

2017-18 Evaluation

Indigenous Visual Arts Industry Support (IVAIS) Program

June 2019

Released under the FOI Act 1982 by the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

Contents

1.	Executive Summary.....	2
	a) Findings.....	2
	b) Recommendations.....	3
2.	Introduction.....	3
3.	Evaluation Purpose and Methodology.....	4
	a) Purpose.....	4
	b) Methodology.....	4
4.	Environmental Scan.....	5
	a) Context.....	5
	b) Fine Art Market.....	6
	c) Tourist market.....	7
	d) Social Media.....	7
	e) Resale Royalty Right for Visual Artists Scheme.....	8
5.	Program Management.....	9
	a) Rationale.....	9
	b) Outcomes.....	9
	c) Logic.....	9
	d) Inputs – Program Administration.....	10
	e) Outputs – Monitoring and Evaluation.....	12
6.	2017-18 Program Evaluation.....	13
	PROGRAM OUTCOME 1	
	a) Art centres.....	16
	b) Service Organisations.....	21
	c) Arts Hubs.....	24
	PROGRAM OUTCOME 2	
	d) Art Fairs.....	28
	e) External challenges.....	29
	f) Internal challenges.....	34
7.	Findings and Conclusions.....	35
8.	Recommendations.....	36

1. Executive Summary

Through art, Aboriginal and Torres Strait Islander people communicate the ways in which they perceive the world and ensure that their dynamic cultures are there for future generations. They also gain financial, professional and social benefits by sharing their unique cultural expressions.

Australia's contemporary Indigenous art was described by art historian Robert Hughes as 'the last great art movement of the 20th Century' and by poet Les Murray as 'Australia's equivalent of jazz'.

The Australian Government has provided support for remotely located Aboriginal and Torres Strait Islander artists in one form or another since 1971 when it established Aboriginal Arts and Crafts Pty Ltd, to provide outlets for Indigenous art in most state capitals for over 20 years.

In 2017-18, funding of \$20.542 million was delivered through the Australian Government's Indigenous Visual Arts Industry Support (IVAIS) program which provides funding to support the following outcomes:

- a professional, viable and ethical Indigenous visual arts industry that features strong participation and provides economic opportunities for Aboriginal and Torres Strait Islander people
- the continued production, exhibition, critique, purchase and collection of Indigenous visual art nationally and internationally.

Of the 91 organisations funded through the program, 89 per cent are Indigenous owned and governed. Together these organisations:

- supported around 6,000 Aboriginal and Torres Strait Islander artists
- employed 366 Aboriginal and Torres Strait Islander people, amounting to 64 per cent of all employees
- participated in over 800 exhibitions and events nationally and internationally
- achieved \$28 million in art sales
- directly contributed around \$70 million to the Australian economy.

The purpose of this evaluation is to identify to what extent the program is achieving its intended outcomes, the efficiency with which the outputs and outcomes were achieved, and to identify areas for improved delivery or focus.

a) Findings

In summary, the evaluation found that delivery of support through this program has been an efficient and effective way to ensure that a large cohort of Aboriginal and Torres Strait Islander artists, working in very challenging conditions and mostly remote or very remote locations, have received tailored and targeted support that has enabled them to develop and sustain a professional art practice, achieve critical recognition and connect to the national and international art markets.

The particular challenges faced by artists living in remote and very remote locations have meant that this group is most in need of a structured approach to support professional art practice. The community-owned art centres and the industry service organisations provide the structure that allows this to happen.

The evaluation also found that delivery of funding for Indigenous arts workers through the program has also been efficient and cost-effective, has provided meaningful career opportunities for local Aboriginal and Torres Strait Islander people, and has provided flexibility and reduced red tape for funding recipients.

b) Recommendations

The evaluation has seven recommendations including for:

- 1) lower-performing organisations with lapsing multi-year agreements to be required to apply for further funding through the 2020-21 competitive round
- 2) further work to be done to identify ways to better allocate funding in order to provide appropriate support to sustain higher-performing funded organisations and fund new organisations.
- 3) further work to be done to ensure appropriate levels of arts worker funding to lower performing organisations.
- 4) regular updates of the Indigenous Art Centre Plan
- 5) investigation of arts development opportunities in the south-east region
- 6) continued focus to assist art centres to benefit from their engagement with the Community Development Program
- 7) continued collection of reporting data through SmartyGrants to support long-term evaluation of program outcomes and industry trends.

2. Introduction

In 2017-18, funding of \$20.542 million was delivered through the IVAIS program. Of this, \$11.54 million was provided as base-level operational funding for Aboriginal and Torres Strait Islander art centres, arts hubs, service organisations and art fairs. A further \$9.04 million was provided to support the employment, by art centres, of over 300 Indigenous arts workers, mostly in remote and very remote communities.

A component of operational funding was allocated through the National Initiatives stream of the Visual Arts and Craft Strategy (VACS), a joint Commonwealth, state and territory funding partnership that supports Australia's contemporary visual arts sector. The VACS component was provided to five service organisations to deliver on *VACS Objective 4: Providing Professional Support to Aboriginal and Torres Strait Islander Artists* and its outcomes are included in this evaluation.

Table 1: 2017-18 IVAIS funding allocations by category

IVAIS	2017-18
Budget (ex GST)	\$20,542,000
Operational	\$10,685,462
Indigenous arts workers	\$9,004,538
Visual Arts and Craft Strategy (VACS)	\$852,000
Total expenditure	\$20,542,000

3. Evaluation Purpose and Methodology

a) Purpose

The purpose of this evaluation is to determine:

- to what extent the IVAIS program is contributing to its outcomes of:
 - a professional, viable and ethical Indigenous visual arts industry
 - strong participation and provides economic opportunities for Aboriginal and Torres Strait Islander people
- the efficiency with which the outcomes were achieved
- whether there are any recommendations for improved delivery or focus.

b) Methodology

The information and data used for this evaluation were primarily gathered from 2017-18 milestone reports and audits provided by funded organisations through SmartyGrants, the Department's web-based grant management system. In addition, all funded organisations were asked to respond to the following:

1. IVAIS funding:
 - a. supports a professional, viable and ethical Indigenous visual arts industry
 - b. supports strong participation and provides economic opportunities for Aboriginal and Torres Strait Islander people
 - c. supports the production, exhibition, critique, purchase and collection of Indigenous visual art
 - d. is important to your organisation's capacity and viability

Funded organisations were asked to rate the statements above using the scoring:

1=Strongly disagree 2=Disagree 3=Moderately Disagree 4=Moderately Agree 5=Agree 6=Strongly agree

2. What do you think is the most important impact from your IVAIS funding? (200 words max)
3. What are the current challenges, risks and priorities for your organisation and/or the wider sector? (200 words max)
4. Is appropriate advice available from the IVAIS team in relation to funding and other related matters? (200 words max)
5. If you could change anything to improve the support provided through the program, what would it be? (200 words max)
6. Are there any other comments you would like to make in relation to the IVAIS program? (200 words max)

4. Environmental Scan

a) Context

Australia's contemporary Indigenous art has been described by art historian Robert Hughes as 'the last great art movement of the 20th Century' and by poet Les Murray as 'Australia's equivalent of jazz'. Through art, Aboriginal and Torres Strait Islander people communicate the ways in which they perceive the world, gain benefits from sharing their unique cultural expressions, and ensure their dynamic cultures are there for future generations.

The Australian Government's support for Aboriginal and Torres Strait Islander artists is delivered in the context of *Closing the Gap*, a national initiative that aims to improve the lives of Aboriginal and Torres Strait Islander peoples in urban, rural and remote areas by improving conditions across health, housing, education, employment, governance and economic participation.

On an international level, support for Indigenous visual art underpins Australia's accession to international treaties such as the *UN Declaration on the Rights of Indigenous Peoples* and the *UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions* that uphold the rights of Indigenous people to revitalise, develop, protect and transmit to future generations traditional knowledge, cultural expressions, customs, histories, languages, oral traditions and philosophies.

Aboriginal and Torres Strait Islander cultures are diverse and dynamic. They are essential to the wellbeing and identity of Aboriginal and Torres Strait Islander peoples, as well as being a vital part of Australia's identity. Culture plays an integral role in sustaining and strengthening Indigenous communities and provides opportunities for Aboriginal and Torres Strait Islander peoples to gain employment, develop professional skills and participate in the nation's economy.

The Australian Government has provided support for remotely located Aboriginal and Torres Strait Islander artists in one form or another since 1971 when it established Aboriginal Arts and Crafts Pty Ltd, to provide outlets for Indigenous art in most state capitals for over 20 years.

In 1973, the Aboriginal Arts Board (AAB) was formed to operate within the then proposed Australia Council (established in 1975). The AAB supported co-operatives in Indigenous communities and, by the 1980s, it was providing these communities with targeted funding to engage arts advisers, accountable to the artists and forming what are now known as art centres.

In 1992, responsibility for funding moved from the Australia Council to the Aboriginal and Torres Strait Islander Commission (ATSIC) which put in place the Arts and Crafts Industry Support Strategy (ACISS), rebadged in 1995 as the National Arts and Crafts Industry Support (NACIS) program. In 2004, NACIS was transferred to the Arts Portfolio and, in 2012, it became the Indigenous Visual Arts Industry Support (IVAIS) program. In 1973, there were an estimated three art centres, growing exponentially to around 100 art centres by 2018.

The program achieves Australian Government objectives by contributing to the Department of Communications and the Arts (DCA) Outcome 2 in the *Portfolio Budget Statements - Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression*.

b) Fine Art Market

Success for art centres in the fine art market is predicated on them maintaining strong and productive connections with a range of Australian and international dealers, commercial galleries, art fairs and auction houses.

The global art market, including primary sales generally through galleries and art fairs, and secondary sales through auction houses, grew to \$63.7 billion (US) in 2017. Across the world, the art business is changing, with a marked reduction in the number of commercial galleries due largely to high rent, high fees levied by the higher-profile art fairs and more art being consumed via social media. There has been a marked increase in the number of art fairs, with an estimated 55 art fairs around the globe in 2000 that has now grown to an estimated 260. In 2017, sales at art fairs globally reached US\$15.5 billion, up 17 per cent from 2016.¹

As with other markets, Australia's fine art market was affected by the 2007 Global Financial Crisis, the then high Australian dollar, changes to requirements for art held in self-managed superannuation funds (SMSF) that commenced on 1 July 2011, and supply versus demand, including the number of available works, and the number of auctions and commercial exhibitions.

Much of the GFC downturn in the market compared sales figures with those achieved in 2007-08, which is now seen as a 'boom time'. In 2007, Australian auction house sales reached a record \$175.6 million. However, since then they have hovered around the \$100-\$110 million per annum mark, with the exception of 2017 when auction house sales totalled \$141.6 million and Australia broke into the top ten international art markets for the first time.

This trend toward art fairs is mirrored in the Indigenous art market. In 2012, regular art fairs included Desert Mob in Alice Springs, established in 1990 to showcase new art from the central desert, and the Darwin Aboriginal Art Fair (DAAF), first held in 2007 with a national scope and coinciding with the National Aboriginal and Torres Strait Islander Art Awards. In its first year, Desert Mob featured work from 12 art centres, growing to over 30 in 2017. In its first year, DAAF featured work by 17 art centres, growing to 67 by 2017.

Soon after the start of the Global Financial Crisis (GFC), two additional regional Indigenous art fairs were established. By 2008 the Western Australian government had introduced Revealed and the following year the Queensland government established the Cairns Indigenous Art Fair through its Backing Indigenous Arts initiative.

In 2015, the Art Gallery of South Australia launched Tarnanthi in Adelaide. In 2017 Blak Markets in Sydney added to its south-east focus by introducing the Heart in the Art program to engage remote art centres and encourage cultural exchange and, by 2018, Carriageworks had introduced the curated South-East Aboriginal Arts Market, also in Sydney.

All of these events feature a market place for art centres and artists to sell their entry to mid-level works at lower price points, and some also provide opportunities to show and sell collectible work at higher price points.

¹ See: <https://www.artsy.net/article/artsy-editorial-art-market-hit-637-billion-2017-key-takeaways-art-basel-report> Artsy for Galleries - Nate Freeman - Mar 13, 2018

c) Tourist market

Australia's Indigenous tourism has an estimated value of \$5.8 billion annually, catering to 910,000 international visitors and 688,000 overnight domestic trips in 2016.² Tourism Australia reports that, for the year ending March 2017, 808,307 international visitors engaged in an Indigenous art or cultural experience, and 236,763 purchased Indigenous art or craft or products.

