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Dear Productivity Commission,

### **Aboriginal and Torres Strait Islander Visual Arts and Crafts Draft Report**

Thank you for the opportunity to provide a response in relation to the Aboriginal and Torres Strait Islander Visual Arts and Crafts Draft Report (the draft report).

KPMG recognises, values, and respects the diversity of histories, cultures, countries, and languages that exist in Aboriginal and Torres Strait Islander communities. Australia's First Nations peoples follow customs and cultures that have thrived since time immemorial.

Aboriginal and Torres Strait Islander arts and crafts are intrinsically linked to Aboriginal and Torres Strait Islander peoples' relationship to their rich country, culture and identity. Creating and sharing art has remained an integral practice that allows First Nations peoples to maintain, strengthen and share their culture. It has also become a significant source of economic empowerment.

The uniqueness of Aboriginal and Torres Strait Islander art and crafts has led to a significant rise in demand from consumers. 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.

Inauthentic Aboriginal and Torres Strait Islander art is exploitation and the theft of First Nations people's culture, community and their identity.<sup>1</sup> The impact this has on Aboriginal and Torres Strait Islander people and their communities cannot be understated. KPMG understands the pervasiveness of the Aboriginal and Torres Strait Islander fake art market, having undertaken extensive research with the Aboriginal Art Centre Hub Western Australia.<sup>2</sup> KPMG's ground-breaking study found that consumers tended to underestimate how many products were fake but were willing to pay more for authentic and ethically sourced Aboriginal and Torres Strait Islander merchandise.

In addressing the issue of inauthentic art, the draft report calls for mandatory labelling of products that are not made by an Aboriginal and Torres Strait Islander artist, new legislation to protect the Indigenous Cultural and Intellectual Property of traditional owners and improved funding for the Aboriginal and Torres Strait Islander arts sector. KPMG welcomes these recommendations, as they seek to provide a more robust market that protects First Nations artists and communities.

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<sup>1</sup> Aboriginal Art Centre Hub of Western Australia (2018), Submission to the Parliamentary Enquiry into the Growing Presence of inauthentic Aboriginal and Torres Strait Islander style art and craft.

<sup>2</sup> KPMG (2021) Final Report, Real or Fake? Insights into consumer and retailer attitudes towards the authenticity and certification of the Indigenous art and craft market.



KPMG recognises that all elements of reform sought from the draft report need to centre around First Nations peoples and communities and support their right to self-determination. Aboriginal and Torres Strait Islander culture and leadership needs to be at the heart of decision-making and implementation processes.

The use of blockchain technology could play a role in addressing the issue of inauthentic art. Blockchain plays several key roles in supply chain transformation, but the two most prominent are the facilitation of transparency and the ability to securely and verifiably track and trace goods as they move through the supply chain.

KPMG Origins is an ecosystem focused platform, using blockchain technology and offered as a managed service by KPMG. We have successfully deployed the KPMG Origins platform in various sectors to solve issues related to trust, transparency, traceability and environmental impact. For example, the Sustainable Sugar Project – Smart Farming initiative was introduced in Queensland using KPMG Origins to support exporting sustainable sugar and differentiate sustainable farming practices by tracking raw sugar on digital platforms.

A solution such as this would work in conjunction with chosen partners to help design an end-solution to trace the provenance of Aboriginal and Torres Strait Islander visual arts and crafts. KPMG sees an opportunity to co-design and test the solution with established Aboriginal and Torres Strait Islander art centres and cooperatives. Through this process, the solution would be community owned and controlled. In the past, the KPMG Origins team has worked with organisations such as Desart and the Everard Advisory to design similar solutions.

KPMG strongly supports the introduction of any reforms seeking to strengthen the markets for Aboriginal and Torres Strait Islander arts and crafts. The recommendations outlined in the draft report will begin to create significant safeguards for Aboriginal and Torres Strait Islander artists and their communities. We will continue our work partnering and working alongside these Aboriginal and Torres Strait Islander communities to create meaningful change.

Please do not hesitate to contact us should you have any additional questions or would like to discuss the contents of this letter further.

Yours sincerely,

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