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Funding for Aboriginal and Torres Strait Islander art centre peak agencies: an examination of the funding environment, 2004–2013

Susan Congreve

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Australian Government
Department of Industry and Science

Business
Cooperative Research
Centres Programme



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Shortened forms

AACHWA	Aboriginal Art Centre Hub of Western Australia
ABA	Aboriginal Benefits Account
ANCAAA	Association of Northern and Central Australian Aboriginal Artists
ANKAAA	Association of Northern, Kimberley and Arnhem Aboriginal Artists
APY	Anangu Pitjantjatjara Yankunytjatjara
ATSIC	Aboriginal and Torres Strait Islander Commission
IACA	Indigenous Art Centre Alliance
IVAIS	Indigenous Visual Arts Industry Support
ORIC	Office of the Registrar of Indigenous Corporations
NACIS	National Art and Craft Industry Support Strategy

Executive summary

Aboriginal and Torres Strait Islander art centre peak agencies have been operating since the 1980s and have played an important role facilitating art centre interactions and negotiations with government and the market, as well as providing training and business advice to artists and art centre staff and acting as an advocate for the sector. Peak agencies are a critical part of the remote Aboriginal and Torres Strait Islander art centre domain.

The CRC-REP Aboriginal and Torres Strait Islander Art Economies project is undertaking a range of research into the Aboriginal and Torres Strait Islander art sector. As part of this research, extensive qualitative and quantitative data have been collected from art centres, government agencies, commercial galleries and retail outlets. To contribute further to the picture of the complex value chain that underpins the sector, this study of peak agency funding gives an overview of how much funding these organisations receive and where the money is coming from.

Key findings

Peak agencies are a significant part of the remote Aboriginal and Torres Strait Islander art centre domain.	Peak agencies have received \$39.5 million in funding from State, Territory and Federal Government sources in the decade from 2003/04 to 2012/13. This is around 24% of total funding to the sector. Peak agencies auspice funding on behalf of art centres; outside of these auspiced funds, peak agencies have received \$26.5 million for operations and core activities. This is around 16% of total funding to the sector.
Government funding is crucial to peak agencies. The Federal Government is the most important source of these funds.	Government funding has accounted for an average of 97% of peak agency core income in the decade to 2012/13. Of this, 73%, or \$19.3 million has been provided by the Federal Government. State and Territory funding averages 24% of peak agency core income, though this funding has almost tripled over the decade from \$0.3 to \$0.9 million per year.
Peak agencies and art centres primarily receive their core funding through the Indigenous Visual Arts Industry Support (IVAIS) program.	The primary funding to peak agencies is through the IVAIS program, which has provided 54%, or \$14.4 million, of their total operational funding. IVAIS is the same funding program that supports the operations of almost all remote Aboriginal and Torres Strait Islander art centres. The cost to the IVAIS program of funding peak agencies has increased over the decade to 2012/13, from 14% to 24% of its annual budget. This is at a time when the number of both art centres and peak agencies in remote Australia has been increasing.

1. Introduction

The Aboriginal and Torres Strait Islander Art Economies project is undertaking a wide range of research into different zones of activity in the sector, in order to better understand the commercial links, barriers and opportunities for artists, art centres and agents.

Peak agencies¹ are an integral part of the ‘art economy’. They are recognised by State, Territory and Federal governments as important enablers (Altman 2003) and they are valued by artists and art centres for the services they provide (Office of the Registrar of Indigenous Corporations 2012). The growth and evolution of peak agencies mirrors the development of art centres and the remote community art network (Acker & Woodhead 2014).

Peak agencies also sit at a complex point in the sector as they are funded by two levels of government and are responsible to a diverse membership that is located in remote regions and – at times – across two or more government jurisdictions. Peak agencies in Western Australia, South Australia, the Northern Territory and Queensland were established with government funding with the aim of strengthening and developing a nascent Aboriginal and Torres Strait Islander art industry in regional and remote Australia. This industry was seen by successive governments from the 1970s onwards as one with the potential to draw Aboriginal and Torres Strait Islander people in remote communities into the mainstream economy (Myers 2002).

Aboriginal and Torres Strait Islander art centres and their peak agencies are components of what Porter describes as clusters or critical masses that mark geographic concentrations of commercial success or activity (Porter 1998). By Porter’s definition, clusters are made up of interconnected industry stakeholders that include suppliers and providers at all levels of commercial activity and are linked together by their involvement in a particular sector. In combination, art centres and peak agencies work within a web of interdependent businesses, institutions and government agencies.

While Aboriginal and Torres Strait Islander art centres are the primary producers of art products from remote Australia, peak agencies play an important advocacy, development and support role. Peak agencies aim to improve art centre operations, support them to compete more effectively and help them to navigate the network of associated businesses and agencies that make up the sector. Over the past 30 years, art centre operations have become increasingly professionalised, in line with the greater commercial and operational demands as the sector grew. Correspondingly, the role of peak agencies has also expanded to meet these needs and ensure there is an industry voice for Aboriginal and Torres Strait Islander artists and art workers.

As early as 1981, when the Pascoe Report was released, it was noted that there was a dearth of statistical information about the Aboriginal and Torres Strait Islander arts and crafts industry (Pascoe 1981). This study contributes to a bigger project delivered by the CRC-REP Aboriginal and Torres Strait Islander Art Economies project, which has a broad aim to provide accurate information about the sector. This study presents, investigates and describes how the funding for peak agencies has developed and changed over the period 2003/04–2012/13. It should be read in conjunction with the reports about art centre finances (Acker & Woodhead 2014) and production (Woodhead & Acker 2014).

Peak agencies are the third point in the triangle connecting remote area art centres and government funding agencies, a geometry that has been in place for nearly three decades. There has been much change to the Aboriginal and Torres Strait Islander art sector over this time, but the role of government subsidy has

¹ Also known as peak bodies and, by the Federal Government, as Industry Service Organisations.

remained essential. This study examines the funding and income for Australia's five peak agencies over ten years, a period for which reliable figures are available, by drawing from audit information and government publications.

2. Peak agencies: background and context

The history and development of art centre peak agencies is interwoven with that of art centres. The cooperative, community-based art centres that are now spread throughout Australia's remote north and centre were established at different times and through a variety of circumstances. Some evolved from mission-managed craft projects (Hilliard 1997), while others arose as a cultural and social response to the assimilationist policies that directed Aboriginal and Torres Strait Islander lives (Bardon & Bardon 2004). Many were set up as a business opportunity for local communities to engage with the broader economy (Altman 2005).

The beginnings of a formal supply chain – with artists as wholesalers, art centres as their agents and a small network of galleries, with some state support – emerged in the 1970s, expanded through the 1980s and, by the early 1990s, became 'a total Aboriginal arts and crafts industry' (Altman 1989, p. 321). During this period the early art centres (independent, artist-owned organisations, as opposed to the mission-based art and craft groups) were mostly located in the Northern Territory, with a small cluster in the desert lands west and south-west of Alice Springs and another cluster in Arnhem Land and the Tiwi Islands. The Kimberley region of Western Australia and northern South Australia had emerging art movements at this time.

