A comprehensive cultural agenda must also be cognisant of the need to create secure jobs and safe workplaces. The prevalence of gig economy jobs, long-term rolling contracts, and a flawed bargaining system are clear evidence that new strategies are needed to reverse the trend of workforce exploitation. The fact that most work in the arts and cultural industries is now performed outside of the formal industrial relations system is a symptom of rampant marketisation and declining recognition of the public interest value of this work. Comprehensive measures are urgently needed to improve incomes in the sector. These measures would necessarily go beyond tax relief to address the underlying causes of low incomes in the sector, including by reducing the level of precarious work in the industry and sustainably funding the sector.

Last, it has become evident from the failure of past approaches that what has been missing is the sustained social and political organisation — the 'voice' — required to support and drive the creation of a comprehensive agenda for culture and civil society. As such, this comprehensive response must harness and organise community leadership to shape and deliver it. It is only through this leadership — through the collective voice of arts and creative sector workers and communities — that we can begin to broker alternatives to Australia's current approach.

⁴¹ Service NSW (2025) *Apply for an Active and Creative Kids voucher*, <https://www.service.nsw.gov.au/transaction/apply-for-an-active-and-creative-kids-voucher>