The demand from tourists for a memento or souvenir of their Australian experience creates an economic opportunity for Aboriginal and Torres Strait Islander artists and designers, which many have taken up. A growing range of Aboriginal and Torres Strait Islander designed or made products are available in retail outlets including giftware, jewellery, stationary, kitchenware and home decor. These products generally include proper acknowledgement of the artists and designers – respecting and protecting their intellectual property.

IVAIS funding is targeted to support the production and marketing of fine art, however art centres are also significant suppliers of authentic products. To gauge the extent to which artists and art centres in remote Indigenous communities are designing, developing and marketing products, information was sought from art centres that are supported through the program. Products were defined as items reproduced in multiples to sell at the lower-price point. These are not artists' unique, one-off original art works that are made for the art market.

Of the 79 art centres approached, 61 responded and 43 of these have products such as giftware, jewellery, cushion covers, clothing, crockery, kitchenware and stationary. These are made at the art centre or through a third party. Of those with products, approximately 70 per cent had products that were 100 per cent made in Australia, while the remainder had a proportion made off-shore. Almost 40 per cent of organisations with products distribute these themselves, and the majority are sold in the Australian market.

Most organisations that have products are interested in continuing or building this aspect of their business. The reasons cited for having products ranged across promotional opportunities, diversifying income, meeting tourist and other demand at a lower price point, skills development for artists and staff, as well as self-sustaining youth engagement activities.

In December 2018, the House of Representatives Standing Committee on Indigenous Affairs reported on the *Impact of Inauthentic art and craft in the style of first Nations people*. Recommendation three was to support art centres to access mainstream souvenir markets. On 13 June 2018, the then Minister for the Arts announced \$150,000 for a trial to test the use of digital labelling on authentic products. Three IVAIS art centres are participating in the trial which is being run by the central desert service organisation, Desart.

d) Social Media

The uptake of social media by art centres during this period has been rapid and widespread. In particular Facebook and Instagram provide mechanisms for remote art centres to instantly transmit and convey images to the world of artists at work, art for sale, daily life, journeys, harvesting and gathering art materials, and other day to day art centre activities. During a period when the traditional commercial gallery footprint has diminished, social media has opened new opportunities and markets for art centres, both domestically and internationally.

² Tourism Research Australia, *International Visitor Survey 2016 and National Visitor Survey 2016*

e) Resale Royalty Right for Visual Artists Scheme

The Resale Royalty Right for Visual Artists Scheme (the Scheme) was introduced in 2010. It entitles visual artists to 5 per cent of the price of eligible artworks resold commercially for \$1,000 or more. The right applies to artworks by living artists, and for 70 years after an artist's death. The right is legislated through the Resale Royalty Right for Visual Artists Act 2009.

Resale royalty applies only to secondary sales, and only when it is a commercial rather than private resale. In Australia, the majority of primary sales are through galleries and the majority of secondary sales through auction houses, with exceptions in each category.

From its commencement in June 2010 to end June 2018, the Scheme generated \$6.3 million in royalties from 17,042 resales of work by 1,621 artists. Of the artists who received a royalty payment, 64 per cent were Aboriginal and Torres Strait Islander people who received 38 per cent of the royalties by value.

The comparatively high volume of eligible resales of Aboriginal and Torres Strait Islander art is due to the business models used by some Indigenous art dealers and wholesalers that buy outright for convenience when dealing with artists in very remote communities, or with transient artists in urban centres such as Alice Springs. The dealers that purchase art outright are contributing to a high volume of resale reporting at the lower to middle sections of the market.

Compared with 2016, some Indigenous art wholesalers are more frequently taking art on consignment from artists rather than buying it outright and incurring a royalty when they on-sell it. However, as shown in Table 1, Indigenous art galleries and wholesalers still account for 56 per cent of all eligible resales.

The drop in the Indigenous wholesale share has been offset by an expected increase in the auction house share. This is because more of the art works being sold through the auction houses are coming onto the market for the second time since the Scheme began and these are more likely to be eligible, pending meeting other Scheme criteria.

Table 2: Eligible resales from various parts of the art market

Art market sector	Sector average (% of sales)	
	2016	2018
Auction Houses	2%	39%
Indigenous art wholesalers*	37%	13%
Indigenous galleries	34%	43%
Commercial galleries reselling non-Indigenous art	15%	5%

*these wholesalers also have their own retail outlet.

5. Program Management

a) Rationale

Australian Indigenous visual art is internationally recognised and sought after for its quality, innovation and cultural richness. The Australian Government has a continuing commitment to support the Indigenous visual arts sector so that it is developed and strengthened for future generations.

The IVAIS program is designed to support activities that enrich the social, cultural and economic life of Indigenous communities and provide opportunities for Aboriginal and Torres Strait Islander people to generate income, gain employment, develop professional skills and participate in the nation's economy, while maintaining a continued connection to country and culture.

b) Outcomes

The outcomes supported by the program are:

- a professional, viable and ethical Indigenous visual arts industry that features strong participation by Aboriginal and Torres Strait Islander people
- the continued exhibition, critique, purchase and collection of Indigenous visual art nationally and internationally.

c) Logic

The organisations funded through the program together form the infrastructure that provides artists with studio space, materials, art development opportunities, marketing and exhibition support, as well as a range of professional support and services for artists, art centre staff and Directors.

Funding is prioritised to achieve outcomes by:

- providing base operational support for Indigenous-owned art centres, arts hubs and industry service organisations that provide professional support to Aboriginal and Torres Strait Islander artists in the production, promotion and marketing of their art
- providing opportunities for Aboriginal and Torres Strait Islander artists to develop, extend, market and generate income from their professional art practice
- providing employment and economic opportunities in the visual arts industry for Aboriginal and Torres Strait Islander people, particularly in remote communities
- providing opportunities for art centre staff, artists and board members to develop professional skills and gain experience
- supporting the delivery of professional services by industry service organisations
- supporting the delivery of regional marketing events.

Funding is delivered to four primary types of organisation including:

- art centres, mostly in remote and very remote locations
- industry service organisations
- art fairs
- arts hubs, mostly in regional or urban locations

Art centres use the funding as a platform from which to generate income from art sales, with many able to leverage further support, including philanthropy, in order to sustain their operations. Most art centres have been funded through the program for many years, with several continuously funded for more than 18 years.

Aboriginal and Torres Strait Islander artists located in urban, regional, remote and very remote locations all contribute to the sector. However, the IVAIS program evolved as a result of a lack of arts infrastructure in remote and very remote communities. Consequently, its levels of support for artists in regional and urban areas is comparatively low as these artists generally have access to mainstream regional and urban visual arts infrastructure.

The IVAIS program is underpinned by the Indigenous Art Centre Plan that provides a co-operative framework for funded organisations and the Government to work towards a professional, strong and ethical Indigenous visual arts industry, including encouraging strong participation by, and employment for, Aboriginal and Torres Strait Islander people. The Plan outlines strategies and actions in relation to visual arts production and marketing. The Plan is available at: <https://www.arts.gov.au/documents/indigenous-art-centre-plan>

Working co-operatively with other agencies and jurisdictions

At ministerial level, the Meeting of Cultural Ministers (MCM) provides a formal forum for co-operation between the Australian Government and other jurisdictions, including across matters relating to Indigenous visual arts.

The IVAIS team also works co-operatively with a range of other agencies and jurisdictions to enhance policy development and program outcomes. This is the case across both Indigenous visual arts and Indigenous affairs more broadly. Inputs include regular liaison with arts colleagues in states and territories, in particular in the Northern Territory, Western Australia, Queensland and South Australia where the majority of the remote visual art activity occurs.

The team liaises regularly with colleagues in the Indigenous affairs area of the National Indigenous Australians Agency, particularly on matters relating to the Community Development (CDP) program and the Indigenous Grants Policy. As needed, if funded organisations have financial or governance issues, the team works with the Office for the Registrar of Indigenous Corporations (ORIC).

Aboriginal and Torres Strait Islander stakeholder engagement

Building productive and long term relationships with representatives from funded organisations has been a fundamental component of program delivery. Each funded organisation has a contact person within the IVAIS team. In addition, team members attend annual industry events where possible, including art centre managers' conferences and art fairs. These often include presentations or one-on-one meetings with art centre and service organisation staff, artists and Directors.

d) Inputs – Program Administration

Funding is primarily delivered through targeted allocation to organisations that best contribute to achieving the program objectives and have a history of high-level performance, with priority given to organisations that have received IVAIS funding previously. Prior to the end of the financial year, the IVAIS team conducts a desk-top assessment of the reporting from each lapsing organisation, and each is invited to an end-of-cycle discussion.

In 2015-16, the rules around arts worker funding were relaxed to give funded organisations more flexibility in designing a staff structure to suit their business needs, and to accommodate cultural and other commitments of Aboriginal and Torres Strait Islander employees. Funded organisations can offer full-time, part-time or casual positions, or higher salary levels to higher-performing, more

experienced arts workers. Around 8-10 per cent of arts worker funding is required to be allocated to training and professional development activities.

Funding recipients are required to abide by the National Employment Standards (NES) in relation to wages, and provision for on-costs such as superannuation, workers compensation and leave entitlements.³

On the basis of these conversations and ongoing reporting, the Department makes funding recommendations to the Minister for the Arts, or the Minister's delegate, who then makes the final funding decision based on this advice and in the context of the total available program budget.

Prior to receiving funding, recipient organisations must demonstrate their continuing stability and capacity by providing a strategic plan, budget and staffing structure to cover the funding period.

On occasion, one-off funding is available to meet a specific policy outcome or an urgent or specialised need. Proposals can be submitted by organisations at any time and will be assessed individually on a value for money basis against the objectives and eligibility criteria, and within the available program budget.

Funded organisations are required to enter into a funding agreement with the Australian Government. The funding agreement sets out the nature of the relationship between the organisation and the Australian Government. The Department determines the duration of the contract based on the organisation's past performance, delivery against contract milestones, financial viability and administrative stability. There is a commitment to providing stability for funded organisations where possible, therefore a high proportion of IVAIS funding is committed through multi-year contracts.

The funding agreement includes a payment schedule, usually on a six-monthly basis. The first milestone payment is processed once the Department has received and accepted reports, strategic plans and budgets as set out in the funding agreement. Payments are not processed in cases where the recipient has a breach or overdue acquittal relating to previous funding.

Findings of internal IVAIS program audit

In 2018, the Department engaged RSM Australia (RSM) to undertake an internal audit of the eligibility requirements and payments of grants. The audit objective was to provide assurance over the design and operational effectiveness of internal controls of two Indigenous programs, including the 2016-17 IVAIS program, using a 10 per cent sample size.

The audit found that the overall the design and operation of the internal controls regarding the eligibility requirements and payments were robust, with one area of improvement noted for IVAIS. This was the need to develop a procedures manual for the program to outline the internal roles and responsibilities and the activities undertaken by the program team. A procedures manual was subsequently developed.

The audit noted that the program is considered to be well managed and incorporates a number of better practice initiatives that would benefit all funding programs that included:

- Level of engagement with industry stakeholders
- Quality of risk assessments and risk management undertaken at the start of the programs

³ See: www.fairwork.gov.au/employee-entitlements/national-employment-standards

- Financial analysis training for non-accountants
- Mid cycle performance reviews conducted at the midpoint of a multi-year funding agreement.

e) Outputs - Monitoring and Evaluation

Funding recipients are required to report twice each year through the Department's grant management system, SmartyGrants. A range of quantitative and qualitative data is captured through these reports. Organisations are also required to provide annual independent audits showing their financial situation. Much of the program evaluation material in this report has been drawn from 2017-18 SmartyGrants reporting by funded organisations.

Although each funded organisation is considered to be low-risk, annual audits are still required due to potential operational fluctuations caused by the high reliance on art sales and the relatively high turn-over of non-Indigenous art centre staff due to the challenges of working in remote communities.

Key Performance Indicators

To help assess trends and determine program outcomes, the following KPI information is collected from funded organisations through SmartyGrants:

- number of Aboriginal and Torres Strait Islander
 - artists engaged in professional art practice
 - artists provided with visual art services
 - people employed
- value of art sales
- demonstrated participation in exhibitions and marketing events
- demonstrated provision of professional development and training opportunities for artists, staff and board members
- demonstrated financial viability and administrative stability.

