

# VERIFIED VERSION

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into budget estimates 2014–15

Melbourne — 23 May 2014

#### Members

Mr N. Angus

Ms J. Garrett

Mr D. Morris

Mr D. R. J. O'Brien

Mr C. Ondarchie

Mr M. Pakula

Mr R. Scott

Chair: Mr D. Morris

Deputy Chair: Mr M. Pakula

#### Staff

Executive Officer: Ms V. Cheong

#### Witnesses

Ms H. Victoria, Minister for the Arts,

Mr A. Tongue, Secretary,

Mr A. Abbott, Director, Arts Victoria,

Ms L. Fleet, Deputy Director, Strategic Marketing and Communications, and

Mr M. O'Leary, Deputy Director, Agencies and Infrastructure

**Necessary corrections to be notified to  
executive officer of committee**

**The CHAIR** — We will resume with hearing no. 50 of the estimates process for 2014, and I am delighted to say the ultimate hearing. I welcome back the Honourable Heidi Victoria, and from the Department of Premier and Cabinet the Secretary, Mr Andrew Tongue, PSM; the Director of Arts Victoria, Mr Andrew Abbott; the Deputy Director, Strategic Marketing and Communications, Ms Linda Fleet; the Deputy Director, Agencies and Infrastructure, Mr Michael O’Leary; and the Deputy Director, Policy and Programs, Mr Christopher McDermott, is in the gallery, I believe, and may be a witness.

The minister now has an opportunity for a brief presentation of no more than 5 minutes on the budget estimates for the arts portfolio.

**Mr ONDARCHIE** — You could do it by way of a musical perhaps.

**Ms VICTORIA** — He is thinking we should make it all singing, all dancing.

#### **Overheads shown.**

**Ms VICTORIA** — Victorians know that the arts are an integral part of the way we live our lives. They are a part of our quality of life. The arts animate and strengthen communities. They provide employment and career opportunities and make a substantial contribution to our economy. While Melbourne is renowned as the arts capital, the arts in Victoria happen right across the state, as you can see from this map. Every regional centre in Victoria has a professional performing centre, a gallery or both. This sets us apart from other states.

Victorians are highly engaged in arts and culture, with 94 per cent of Victorians in the market for arts, culture and heritage activities. Since coming to government we have invested in extending the arts through regional Victoria, including our smallest towns. The government provides support to more than 100 arts and cultural organisations each year and to tens of thousands of artists. We know this investment makes a difference to the livability and prosperity of our community. Outside of the state, our arts credentials are also highly valued. In particular, arts and culture is part of Melbourne’s reputation and brand position, with our capital being constantly ranked as the top national destination for arts and culture.

The arts are not just a good night or day out; they are a significant economic driver. The sector contributes \$11.4 billion to Victoria’s annual gross state product. It also contributes 110 000 full-time equivalent jobs. Economic contribution of the sector is comparable to other major sectors in Victoria such as mining and energy, food and accommodation. Arts and culture are significant tourism drivers for our state, attracting more than 400 000 cultural tourists from around Australia and overseas each year. In addition to direct spending on arts events, cultural tourists also engage with the retail, hospitality and accommodation sectors, spending more than \$695 million annually.

While the sector itself is comparatively small, growth in the arts and cultural sector has been strong over the last decade and beyond. Growth in employment in the arts has been equivalent to growth in the health sector, and growth in the value added by the arts to the state over the last decade is equivalent to that added by the accommodation and food sector. This indicates that the arts and cultural industry’s share of the Victorian economy has been growing and continues to grow. No matter what your age, life experience or background, Victoria’s arts sector offers something for everyone — and Victorians do participate in the arts in very large quantities.

Some of the highlights for this year have included the NGV’s Melbourne Now exhibition over summer, more than 500 000 people turning up to White Night and some 500 000 children being involved in our education programs across the sector and across the government agencies as well.