Triggered by the collapse in 1987 of Aboriginal Arts and Crafts Pty Ltd, which had been established in 1971 by the Federal Government to wholesale and retail Aboriginal products, and concern for the state of the sector, a crisis meeting of art centres was held in mid-1987 (S Anderson, Manager, Association of Northern and Central Australian Aboriginal Artists, 2014, pers. comm. September). This initial meeting motivated the art centres to lobby government, requesting a review of the sector. This review generated a major report, *The Aboriginal Arts and Crafts Industry* (Altman 1989, widely known as the 'Altman Review'), which made some far-reaching recommendations, including the development of an industry assistance program, the National Art and Craft Industry Support Strategy (NACIS), which later became the Indigenous Visual Arts Industry Support program (IVAIS). Simultaneously, these early meetings also resulted in the establishment of the first art centre peak agency in 1987, the Association of Northern and Central Australian Aboriginal Artists (ANCAAA).

In 1992, after lobbying for the recommendations of the 1989 review to be funded and the pursuit of several high profile copyright cases and investigations into poor practice in central Australia, ANCAAA auspiced the Central Australian Aboriginal Art Industry Support Unit at the request of central Australian art centres. This unit later became Desert; it was based in Alice Springs and had a brief to support desert art centres (S Anderson, Manager, Association of Northern and Central Australian Aboriginal Artists, 2014, pers. comm. September). The Association of Northern, Kimberley and Arnhem Aboriginal Artists (ANKAAA), was incorporated in the same year and was based in Darwin, where it continued to work on behalf of the northern and Kimberley centres. This split was in part due to the growth in the number of art centres and in part due to the logistical challenges associated with the distances between art centres and to their respective service centres, Alice Springs and Darwin.

New art centres continued to emerge through the late 1990s and early 2000s; they sought the same access to business development and advocacy services as the established centres, presenting challenges to both

the peak agencies and the funding bodies, as resources and services were spread ever wider (Acker & Congreve 2012; Acker et al. 2009). In response, art centres initiated the establishment of three further peak agencies. In 1997, with art centre growth in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands (northern South Australia) and expansion plans in other areas of South Australia, Ananguku Arts was formed. Similarly, to support art centres in the newer regions of Western Australia, the Aboriginal Art Centre Hub of Western Australia (AACHWA) was started in 2009, and the growing network of art centres in far north Queensland initiated the Indigenous Art Centre Alliance (IACA) in 2011.

There are now five peak agencies representing remote Aboriginal and Torres Strait Islander art centres (Table 1). They deliver services to around 83 remote-area art centres (and, in some instances, individual artists in those regions).

Table 1: Peak agencies and their key attributes

Peak agency	Governance	Location and establishment
Aboriginal Art Centre Hub of Western Australia (AACHWA)	Originally auspiced by Country Arts WA. Newly incorporated under the <i>Corporations (Aboriginal and Torres Strait Islander) Act 2006</i> (Cwlth) Art centres are members	Headquarters in Perth, Western Australia Established in 2009
Association of Northern, Kimberley and Arnhem Aboriginal Artists (ANKAAA)	Incorporated under the <i>Corporations (Aboriginal and Torres Strait Islander) Act 2006</i> (Cwlth) Artists are members	Headquarters in Darwin, Northern Territory Established in 1992
Ananguku Arts	Incorporated under the <i>Corporations (Aboriginal and Torres Strait Islander) Act 2006</i> Artists are members	Headquarters in Adelaide, South Australia Established in 1997
Desart	Incorporated under the <i>Associations Act</i> (NT) Art centres are members	Headquarters in Alice Springs, Northern Territory Established in 1992
Indigenous Art Centre Alliance (IACA)	Incorporated under the <i>Associations Act</i> (Qld) Art centres are members	Headquarters in Cairns, Queensland Established in 2011

The peak agencies share a similar purpose, namely, to offer members a range of services that are tailored to meet their business development needs (Office of the Registrar of Indigenous Corporations). Each peak agency delivers a combination of the following core services:

- professional development and training for art centre artists, board members and staff
- advocacy for artists and art centres and engagement in industry issues
- business management and marketing assistance
- support for arts workers and human resource support
- advisory and referral services to governments and the industry sector.

Other key similarities are that the peak agencies are majority funded from a combination of State, Territory and Federal Government sources, and each has an Aboriginal and Torres Strait Islander board or advisory group, as well as a small contingent of full-time and part-time staff. Each of the peak agencies also uses the services of consultants in order to access specific expertise or deliver certain projects.

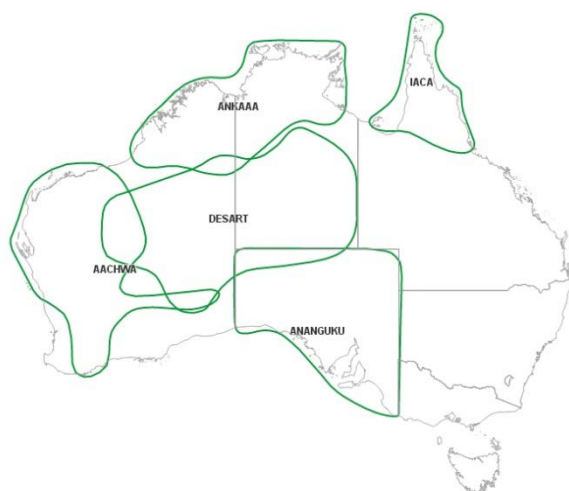


Figure 1: Map of peak agencies

While the peak agencies have much in common, there are also major differences. One of these is in the operational footprint of each agency (Figure 1). Due to overlapping peak agency boundaries, some art centres have membership of more than one peak agency – and hence are included in each agency’s total (Table 2). Further, the CRC-REP’s focus is remote Australia, and all the peak agencies except Desart have members in non-remote regions; additionally, some peak agency members were not considered as ‘art centres’ by Acker and Woodhead (2014). The final column of Table 2 shows the total number of member art centres claimed by each peak agency.

Table 2: The number and percentage of art centres and artists for each peak agency

	% of Art Centres	Remote area art centre and artists information				Official # of Art centres
		# of Art Centres	% of all artists	# of artists*	Aboriginal and Torres Strait Islander population**	
AACHWA	7%	6	7%	1,065	5,312	7
Ananguku Arts	9%	8	5%	746	2,545	8
ANKAAA	31%	28	28%	4,171	20,452	35
Desart	40%	37	56%	8,294	18,357	39
IACA	13%	12	4%	550	9,811	13
Total	100%	91	100%	14,826	56,477	102

* The number of artists are those working with art centres only.

**The population of those communities with remote area art centres, collated from the Census:
www.abs.gov.au/websitedbs/censushome.nsf/home/map.

Note: ANKAAA and Ananguku Arts have artists, not art centres, as members, but the majority of their work is focused on artists who work through art centres. It is therefore worth noting how many art centres are operating within their regions.

Source: Acker and Woodhead (2014)

The two oldest peak agencies, ANKAAA and Desart, have the largest membership base. Both are based in the Northern Territory, but their membership stretches across the Western Australian (ANKAAA and Desart) and South Australian borders (Desart only).

Ananguku Arts was initially established to support artists working in the APY Lands. This brief was later extended to Aboriginal artists working across South Australia, when the Statewide Indigenous Community Artists Development project was introduced in 2007.

AACHWA, like many of its members, is new to the sector. AACHWA was established in 2009 to support art centres in Western Australia that were not able to access services through Desart or ANKAAA, primarily those in the west and south-west areas of the State. IACA, based in Cairns, is the newest peak agency and opened its doors in 2011 to service a discrete network of art centres in far north Queensland.

