Submission to the 2022 National Cultural Policy consultation

22 August 2022

Submitted on behalf of the research team leading the ARC Linkage Project <u>Visual Arts Work:</u> <u>sustainable strategies for the Australian visual arts and craft sector</u> (project LP200100054), Associate Professor Grace McQuilten, Dr Marnie Badham, and Chloë Powell (RMIT University) and Professor Kate MacNeill and Associate Professor Jenny Lye (The University of Melbourne).

The *Visual Arts Work* Project aims to strengthen the sustainability of the visual arts and craft sector. In a context where artists' incomes are low and falling, commercial galleries are financially vulnerable, and public galleries face funding challenges, this project addresses barriers to the sector's economic health and the challenge of improving artists' and arts workers' incomes.

While the value of art 'work' has typically been understood in economic terms, we also recognise the need for greater insight into the social, cultural, and political value created and values found in the negotiations and mediation of art to the public. Our approach recognises the diversity and hybridity of visual arts and craft work to include digitisation, internationalisation, community based and intersectoral partnerships.

Our submission focuses on the third pillar: The Centrality of the Artist.

Summary

As evident in current datasets, there is no consistent definition of visual and craft artists in Australia. Not only do the criteria differ across authorities (ABS Census, ABS Labour Workforce Survey, ATO income data), leading to significant discrepancies in population figures and income data, the existing methods also don't capture the expanded and hybrid nature of the work many artists undertake to create value, make a living, and maintain their creative practice. Without an accurate estimate of how many visual and craft artists are practicing in Australia, we cannot begin to understand the breadth of the issues they face or address their needs. The design and application of a consistent set of criteria in national data gathering would provide a more accurate view of the population of visual and craft artists in Australia, their related incomes, and the unique circumstances in which they work, enabling informed and tailored policy interventions.

Background

It is readily apparent from existing empirical research in Australia that the definition of visual artists and craft practitioners has a significant impact on the data that is collected and the nature of arts practices that are studied and portrayed in research findings. Should policy be informed by such data as evidence, a more robust and consistent framework is required to have a clearer picture of the practices, work and careers within the visual art and craft sector.

Estimates of the population of those who identity as a visual artist or craft practitioner vary considerably depending on the definitions adopted, with a common distinction being based on whether the practice is "professional", or their "main job". However, there are much larger numbers of people engaging in visual arts and crafts activities more broadly, and generating income from these activities, without meeting the professional definitions of the Census and the Australian Tax Office.

Another major limitation of existing research into artists' incomes is that each collection of data adopts a different definition of what constitutes a visual artist or craft practitioner. The definition of a visual artist or craft practitioner, if drawn widely so as to include all those who produce visual art or

craft in any context, will likely lead to a lower estimate of average earnings, whereas a narrow definition related to visual artists and craft practitioners as professionals, will likely produce a higher estimate¹. All of which means that the data currently available paints an inaccurate picture of the experience of artists in Australia.

According to the 2016 Census, there were 5,354 artists working in Australia. The Labour Force Survey of the same year counted 8,500. However, the Australian Bureau of Statistics report Work in Selected Culture and Leisure Activities Australia 6281.0 identified over 270,000 Australians involved in visual art or craft activities who reported income from their visual art or craft activities in the 2017-2018 financial year. This notable variation highlights the issues with the current criteria used to define the population of visual and craft artists based on employment or occupation.

Table 1: Summary of estimates of population of visual arts and craft practitioners according to government data collection

	2016	2017-2018
ABS Census - Visual Arts and Crafts Professional	5,354	
Labour Force Survey - Visual Arts and Crafts Professional	8,500	
ABS survey of Work in Culture and Leisure Activities -		271,400
Received Income from Participation in Visual Arts Activity		

Just as the definitions used to categorise visual arts and craft practitioners vary, so does the reporting of income. In the case of the Census, income relates to the total earnings of the respondent (which may include non-art income, for example). But is an artist only an artist if they make an income from their work? If so, what is the threshold for this? The ATO data based on occupation only includes salary and wage income-earning activity for the work that produced the greatest amount of income. So not only will you be missed as a visual artist and craft practitioner if your salary and wage income-earning activity is greater in another occupation, but it also excludes those that are self-employed². The ATO will also likely only record those artists whose income exceeds the tax-free threshold, which for many artists would represent a significant career milestone. We know, however, that many artists take years to build their practice to a point where they're earning money from their work, and many will never reach that financial threshold.