In 2013–14 we continued to build on our arts and cultural strength, with a focus on building for the future and investing in creativity and innovation. We have completed the project for the new home for Circus Oz. We have provided \$6.7 million for the State Library of Victoria’s iconic dome. We have undertaken capital works to ensure that our institutions and assets remain among the world’s best. Obviously we have got to invest in those. We have also released the *Melbourne Arts Precinct Blueprint*, which is a vision for the future of the Melbourne arts precinct that will activate and enliven the area and bring people to the arts and to the area.

We have also consolidated and streamlined the way government supports Victorian artists and independent arts organisations with the introduction of the VicArts grants program, which in its first round provided \$1.3 million

of support to make sure that we have so many artists working, and in fact that particular round helped over 2200 artists. We have invested in regional arts initiatives, including Small Town Transformations. We have supported the commissioning of major public arts projects and supported the incredible Melbourne Ring Cycle, which I am a very big fan of and say we did a brilliant job of. Beyond funding and in response to the sector feedback, we have also launched a new capacity-building initiative called Expert Arts. This will support professional and business development opportunities for artists. Some of the programs within that you can see up on the screen: Expert Events, Expert Insights and also Expert Opportunities.

The total arts portfolio output budget for 2014–15 is \$488.3 million. Our investment in cultural infrastructure and arts facilities across the state and in grants and programs for the broader arts sector is, I think you will agree, very significant.

You will see on the next slide some of our budget initiatives, including the sustainability funding for Arts Centre Melbourne, expansion of the Victorian College of the Arts, our Summer in Southbank — it is a new series — and also the VicArts grants. There are also asset initiatives, including those for Arts Centre Melbourne and the national gallery, and also the cultural maintenance fund, a renewal of that particular fund, and also renewal at Museum Victoria. I am happy to discuss any of that further.

**The CHAIR** — Thank you, Minister. Again, we have until 3.45 for questions, and I will start. Could you outline to the committee the budget initiatives in the arts portfolio which will strengthen Victorian communities both in the coming year and over the forward estimates period?

**Ms VICTORIA** — We are committed as a government to making sure that all Victorians have an opportunity to engage in the arts — when I say the arts, I mean arts and cultural activities — and very much in their local areas. Activities have been shown in this area to bring more engagement, to energise communities but also to generate economic activity and make sure that areas are ultimately very livable. The regional development program at Arts Victoria delivers almost \$6 million every year to strengthen local communities through its support of cultural programs and activities in our regional art galleries and arts centres. As I said in my presentation, we are blessed that almost every regional centre has either an art gallery or a theatre, or both, and we are very much the envy of most of the states and territories because they simply do not have that sort of network.

In addition to the direct program funding, we also give funding towards the facilities, which is really important. We also make sure that there is money injected into touring to regional Victoria, so making sure that people do not have to leave their neighbourhood to be able to see the best that is on offer. We actually let it go to them. This makes sure that that broad scope of activities happens right around, not just in the capital city. Across Victoria the regional facilities attract some 1.5 million visitors every year, provide some 600 direct jobs, which is very substantial, across the regions and have a combined annual business turnover of more than \$36 million.

The VicArts grants program, which is the new program I alluded to before, has a very strong role in supporting local communities. The annual \$3 million program is very much about project funding, making sure that we have cultural activities and making sure that we are supporting artists and not-for-profit arts institutions and organisations. Priorities are given within that grants system to projects that involve real partnerships out in the community so that there are artists working with the communities to bring new works and new audiences.

Our major cultural agencies also have a really good track record of supporting local communities. For example, the State Library of Victoria has a very long history of engagement with the 200 public libraries around the state. They do leadership capability building, they also do touring exhibitions, they digitise newspapers, they do online seminars and they get involved in writing festivals and the like.