Another key difference is in the approach to membership. ANKAAA represents artists who work in art centres, not the art centres themselves, as well as independent artists in the top half of the Northern Territory and the Kimberley region of Western Australia. ANKAAA currently has almost 500 members. Similarly, Ananguku Arts has almost 150 artists as members. The other three peak agencies have art centres, not individual artists as members. Desart has 39 art centre or art project members in the southern half of the Northern Territory, the Western Desert of Western Australia and the APY Lands of South Australia. AACHWA has seven members in the southern and western regions of Western Australia, and IACA has 13 members between Cardwell and the Torres Strait.

There are membership overlaps between AACHWA, Ananguku Arts, ANKAAA and Desart, with a small number of art centres and artists receiving services from more than one peak agency. Some of the artists working with Ananguku Arts, for example, retain their membership of this association as well as receiving services from Desart through their respective art centres. Similar overlaps occur between AACHWA and Desart and Desart and ANKAAA art centres. Whether these services are duplicates or unique to each peak agency is outside of the scope of this study.

3. Methodology

The purpose of this study is to detail and describe the funding and income reported by peak agencies over the ten-year period from 2003/04 to 2012/13. This period was chosen because the financial information was readily available and because it was a period that saw a significant change in funding levels for the peak agencies, as well as considerable change for the sector.

A majority of this information is publicly available through two main sources. Firstly, two peak agencies – ANKAAA and Ananguku Arts – are incorporated with the Office of the Registrar of Indigenous Corporations (ORIC) and, as such, are required to prepare and submit annual audits. These audits are available online, though the online record is not always complete. Two other peak agencies (Desart and IACA) are incorporated under State or Territory legislation, which does not require them to provide a public record. AACHWA's incorporation (under ORIC regulations) was completed in April 2015. The researchers requested, and were provided, income information from Desart, AACHWA and IACA.

These combined data made possible a detailed analysis of the funding and income situation, both current and historic. For the three larger, older peak agencies, full income and expenditure data from ten years were available. However, because AACHWA and IACA are relatively new organisations, data were available only for a portion of the study period: four years and two years, respectively. In total, 36 years of financial information was available.

Income data in the audits and statements were collated to determine the amount and type of funding received by each organisation and which agencies were providing the funding. A range of categories were used to allow accurate comparisons and to understand trends and change; these categories are shown in the findings section below and are based on the source and purpose of peak agency income. In the process of this analysis, it became apparent that the way in which audit information is compiled varies from organisation to organisation and has changed over time. This made direct comparison of data difficult;

however, by retaining broad categorisations of funding, the study was still able to identify key trends and changes over the decade to 2012/13.

The variability of audit information, changes in the funding and administrative arrangements and the variety of projects undertaken by peak agencies meant that audit data alone did not always allow for ready identification of the funding purpose. For example, some funding was auspiced by peak agencies or earmarked by government for direct expenditure on capital or employment initiatives for particular art centres, rather than for direct use by the peak agency. Also, the names and configuration of the agencies providing funding has changed over time; for example, the core funding originally provided by the Aboriginal and Torres Strait Islander Commission (ATSIC) has had at least four different departments administer the program since ATSIC's closure.²

While all possible care was taken to ensure comparability and consistency in looking at funding trends, there are some minor issues which we have not been able to fully analyse. For example, peak agencies do, at different times and using differing methodologies, collect administration or management fees on projects that they administer or auspice. There is no consistency to these fees, nor do they necessarily appear in the financial reporting information in an accessible way.

In summary, the methodology for this research has seen the:

- collation of income information for the five peak agencies, based on their audits or related financial reports
- analysis of the funding and income mix for each peak agency, over a ten-year period, from 2003/04 to 2012/13, including the source and levels of funding, the consistency of this funding and other income trends relevant to the operation of art centre peak agencies
- analysis of the funding and income levels provided by each government (and non-government, if appropriate) agency
- investigation of correlations between funding levels, funding mix and the scope and scale of peak agencies.

For the purposes of this research, peak agencies were defined as Aboriginal and Torres Strait Islander organisations primarily focused on providing industry support and advocacy for remote community art centres and artists. There are a number of other agencies or projects in the sector that were excluded from this study. These exclusions include marketing initiatives (e.g. Tiwi Art Network) and those not focused on art centres in remote areas (e.g. Umi Arts).

It is acknowledged that relying on financial data offers a limited perspective on the workings of any organisation, particularly intercultural organisations such as peak agencies that work in a complex environment. However, the 'money story' for peak agencies is a crucial story for the sector. The next section sets out this study's rationale in greater detail.

² Department of Communications, Information Technology and the Arts; Department of Environment, Water, Heritage and the Arts; the Office for the Arts; and, most recently, the Attorney-General's Department. The change of agencies has not changed the aims; we have therefore not counted these historical agencies as separate funding agencies or programs.

4. Rationale

The Aboriginal and Torres Strait Islander art sector has seen considerable change and instability over recent years (Commonwealth of Australia 2012). There has been growth in the number of art centres, in the geographic spread of art centres and in the size of the market; there have been important changes to the regulatory environment; and, perhaps most significantly, the financial circumstances for remote area artists and art centres have changed, including a long-term fall in the overall financial performance (Woodhead & Acker 2014). Concurrently, there has been a steep fall in the size of the national and international art market (Furphy 2014; McAndrew 2012), triggered by the global financial crisis and local issues of legislative change, oversupply and changing market tastes (Woodhead & Acker 2014; Booth 2014).

In response to this fast-changing operating environment, peak agencies appear to have a more significant role in the sector than they used to have. The number and scope of the peak agencies has increased, and a sizeable proportion (averaging 16%) of the total funding for the remote, Aboriginal and Torres Strait Islander arts sector is for peak agencies (Acker & Woodhead 2014). As such, peak agencies play a pivotal role in the sector; more accurate information on the support they receive and the interrelationships between income and peak agency scope will help other players in the sector understand and negotiate these important factors.

All of the peak agencies are fully reliant on government funding; they generate very little of their own income and receive little philanthropic income. This makes them particularly vulnerable to changes in policy and programming. The core funding for peak agencies comes from the same program as the funding for art centres, the Indigenous Visual Arts Industry Support (IVAIS) strategy, and this is at a time when art centres are becoming more reliant on funding (Acker & Woodhead 2014) and funding levels are static. As a result, a fine balance is in play, as funding bodies balance the needs of art centres, as places of production, with the needs of peak agencies.

5. Findings

5.1 Funding context and summary

The main source of funding for the five peak agencies is the Federal Government, under IVAIS. This program is guided by the *Indigenous Art Centre Plan*, which is the key federal framework for art centres, industry support organisations and the Australian Government to operate collaboratively (Ministry for the Arts 2014a).³

The *Indigenous Art Centre Plan* recognises that the Federal Government must, wherever possible, work together with State and Territory governments. This is reflected to some extent in the funding mix each peak agency receives, which combines Federal and State/Territory funding.

The IVAIS program's stated aim is 'to support professional arts practice in order to build a stronger Indigenous visual arts sector and provide sustained economic opportunities for Aboriginal and Torres Strait Islander artists' (Ministry for the Arts 2014b) by:

- supporting the operations of Aboriginal and Torres Strait Islander art centres

³ The framework was adopted in 2012 and replaced the former *Indigenous Art Centres Strategy and Action Plan*, which had guided the allocation of Federal funding to art centres and peak agencies for almost ten years.

- providing opportunities for Aboriginal and Torres Strait Islander artists in relation to their professional art practice
- providing opportunities for the development of professional skills and experience
- facilitating the delivery of services by the peak agencies.

