

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2024–25 Budget Estimates

Melbourne – Thursday 16 May 2024

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Michael Galea

Mathew Hilakari

Lauren Kathage

Bev McArthur

Danny O’Brien

Aiv Puglielli

Meng Heang Tak

WITNESSES

Colin Brooks MP, Minister for Creative Industries;

Tim Ada, Secretary, and

Claire Febey, Chief Executive, Creative Victoria, Department of Jobs, Skills, Industry and Regions.

The CHAIR: Thank you. I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2024–25 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside of this hearing may not be protected by this privilege.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

Witnesses will be provided with a proof version of the transcript to check, and verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Creative Industries the Honourable Colin Brooks as well as officials from the Department of DJSIR. Minister, I am going to invite you to make a fantastic opening statement of no more than 5 minutes, after which time members will ask questions.

Nick McGOWAN: No pressure.

Colin BROOKS: Do I get more? I have got extensive notes, thanks, Chair. I think you had Mr Ada from DJSIR here at an earlier hearing, and I introduce Claire Febey, who is the wonderful CEO of Creative Victoria. I have got some action-packed notes here so I will go through them as quickly as I can, because I want to get through a lot.

Visual presentation.

Colin BROOKS: Firstly, I think everybody recognises the creative industries and our cultural institutions and the way of life here in Victoria. We are definitely the cultural capital of the nation, and we are one of the global cultural capitals as well. Recent data shows that Victoria's creative industries added some \$38.5 billion to the Victorian economy. It has been growing steadily at around 4 per cent each year over the past five years. 320,000 people approximately are employed in the creative industries. That is about 9 per cent of the total employment in this state, so one in 11 people worked in one of those creative industries areas. Our state-owned cultural institutions are absolutely punching above their weight and last week year welcomed more than 10.8 million visitors through their doors – a staggering effort, really bouncing back after COVID. Our dynamic screen sector delivered record results in 2022–23 with Victorian government-supported screen projects across film, television and digital games injecting some \$421 million into the economy, generating a return of \$13 for every \$1 invested. Works are continuing at pace on Australia's largest cultural infrastructure project, the \$1.7 billion Melbourne Arts Precinct Transformation project – a wonderful project.

Next slide. As I mentioned, after the pandemic there has been a great recovery in the sector. The State Library last week reached a record annual attendance of more than 2.25 million people with a couple of months still to go for the financial year, so an incredible effort. This growth demonstrates the impact of the government's \$60 million investment in the library's redevelopment, noting the wonderful philanthropy that also contributed to, I think it was, an \$88 million development in total down at the library, so some wonderful donations. Melbourne Museum recorded its largest ever daily attendance on the final weekend of its blockbuster *Titanic* exhibition just last month. Over summer many of you might have been to NGV Triennial – you would have been amongst the 1 million people who went to that exhibition, and of course they have got the blockbuster *Pharaoh* and *Yayoi Kusama* exhibitions in summer. In August we celebrated the opening of the transformed

and expanded Geelong Arts Centre, a \$140 million project and Creative Australia's largest regional performing arts centre, and the opening team already have more than 1000 events booked in the new spaces. It is a really great facility, and it has obviously been well embraced by the community, including Geelong-based theatre superstars Back to Back Theatre. Their latest show *Multiple Bad Things* opened at Geelong Arts Centre last month before touring to Belgium, and they continue to be recognised globally for their work. Earlier this year they were awarded the 2024 Golden Lion Award for Lifetime Achievement in Theatre at the Venice Biennale, so a really great effort.

Last year we announced the \$1 million live music flood recovery initiative to support creative workers, venues and communities in those areas that were impacted by the floods, and that was a great program. Highlights included the Rochella music festival planned and organised by the Rochester community that attracted more than 1500 people and Sound Tracks, a unique music and tourism event that took over a restored sleeper train which travelled from Melbourne to the flood-impacted communities of Charlton and Rochester and Echuca last month. Our investment to grow Melbourne International Games Week paid dividends, with a record 110,000 people attending in person and a further 1 million people, of course, taking part online. This event continues to grow its status in the global games industry calendar while also showcasing Victoria as a hub of innovation and industry.

Last year we launched the Victorian digital screen rebate pilot program to attract new international digital games, visual effects and animation projects to the state and support local companies to create bold, original content. In its first seven months the rebate has generated \$115 million and created over a thousand job opportunities for Victorians. We also debuted the First Peoples art and design fair with a presence at this year's Melbourne Art Fair and look forward to the growth of this important initiative in years to come. We also partnered with Arts Access Victoria, a great organisation, on their groundbreaking Making Space program, delivering accessible, fit-for-purpose creative spaces for people with disability.