The Public Record Office Victoria, or PROV, supports local communities through nominating places of deposit. I am very thrilled to be able to say that we have a POD in Wantirna in my electorate. It used to be called the Victorian Jazz Archive, now called the Australian Jazz Museum, as of a couple of weeks ago. On International Jazz Day they had a name change, and last night they took out one of the Rupert Hamer awards, which was held in Queens Hall, and so Ralph and Mel were there last night receiving that award on behalf of the Australian Jazz Museum.

There is also the local history grants program, which so many local communities rely on to be able to tell the story. I know that we have just announced another round of recipients for that. I noted that one of the recipients was the Espy hotel, telling quite a bit about their history. I look forward to reading that when it is done.

Museum Victoria of course have a very good presence right throughout the regions. They have discovery vans which visit lots of audiences and reach large quantities of people, but they are also very big on the Collections Victoria website, making sure that everybody is digitising what it is they have in their collection so that they are searchable and researchable and a great opportunity for the community to be able to delve into what they may not have been able to delve into.

We do all sorts of different things as far as building stronger communities is concerned. We make sure that we are building economic capacity in areas and that we promote livability through the arts — and it is so easy to do.

**Mr SCOTT** — Minister, I am going to ask you a very specific question. While I am asking in relation to the proposal of a new piece of legislation, I am actually asking about the implementation process surrounding it and the use of public resources, not the act itself, so I am going to pre-empt any Pavlov's dog-like reactions to the question.

**Members interjecting.**

**The CHAIR** — Order! We have 13 minutes left in the hearing. Let us see if we can deal with the facts.

**Mr SCOTT** — Minister, you have made public statements relating to the need for a new piece of arts legislation, and you have stated that you will task the director of Arts Victoria to fully consult with all stakeholders in the sector. What I am really asking is what the consultation process will be insofar as what form it will take, when this consultation process will start and when it will be completed by.

**The CHAIR** — Is there a link to the estimates?

**Mr SCOTT** — It is a bill that is proposed. The director of Arts Victoria is funded by the estimates, so their activities are a reasonable thing to ask the minister about.

**The CHAIR** — I think perhaps a slight rephrasing to link it directly to the arts output would be helpful.

**Mr SCOTT** — The arts output relates to the expenditure of funds, including the funding of the director of Arts Victoria. Therefore, I am asking about the activities that will be conducted by a publicly funded individual who is funded through an appropriation during the estimates period.

**Mr ONDARCHIE** — That is probably the longest bow of the whole estimates hearing.

**The CHAIR** — With that modification I think it is now in a form that the minister can be asked to respond to.

**Ms VICTORIA** — I was not quite sure where Mr Scott was going with that.

**Members interjecting.**

**The CHAIR** — Order! Enough!

**Ms VICTORIA** — I suppose I am smiling because there is so much good news in this budget and there is so much that we have been doing for the arts that a proposed change to the one piece of legislation we have is probably not foremost in my mind, I have to say. I am on the record publicly as saying that it is something that we would look at to make sure the legislation was relevant today — whether it is as relevant today as when it was introduced. The director is sitting beside me, and I just said to him, 'Obviously you earn too much if you are actually within the budget papers'. I thought he did it for the love of it. It is something that we may well entertain after the next election, but we have so much to implement in the meantime. Andrew, I do not believe you are doing that in your spare time?

**Mr ABBOTT** — No.

**Ms VICTORIA** — No, okay.

**Mr ONDARCHIE** — Minister, I refer you to page 46 of budget paper 3, which talks about an allocation under your stewardship of \$3 million for exhibition renewal at Museum Victoria. I am going to ask you to provide some information about the types of exhibitions supported by this funding, but I am going to ask you to be very clear in your response to ensure that the member for Albert Park does not put out any rubbish tweets like he has been this afternoon, so please be correct.

**Members interjecting.**

**Ms VICTORIA** — I do not read tweets.

**The CHAIR** — Order! Let us just move on.

**Ms VICTORIA** — One of the things we are very proud of in Victoria, regardless of who is in government, is the infrastructure that we have — the institutions we have in this state — and we can thank our forefathers very much for having that insight. Obviously, without giving everybody a history lesson, back in the 1850s, during the gold rush time, they were wise enough to put money into major buildings. Some of those included the first free library and obviously the very house that we sit in today, Parliament House, and that type of thing.

