

National Cultural Policy Submission



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To: Office for the Arts, Department of Infrastructure, Transport, Regional Development, Communications and the Arts

Towards a national cultural policy 2022 – KPMG submission to the Australian Government’s consultation on a National Cultural Policy

KPMG Australia (KPMG) is pleased to make this submission to the Australian Government’s consultation on a National Cultural Policy. We support the development of the National Cultural Policy and the Federal Government’s commitment to enhanced collaboration between federal, state, and local government to shape this policy and support the delivery of initiatives that foster a more sustainable cultural and creative sector.

About KPMG

KPMG is a global organisation of independent professional firms, providing a full range of services to organisations across a wide range of industries, governments, and non-for-profit sectors. We operate in 146 countries and territories and have more than 227,000 people working in member firms around the world. In Australia, KPMG has a long tradition of professionalism and integrity combined with our dynamic approach to advising clients in a digital driven creative world.

KPMG’s perspective on the creative economy

The cultural and creative sectors make and shape our places and communities. KPMG recognises the sector’s potential and the rare opportunity to strategically reposition it as a core contributor to economic growth, an enabler to innovation and a driver to social and economic participation.

The conversation around creative sectors needs to be set as a catalytic agent that has the potential to amplify knowledge-based economies and strengthen the social fabric of our society. Government has the power to strategically reposition the creative arts sector by forming a strong and cohesive policy that can accelerate social and economic participation, innovation and productivity, and social and cultural cohesion. It can do so with increased and smarter investments, and strong collaboration across industries and government to drive a sustainable creative sector.

Further insights are available in our recent publications, [Impact through creativity](#) (June 2022) and [Unleashing Creativity](#) (September 2020).

National Cultural Policy Pillars – Our perspectives

First Nations first: Support thriving and self-determined First Nations creative ecosystems.

Opportunities

The demand for Aboriginal and Torres Strait Islander art within Australia and around the world has steadily increased. The practice brings \$400 million annually to the economy.

Many Aboriginal and Torres Strait Islander artists and art centers have recently had to innovate and bring the sale of their art online. Artists have seen an increase in overall sales and have also been able to reach new customers and international markets.

However, as the demand for Aboriginal and Torres Strait Islander art increases, so does the production and sale of inauthentic art that has no connection to First Nations cultures or communities. This continues to have a devastating impact on the industry.

Actions

Government policy and legislation should focus on supporting ethical purchasing behaviours of First Nations art to better protect authentic artists and reduce the devastating impact of fake art. Community education campaigns, highlighting the scale and prevalence of fake art on the market would lessen the purchase of these products.

Priority should be given to ensuring the Indigenous Cultural and Intellectual Property (ICIP) of First Nations people is adequately protected. Currently there are minimal laws in place that protect ICIP which puts First Nations people at risk of having their cultural knowledge misused.

Overall, Aboriginal and Torres Strait Islander creative bodies and artists should be provided with adequate and assured funding to ensure their art can continue to be shared with the world in a positive and safe manner.

A place for every story: Create opportunities for all Australians to participate in and contribute to arts and culture.

Opportunities

Australia is a creative nation with 90% of people engaging in arts and culture. Arts and culture can build cohesion by removing barriers that hinder mutual understanding and communication beyond language. It can revitalise neighbourhoods and promote economic prosperity.

With audience expectations evolving rapidly, creative organisations and workforces must redefine the notion of their 'audiences' and put them at the center of everything with digitally enabled experiences that deliver value.

Government has an opportunity to establish policies that embrace technology-led solutions through safe and smart investment programs. For example, applying blockchain technology as a mechanism to support the authentication of art works for First Nations artists.

Actions

Apply industry knowledge to develop audience strategies that increase access to high-value free and fee-based content and tailored services to drive value for and from communities and audiences.

Foster strong alignment across sectors to access and leverage industry expertise to drive digitally enabled and audience centric transformation across the front, middle and back office.

Support the realignment of sector service models, organisational mindsets, and capability to optimise delivery and audience engagement.

The centrality of the artist: Support skilled, diverse ecologies of artists and organisations.