2017-18 Program Evaluation

PROGRAM OUTCOME 1

A professional, viable and ethical Indigenous visual arts industry that features strong participation and provides economic opportunities for Aboriginal and Torres Strait Islander people.

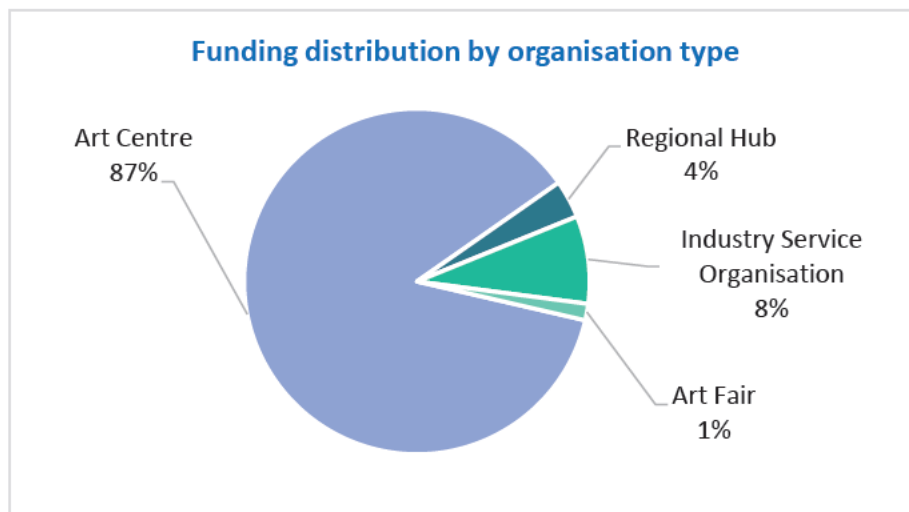
a) Overview

In 2017-18, \$20.542 million (ex GST) was delivered through the program to 91 organisations nationally. Funding of \$11.55 million (ex GST) supported core operations and \$9 million (ex GST) supported the employment by art centres of full-time and part-time Indigenous arts workers, as well as a varying number of casual arts workers.

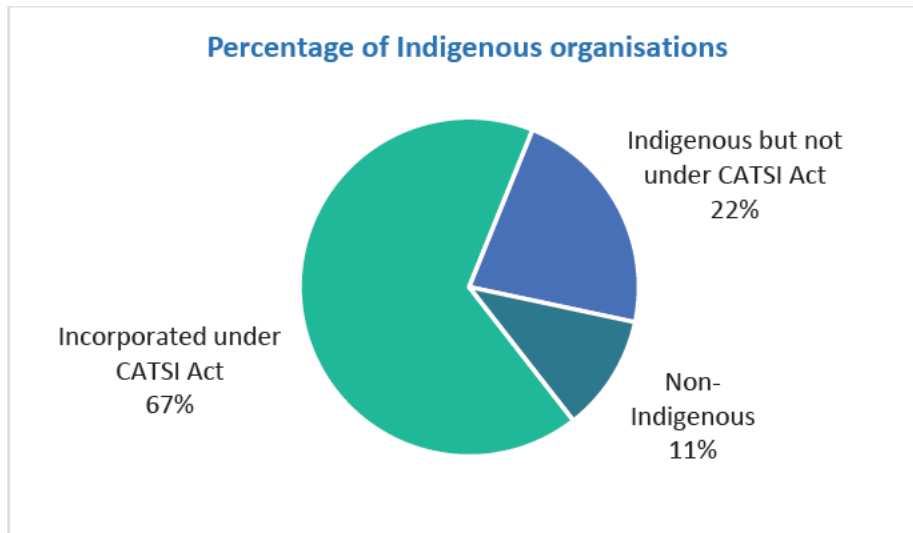
Together the 91 funded organisations:

- provided professional opportunities to around 6,000 Aboriginal and Torres Strait Islander artists
- participated in over 800 exhibitions and events nationally and internationally
- achieved \$28 million in art sales
- employed 366 Aboriginal and Torres Strait Islander people, amounting to 64 per cent of all employees
- contributed around \$70 million to the Australian economy.

The proportional break down of funding to each of the four types of funded organisations including art centres, regional arts hubs, service organisations and art fairs is provided below.

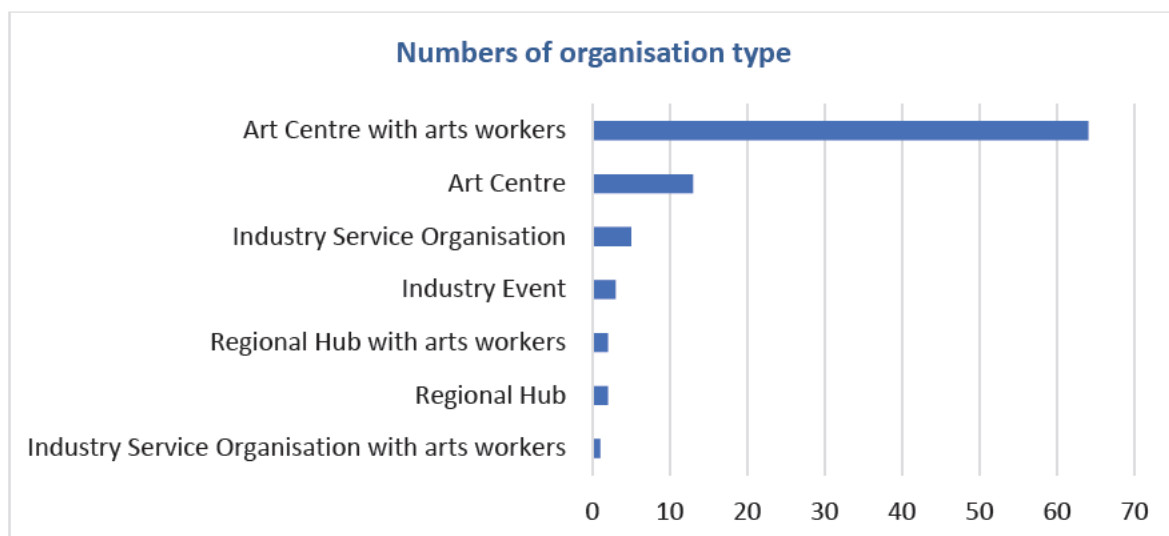


Of the 91 organisations funded through the program, 89 per cent are Indigenous owned and governed, with 67 per cent of all funded organisations incorporated under the Commonwealth administered *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act).



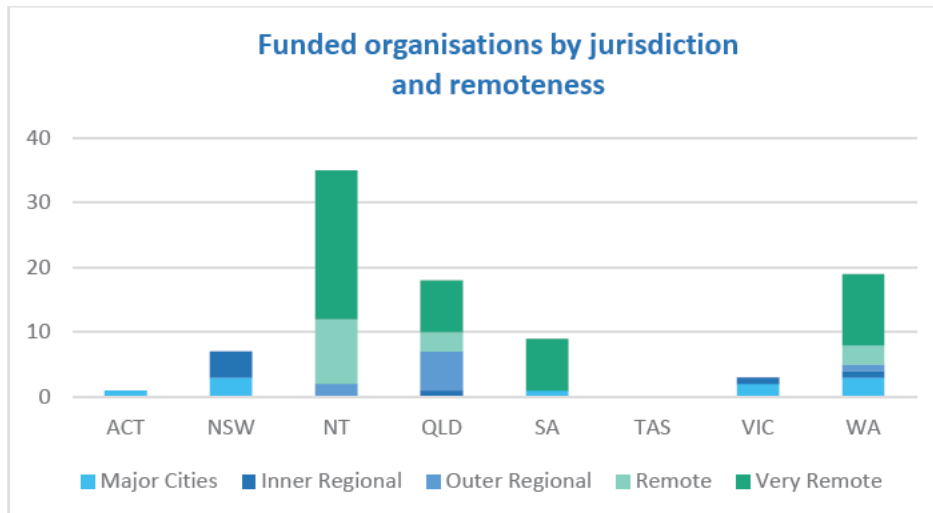
IVAIS support for Indigenous organisations compares favourably when compared with the Australian Government's primary Indigenous funding program, the Indigenous Advancement Strategy (IAS). In February 2018, it was estimated that just over 50 per cent of IAS funded organisations were Indigenous owned.⁴

Of the IVAIS funded Indigenous organisations, 56 percent are located in very remote Aboriginal or Torres Strait Islander communities, and a further 17 per cent in remote communities, and support is primarily delivered through remote art centres.



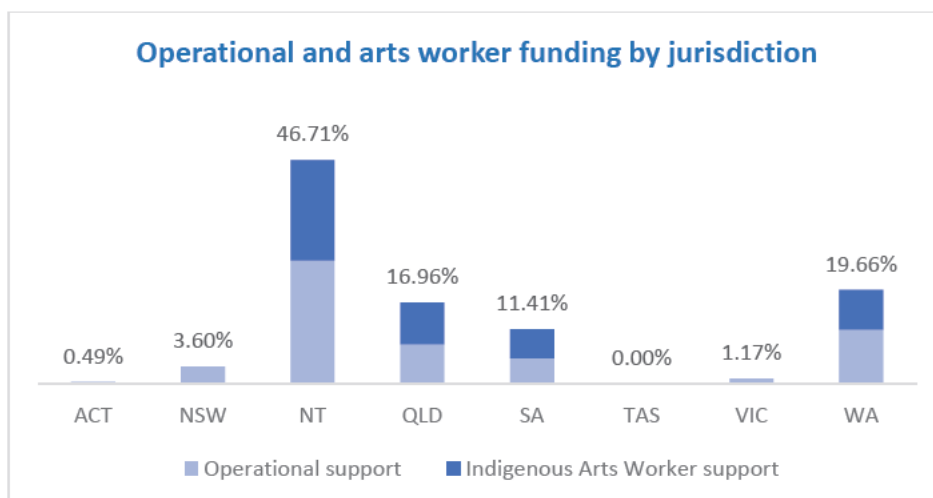
The geographical funding mix reflects the program's history and focus, as well as the primary locations where significant professional art activity occurs. A map showing 2017-18 IVAIS funded organisations, including information on remoteness, is at **Attachment A**.

⁴ See: <https://ministers.pmc.gov.au/scullion/2018/coalition-unveils-new-indigenous-grants-policy>



The largest component of IVAIS funding is delivered to the Northern Territory where the art centre movement first began, and where 78 per cent of the jurisdiction's Indigenous population live in remote and very remote areas. The second largest component is delivered to Western Australia which has the third largest Indigenous population, with around 38 per cent of these people living in remote and very remote areas.

The third largest component is to Queensland which has the second largest Indigenous population, with around 17 per cent living in remote and very remote locations. While NSW has the highest Indigenous population, only around 4 per cent live in remote or very remote locations.⁵



⁵ See:

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/2075.0Main+Features202016?OpenDocument>

b) Art centres

Some of Australia's most dynamic and critically acclaimed visual art is produced in art centres that enable Aboriginal and Torres Strait Islander people to maintain and develop professional arts practice, develop skills, sustain and transmit their unique cultures, take-up leadership roles and be part of Australia's internationally-renowned Indigenous visual arts movement.

Art centres are usually at the heart of community life, and are central to the cohesiveness and social and economic wellbeing of remote communities. Most art centres and artists subsidise other services for their communities such as food and nutrition programs, numeracy and literacy programs, training and employment support, leadership and youth services and after school holiday programs, as well as facilitating access to government services.

A typical Indigenous art centre:

- is located in a remote or very remote community
- is incorporated under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*
- is governed by a Board of Aboriginal and Torres Strait Islander directors
- engages an external art centre manager to run the organisation
- provides a studio and materials for artists to make art
- provides a range of professional support to artists including cataloguing, promoting and selling art
- engages local Indigenous arts workers to assist with running the organisation
- is a community hub.

There are exceptions to this. Some art centres are incorporated under different legislation. In other cases, the governance of an art centre is through a local Indigenous Corporation or Shire. There are also a small number of instances where artists elect to make their work elsewhere, and in these cases the art centre does not have a studio but performs all other art centre activities.

IVAIS funding provides a platform from which art centres can build their business. A higher-performing art centre will generally have more senior artists, and will build a significant professional art practice through exhibitions, connections to the market, and critical acclaim. It is likely to enhance its artists' development further by funding a studio manager position from its art sales, and it will also have high-quality governance and financial management. A lower performing art centre is one that may struggle to support a cohort of senior artists and which is currently facing challenges when trying to attract and support artists, develop up its arts practice and connect with the market.