A diverse range of other State, Territory and Federal government agencies contribute funds to peak agencies, including education, employment, training and export bodies; the Australia Council for the Arts; and some non-government and philanthropic organisations. Most of the funding from these agencies is project based and non-recurrent.

5.2 Total funding

As seen in Table 3, in the decade from 2003/04 to 2012/13, the five peak agencies have attracted a total of \$39.5 million of funding. However, this total includes \$12.9 million of auspiced funding – that is, funding received by the peak agency on behalf of another group; for example, funding for capital works projects at particular art centres. Auspiced funding is an important component of the work of some peak agencies and is analysed in more detail below.

Table 3: Total funding and total auspiced funding for peak agencies – audit information

Year	Total funding	Total auspiced funding	Total funding for core activities
2003/04	\$ 1,993,503	\$ -	\$ 1,993,503
2004/05	\$ 1,699,317	\$ -	\$ 1,699,317
2005/06	\$ 2,387,000	\$ -	\$ 2,387,000
2006/07	\$ 2,503,773	\$ 190,500	\$ 2,313,273
2007/08	\$ 3,137,968	\$ 250,428	\$ 2,887,540
2008/09	\$ 2,480,981	\$ 145,421	\$ 2,335,560
2009/10	\$ 5,362,551	\$ 2,689,759	\$ 2,672,792
2010/11	\$ 6,077,670	\$ 2,917,799	\$ 3,159,871
2011/12	\$ 7,814,287	\$ 4,368,856	\$ 3,445,431
2012/13	\$ 5,997,983	\$ 2,371,004	\$ 3,626,979
Total	\$39,455,033	\$12,933,767	\$26,521,266

Of the total of \$26.5 million for core peak agency activities, \$19.3 million (73%) was funded by Federal Government agencies, \$6.3 million (24%) by State and Territory agencies and \$0.8 million (3%) from non-government sources (examined further below). While these proportions have varied over time, Federal Government contributions have always been around 70% or more of annual totals (with the exception of 2004/05, when it was 64%). While there have been some fluctuations in funding growth over this decade, total annual funding to peak agencies has almost doubled from \$1.9 million to \$3.6 million per year, as shown in Figure 2.

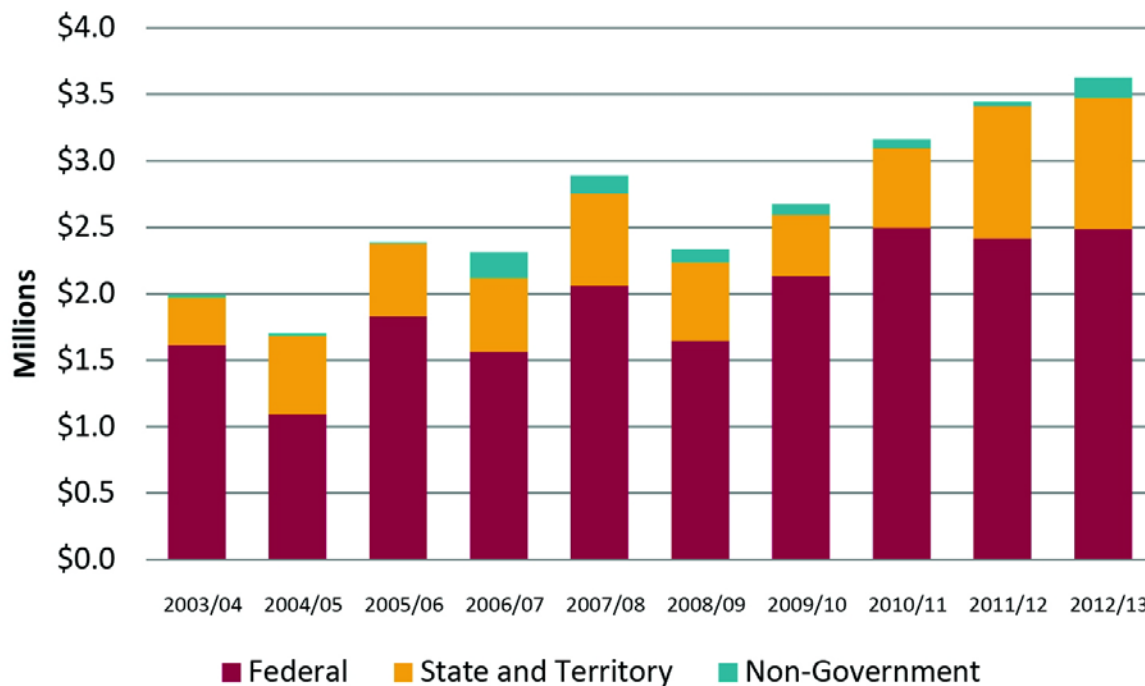


Figure 2: Annual funding from Federal, State and Territory governments and non-government sources

The increase in funding by the Federal Government in 2009/10 and from State and Territory governments from 2012/13 reflects, in part, the start-up of AACHWA and then IACA. Between 2003/04 and 2012/13, State and Territory funding has almost tripled, from \$0.3 million in 2003/04 to \$0.9 million in 2012/13; over the same time, Federal funding has seen a 54% increase from \$1.6 million to \$2.5 million.

Non-government funding has been a minor element of peak agency funding; at its peak in 2006/07, 8.4% of total funding was from this source, but overall it has ranged between 1.0% and 4.6% for other years, which is a little less than the average non-government funding secured by art centres at 6.0% (Acker & Woodhead 2014).

Detailed income totals for each peak agency are shown in Appendix A.

5.3 Peak bodies and the national funding situation

Government arts agency figures in Table 4 show that in the ten years covered by the Acker and Woodhead study (2014), \$163 million was granted to remote area Aboriginal and Torres Strait Islander visual arts. This tallies all Federal, State and Territory funding and includes a mix of both recurring and project-based funding. Of this funding, 19.2%, or \$31.3 million has been granted to peak agencies.

As set out earlier, peak agencies are subsidised from the same funding programs as art centres. However the proportion of total national funding used to support peak agencies has varied over time (Table 4).

It is important to note that the data in Table 4 were collected directly from key arts agencies (Acker & Woodhead 2014). Their figures do not include \$8,192,544 in contributions from non-arts bodies and non-government organisations; this is the difference between the income shown in Table 3 and Table 4. The Acker and Woodhead study also applied a broader definition of peak agencies, including in their study organisations with primarily cultural promotion and/or marketing foci.⁴

⁴ Examples include groups such as the Tiwi Art Network (NT), Umi Arts (Qld) and FORM (WA).

Table 4: Summary of total funding

Year	Total funding	Peak agency funding	% of total for peak agencies
2003/04	\$ 7,604,209	\$ 2,116,839	27.8%
2004/05	\$ 6,612,858	\$ 917,050	13.9%
2005/06	\$ 8,174,892	\$ 1,515,862	18.5%
2006/07	\$ 8,013,329	\$ 1,242,243	15.5%
2007/08	\$ 12,018,602	\$ 1,411,550	11.7%
2008/09	\$ 22,411,320	\$ 9,430,121	42.1%
2009/10	\$ 21,895,067	\$ 3,729,203	17.0%
2010/11	\$ 24,469,356	\$ 4,174,263	17.1%
2011/12	\$ 25,649,933	\$ 3,030,254	11.8%
2012/13	\$ 26,115,058	\$ 3,695,104	14.1%
Total	\$162,964,624	\$31,262,489	19.2%

Source: Acker and Woodhead (2014)

The proportion of total funding for peak agencies over ten years varies, but the most significant change – in 2008/09 – is a result of the funding made available to Northern Territory-based peak agencies through the Aboriginal Benefits Account⁵ (ABA); this is discussed in the auspiced funding section below.