The Victorian budget 2024–25 continues our track record of investment in the creative industries, with initiatives totalling more than \$161.4 million to back creative jobs and attract cultural tourism and creative businesses to the state. The budget provides \$128.4 million across the 2023–24 financial years and the 2024–25 financial years –

The CHAIR: Thank you, Minister. I am going to stop you there. The first round of questions is going to go to the Deputy Chair.

Nick McGOWAN: Thank you very much. Thank you, Minister. The first question is really about the Melbourne Youth Orchestras – and I am sure you saw this one coming a mile away. I will perhaps start off with the question of whether the acting director or departmental representatives have had the chance to meet with the Melbourne Youth Orchestras. Are you able to provide some sort of update in terms of what their funding might look like or whether there is any consideration to bridging the gap they now face?

Colin BROOKS: I might start and then hand over to the CEO. Melbourne Youth Orchestras are one of the many wonderful cultural institutions – arts institutions – here in Victoria. I understand that they were unsuccessful in receiving a grant under the education department's, I think it is called, strategic partnerships grants program. I might have the title slightly incorrect, but –

Claire FEBEY: Yes, that is right.

Colin BROOKS: That was a two-year grant that they were in receipt of that has an open and competitive grant round, and I understand they understood it was an open and competitive grant round. Of course the education department needs to make sure that when they run those grant programs, they allocate the funding and the grants to achieve best value for the grants programs, so unfortunately Melbourne Youth Orchestras did not receive that portion of funding that they utilised as part of their broader budget to run their programs.

It is also important to recognise that in the education department – I am getting out of my portfolio a little bit – there is obviously a very strong focus on music education in schools through the secondary schools instrumental music program and through the music in schools program, which is the primary school version of that, and that strategic partnerships program has funded a range of projects in schools. I was talking recently to Opera Victoria, which is running really great programs with primary school kids on funding that they received through that very program. So it is important that people in the committee recognise that while the youth

orchestras might not have been successful in achieving that particular grant round, lots of other organisations have been funded through that grant round to run music programs in our schools – again, not my portfolio area, but I have a very keen interest in making sure that there are those opportunities for students to participate in a range of different music opportunities, not just the secondary schools music program and the primary school program.

Then sitting outside of the education system programs there are of course many programs that Creative Victoria support through grants and funding through a range of organisations that support music education opportunities for young people. For example, Arts Centre Melbourne runs a great program, many others – The Push. There are a whole range of programs that are probably here in my notes that I will come to in a moment or Claire might want to talk to, but I suppose I am trying to convey that there is a lot happening in that space both in terms of the education system and outside of the education system as well.

Claire FEBEY: And just to respond to the part of your question about the department, we have obviously talked with colleagues in the education portfolio, because this is where that program sat, but we have also met with the organisation and advised them that at this time there is no funding outside of our formal grant programs. But we have been in conversation with them.

Nick McGOWAN: And that includes for this budget, obviously?

Claire FEBEY: Pardon me?

Nick McGOWAN: That included for this budget, obviously, as well, despite the needs?

Claire FEBEY: Yes. I think the minister has talked about the range of ways that we are investing both in music and in schools, but outside of the funding programs that we have through Creative Victoria, there are no other funding opportunities at this time.

Nick McGOWAN: Can you tell me which orchestras the department does fund?

Colin BROOKS: This is the part where I was supposed to be looking at my notes, Mr McGowan. I have found them now. You prompted me to look. Some of the programs that are supported by Creative Industries, this department, are the songwriting in schools program for high school students across Victoria to learn songwriting in schools, a great program; the Melbourne Recital Centre's Making Waves student composer program; Musica Viva, Australia's national classical music competition for students; Arts Centre Melbourne, which was the one I was referring to before; a variety of music programs at The Channel, which is aimed at young people aged 15 to 25; The Push – Youth Music Organisation, aimed at supporting young people to forge a career in the music industry; and the Short Black Opera for Kids at the Geelong Arts Centre, a free program for First People students to learn culture, music and storytelling. There are a range of other organisations which run programs which are partly music and partly performance. I will not go through a long list of those, and I am sure that when the Minister for Education is here, he could run through the list of programs that are based on music that are now funded through the grant program that was mentioned before.

Nick McGOWAN: I understand it is a long list. Do you mind providing the long list to us later on?