Opportunities

Artists, creative workers and arts and cultural organisations have been resilient and agile in the face of uncertainty and have continued to innovate and regenerate despite the many challenges faced during the global pandemic. Even before the pandemic, artists earned below the Australian workforce average, but the radical disruptions amplified the loss of income, market, skills, and wellbeing of artists and exacerbated their vulnerability.

The development of the National Cultural Policy is an opportunity to establish partnerships between Government, industry, and the sector to build skills, and support artists by creating new opportunities for career development, employment pathways and training, and to foster a more equitable and culturally safe sector.

Actions

Develop a cohesive policy that focuses on creative education and the development of entrepreneurial mindsets.

Establish, incentivise, and enable new connections and partnerships across the sector and industry that drive research and development, skills development and training, knowledge sharing and movement of resources.

Partner with industry to embed creative practice and partnerships as a catalyst for innovation, improved business processes, new services, research and development and customer engagement.

Identify and reward strong performance and capability growth across creative industries to support a diversified cultural ecosystem.

Strong institutions: Strengthen the capacity of the creative sector to deliver benefits to Australians.

Opportunities

Boosting creative education as a tool to instill creative skills in Australia's young people will foster resilience, adaptability, and enable them to adapt and respond to new opportunities and the evolving workforce need of the sector and broader industries.

The creative economy is built on government funding, philanthropy, and self-generated revenues. These are largely unstable and resource intensive, however sustaining, and growing sources of funding will be a critical enabler of the continued recovery and the revitalisation of the sector.

It will be critical to understand the sector supply chain to identify challenges and weaknesses and areas where further investment and input is required to build the capacity of the sector holistically.

Action

Establish partnerships between the creative industries, educators, and government to purposefully shape the capabilities of current and future sector workforces and those of supporting industries.

Map the sector supply chain identifying where further investment and support is best directed.

Reset creative sector operating conditions and match creative skillsets to meet future industry needs by partnering with industry to commercialise solutions that will drive cross sector innovation.

Develop offset, rebate, and tax incentive programs (in addition to those currently offered for film and gaming) to support the production of locally developed, staffed and presented productions, events and artists.

Reaching the audience: Build sustainable, networked, and globally recognised creative industries.

Opportunities

Key to the sustainability and global recognition of Australia's creative industries is the unlocking of sustainable investment.

Promoting entrepreneurial mindsets and supporting creative start-ups will create opportunities for innovation and stimulate a critical mass of cultural entrepreneurs to develop scalable creative solutions for global issues.

This requires a broad investment approach that enables the creative industries to fully participate in the capital market ecosystem.

If Australia can secure large-scale investment in the growth of the creative industries, local talent will be fostered and retained, and long-term economic momentum will be sustained. This will build Australia's global creative brand and audiences for Australian-produced content.

Action

Recognise and support the creative industries to participate in the broader capital market ecosystem more fully by catalysing innovative partnerships with the private sector and investors.

Devise and fund a specific creative economy investment attraction strategy, invest seed funds specifically for start-ups and entrepreneurs, and leverage these investments to generate sustained private investment.

Reset creative sector operating conditions and match creative skillsets to meet future industry needs by partnering with industry to commercialise solutions that will drive cross sector innovation.

Leverage the existing Federal and State network of trade agencies, consulates, and commissions to increase international engagement, promotion, and exchange to reposition creative sectors holistically and ensure a steady talent pipeline.

Moving forward

To deliver the anticipated objectives and initiatives that will be set out in the National Cultural Policy, greater investment is required. With current sector investment under intense and increasing pressure, it is essential that the cultural and creative sector participates in the capital market ecosystem more fully. A National Cultural Policy that can leverage the A\$1 trillion global impact-and SDG-linked investment funds to increase Australia's pool of creative economy capital would unlock the global potential and ongoing sustainability of Australia's creative economy.

KPMG would welcome any opportunity to contribute or participate further in the consultation and/or wider policy development process. If you would like to discuss this submission in more depth, please contact James McAtamney.

Yours sincerely,

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