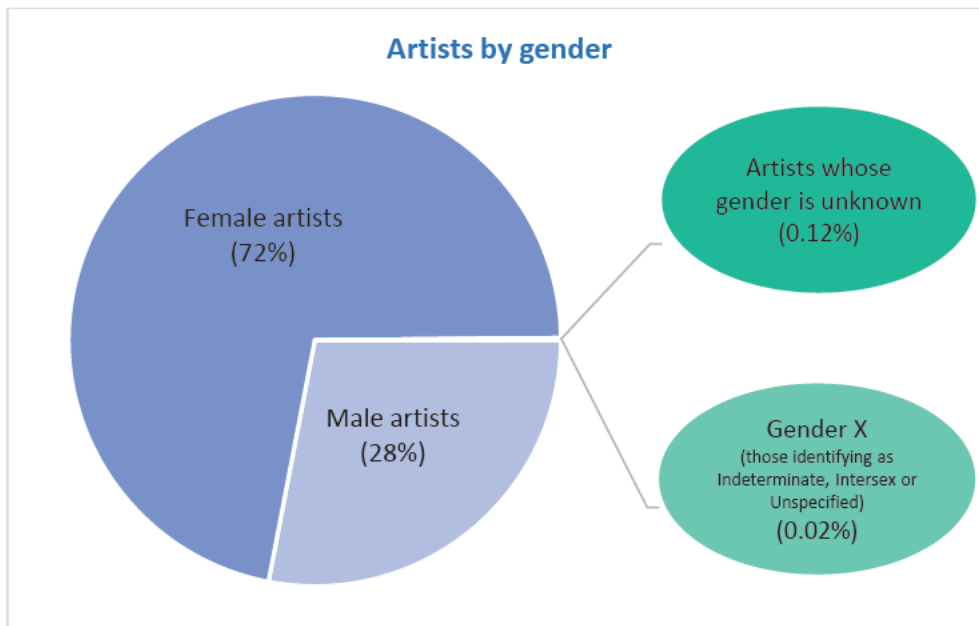
Running a small enterprise in a remote community is an extremely challenging task, and no other sector has achieved the success in this space that the visual arts sector has achieved through the network of community owned art centres. Art centres are highly valued by community members, and the demand for funding to create new art centres is consistently high.

Art centre stability is illustrated in the funding mix. Of the 90 organisations funded in 2008-09, 67 or 75 per cent were still funded in 2017-18. This means that, for the past decade, these organisations have consistently delivered IVAIS outcomes, including arts development, engagement with the art market, a high level of participation by Aboriginal and Torres Strait Islander people, and managing financial, administrative and governance requirements.

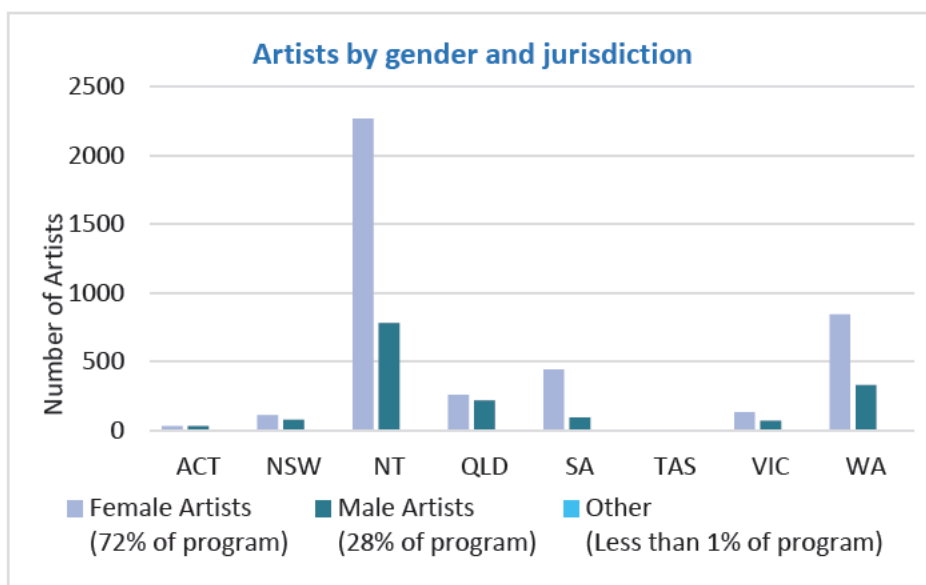
The stability and longevity of most of the art centres shows that the collectively owned art centre, governed by Indigenous Directors, is a viable model for giving Aboriginal and Torres Strait Islander people access to leadership roles as well as professional, cultural, social and economic opportunities. It is also a viable model for helping to sustain small communities that may otherwise be wholly dependent on government benefits and services.

Artists

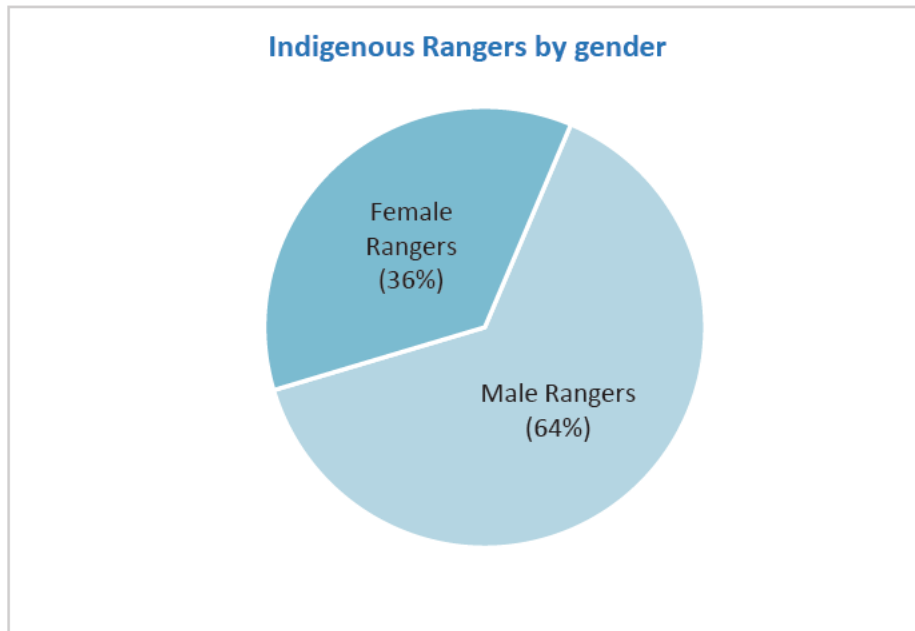
As noted, around 6000 artists were supported by organisations funded through the program, with a higher proportion of female artists (72 per cent).



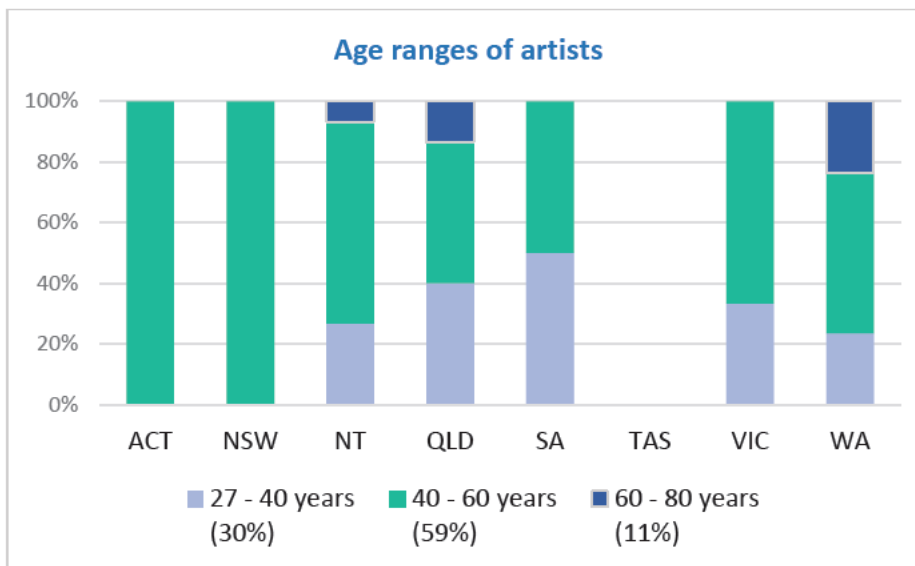
There are a number of factors that contribute to this gender differential. Many art centres evolved out of women’s centres, and still provide safe places for women to work. In addition, in many cases women and men need to work separately and some smaller art centres do not have the capacity to provide a separate studio space for men.



Men may also choose to take on other types of activities. For example, data for 2014-15 shows that men were twice as likely than women to be employed through the 2000 strong Indigenous Rangers Program.⁶



The dominant age group of artists working at art centres is in the 40-60 year bracket. That 11 per cent are in the 60-80 year age bracket is significant given that this is a time in life where most people living in urban centres will have retired. For artists, the later years can be the most active and critically successful.

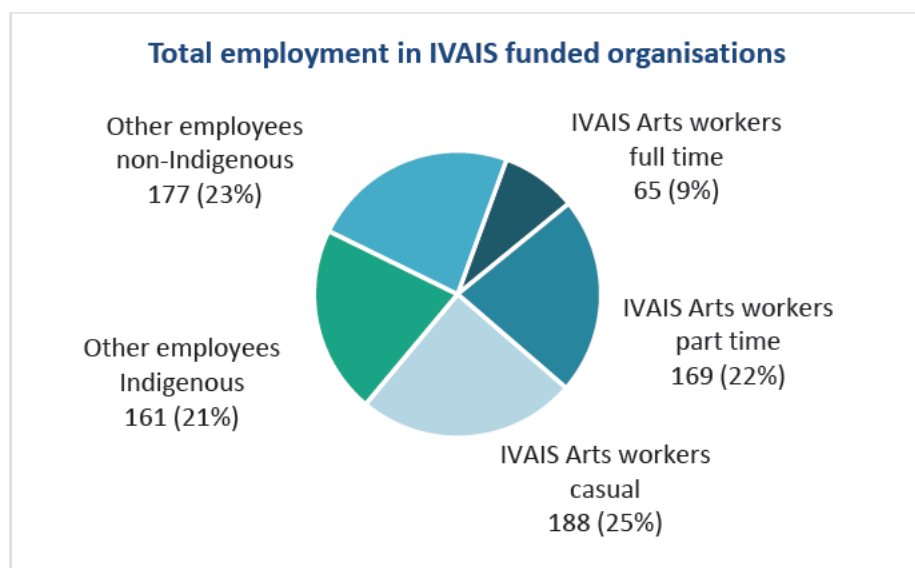


⁶ <https://www.pmc.gov.au/sites/default/files/publications/2014-15-WOC-IPA-Reporting-back.pdf>

Employment in IVAIS funded organisations

The evaluation found that the program is delivering against the program Outcome 1 in relation to featuring strong participation and providing economic opportunities for Aboriginal and Torres Strait Islander people. This is done in three ways – by providing professional opportunities for artists to make and sell their work, by providing opportunities for Indigenous Directors to take leadership positions in their art centre, and by providing employment opportunities.

IVAIS funded organisations, including those that deliver additional non-visual arts activities such as Shires and Councils, employed 760 people in full-time, part-time and casual positions, including 583 Aboriginal and Torres Strait Islander people, amounting to 76 per cent of all employees. By comparison, the *Commonwealth Aboriginal and Torres Strait Islander Employment Strategy 2015-2018* has set a target of 3 per cent Indigenous employment in the Australian Public Service.



Funded Indigenous arts worker employment

Since 2015-16, the program has provided funding to art centres for the employment of Indigenous arts workers who assist with the day to day running of the centre. This funding evolved out of the Government's Community Development Employment Projects (CDEP) which enabled Indigenous communities or organisations to pool the unemployment benefits of individuals into direct wages for people to participate in community development or organisation programs.

In 2008, the Council of Australian Governments (COAG) formed the National Partnership Agreement on Indigenous Economic Participation to support meeting the Closing the Gap employment target.⁷ This included the transition of CDEP to real jobs for people in remote communities. From 2010-11, funding was appropriated to the then Department of Environment, Water Heritage and the Arts to support arts, culture, language and broadcasting jobs.