Colin BROOKS: Yes.

Nick McGOWAN: In terms of the total funding envelope for orchestras and associated things, what are we looking at in your department?

Claire FEBEY: I would have to take on notice, and we could talk to, programs that we provide to support education around arts broadly in schools and then programs that we support that relate to music and children and young people.

Nick McGOWAN: Sure. If you could please do that, and particularly with the schools as well.

Claire FEBEY: Yes.

Nick McGOWAN: Thank you, that would be much appreciated. I will move on. The department's performance statements – it is page 88 I am referring to here – outline that the additional employment from

production supported by VicScreen has fallen from 11,071 in 2023. Minister, can you explain why VicScreen fell short of its target of 10,400 additional people employed in productions supported by VicScreen in 2023–24, achieving only 8487? It is a couple of thousand short, basically.

Colin BROOKS: Just to give you a bit of context, VicScreen is in the fourth year of the VicScreen strategy. It is \$191.5 million strategy which has really successfully created jobs, fostered new talent and provided economic value. I talked a bit before about some of that value. There is the Victorian screen rebate, which is being funded in this year's budget as well, which will be used by VicScreen to facilitate and incentivise investment in our screen industry. It is important when we look at the performance of VicScreen that you are talking about that we look at it over that full four-year period. Coming out of COVID, I think it is fair to say there was a significant uplift and an extraordinary performance of VicScreen. I think they really performed and punched above their weight, so that figure that you are referring to, I suppose, after such an extraordinary result is not unexpected.

Nick McGOWAN: And can you tell me what VicScreen's budgeting amount is for this year, this budget?

Claire FEBEY: Do you mean an allocation through the 2024–25 budget? The minister might like to talk about the rebate for screen that was included, the \$5 million investment. Minister?

Nick McGOWAN: Sure. But also the total budget for VicScreen.

Claire FEBEY: So their base appropriation or money through the previous strategy. We do have the CEO here. I would say it was in the order of \$30 million, approximately. We could ask the CEO of VicScreen to come to the table.

Colin BROOKS: We might take that on notice.

Nick McGOWAN: You can take it on notice. We have 2 minutes, and by the time he gets up here we will be on to the next question. Thank you, though. I appreciate you coming back to us on that. I am also looking to confirm that this budget has had a 1.3 per cent funding cut to creative industries access, development and innovation output compared to the 2023–24 revised figure. I will be careful there just to point out that it is the revised figure. Would that be accurate?

Claire FEBEY: Could you repeat the reference, please?

Nick McGOWAN: Yes, sure. That is the budget paper 3, page 139. There is a 1.3 per cent funding cut for creative industries, access, development and innovation output compared to 2023–24 revised.

The CHAIR: Apologies, Deputy Chair. We are out of time. I am going to go to Ms Kathage.

Lauren KATHAGE: Thank you, Chair, Minister, officials. I am excited about the Melbourne arts precinct transformation. I love the architecture. I cannot wait to see it come out of the ground. I see it is in there in budget paper 4. Can you give us a bit of a progress update – what phase it is at, what is next?

Colin BROOKS: Yes. I do not think it is inappropriate for me to say when I was sworn in as minister and I was briefed by Claire on the work that was planned down at the precinct, it was extraordinary. The investment required is \$1.7 billion, and obviously the first question I asked as a minister was: 'How are we going to get the funding for this?' We know that that funding has been secured through government investment. But also I think it is really important to recognise that there has been a really strong philanthropic effort in terms of support for that project, people really leaning in to support with significant contributions. In that precinct you are going to see, obviously, the redevelopment of the Melbourne arts centre. The State Theatre, unfortunately at the moment, is closed while that is being refurbished, but it is a really important refurbishment both in terms of back of house, so all of the stage infrastructure, and the way that productions are coming in and out of the theatre are being redeveloped – I apologise for not using technical theatre language. It is a wonderful project to modernise that beautiful part of our heritage here in terms of the performing arts. The State Theatre itself will become more accessible. When the theatre was originally built – I think it was opened in 1980; correct me if I am wrong – obviously the thinking around accessibility was not probably where we are today, so the redeveloped theatre will really take that into account, making sure that people are able to access the seating for

a whole range of different abilities, which is really important. Importantly, the heritage curtain – the big rich velvet curtain – will be replaced or put back up, I should say, so it is being maintained as a heritage item.

Aside from the redevelopment of the Arts Centre Melbourne, the central concept of the arts precinct redevelopment will be obviously The Fox: NGV Contemporary, the new contemporary gallery – an extraordinary design built down, effectively, behind the existing NGV International. The building that is there at the moment is currently being deconstructed, which I think is another way of saying demolished.