The current tax system makes a variety of provisions for artists. However, there is no overarching rationale for the treatment of artists within the tax system and no recent exploration as to the adequacy of specific provisions. A comprehensive review of these provisions and the ways in which they accommodate the reality of artists incomes and employment experiences is urgently needed. For example, someone operating a professional arts practice maybe able to apply "the exception to the non-commercial loss rule", whereby the losses from their practice can be offset against their assessable income from other sources. However, their assessable income from these other sources must be less than \$40,000 (excluding net capital gains). This \$40,000 cap on income earned from nonarts activities hasn't been increased to account for inflation in over 20 years, yet since 2000, the overall CPI in Australia has increased by over 80%³.

¹ MacNeill, K. Lye, J. Pandolfini, R. McQuilten, G, Badham, M. and Powell, C. (June 2022 draft) *Making Sense of Incomes in the Australian Visual Arts and Craft Sector (Discussion Paper*), Visual Arts Work research project, RMIT University and The University of Melbourne.

 $https://www.visualartswork.net.au/uploads/1/3/9/3/139379831/macneill_et_al_june_2022_making_sense_of_incomes_in_the_visual_arts_sector.pdf$

 $^{^2\} https://www.ato.gov.au/Individuals/Tax-return/2022/In-detail/Publications/Salary-and-wage-occupation-codes-2022/$

 $^{^3\} https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/jun-2022\#data-download$

Visual and craft artists are also known to hold multiple jobs to manage low income and insecure work, as well as to provide flexibility around undertaking their creative practice. The Census defines a respondent's occupation based on the "main job held last week". This assumes that it captures the respondent's primary occupation. However, many visual and craft artists work on a project-to-project basis, so may not have been working on a practice-related 'job'. Similarly, many of these artists contribute their own time to their practice, rather than being employed in the traditional sense. As such, their response to the Census would only reflect the work they were employed to do at the time of the survey.

In limiting the data to one's "main job", the Census misses important detail on people working in multiple jobs – this is equally the case in other sectors, as well as the arts. According to ABS data, 16.7% of employed people in 2018-2019 were multiple jobholders. This alone shows that the Census doesn't capture the real-life experience of employment in Australia today. Results from a survey recently undertaken in our project (with 700+ respondents) show that this is much higher for artists; 35% earned income from other employment outside the visual arts and craft sector.

While the ABS and the ATO both use the Australian and New Zealand Standard Classification of Occupations (ANZSCO) classification of Visual Arts and Crafts Professional (four-digit code 2114), their occupation is recorded under the ANZSCO code that they earn more in. Artists may earn more from an ancillary job than they do on their creative practice, but in fact devote more time to their art making. The ABS reports statistics on multiple job holders in Jobs Australia⁴, but only at the industry level, not at occupation level. If these statistics were available at the occupation level, one would be able to determine the scale of multiple job holdings for artists.

In addition to this, the ANZSCO occupational codes are dated and fail to capture the changing nature of art forms and the diversity of creative practice. For example, for the occupational category visual arts and craft practitioners (2113) the nec (not else classified) subdivision (211499) using data from the 2016 Census is the second largest after painters (211411). Over recent years, visual arts and craft work has diversified, digitised, and internationalised with career pathways expanding as a result. Additional data, deeper analysis and theorisation is required to provide a clearer understanding and more holistic picture of the sector, one that embraces the multiplicity of creative practices and career lifecycles. A larger and more philosophical issue is that many practices, including those by First Nations artists and culturally and linguistically diverse artists, along with the rise of socially engaged and community arts practices which engage in sectors outside of the arts have been overlooked in and misrepresented by existing measures.

Recommendations

- 1. Updating the Census with additional questions that adequately capture the diverse employment characteristics and the composition of the incomes of multiple jobs holders;
- 2. Updating the ANZSCO codes to more accurately reflect the diversity of visual arts and craft practices, and allow for more accurate population estimates of practitioners;
- 3. Examine the ways in which the taxation system disadvantages multiple job holders in general, and specifically the ways in which the work and career life cycles of visual artists and craft practitioners are inadequately recognised;
- **4.** The category of 'established artist' data skews a lot older than in other professions. We recommend that grant funding address the needs of younger artists.

⁴ https://www.abs.gov.au/statistics/labour/jobs/jobs-australia/latest-release