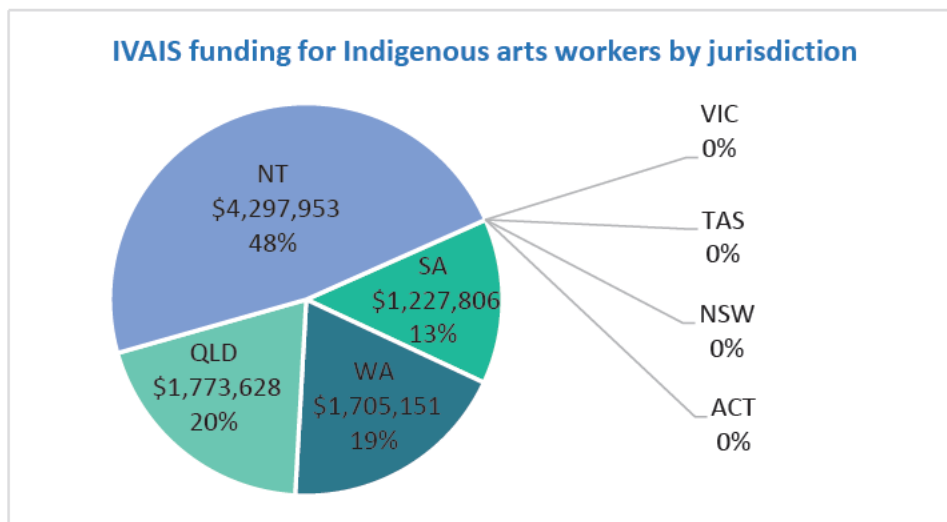
Following a 2015-16 streamlining of programs within the Arts Portfolio, funding for arts worker positions in art centres was moved into the IVAIS program, so that funding to each organisation for operations and arts workers could be administered through a single funding agreement, with a single set of reporting provided to the IVAIS team.

⁷ See: http://www.federalfinancialrelations.gov.au/content/npa/skills/national-partnership/past/economic_participation_NP.pdf

Arts workers typically support the day-to-day functions of an art centre including, but not limited to, administrative assistance, studio technical assistance, artist support, art centre maintenance and community liaison.

Demand from art centres for funding for arts worker positions is consistently high. Art worker retention rates are also high as art centres are usually a preferred place of employment in remote communities. Many IVAIS funded arts workers are now long-term employees who hold significant corporate knowledge about their art centre's operations. This is particularly important as it provides stability in the context of a comparatively high-turnover of non-Indigenous art centre employees.

There are still barriers that preclude arts workers from stepping into the art centre manager role. This includes lack of education, limited English and writing skills, balancing cultural, family and other obligations with work, and family obligations that can impact on decisions that involve money.



Indigenous arts worker comparison with the Community Development Program (CDP)

As part of the evaluation, a comparison was made between the IVAIS arts worker component and the Australian Government's Community Development Program (CDP) for regional and remote job seekers. The comparison found that, compared with the CDP program, the delivery of arts worker funding through the IVAIS program:

- is more efficient and cost-effective
- provides increased returns to employees
- provides more benefits to both employers and employees.

There are around 35,000 CDP participants in Australia, and 83% are Indigenous. As a condition of income support, remote area job seekers in 2017-18 needed to engage in 20-25 hours of work for the dole, five days a week. In 2017, the National Audit Office reported that the estimated cost of delivering CDP employment services was \$10,494 per job seeker per annum.⁸

⁸ See: Chapter 3, Table 3.1, <https://www.anao.gov.au/work/performance-audit/design-and-implementation-community-development-programme>

Through IVAIS, administration fees are capped at 10 per cent. For a part-time arts worker who would also be working around 20-25 hours per week, the maximum administration fee is \$3,500 per annum.

Table 3 below shows the comparative breakdown of funding for arts workers and job seekers, using the assumptions that the IVAIS funded organisation would use the maximum allowable 10 per cent administration allocation, the minimum 8 per cent training allocation, and the required superannuation and leave entitlements.

Table 3: Breakdown of expenditure per CDP participant and part-time arts worker

	Admin \$ per capita	Wage/entitlement	Superannuation (9.5%), training (8%), annual & LSL	Total
CDP	\$10,494	\$13,026	Nil	\$23,520
IVAIS arts worker	\$3,500	\$22,875	\$8,625	\$35,000

- The administration costs to support a CDP job seeker were three times higher than for an IVAIS arts worker.

The cost to Government of supporting an arts worker job is \$11,480 per annum higher than supporting a CDP job seeker. Arguably, the following benefits for Aboriginal and Torres Strait Islander arts workers outweigh this additional cost per capita:

- IVAIS arts workers receive the minimum wage⁹ (\$22,716 p.a. for 25 hours a week plus leave and superannuation entitlements)
- 90 per cent of the Government's investment per arts worker goes to the arts worker, either directly as wages or indirectly through training, superannuation and leave entitlements, compared with 55.4 per cent going to each job seeker under CDP
- arts workers receive training, leave and superannuation entitlements that respectively develop their capacity, support work-life balance and provide them with modest income post-retirement
- arts workers do meaningful and important work, and are integral to the operations of their community-owned art centre
- arts worker employment stability means that investment in training reaps long-term benefits for both employers and employees.

c) Service Organisations

The IVAIS program funds seven service organisations to deliver essential professional support and services to artists, art centre staff and art centre directors in an estimated 90 per cent of all remote Indigenous art centres, with support provided to over 6000 artists in the Northern Territory, Queensland, South Australia and Western Australia.

⁹ See: <https://www.fairwork.gov.au/how-we-will-help/templates-and-guides/fact-sheets/minimum-workplace-entitlements/minimum-wages>

Each of the five regional service organisations provided services tailored to meet regional needs, however, all delivered the following core services to varying degrees:

- providing art and market development opportunities for artists
- increasing economic opportunities for artists and arts workers
- providing professional development and training for artists, board directors and staff
- promoting best practice management of art centres
- assisting with recruitment and other staffing matters
- advocating on behalf of artists and art centres.

Funding was also provided to two national service organisations – the Indigenous Art Code to guide ethical art dealing, and the Arts Law Centre of Australia to provide a free legal service for Aboriginal and Torres Strait Islander Artists through its *Artists in the Black* Program.

Funding this group of organisations has been an effective way to ensure that a large number of artists, many with limited numeracy, literacy and English skills, working in very challenging conditions and mostly in remote locations, have received tailored and targeted support to help them to develop and sustain a professional art practice, achieve critical recognition and connect to the national and international art market. It has also contributed to building the capacity of Indigenous-owned organisations and played a vital role ensuring the sector's stability and sustainability, as well as supporting cultural, professional and economic opportunities.

Aboriginal Art Centre Hub WA (AACHWA)

Established in 2009, AACHWA is the peak advocacy and resource agency for eight Aboriginal art centres servicing 32 communities and over 450 artists in Western Australia. Its primary objective is to work in partnership with art centres to determine pathways for sustainable growth and stability. It is driven by a strong Aboriginal-majority Board which ensures key decisions and strategic directions are progressed in relevant and culturally appropriate ways

Ananguku Arts (Ku Arts)

Established in 1998, Ku Arts is the service organisation for two Anangu-owned art centres in the Anangu Pitjantjatjara Yankunytjatjara Lands (APY) Lands in South Australia, and other Aboriginal artists state-wide. It provides professional development and training for Aboriginal artists and arts workers, recruitment assistance for member art centres, and has a marketing and advocacy role.

Arnhem, Northern and Kimberley Artists (ANKA)

Established in 1987, ANKA is the peak advocacy and support agency for Aboriginal artists working through remote art centres across four regions including: Arnhem Land, Darwin/Katherine, the Kimberley and Tiwi Islands. A primary function of ANKA is to protect the rights of artists and promote ethical business practice. ANKA represents up to 5,000 artists from 48 art centres, across a one million square km area. Since 2011, it has provided tailored specialist training to arts workers, first through its Arts Worker Extension Program (AWEP) and, from 2014, through its AWEP Graduate Program. In partnership with the Grimwade Centre of Cultural Materials Conservation at the University of Melbourne, ANKA developed an accredited undergraduate university level pilot program for AWEP graduates. Launched in 2018, graduates obtain a Specialist Certificate in Cross Cultural Conservation and Heritage.

Desart

Established in 1992, Desart is the association of central Australian Aboriginal arts and craft centres and has 40 member art centres. Desart functions to support and strengthen the businesses operations (financial, human, physical infrastructure) of its members. Through Desart, members can expand their capacity to remain autonomous, sustainable Aboriginal businesses by collectively marketing and promoting their art and crafts locally, nationally and internationally. Desart provides services to members across a 1.22 million square km area.

The Desart Arts Worker Program offers Indigenous art workers a customised program that includes accredited training, as well as non-accredited training in photography, use of the SAM database, curatorial workshops, opportunity for industry engagement and career pathway support. The accredited training has been designed and delivered in partnership with the Batchelor Institute, Alice Springs. Graduates obtain a Certificate 1 in Skills for Vocational Pathways or a Certificate 1 Access to Vocational Pathways.

In addition to providing core services, Desart performs an essential additional national function through its development and oversight of *Stories Art Money (SAM)*, the web-based artist and art sales cataloguing and management system licensed to over 90 art centres across Australia. As well as being a business tool for managing artists, provenance of artworks and sales, SAM provides a standardised way for the sector to capture data and information. With the agreement of the relevant data owners, this can be used by each art centre to identify trends and issues for their business, or aggregated to identify regional or sector-wide trends.

Stories Art Money - SAM

Rapidly evolving digital technologies are enabling Aboriginal and Torres Strait Islander people to find solutions to problems that are unique to remote communities, primarily by providing unprecedented access to markets, consumers, data retention, professional networks, supporters and service providers.

Stories Art Money (SAM) is a national, web-based arts sales and cataloguing system, commissioned in 2010-11 by Desart, the peak body for central Australian art centres, with funding across four years through the IVAIS Program. SAM is used by over 90 Indigenous-owned art centres, most in remote communities across Australia, and has become an essential tool for the industry.

SAM is a fully integrated system that holds information and images of catalogued art works, artist's biographies, and authenticity certificates, and can be linked to the art centre's website for e-sales and online purchases using PayPal. It provides stock management control and communicates with the organisation's finance function through MYOB or QuickBooks.

SAM can also be used offsite to manage sales at art fairs, galleries and exhibitions. It caters for multiple users in any location with internet connection and has state-of-the-art black box technology that allows data to be saved and uploaded later if internet connection is lost, or if there is a power blackout (commonplace in remote communities). It can print barcodes for products, provide access to Indigenous Art Code certificates and can upload a photo from an iPad.

In 2017-18, additional funding was provided through the IVAIS program for Desart to trial a further augmentation - the use of digital labelling through SAM for art centre products.

Indigenous Art Centre Alliance (IACA)

Established in 2011, IACA provides services tailored to meet the needs of 14 Aboriginal and Torres Strait Islander art centres in Far North Queensland. This includes professional development and training for artists, board members and staff, advocacy, business management and marketing assistance for art centres, and support for Indigenous arts workers.

Indigenous Art Code

The Indigenous Art Code (the Code) was established by the Australian Government in late 2009 in response to a 2007 Senate Inquiry into the Indigenous visual arts sector, which raised concerns about the exploitation of Aboriginal and Torres Strait Islander artists by fine art dealers.

Since that time, the Code has raised awareness of the issues and guided ethical dealing. Specifically it administers the voluntary Indigenous Art Code, educates artists about their rights, raises consumer awareness about buying ethically, and encourages dealers to treat artists fairly. In addition, the Code has a role in referring relevant complaints to other entities, including the Australian Competition and Consumer Commission (ACCC) and the Arts Law Centre of Australia.

In 2018, the Meeting of Cultural Ministers (MCM) agreed to provide additional funding to the Code over three years to allow it to more effectively address issues around ethical dealing and authenticity. From 1 July 2019, an additional \$150,000 (ex GST) per annum will be provided to the Code to augment its existing funding of \$200,000 per annum through the IVAIS program. New funding includes a combined state and territory contribution of \$75,000 and an additional \$75,000 per annum through the IVAIS program.

Arts Law Centre of Australia – Artists in the Black

The Arts Law Centre of Australia is an independent, not-for-profit national community legal centre for the arts. It provides specialised legal advice, education and resources to Australian artists and arts organisations on a range of arts related matters. Arts Law's *Artists in the Black* program, funded through IVAIS and by the Attorney-General's Department, delivers targeted free or low cost services to Aboriginal and Torres Strait Islander artists nationally.