5.4 IVAIS funding

The IVAIS program has been instrumental in the development of the network of remote-area Aboriginal and Torres Strait Islander art centres, having been in place in various guises since 1991 (Altman 2013). While peak agencies and art centres do secure funding from other sources, IVAIS has provided 66% (over \$12.5 million between 2003/04 and 2012/13) of total core operational funding for the peak agencies. This funding has also recently been provided on a triennial basis, providing crucial financial stability in an environment characterised by financial unpredictability.

⁵ The ABA is a mining royalty scheme designed to benefit Aboriginal people in the Northern Territory.

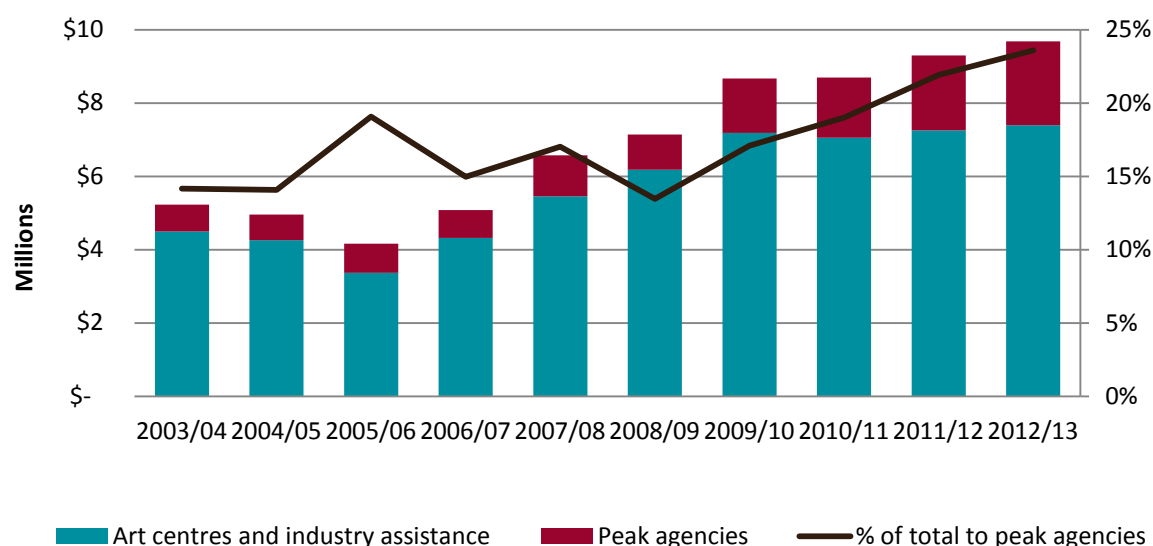


Figure 3: Total annual IVAIS funding, 2003/04 to 2012/13

Source: Acker and Woodhead (2014)

Figure 3 analyses the allocation of the \$69.4 million of IVAIS funding made by the Federal arts ministry for the decade to 2012/13. It shows both the funding amount to art centres (including other forms of industry assistance⁶) and peak agencies and the percentage of total IVAIS funding to peak agencies. Peak agency funding increased unsteadily from 14% of total funding in 2003/04 to 24% in 2012/13. This represents a tripling of funding to peak agencies across the decade, from \$741,400 to \$2,283,670; over the same period art centre funding increased by half that rate. During this period two new peak agencies were established, though their funding represents only 5.8% of total peak agency funding. Over this same period, approximately 20 new art centres began operations.

5.5 Operational vs. project funding

A key issue for funded arts organisations, such as peak agencies, is the level (and stability) of operational funding against project funding. In this study, operational funding is that which supports core costs, such as wages, rent and basic service delivery; this funding is recurrent and may also be multi-year. Project funding is one-off and is focused on shorter term, specific activities, such as an artists' camp, or a particular training program.

Peak agencies have seen significant change in the balance between operational and project funding over recent years, driven largely by the influx of ABA funding for ANKAAA and Desert and, to a lesser extent, direct art centre support activities they and Ananguku Arts are hosting.

As Figure 4 shows, until 2009/10 operational and project funding was largely synchronised; in the two following years, fuelled by ABA capital support (see below), project funding was significantly above the level of operational funding. In 2012/13 they are again close to equal. While the ABA funding has been an important source of extra funding for otherwise difficult-to-fund infrastructure projects, the above-normal levels of project funding also have the potential to create organisational pressure unless strong project

⁶ Industry assistance includes funding for initiatives that support industry-wide activities, such as the artists' wills program run by the Arts Law Centre of Australia and the Indigenous Art Code of Conduct.

management processes are put in place. There have, however, also been some net benefits, via a project management fee, for the peak agencies.

Overall, peak bodies have secured \$19.6 million of operational funding and \$19.2 million of project funding. The ABA is the largest contributor to the project funding stream, providing 37.0% overall, but accounting for 49.3% during the five years it has been available.

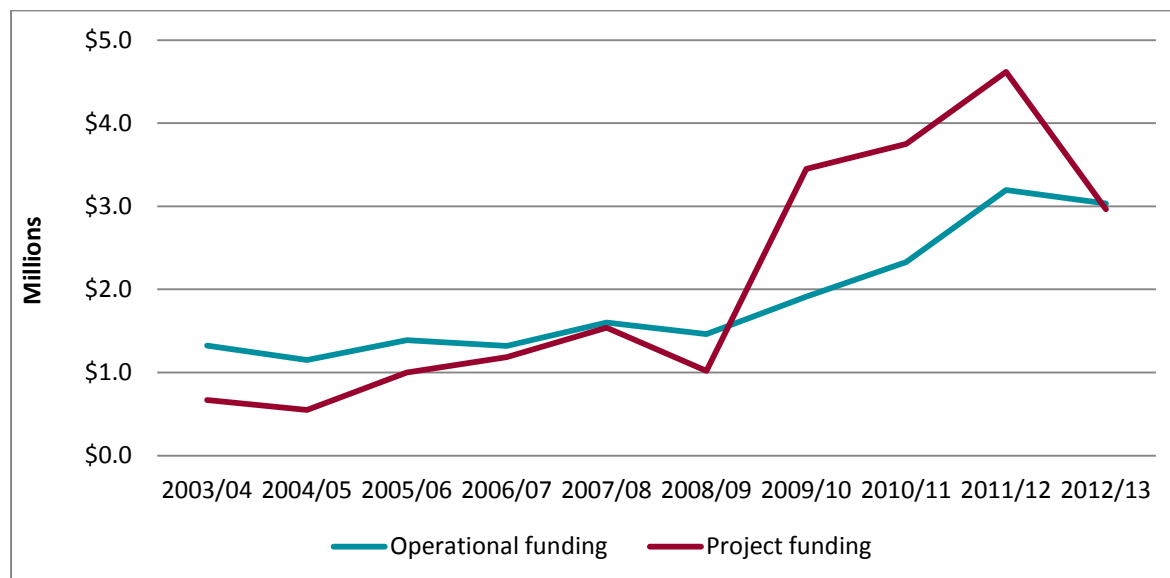


Figure 4: Total operational and project-based funding to all peak agencies, 2003/04–2012/13

5.6 Auspiced funding

As part of their service delivery and support work, peak agencies may auspice or host funding and projects on behalf of members. Generally, this involves a peak body securing funding for an activity, then, in consultation with the group, project managing the activity. Examples include capital works projects or collective training of art workers. For this reason we created a category for auspiced funding. In some cases the peak agencies took a management fee, but, in the main, the money did not directly benefit the peak agencies and was locked into a specific purpose. In some audits the purposes for auspiced funding and any management fees were clearly identified, but in many others, we were unable to distinguish between the two.