One of the things they did was invest heavily in the museum, which was co-located with the library at the time. Of course several governments ago the new museum was built. It has met with great acclaim from around the world and has certainly housed some of the major exhibitions that we have had here in Victoria. You can look at some of the Melbourne Winter Masterpieces exhibitions that have been there, and Bond has just finished — Designing 007 — which was a very successful exhibition. Aztecs is in there at the moment, which is great. If you have not been along, I recommend it to everybody in the committee. It is a wonderful day out for you and your families. And of course it is a great place to go and visit, and one of the initiatives that we have had under this government is to make sure that all children visit it for free

In order to have people coming back time and again and not being bored with the exhibits, exhibition space renewal must occur. It must not only be fresh and exciting and a wonderful way for people to view things and to discover things; it also needs to be at the best possible standards, whether it be climatic, whether it be lighting, whether it be preservation. One of the things we have done over many years is have exhibition renewal in the budget. So the \$3 million that has been allocated for the museum renewal this time is specifically for Melbourne Museum. Museums Victoria as a network has received money in the past, because we have also got Scienceworks down at Spotswood, where we have redone the planetarium and that type of thing, but also the Immigration Museum is part of that as well.

One of the investments that we made in the last couple of budgets was towards a wonderful new exhibition called First Peoples. Again, if any member of the committee or indeed anybody listening has not seen that, I recommend it. It is obviously about our Aboriginal heritage in this state specifically. It is one of the most beautiful exhibitions I have seen. It is a permanent exhibition, so its life span is about 10 years, and it is one of the most beautiful, sensitive, explanatory exhibitions I have seen anywhere in the world. In fact it was because we invested in exhibition space renewal that this particular exhibition could go ahead. The one that we have been told the \$3 million in the budget this year will be spent on will be a reinvigoration of the children's gallery, and I think that is very exciting in itself.

I just want to go back to First Peoples at Bunjilaka for a moment and say how proud I was that this week at what is known as the American Alliance of Museums — and they meet, obviously, yearly in America — our very own Bunjilaka First Peoples exhibition just took out the top prize. So from museums and exhibitions all around the world this particular exhibition called First Peoples in Bunjilaka took out top prize in America, in the whole world.

That exhibition opened in September last year. It is a great place for children to come and learn. It is a great place. We are getting people coming from all around Australia to look at not only the way this has been set up but also the information that is on display there.

Exhibition renewal is something that is critical to any organisation, but especially in a museum, where things have to be kept fresh, vibrant, relevant and easily accessible for all Victorians.

**Ms GARRETT** — There is always wonderful political drama up at Spring Street, and we know now that this is going to be depicted in a six-part television series known as *Party Tricks*. I think we are all looking forward to seeing how they manage to deal with our Public Accounts and Estimates Committee. I imagine there will be a full episode on that.

**The CHAIR** — Not at all, I suspect, is the answer to that.

**Ms GARRETT** — With Hugh Jackman in the chair. I think we would have Rusty Crowe stepping in for Craig Ondarchie. And the fact that we go through the budget, line by line, I am sure will make for riveting viewing for the Victorian public and indeed Australia. But I will come to my question, because with the hallmarks of a Shane Maloney novel we had some high drama of our own at a recent pre-Logies soiree, hobnobbing with the industry's finest. Some concerned sources — significant sources in the *Sunday Herald Sun* — report that the Minister for the Arts, who has responsibility for the promotion and protection of our artistic culture — —

### Members interjecting.

**Ms GARRETT** — It is a question; it is coming. At this soiree, it is reported, the minister expressed some concerns about the casting and the timing of *Party Tricks*. In particular we know that Asher Keddie — the wonderful Asher Keddie — is playing the Labor leader, and there has been some anxiety expressed in the coalition. I ask the minister: what was the nature of those discussions that you admit to having at the pre-Logies soiree and did you raise any concerns at all about the casting and/or timing of the screening of *Party Tricks*?