In 2017-18, it delivered educational seminars to 291 Aboriginal and Torres Strait Islander artists, provided will-writing and other outreach services to around 350 artists, provided 78 document review services, made 49 pro-bono referrals for art centres and artists and brokered nine Adopt-a-Lawyer partnerships between art centres and law firms.

d) Arts Hubs

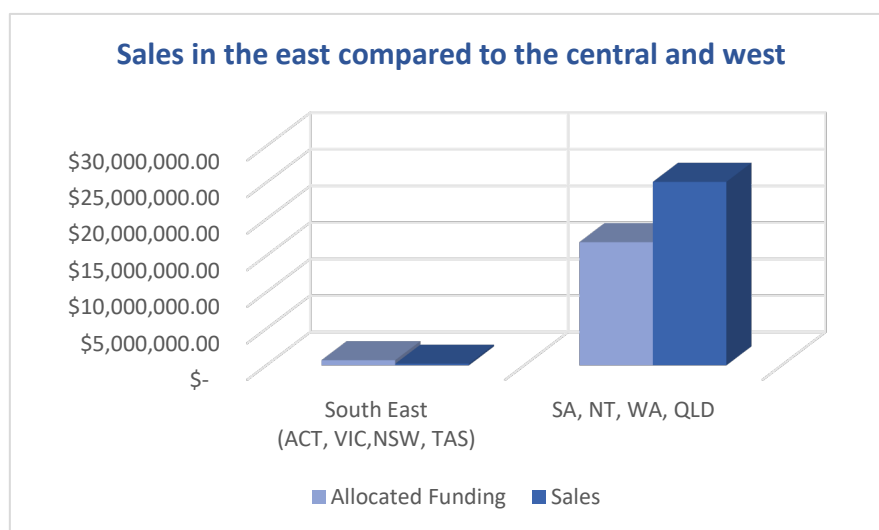
A typical arts hub:

- is located in a regional, urban or metropolitan area, most often in the south-east
- provides a range of professional support for artists in the region, including through exhibitions and workshops
- has a gallery, primarily to showcase art from the region
- is likely to be in an area where there is no Indigenous visual arts service organisation.

Arts hubs can be incorporated in a variety of ways, and may or may not be Indigenous-governed.

As noted, IVAIS' primary focus has been to provide the infrastructure necessary to support artists in remote and very remote areas that do not have access to Australia's regional and urban visual arts infrastructure. However, IVAIS funding supports eight art activities in the ACT (1), NSW (4) and Victoria (3). This does not include funding to the Sydney-based Indigenous Art Code and Arts Law Centre as they deliver services nationally. The engagement of these organisations with the broader Indigenous visual arts sector, including attendance art fairs and other high profile events, has been more ad-hoc than in the states and territories with sectors that have been established for a longer time. In addition, the art practice and exhibitions associated with some of these organisations is generally of local or regional significance, rather than national or international.

In line with this, engagement with the commercial art market has also been more limited. Approximately 4.2 per cent of 2017-18 IVAIS funding to art centres and arts hubs was provided to organisations in the south-east region that had combined sales income of \$224,000 or 0.8 per cent of overall sales income earned by all IVAIS funded art centres and hubs.



Given the high-level of professional practice in other jurisdictions, there may be an opportunity for further development of Indigenous visual arts practice in the south-east that uses existing visual arts infrastructure strategically. However, there will be challenges in doing this within current program resourcing, including that it can only be achieved by reducing funding to existing organisations.

Lifting the level of the activity in the south-east would require concerted and sustained support and investment from all levels of government. Queensland's *Backing Indigenous Arts* (BIA) initiative demonstrates this. Launched in 2007, BIA aims to build a more sustainable and ethical Indigenous arts industry in Far North Queensland. The 2011 Evaluation of the first two years of BIA notes that:

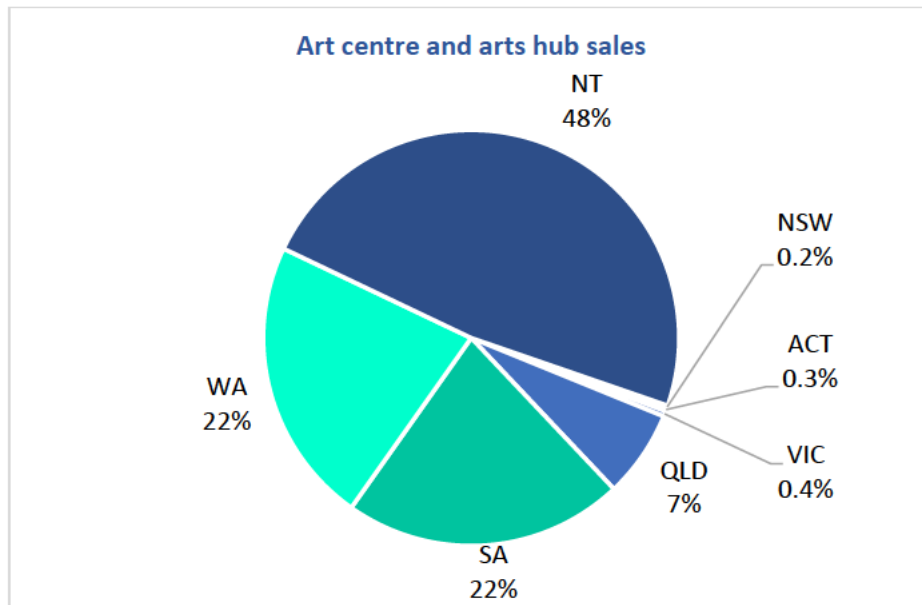
The key strength of the BIA initiative has been the 'whole of ecology' approach to developing a sustainable Aboriginal and Torres Strait Islander arts industry in Queensland. The only program of its kind in the country, BIA has succeeded through strong, co-ordinated action from all levels of government, and the delivery of a suite of projects across the arts, economic development, environment, tourism, health, education and training portfolios.

With one exception, all Queensland-based IVAIS funded art centres, as well as the Cairns Indigenous Art Fair and IACA, are funded by both Arts Queensland and the Australian Government.

PROGRAM OUTCOME 2

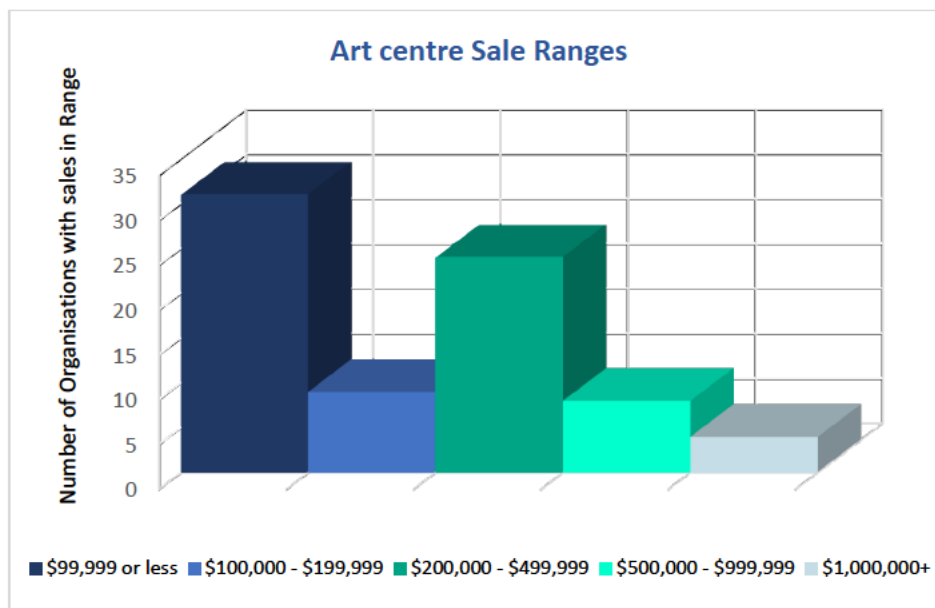
The continued production, exhibition, critique, purchase and collection of Indigenous visual art.

In 2017-18, funded organisations achieved \$28 million in primary art sales, with work by their artists included in over 800 exhibitions and events, ranging from lower-profile exhibitions and events in local communities, to exhibitions in regional centres, capital cities and internationally. Most funded organisations also participated in one or more of the regional art fairs.



Together, these organisations directly contributed around \$70 million to the Australian economy.

Four art centres achieved annual sales of over a million dollars, with one just tipping over \$3 million. The greatest proportion of art centres had sales of under \$100,000, with 31 organisations in this category. A further 24 achieved sales of between \$200,000 and \$500,000.



All art centres routinely organise for their artists to participate in group and solo exhibitions in both commercial and non-commercial galleries, as well as art fairs, both in Australia and overseas. Some art centre exhibition highlights from 2017-18 are provided below.

Art Centre Exhibition Highlights

Colleen Morton awarded a gold medal for her paintings at the Florence Biennial 2017, Florence, Italy - Artists of Ampilatwatja Aboriginal Corporation, NT

Napuwari Marawili awarded NATSIAA Best Bark, featured in *Marking the Infinite, Contemporary Women Artists from Aboriginal Australia*, Washington, United States. Nypanyapa Yunupingu featured at Roslyn Oxley9, Hong Kong Art Basel, China - Buku-Larrnggay Mulka Centre, NT

Tjungu Palya and Tjala artists featured in *Don't Forget to Sing* at ArtKelch, Freiburg, Germany. Kuwaritja group exhibition at Redot Fine Art, Singapore - Tjungu Palya, SA

Sea-HER-Land, Benalla Regional Art Gallery – Baluk Arts, Vic

Kitty Napanangka Simon sell out exhibition. Nungarrayi Hargraves (Lily) and other past Lajamanu artists featured in *Brazil: O Tempo Dos Sonhos – Out of the Dreaming: Contemporary Aboriginal Art*, Recife, Brazil - Warnayaka Art – NT

Artists featured in *WAu!*, a group exhibition at Rovaniemi Art Museum, Lapland, Finland - Warlayirti Artists, WA

International exposure from the Oceanographic Museum of Monaco exhibition led to other exhibitions in Geneva, Paris and Switzerland - Erub Arts, Torres Strait Islands

Artists featured in the *Art Naif Festiwal*, Katowice, Poland - Barkly Regional Arts, NT

Pujiman toured by WA Art on the Move, culmination of two-year collaboration between Martumili Artists and Spinifex Hill Artists, – Spinifex Hill Artists and Martumili Artists, WA

Glass works by Karen Rogers and Norman Wilfred in a month-long residency at the Canberra Glassworks and showcases in the resulting exhibition in *Genius Loci* - Ngukurr Arts, NT

Because of her we can, Northern Rivers Community Gallery - Arts Northern Rivers, NSW

Darwin Aboriginal Art Fair, *IATSIS art market* Canberra, *Tarnanthi* Adelaide, *Blak Markets* Sydney *Desert Mob* Alice Springs - record number of sales - Warlukurlangu Artists, NT

Yarrenyty Arltere Artists in the *Sydney Biennale*. Sally Mulda sell out exhibition at Edwina Corlette Gallery, Brisbane. Artbank commissioned installation at Carriageworks - Tangentyere Artists - NT

Peter Mungkuri awarded Hadley Art Prize, Alec Baker awarded Muswellbrook Art Prize, Kaylene Whiskey awarded Sulman Prize, Vincent Namatjira awarded Highly Commended in the Archibald Prize. Kunmanara (Jimmy) Pompey solo exhibition, APY Gallery, Sydney - Iwantja Arts, SA

Artists worked with the Cairns Festival team to animate their work for *City Lights Resonance*, projected onto Cairns buildings during the Cairns Festival - Yarrabah Arts and Cultural Centre, Qld

Artists featured in the *Jimmy Little Gathering*, Bathurst – Arts Out West, NSW

Artists presented the *Halls Creek Outdoor Art and Culture Project* to revitalise the townscape and express cultural diversity, East Kimberley - Yarliyil Art Centre, WA

e) Art Fairs

An art fair is a regional or national marketing event to which galleries, other art businesses and individual artists come to promote and sell their art. Each art fair has a different focus with some featuring works at high price points by world renowned artists, and others feature mid-career or emerging artists.

In the Indigenous visual arts context, an art fair is more likely to primarily feature recent work, by emerging and mid-career artists at low to mid-price points. Work by more senior artists at higher price points is more likely to be provided by the art centre to a commercial gallery for exhibition and sale, and for building an artist's reputation. One Indigenous art fair also includes commercial gallery representation and work by individual artists and designers.