The three oldest peak agencies have auspiced a total of \$12.2 million of activities and projects as follows: Desert \$5.0 million, ANKAAA \$4.9 million and Ananguku Arts \$2.2 million.

The leading source of auspiced funding for peak agencies is the ABA, which has contributed \$7.3 million to capital projects⁷ through the two Northern Territory-based peak agencies, ANKAAA and Desert. There are signs that this high level of support provided between 2009/10 and 2011/12 may not continue, with a 76% fall in 2012/13. The Federal Government contributes the majority of the remaining \$5.6 million of auspiced funds; the only notable exception is Ananguku Arts, which has secured over \$400,000 from the South Australian Government.

⁷ Much of this funding was used to upgrade art centre facilities and staff housing.

Table 5: Funding auspiced by peak agencies

Year	Total auspiced funding	Total ABA funding	ABA % of total
2006/07	\$ 190,500	\$ -	
2007/08	\$ 250,428	\$ -	
2008/09	\$ 145,421	\$ 20,000	13.8%
2009/10	\$ 2,689,759	\$ 1,492,415	55.5%
2010/11	\$ 2,917,799	\$ 1,820,032	62.4%
2011/12	\$ 4,368,856	\$ 3,223,405	73.8%
2012/13	\$ 2,371,004	\$ 775,016	32.7%
Totals	\$12,933,767	\$ 7,330,868	56.7%

Note: No auspiced or ABA funding was recorded between 2003/04 and 2005/06; therefore, this table only shows the seven years with relevant data.

5.7 Federal and State/Territory funding mix for peak agencies

As was shown in Figure 2, total funding to peak agencies is dominated by the Federal Government. However, the funding mix for each peak agency varies. Figure 5 shows the total funding for each peak agency from each of the three sources: Federal, State/Territory and Other (donations, etc.). IACA went against the overall trend, with Arts Queensland contributing 62% of funding; all other agencies were majority funded by the Federal Government.

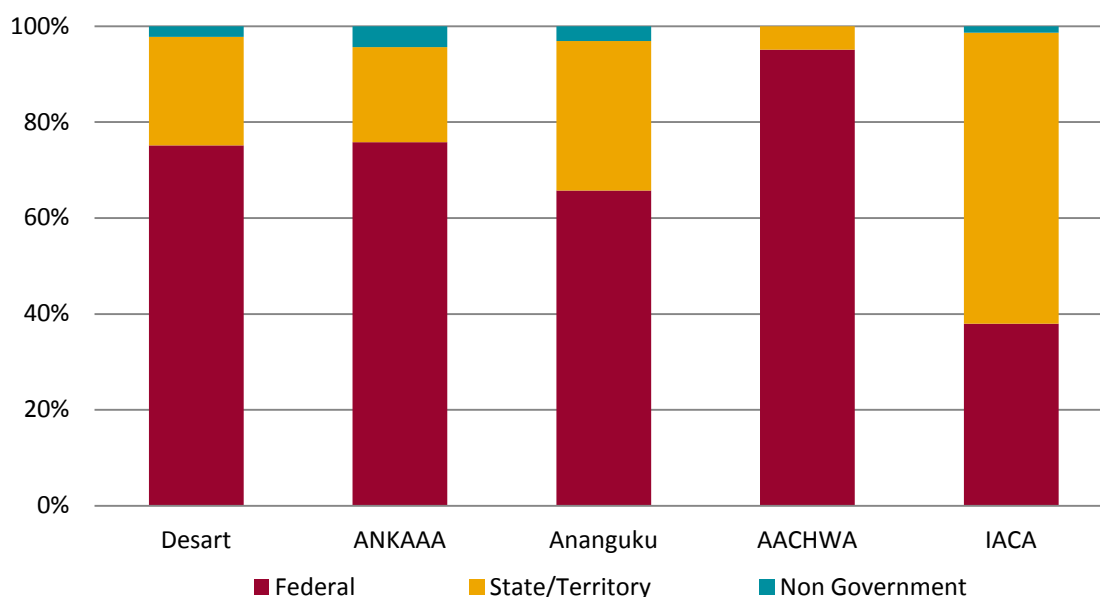


Figure 5: Funding sources and proportions for peak agencies: total funding excluding auspiced funds

As detailed above, auspiced funds can be a significant component of a peak agency's financial activities. Figure 6 shows the total funding mix for each peak agency, including auspiced funds. The three larger and older peak agencies have auspiced considerable funding, ranging from 30.2% for Ananguku Arts to 36.2% for ANKAAA. However, there is considerable variation to this percentage over time, with the majority of auspicing having taken place in the last four years.

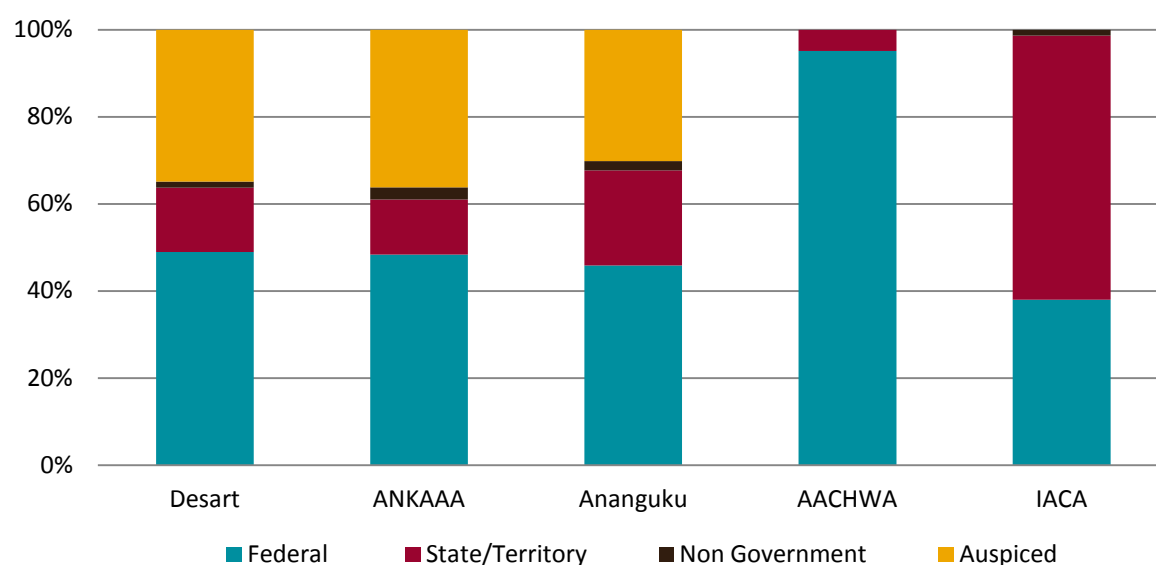


Figure 6: Funding sources and proportions for peak agencies: total funding with auspiced funds

5.8 Federal and State/Territory funding: funding by source

Government funding for peak agencies is contributed by a range of organisations, except for the two newest peak agencies, AACHWA and IACA, who have had only a State and Federal source respectively.