**Mr ONDARCHIE** — On a point of order on relevance. There are a couple of things. I cannot find a reference to the *Sunday Herald Sun* in the budget papers anywhere; and secondly, this is a question for the minister who is responsible for film production in this state, and that is Minister Asher.

**Mr O'BRIEN** — There is another point of order.

**The CHAIR** — I will rule on that one first. Leaving aside the second comment, which is a statement of fact, unless Ms Garrett can rephrase her question to link it to the budget estimates, as entertaining as her question may have been, I will have to rule it out of order.

**Mr ONDARCHIE** — I am not happy with the Russell Crowe thing either.

**Mr O'BRIEN** — She also named a number of private individuals, who may not be so happy to have their names associated with members — I was thinking of Asher Keddie.

**Ms GARRETT** — I am sure the minister would not want to be shut down from answering this question about an artistic matter.

**The CHAIR** — Yes, but I would appreciate a link, given the point of order.

**Ms GARRETT** — The promotion of arts and cultural development output measure.

**The CHAIR** — Minister, I will phrase it in these terms: do you wish to respond?

**Ms VICTORIA** — I will, but I will make it brief, because I believe there are really important things we could be talking about here, great initiatives that we have done in this government for the arts. Certainly the increase in funding is one of the most important, and I would have thought those sorts of initiatives and our support for the arts and cultural sector would be something that everybody would want to discuss.

I did read with interest that piece in the *Herald Sun* and had a bit of a giggle, I suppose, because it is no secret how much of a love I have for the arts and culture and how much of a love I have for all arts, whether they are under my portfolio or not, and obviously film and screen do not come under my portfolio. But to think for a moment that I would not encourage film production or television production in Victoria is laughable.

**The CHAIR** — Thank you, Minister. We are out of time. Just before I close the hearing, I do want to make a couple of comments, if you would all bear with me. In the last couple of weeks we have had 50 hearings — 54 hours of hearings. Most of us have been on this committee for the term of the Parliament — 216 hours of

hearings in this Parliament. I do want to acknowledge in the most recent hearings the contributions of all committee members. Mostly it has been smooth running. I think I said in the house before we started the process that if we are all talking to one another at the end of it, we will consider it has been reasonably successful, and I am pleased to say we are.

I also want to acknowledge the work of the secretariat. I have always been aware of the huge task that is the estimates hearings: the logistic task alone is enormous. Certainly as Chair I have become even more sensitive to that issue. At the same time as the estimates process is being run the preparation of the reports that flow from it continues, so it is not as if the secretariat is simply focused on what is happening in the room.

I also want to acknowledge the work of the parliamentary staff. Building and grounds staff worked quite late on the Thursday night getting this room set up, getting the furniture in and getting it organised.

I particularly want to recognise the work of Hansard. The reporting staff of course have maintained their usual high standard, but I also want to recognise the work of the sound and broadcast team. That has gone without a hitch, and has been terrific as well.

In this process we put a bigger load on the PSOs than they have for other non-sitting weeks and the parliamentary security generally — there are a lot more people going in and out.

I also should thank the Assistant Clerk Committees in the Legislative Assembly, who is in the gallery, for the use of her chair for the last couple of weeks — that has certainly been appreciated — and for her work on the estimates process as well.

To stage the estimates hearings is a major undertaking for the Parliament, not just for the members and the ministers involved but all the staff, particularly those I have identified, so I do want to thank them all for their contribution.

**Mr SCOTT** — Chair, in the absence of the Deputy Chair, could I, with your indulgence, echo your comments, without going through all of them, on behalf the opposition committee members.

**The CHAIR** — Thank you. I declare closed the hearings for 2014.

**Committee adjourned.**