In 2017-18, four art fairs were supported through the IVAIS program and together these events hosted 72,620 visitors, achieved \$5.035 million in art sales, and featured work by 973 artists.

Cairns Indigenous Art Fair (Cairns Qld)

Established in 2009, CIAF provides an ethical art market and a platform for cultural exchange and economic opportunity for Queensland's Aboriginal and Torres Strait Islander artists and art centres. CIAF runs in July each year and attracts national and international collectors and curators, commissions new work and provides pathways for emerging artists.

CIAF featured work by 250 artists from 14 art centres, had 45,600 visitors and achieved sales of \$0.656 million.

Darwin Aboriginal Art Fair (Darwin, NT)

The annual Darwin Aboriginal Art Fair (DAAF) showcases contemporary art by emerging and mid-career artists from Aboriginal and Torres Strait Islander art centres. DAAF provides opportunities for buyers to purchase directly from art centres. It provides a space for visitors to learn from different cultural groups from across Australia and attend artist workshops, dance performances, children's activities, film, fashion and other public programs. DAAF is held in August in association with the Telstra Aboriginal and Torres Strait Islander Art Awards (NATSIAA), Darwin Festival, and National Indigenous Music Awards.

DAAF featured work by 354 artists from 75 art centres, had 13,293 visitors and achieved sales of \$2.799 million.

Desert Mob (Alice Springs, NT)

Presented by Desert and the Araluen Art Centre, Desert Mob brings together art centres from across the Northern Territory, South Australia and Western Australia and provides a rich insight into the art and culture from remote desert communities. Desert Mob includes an exhibition, symposium and market place, and provides opportunities to view new developments in Aboriginal art and meet the artists.

Desert Mob market place and exhibition featured work by 257 artists from 31 art centres, had 9,000 visitors and achieved sales of \$1.100 million.

Revealed (Freemantle, WA)

Revealed brings together artists from the Kimberley, Pilbara, Mid-West, Goldfields, Western Desert, Great Southern and metropolitan areas to showcase their work through a curated exhibition, an art market and art forum in Freemantle, near Perth in WA. Revealed presents paintings, prints, wood carvings, photography, textiles, video, weaving and more, with the market presenting an opportunity for art collectors to buy works directly from emerging and established Aboriginal artists.

Revealed featured work from 112 artists and 24 art centres. It had 4,727 visitors and achieved sales of \$0.480 million.

f) External challenges

There are particular challenges faced by artists living in remote and very remote communities, and these have meant that this group is most in need of a structured approach and sustained investment to support professional art practice. Challenges include lack of infrastructure, the higher cost of doing business, low education levels, lack of access to professional development and no connections to the art market. The community-owned art centres and industry service organisations provide the structure that enables these artists to pursue a professional visual art practice.

There are recurring long-term challenges for remote art centres. In February 2009, the Office of Evaluation and Audit (Indigenous Programs) undertook an evaluation of the IVAIS program and identified three key external risks to its effectiveness. These were in relation to art centre manager recruitment and retention, as well as gaps in their skills and experience, and art centre and community infrastructure problems.

In spite of significant investment through the program in providing greater support through the service organisations, attracting and retaining staff with expertise from outside the community continues to be problematic due to relatively low wages, lack of staff housing, the 24/7 nature of the job, particularly in smaller communities, and the complex and broad scope of work.

Difficult working conditions and low remuneration mean that turn-over of art centre managers is high. Local Indigenous art workers are often relied upon to carry corporate knowledge, however, low levels of western education can make this challenging for many arts workers.

Art centres work hard to build demand for art by their artists, and are heavily reliant on art sales. They are on base-level government funding and are vulnerable to any drop in sales income caused by economic downturns, staff turnover, lack of marketing opportunities, senior artists no longer able to make work and insufficient skills development for the next generation of artists.

A drop in sales can impact quickly on the art centre's viability, and on the incomes of its artists and their families, which in turn can impact on community cohesion. The rebuilding of an art centre's art practice, reputation and market share can take many years.

A significant majority of art centres operate with extremely basic infrastructure. The high cost of construction in remote communities is prohibitive for not-for-profit art centres, and funding for capital works is difficult to obtain. The acute pressure of substandard art centre and staff housing infrastructure was recognised in the December 2018 in a House of Representatives Inquiry report ([Impact of inauthentic art and craft in the style of First Nations peoples](#)) and in the 2007 Senate Inquiry report ([Indigenous Art – Securing the Future](#))

Unethical dealing is a persistent problem, with some art dealers taking advantage of artists' need for cash, and paying less than market rate. The industry service organisations and the Indigenous Art Code (the Code) continue to allocate considerable resources to addressing this issue, including through educating artists and consumers and, in the case of the Code, working with art dealers to encourage better practices.

The benefits of art centres and hubs delivering tailored activities for Aboriginal and Torres Strait Islander artists are well known. This has meant that there is ever increasing pressure on already overstretched funding programs to fund more art activities. Maintaining an appropriate level of support for existing funded organisations, that ensures their sustainability, is a significant challenge in the context of competing demands. Avoiding art market saturation is also a challenge.

Feedback from funded organisations

Most important impact from funding

Responses in relation to the importance of support through the program ranged across:

- funding being critical to successful art centre operations
- being able to employ a professional manager to run the art business
- allowing the art centre to keep its doors open
- gaining security and certainty through long term funding agreements
- being able to provide employment to local Indigenous arts workers.

Many art centres and service organisations noted that art centre and staff housing infrastructure remains challenging and impacts on the ability to attract, recruit and retain suitably qualified staff both internally and for art centres.

A number of organisations noted that greater recognition needs to be given to the integral role of art centres in relation to intergenerational cultural transfer and engagement of younger generations in art and cultural practice, meaningful employment, leadership and governance roles. Promoting a broader understanding of the inseparability of art and culture for Aboriginal and Torres Strait Islander people, and of the central role culture plays as the engine room for the whole Indigenous arts sector, is essential.

Service organisations also reflected on the challenges associated with developing capacity within the organisations to train and support the Indigenous workforce and put strategies in place to limit the professional isolation of the remote workforce.

Some excerpts from art centre responses are provided below.

... employing local indigenous people...enabling indigenous to develop artist practices...enabling the sale of indigenous art and artifacts...enabling income for indigenous artists...facilitating opportunities for local indigenous people...enabling the development of pride in a worthwhile community facility...enabling travel and professional opportunities through art practice. Merrepen Arts, NT

IVAIS funding is critical to our viability as a business. Through this funding we can employ a manager and cover some of our operational costs. The arts worker program creates more work for the manager but is essential to the art centre and its future. We are still a young art centre and the funding helps us grow our reputation, develop new markets, run a studio and shop and support the professional development of artists. Gapuwiyak, NT

IVAIS funding allows the art centre to keep its doors open. Ngukurr Arts is a vital cultural and economic hub in the community of Ngukurr. Ngukurr Arts is a great source of pride to the community of Ngukurr where artists and cultural elders share rich and unique living cultural heritage to the broader community. IVAIS funding is an investment into the health and wellbeing of the community of Ngukurr. Ngukurr Arts, NT

The funding allows us to operate in the community as a business. The art centre being the most important business in community as a way of earning, cultural knowledge, teaching, self-empowerment and learning the ways of business and how businesses operate. Kaltjiti Arts, SA

Clearly the most important impact IVAIS funding has at Yarliylil is it enables us to operate as a professional business while we train indigenous staff and record our culture through painting. Shire of Halls Creek, WA

The Aboriginal arts worker funding has made such a difference to people's lives in Warmun. Our community members live in the well-known artist community of Warmun, but a lot of the Gija people live in poverty. The demand to work at the art centre is extremely high. The community loves the art centre and as much as it needs them, they need it too. There is a deep commitment to the preservation of Gija culture through art. Warmun Arts, WA

Current challenges risks and priorities

In the context of operational funding that has remained static for many years, lack of future sustainability was cited as being of major concern. Also of concern were the challenges in recruiting and retaining qualified staff, in particular art centre managers, to undertake complex roles in challenging conditions. Maintaining or increasing art sales income was also seen as a key challenge for the sustainability of art centres and communities.

The art centre model is fragile, with the demands of the industry (exhibitions, artwork sales, major projects) difficult to balance with the day to day demands of artist needs and community life. Art Centre Manager burn out, and the difficulty in recruiting suitable candidates for a role requiring at once a specific and diverse skill set continues to be a real challenge to the sector. Ananguku Arts, SA

No staff house has been a major problem. Currently the managers are living in a shipping container with no bathroom or laundry. Funding has been pieced together from many sources and the house is expected to be built in the 19/20 financial year. Spinifex Arts Project, WA

... that funding never increases. Ikuntji Artists, NT

Current challenges for us are spiralling costs of maintaining a studio and gallery and not having enough funds to employ enough staff to run the organisation - we suffer from heavy staff burnout because of this as we continue to 'punch above our weight' to engage in the national dialogue and maintain visibility in the market place, while supporting and training our artists. Gallery Kaiela, Vic

Challenges include generating enough income via art sales and government grants to allow the art centre to run effectively. The fluctuating art market, and also changes in the quantity and quality (due to deaths/relocation etc; such occurrences are also risks to the organisation) of artworks sold affect this income year by year. This also affects the financial welfare of individual artists and their families who benefit from their incomes. Tangu Palya arts, SA

Support from the IVAIS team

Respondents were positive in regard to the advice and support provided by the IVAIS team. However, a number of multi-year funded organisations noted that it was unclear how they could make a case, or apply for, additional IVAIS funding (in 2018-19 an open competitive grant round was introduced to augment the direct offer process).

The advice (and support) from the IVAIS team is outstanding. The team is cognisant of the challenges Desert faces as a service organisation and is flexible and responsive to our need in terms of providing a professional, responsive and relevant service to a membership that is primarily located in remote regions, has a staff profile that is relatively transient (management) and a business model that attempts to mediate between Indigenous cultural priorities and western business practice. I have found that the IVAIS is extremely supportive in giving advice when we are dealing with art centre crisis management and intervention. Desert, NT

...the IVAIS team are extremely helpful and supportive without micro-managing. The feeling is that they want to help us succeed. Indigenous Art Centre Alliance, QLD

It's a perfect 10 out of 10 score to date and we remain confident that this will remain going forward as there is nothing we can identify as being an issue to raise with the IVAIS team. Lockhart River Arts, QLD

The IVAIS team offer sound advice, are knowledgeable and helpful. Importantly they also demonstrate that they understand the issues and challenges that we work under and show care to we practitioners. The IVAIS team also acknowledges the good works that are produced in the programs and that adds to a sense of teamwork / partnership between IVAIS funding area and IVAIS delivery area. Barkly Regional Arts, NT

Suggested changes to improve support through the program

Although the security associated with current longer-term funding agreements was acknowledged as having assisted with leveraging funding from other sources, diversification of income streams was noted as challenging with a small team and limited operational funding options.

Most respondents suggested that increased funding is needed to support the sector, and in particular asked for CPI funding increases each year. Service organisations highlighted the need for increased operational funding to meet increasingly complex needs associated with service delivery in remote areas.

Suggestions included:

- funding for arts workers should be increased
- funding levels increased to allow for arts development and reduce pressure on senior artists making sales
- additional funding to support arts workers to travel to industry events
- quick response funding for unexpected opportunities
- more art centre visits by IVAIS team members
- IVAIS team to identify cross department funding opportunities within government
- local support staff needed rather than centralised IVAIS staff.

