

## Creative Partnerships Australia

### Submission to the Productivity Commission Philanthropy Inquiry

May 2023

The arts and cultural sector (including the visual arts, performing arts, literature, galleries & museums, screen) has been a long-term beneficiary of philanthropy in Australia. Early examples include the Felton Bequest which has enabled the purchase of works for the collection of the National Gallery of Victoria, and the Sidney Myer Fund/Myer Foundation and the Ian Potter Foundation, both of which have been generous supporters of the arts over many decades. This has enabled the arts and cultural sector to grow, to do things that could not otherwise be done, such as international touring, and to be more accessible to Australians from disadvantaged communities. Arts and culture have also been fortunate to be the recipient of both cash support and donations in-kind, usually the gift of works of art or other objects for museum collections with the assistance of the Cultural Gifts Program. Without those gifts from countless individuals and families, the collections of our national, state and regional museums would not be what they are today.

Therefore, the arts and cultural sector is very supportive of this inquiry and any subsequent considerations the Commonwealth Government may make about how to support and grow philanthropy in Australia.

Others have made comprehensive submissions that address this subject fully and Creative Partnerships supports the submission made by Philanthropy Australia, with whom we work closely. Rather than repeat what others have written, we wish to convey the important place that philanthropy plays in the not-for-profit arts and cultural sector, and the role that Creative Partnerships has played in building arts philanthropy, as a model that could be replicated in other not-for-profit cause areas.

The not-for-profit arts and cultural sector receives significant support from all levels of government, which is supplemented by earned income (box office, retail and hospitality), business partnerships and philanthropy. The mix of these different sources of funding changes periodically due to government funding decisions and varies in different arts and cultural organisations, depending on the size of the organisation, the ability to earn income, and the ability to attract and maintain sponsorship and philanthropic funding. While smaller organisations tend to be more reliant on government support and are not well-equipped to seek philanthropic support, many larger organisations such as the national and state performing arts companies rely on philanthropy for a significant part of their annual revenue. Without this revenue they would not be able to operate at the level they do. Similarly, collecting institutions often receive enough government support to operate (to “keep the lights on” so to speak) but do not have budgets for acquisitions, so rely on gifts to build their collections.

As government funding for the arts has not and is not likely to increase substantially (see work done by A New Approach: [www.newapproach.org.au](http://www.newapproach.org.au)), the arts and cultural sector has looked to philanthropy as a source of funding that could be grown over time. The boards and management of arts and cultural organisations are, therefore, constantly considering how best to do this.

Creative Partnerships Australia was established in 2013 and over the past ten years has focused on raising the fundraising capacity of the arts and cultural sector, and developing a pipeline of professional and effective fundraisers for the sector.

We have done this through a range of programs and services, which have included matched funding programs; providing advice, coaching and mentoring; developing a rich series of resources available online via our website; conducting seminars, webinars, workshops and masterclasses with Australian and international experts; creating opportunities for arts fundraising professionals to network and share experiences and expertise; and engaging directly with the boards of arts and cultural organisations. In addition, we have recognised and celebrated giving to the arts through our annual Creative Partnerships Awards. We encourage you to look at our resources and, in particular, the case studies in our Annual Report and our Awards videos that articulate beautifully the benefits of philanthropic support for the arts and culture ([www.creativepartnerships.gov.au](http://www.creativepartnerships.gov.au)).

Creative Partnerships Australia is a Commonwealth Government-owned company, with charitable status and DGR status. This structure has enabled it to run the Australian Cultural Fund, which facilitates philanthropic grants and donations to individual artists, while providing a tax-deductible receipt to donors. The Australian Cultural Fund operates through an online platform and has grown from less than \$1 million in funds received in 2012-13 to nearly \$10 million in 2021-22. Details about the ACF can be found at [www.australianculturalfund.org.au](http://www.australianculturalfund.org.au).

The success of these programs has led to more philanthropic funds going to arts and culture and to a sector that is better at attracting and maintaining that support.

From the work we have done with both individual artists and arts and cultural organisations, we know that attracting and maintaining philanthropic support requires resources and expertise, as well as what we call a “whole-of organisation” approach to fundraising, including engagement from board level down.

We also know that partnering with donors brings more than just money to the sector and those within it. It creates connections with people with a common interest, it creates a community of supporters for artists and arts organisations, in turn enhancing what the sector can do on its own.

For philanthropy to grow we need a strong, professional and capable not-for-profit sector to receive philanthropic funds and use them well. With modest resources, Creative Partnerships Australia has been able to work with both sides of this partnership in the arts and cultural sector to ensure that donors understand how the sector works and what it needs; and with the arts and cultural sector to ensure it understands what donors are looking for and that they have the skills and capacity to deliver. However, this work has only just begun and there is still much more than should be done in this sector. This model, or a system of intervention to assist build the fundraising capacity in other not-for-profit cause areas, should be considered by governments, as philanthropy will not be able to grow if the not-for-profit sector is not able to develop and grow with it.