Federal funding sources are the most diverse, though the IVAIS program funding dominates the funding income of each agency: Ananguku Arts has received 63.8% (\$2.9 million) of their Federal funding from IVAIS, ANKAAA 65.8% (\$4.3 million) and Desart 76.2% (\$5.4 million). Of non-IVAIS funding sources, the Australia Council is the major supporter, providing 27.9% (\$1.2 million, to Ananguku Arts), 21.6% (\$1.4 million, to ANKAAA) and 16.7% (\$1.1 million, to Desart) of Federal funding. The Department of Education, Employment and Workplace Relations (DEEWR⁸) has also been a source of some Federal funding. Table 6 summarises the total funding from non-IVAIS sources. The funding was provided for projects including training, art workers' programs, infrastructure and Aboriginal and Torres Strait Islander employment.

Table 6: Source of other Federal funds, 2003/04–2012/13

Australia Council	\$ 3,864,607
DEEWR	\$ 1,358,173
Other Federal funding	\$ 351,066

5.9 Peak agency overview

Table 7 presents a comparison of the total funding for each of the five peak agencies, separating funding into the categories of 'operational and project' and 'auspiced' funding over a two-year period. The ten-year

⁸ This department no longer exists; on 18 September 2013 the Department of Education and the Department of Employment was created out of the former Department of Education, Employment and Workplace Relations.

overview was not possible, as not all of the peak agencies had existed for that period of time and the data were therefore not directly comparable.

Table 7: Overview of funding for the five peak agencies, 2011/2012–2012/13

	Operational and project funding					Auspiced funding
	Federal	State and Territory	Non-Government	Total	% of total	
AACHWA	\$ 220,000	\$ 50,000	\$ 0	\$ 270,000	4.0%	\$ 0
Ananguku Arts	\$ 1,112,654	\$ 560,855	\$ 24,831	\$ 1,698,340	24.9%	\$ 1,036,370
ANKAAA	\$ 1,323,471	\$ 366,260	\$ 141,424	\$ 1,831,155	26.8%	\$ 2,574,761
Desart	\$ 1,802,231	\$ 681,684	\$ 12,000	\$ 2,495,915	36.6%	\$ 3,128,729
IACA	\$ 200,000	\$ 320,000	\$ 7,000	\$527,000	7.7%	\$ 0
Total	\$ 4,658,356	\$ 1,978,799	\$ 185,255	\$ 6,822,410	100.0%	\$ 6,739,860

The figures in the table above show the low levels of non-government sources (around 3% of the total); this includes corporate and philanthropic organisations. ANKAAA has reported the most non-government sourced income (around 8%).

6. Concluding remarks

This study of peak agencies reveals the high dependency of these organisations on government funding and the important role of the IVAIS program, which is the single largest contributor of operational funding. With significant change underway in the Federal funding arrangements for programs for Aboriginal and Torres Strait Islander people, peak agencies (and the remote art sector more generally) face some uncertainty. It must be noted that it is improbable that peak agencies could maintain current levels of services and activities if IVAIS funding were withdrawn or reduced.

It is clear that arts funding agencies, at all levels of government, are the primary source of funding for peak agencies. Despite a push since the late 1990s for a whole-of-government approach to Aboriginal and Torres Strait Islander economic development, support for the peak agencies has overwhelmingly come from the arts funding regimes of each jurisdiction (Dillon & Westbury 2007). This is in contrast to art centre funding, which has seen a significant increase in funding through the National Jobs Package program (Acker & Woodhead 2014), currently managed by the Department of the Prime Minister and Cabinet.

There are a range of indications that the sector is negotiating unstable times: the financial viability of many art centres is falling; funding levels and priorities are shifting (Acker & Woodhead 2014); there have been changes to regulation and legislation (Altman 2013; Senate Standing Committee on Environment, Communication, Information Technology and the Arts 2007); and there has been a significant contraction in the commercial gallery sector (Rothwell 2014). In this time of change, the role of peak agencies is likely to become one of the key determinants of how art centres collectively respond and adapt to the challenges. The role of art centres in remote Australia as places generating social, creative and economic capital is entangled with that of peak agencies; their funding from, and relationship with, government agencies is at the centre of their collective future.

Appendix A

The tables below break down the income for each of the peak agencies into four categories: Federal, State/Territory, non-government and auspiced.