More funding to employ more staff. The impact that another person in our art centre would be great. We are one of the only success stories in Community and create a pro-active environment. Many of our resource are taken up by taking people to clinics, school, CentreLink issues. Although our primary responsibility is art, a social worker as part of the staff would be a game changer. Ernabella Arts, SA

Consider internet speeds in relation to reporting and applying for funding. Continue with 5 year funding cycles. Warnayaka Arts, NT

This is a great program which is offering real support and building a great artistic culture both in our community and more broadly in Australia and Overseas. This funding has allowed Spinifex People to tell their stories to the whole world. To travel and meet many different people. To be real cultural ambassadors for Australia. To show their own people how much Indigenous cultural knowledge and world view is respected and valued nationally and abroad. Spinifex Arts Project, WA

Art Centres transform the lives of people in Aboriginal communities. They are such incredible places, often governed by the wisest of elders and other invested individuals who want to carry on protecting, preserving and sharing their Culture. The outcomes include positive role-models within the community, poverty alleviation, increased mental health and well-being, and positive life situations for people facing hardships. They also promote reconciliation and honour the 'two-way' method of working within cross-cultural environments. If they are acknowledged as entities that do more than add to the Visual Arts economy, but also progress and create meaningful change in the lives of Aboriginal people, hopefully they will always be a talking point for Federal Government investment. The returns are indeed a lot higher. Warmun Arts, WA

Community Development Program (CDP) – art centre participation

In 2017-18, 49 IVAIS funded organisations, or 54 per cent, reported that they engaged with CDP, most often by hosting Aboriginal and Torres Strait Islander job seekers at the art centre. This level of engagement is not surprising given that many pre-retirement age artists in art centres would also be job seekers. The art centres report a number of benefits from hosting job seekers:

- artists can continue to make art at the art centre as part of fulfilling their 20-25 hours of CDP 'work-like-work', rather than doing this, or other work, elsewhere
- both art making and art centre administrative tasks can be extended to other job seekers in the community who might otherwise not engage with the art centre
- there is a hosting fee that is negotiated between the art centre and jobs provider
- job seekers are assisted to meet their mutual obligations and retain their CDP income. This has positive benefits for the individual and contributes to community cohesion.
- the quality of the CDP generated art that makes its way to market can be controlled and traded ethically.

There are also concerns raised by art centres:

- the financial return for hosting CDP activities does not cover the cost of providing them
- some art centres have not received host agreements or payment for hosting job seekers
- poor quality CDP art activities are being set up in competition with art centres
- CDP art activities in which the canvas and paint are not being prepared to archival and exhibition standards, and it is causing a saturation of the market
- lack of capacity in jobs provider organisations to build an artists' technical skills and practice, protect their cultural and intellectual property or support ethical dealing.

g) Internal challenges

Program resourcing

The 2015-16 streamlining of the program occurred in the context of the *Arts Programs Savings – uncommitted grant funding* 2014-15 Budget measure which reduced Indigenous visual arts, languages, culture and employment funding by \$27 million over four years. The reduction in overall program budget meant that, as an immediate response across the 2015-16 and 2016-17 IVAIS funding rounds:

- funding priority was given, via a direct offer process, to organisations previously funded through the program
- longer term funding agreements of up to five years duration were provided to give organisations greater certainty in the context of static or reduced funding
- most organisations were provided with continuation of their funding at the same level for five years from 1 July 2015
- arts worker funding was removed from organisations that did not run a strong visual arts activity and reduced in organisations that had high levels of arts worker funding in comparison to organisations with a similar level of visual arts activity
- funding reductions were generally spaced across the five year funding agreements to minimise any negative impacts on the organisations and their Indigenous employees
- due to program budget pressures, organisations on five year agreements that did not receive funding reductions were generally place on static funding across each year of the five year agreement.

Table 4: Indigenous visual arts budget reduction over 4 years

	2014-15	2017-18	Comparison
	\$m	\$m	
Core operational	\$11.417	\$11.313	
Indigenous arts workers	\$10.949	\$9.004	
Total	\$22.366	\$20.317	-\$2.049
Reduction			-9.2%
Inclusive of Reserve Bank inflation rate			-16%

Combined with the Reserve Bank's inflation rate for the four year period of 6.8 per cent, overall funding to support Indigenous visual arts activities has decreased in real terms by 16 per cent over the four year period to the end of 2017-18. As shown by the table, the decrease is almost exclusively to the number of Indigenous arts worker positions supported. This was done so that art centres and other organisations were allocated sufficient funds to continue operating through the period.

In addition, the arts worker wage component is now at the level of the minimum wage. To accommodate future minimum wage increases, the number of jobs positions may need to be reduced, or the 8 per cent allocation for professional development and training reduced.

Program funding is fully expended each year and there remains a significant amount of unmet demand for new activities and from new organisations. In the context of a diminishing program

budget there is significant pressure to ensure that existing organisations are funded at a sustainable level, while still ensuring that the program has the flexibility to fund high-calibre new activities.

The long term agreements put in place over two years from 2015-16 are lapsing at the end of 2019-20 and 2020-21. This provides an opportunity to require lower-performing organisations to apply via the competitive IVAIS funding round so that they can be tested against a competitive field. This would enhance opportunities for new organisations wishing to be considered for funding.

With longer term agreements lapsing, there is also an opportunity to further reduce arts worker funding in lower performing organisations with higher arts worker numbers and to support modest increases for higher performing organisations.

The challenge in reviewing the funding mix will be to ensure that no long-term funded organisations, that have an important place in the history of the sector, are not de-funded on the basis of a short-term operational downturn caused by the challenges described above.

6. Findings and Conclusions

- 1) The outcomes sought through the IVAIS program continue to be relevant and appropriate.
- 2) Delivery of support for Indigenous visual arts organisations through the IVAIS program has achieved program outcomes and has:
 - a) been an efficient and effective way to ensure that around 6000 Aboriginal and Torres Strait Islander artists, mostly in remote communities, have had access to essential tailored professional support
 - b) enabled the delivery of essential professional support to artists and staff in an estimated 90 per cent of all remote art centres, as well as a number of regional hubs
 - c) given the service organisations the flexibility to respond to particular regional and industry-wide needs
 - d) strengthened the visual arts infrastructure available to support Aboriginal and Torres Strait Islander artists
 - e) supported Aboriginal and Torres Strait Islander people to own, govern and profit from their own arts enterprises.
- 3) Organisations funded through the program participate in a high number of exhibitions and art fairs, both in Australia and overseas, and are at the heart of Australia's world-renowned Indigenous visual art movement.
- 4) A high proportion of the funded organisations (89 per cent) are Indigenous owned and governed, with extremely high levels of participation and oversight by Aboriginal and Torres Strait Islander peoples, including artists, board directors and employees.
- 5) Nearly all funded organisations noted that the program is appropriate, supports its intended outcomes and provides essential operational support and local employment. Suggestions for improvement primarily related to increased funding.
- 6) The service organisations are an integral ingredient in the sector's achievement of economic, environmental, social and cultural sustainability.

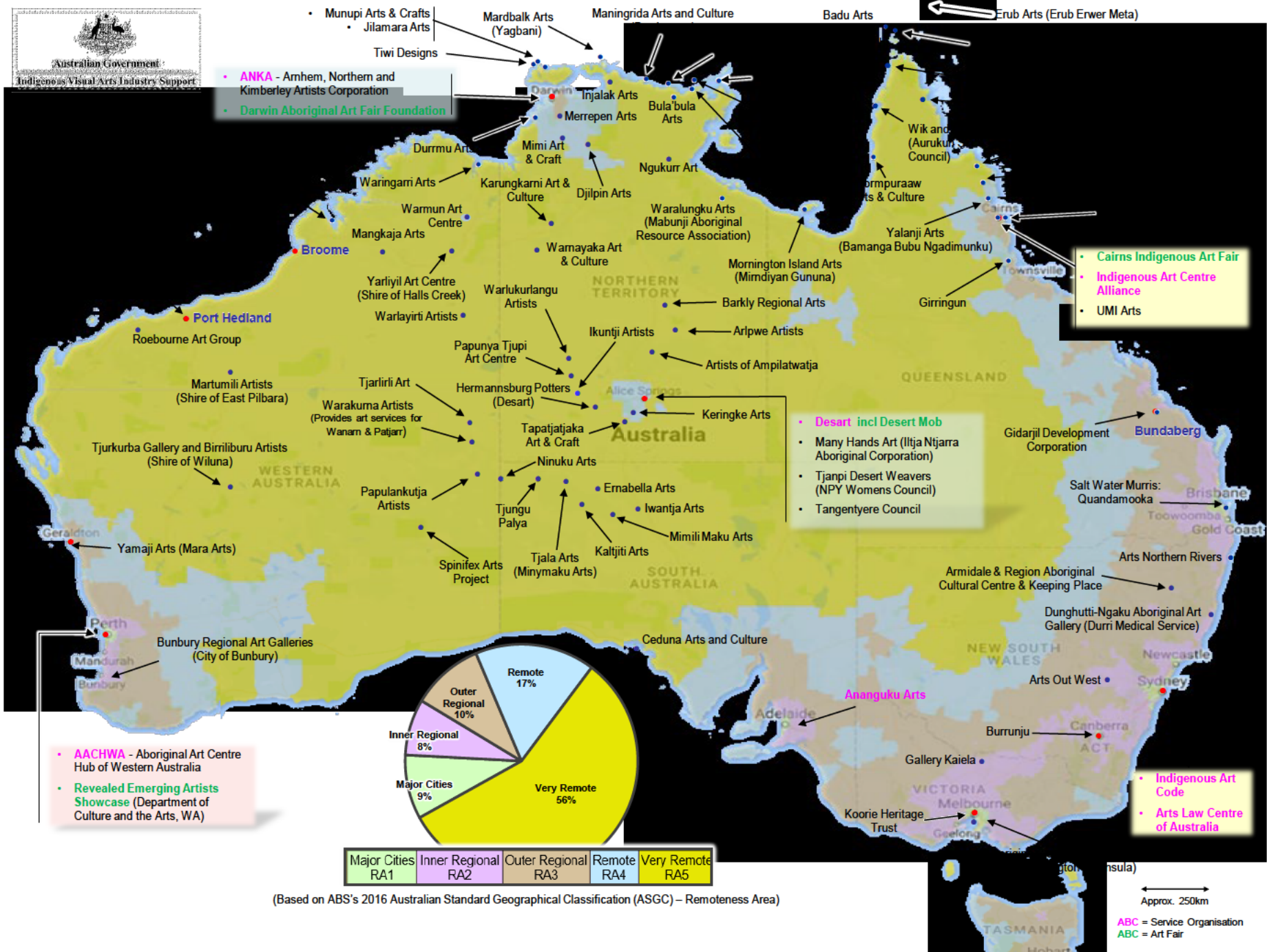
- 7) Funding is provided to organisations in all states and territories, with the exception of Tasmania, with significantly greater amounts provided to jurisdictions with a high proportion of remote and very remote Indigenous communities.
- 8) Although limited by budgetary constraints, there are opportunities, in partnership with state governments, for further development of Indigenous visual arts practice in the south-east region that uses existing visual arts infrastructure strategically.
- 9) Endemic issues still persist for art centres. In particular these include difficulties in the retention of qualified staff, sub-standard art centre and staff housing infrastructure, fluctuations in artists' capacity, fluctuations in the art market, and unethical dealing.
- 10) As the program primarily delivers core operational funding, that is fully expended each year, capacity to fund new activities is very limited.
- 11) The wage component of the arts worker funding is now at the minimum wage level. This means that any future increases in the minimum wage will need to be absorbed through reductions in training and professional development allocations, or by decreasing arts worker positions.
- 12) The long-term agreements put in place over two years from 2015-16 will start to lapse at the end of 2019-20. This provides an opportunity to identify lower-performing organisations and require them to apply for funding via a competitive funding round. This will enable a direct comparison between these organisations and others seeking program funding. It will also give existing and new activities and organisations greater opportunity to access program funding.
- 13) There is a need for the program area to continue to liaise with PM&C to support art centres to benefit from their engagement with CDP, and to address issues.
- 14) This evaluation would not have been possible without the collection of relevant data through SmartyGrants.
- 15) Given the program's stability, and that it is achieving its intended outcomes, program evaluations should only occur every four years unless there is a major change in the interim, such as a reduction in the program budget or a significant change to program administration arrangements.

7. Recommendations

It is recommended that:

- 1) Lower-performing art centres with long-term agreements that are due to lapse be required to apply through the open competitive round for funding from 2020-21.
- 2) Further work be done to identify ways to better allocate funding in order to provide appropriate support to sustain higher-performing funded organisations and fund new organisations.

- 3) Further work be done to ensure appropriate levels of arts worker funding to lower performing organisations.
- 4) The Indigenous Art Centre Plan to be updated every two years so that it remains current and relevant.
- 5) In consultation with relevant jurisdictions, opportunities be investigated for further development of Indigenous visual arts practice in the south-east region.
- 6) The program area continue to liaise with PM&C in relation to art centres' engagement with CDP.
- 7) The collection of relevant qualitative and quantitative data from funding recipients be continued in order to support comparative evaluation of program outcomes and industry trends every four years.



r the FOI Act 1982 by the Department of Infrastructure, Transport, Regional
 ns, Sport and the Arts