Lauren KATHAGE: A very creative way of saying it.

Colin BROOKS: Yes. I think one of the centrepieces is actually going to be the public realm of the urban garden that runs between the back of the existing international gallery and the new contemporary gallery and the Arts Centre, opening up that space which is currently behind the NGV and inviting people from the city into that arts precinct – whether they are going to the NGV International or NGV Contemporary, the Arts Centre or indeed further down the steps into that precinct, where you have got the recital centre and the Malthouse Theatre, for example. It is a stunning global arts precinct, and I have to put my hand up and say that until I had this portfolio I did not understand the significance of that project and that investment in our city. I think is going to change the face of Melbourne. I think Melburnians and Victorians understand that we have a world-class sporting precinct right on the edge of our great city, and that is celebrated by everybody right across the state. What we are going to have is this wonderful globally recognised arts precinct right on the edge of our city. We are going to have this beautiful balance between the sports precinct and the arts precinct, and you might argue, at the other end of the city the knowledge precinct. It is really going to transform Melbourne, and I think it is something that all Victorians should be really extremely proud of.

As I said before, I think the thing that has struck me is the way in which each of the different organisations, be it the Arts Centre, the gallery, Federation Square or MAP Co – all the people involved, the different players – have all have been working together so well, because they see the value of this project. Also, to be fair and open, with construction costs rising, there have been pressures on the budget, and they have been working really hard to make sure this project is brought in on budget. I have been so impressed by the work that everyone is doing, and you can tell that the people involved have a great passion for the project. I can tell that you have also got a passion for the project as well. I was there at the last series of performances before the State Theatre closed, with many other representatives from Parliament, for the Australian Ballet. I must admit that I do not think I had been to the ballet since I took my daughter to a regional performance in the Plenty Ranges arts centre many years ago. It was quite a spectacular night and an emotional night, because as I said, it was a bit sad that the theatre was closing for three years, but on the flip side it will be open in three years and a much better place.

Lauren KATHAGE: Well, the last time I was in the precinct area was to see Julia Gillard, so there you go. You spoke at the start about the philanthropic contribution to that. How does that work? Can you tell us more about that?

Colin BROOKS: Yes. Absolutely. I think the leadership at the different cultural institutions really should be congratulated for, on the one hand, increasing accessibility for everybody to enjoy what they have to offer. The Triennial is a great example – NGV for kids was running, so people could go in and the Triennial was free, completely accessible over summer. At the same time they are working really closely with some really generous donors who have the ability to make significant contributions to these projects. These are projects, as I said, under budget pressure, so without their support aspects of the projects might not happen, but people are stepping up and contributing to these funds. We talked about the Fox contemporary, a significant contribution from the Foxes; the Ian Potter Foundation, towards the State Theatre – some really wonderful contributions from people to invest in our arts and cultural heritage. And I think it is important to recognise, as a minister, that these people are contributing.

The other component of this is that once this precinct is finished and people understand the value of it, I think there will be support for further stages of development as well. It is not something I can commit to as a minister now, but I think there is certainly a mind to what happens in future in the precinct as well and what comes after that.

Lauren KATHAGE: Thank you. It is interesting – the philanthropic contributions are I guess focused on the arts, but really it is going to have a broader benefit for people that are not interested in the arts, people that want somewhere to take their kids on the weekend. Can you talk to some of those broader benefits for the community?

Colin BROOKS: Yes. Just as an example, I think again it is one of the learnings in this role, and I must admit that this has been a learning portfolio for me – MPavilion, across the road from the national gallery. I have to put my hand up – I did not know that it was there, so I attended that. It is so generously supported by Naomi Milgrom and supported by the government as well, a great rolling architectural feature over each year. And the most recent version – I cannot think of the architect's name – Ando?

Claire FEBEY: Yes.

Colin BROOKS: I put you on the spot. But it is not just an architectural feature, a pavilion, but a place for performance over the year as well, and so each pavilion has a season. So I just cite that as an example of the way people pitch in to make these things happen, a lot of the time off their own bat as well. It is a really important part of the cultural heritage that we have.

Lauren KATHAGE: Thank you. If I can ask about the gig fund, 10,000 Gigs. I saw in the 'Department Performance Statement' some information about how that has gone. Can you explain how that works?