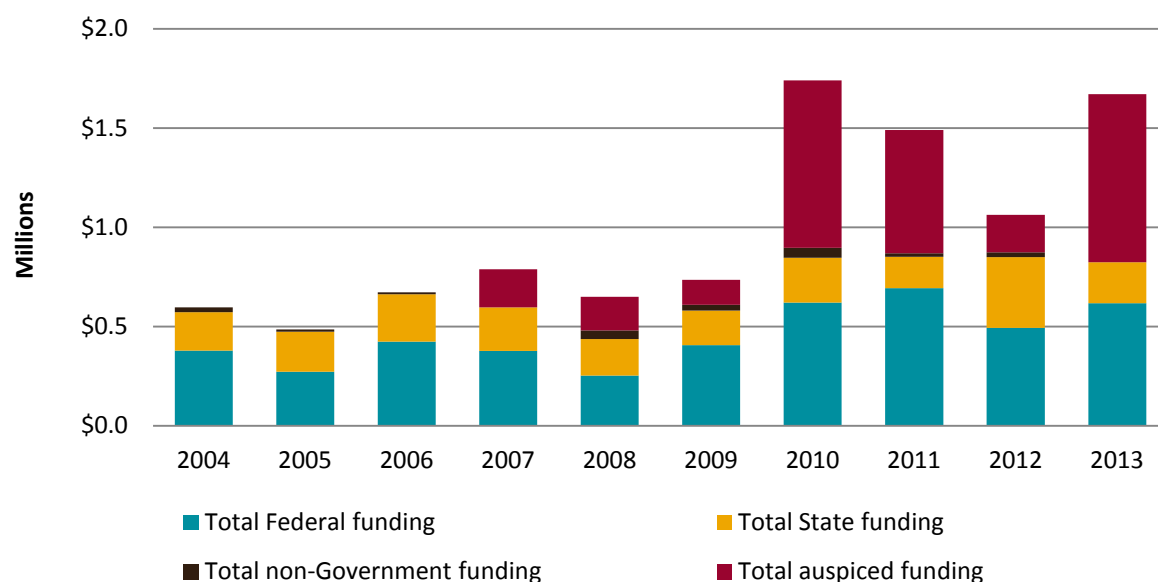


Figure A 1: Total annual funding for Ananguku Arts, by funding source

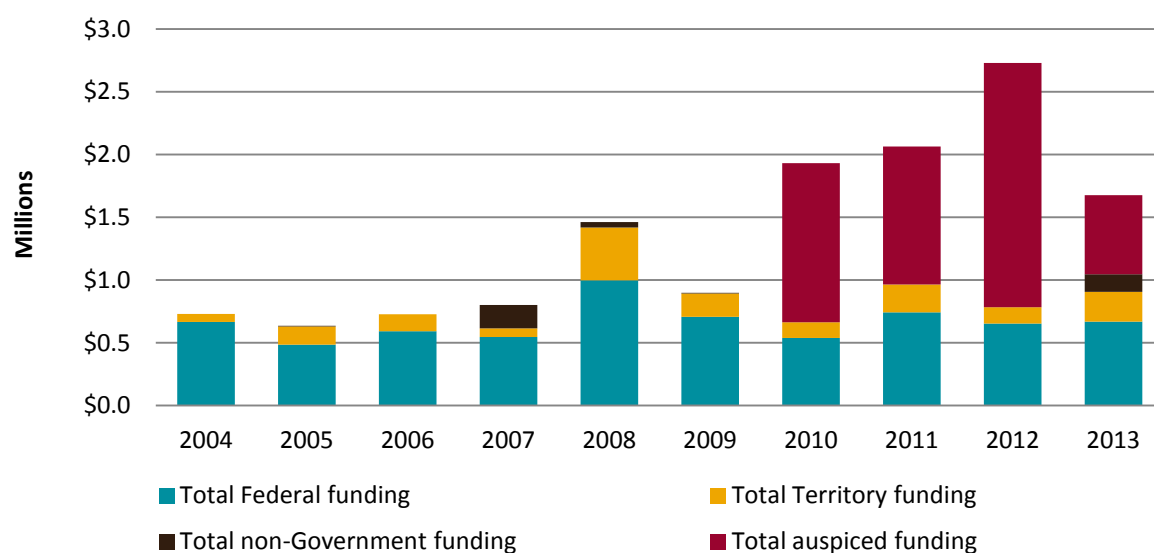


Figure A 2: Total annual funding for ANKAAA, by funding source

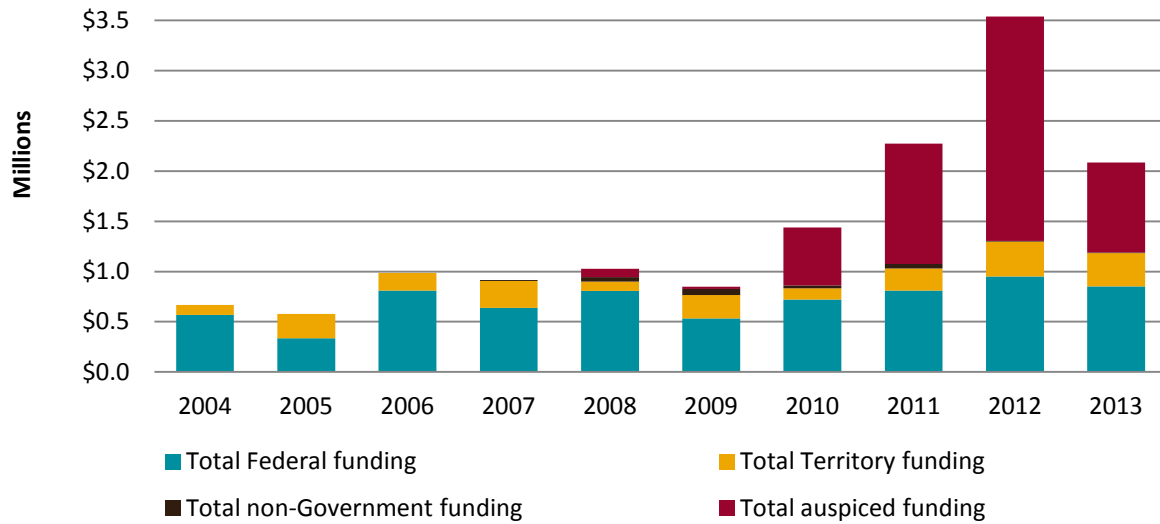


Figure A 3: Total annual funding for Desert, by funding source

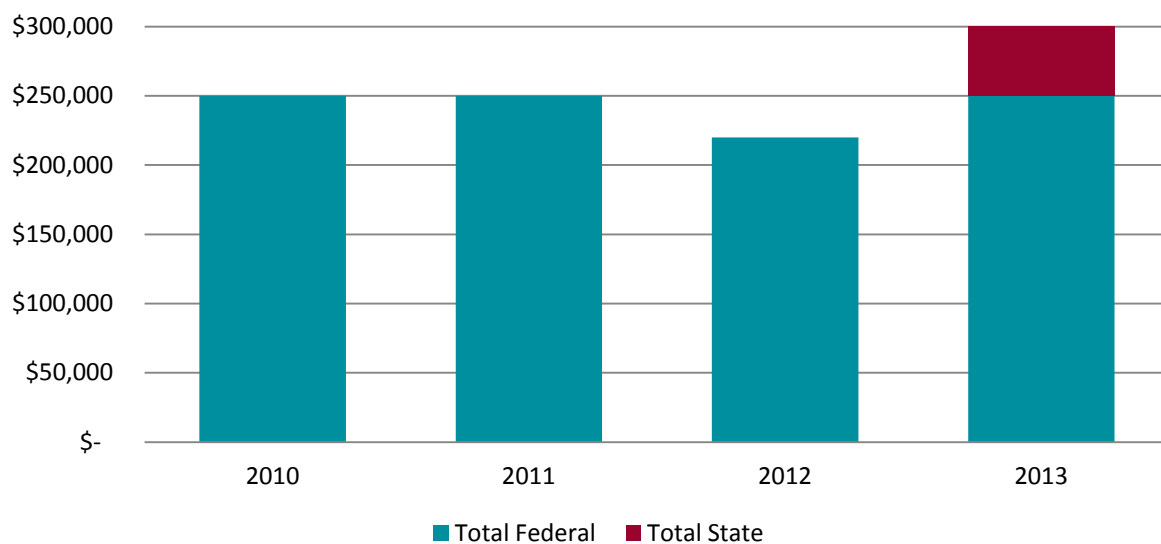


Figure A 4: Total annual funding for AACHWA, by funding source

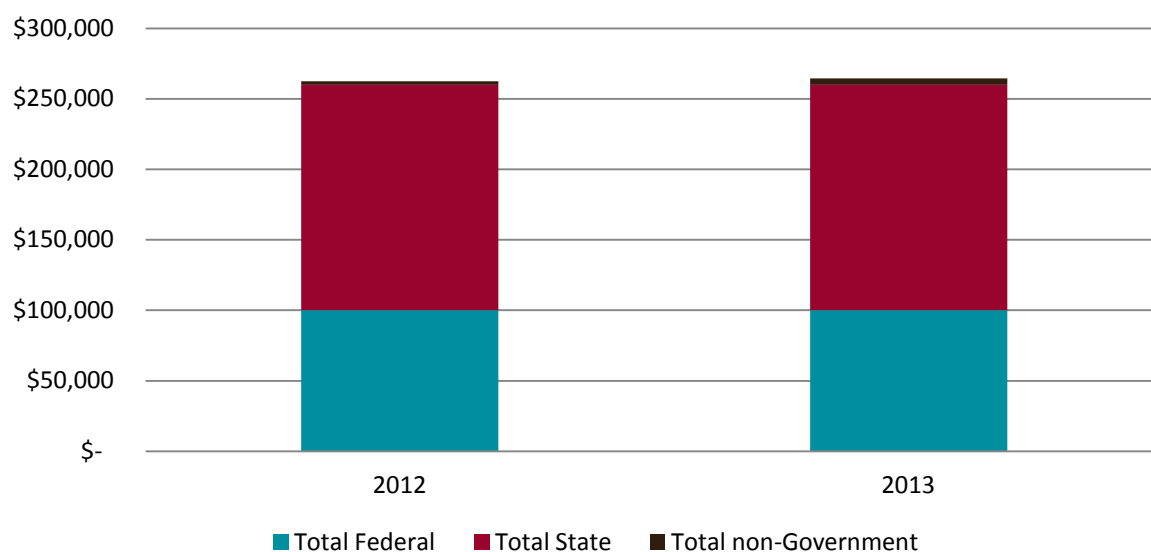


Figure A 5: Total annual funding for IACA, by funding source

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