Colin BROOKS: Yes, absolutely. This was an election commitment from the government at the last election, a large package of funds for support for live music. We have allocated \$2 million for Support Act; that is the organisation that looks after people in the music industry who might be doing it tough – really much-needed funding. We have allocated \$2 million to the SongMakers program – that is another program that runs with schoolkids to teach them songwriting skills – and that is run by APRA AMCOS, a national organisation. Jenny Morris is the chair of that. You might remember Jenny Morris from 1980s, 90s music. I got to meet her. I was pretty nervous about meeting the great Jenny Morris. But they do great work. It was a great funding announcement for the size of the allocation as well and is going to provide great value.

And then the funds that you are talking about that were announced, a \$10 million package over four years, are both the festivals package and the 10,000 Gigs fund. This is to support live music venues and performers. Importantly here, the grants that are available for venues to apply for – they have to ensure that they are paying their performers a \$250 minimum. That is just making sure – there has been a call for some time through organisations to make sure that performers are paid an appropriate amount, so that is an important part of this grant program. But it is also important at a time when live music is doing it really tough to make sure that there is that financial support from this government to support, in the end, the ability of performers and particularly up-and-coming performers, to perform in front of audiences and get their break. The festivals fund, again, is for another part of the music sector that has faced some really challenging times, and that fund provides up to \$50,000 for festivals. That will probably mean that the festivals that it supports are the small- to medium-sized ones. It is not for the really big festivals, where there have probably been some more notable examples of market failure, but it is still really important to make sure that the live music ecosystem, and importantly the audiences that are wanting to go and participate and new audiences, have that financial support from the Victorian government.

Lauren KATHAGE: Thank you.

The CHAIR: Thank you. Minister, the last 3 minutes will go to Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Thank you. I am just going to follow on from Mr McGowan's questioning on Melbourne Youth Orchestras. We are talking about an organisation that has been in partnership with the Victorian government since 1967. This is the first time that their funding has been cut by this government. I appreciate that it has moved from education to arts and that has obviously put it on your plate, Minister, but I just want to note that what I am referring to is that they have just missed out on a two-year grant. Their funding has never been cut until now. I put to this committee that what happens when you have an austerity budget is you lose really good programs that are not easily replaced. I am an alumnus of this program, as are other members of this Parliament. In response to the hundreds of emails that community members have been sending on this issue, it has been suggested that the schools spectacular is a potential replacement to make up for the losses of this MYO program. I mean, the other programs that you have listed are all excellent

programs, but they are completely different to the offering that MYO makes for Victorians. So I ask: given that this has shifted portfolios and is now in your hands, will you commit to writing to the education minister to request that the MYO program be reincorporated into the education portfolio and receive education department funding.

Colin BROOKS: I have a couple of points to make on the question on the way through. As I said before, Melbourne Youth Orchestras is a great organisation, and they continue to do great work. The grant, as I understand, was an important but not substantial part of their revenue stream. That is the first point.

Aiv PUGLIELLI: They say otherwise.

Colin BROOKS: Yes, well, I certainly acknowledge that it is an important part of their revenue stream. I am not disputing that. They certainly will miss that funding that they received. I should point out it is not my portfolio. It is in terms of music, so I am happy to answer the question and engage on it, but the funding program sits in education, so it has not come across to me. Having said that, I understand the importance of supporting organisations like this one. As I said before, I think the important thing with these grant programs when the education department are making these decisions is to make sure that they are funding things that provide the very best value. So when you are allocating taxpayers money on a grant program, you are making sure you get the best possible musical benefit for the schoolkids you possibly can. The people who assessed the criteria and the organisations that were applying would have looked at all the different applicants, I am sure, in an open and competitive grant round.

Aiv PUGLIELLI: I appreciate that, but in your capacity as minister, will you write to the education minister as I have asked?

Colin BROOKS: Well, I have discussed this with the education minister, and he has informed me that there was an open and competitive grant round. As I said, we are always looking at ways to support different music organisations. I have listed all of the organisations that Creative Victoria supports through funding and grants outside of the school system. There is a long list of programs that are funded inside the education system as well.

The CHAIR: Thank you, Minister.

Minister and department officials, thank you very much for appearing before the committee this evening. The committee is now going to follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

I would like to thank all ministers and officials who have given evidence to the committee today as well as Hansard, the committee secretariat and parliamentary attendants.

I would also like to thank the hospitality, security and cleaning staff who have looked after us here today.

The committee will resume its consideration of the 2024–25 budget estimates on Friday 17 May at 8:30 am.

I declare this hearing adjourned.

Committee adjourned.