



Independent Panel
Commonwealth Government COVID-19 Response Inquiry
Department of the Prime Minister and Cabinet
COVID-19Inquiry@pmc.gov.au

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NAVA welcomes the opportunity to contribute to the Commonwealth Government COVID-19 Response Inquiry.

The National Association for the Visual Arts (NAVA) is an independent membership organisation that brings together the many voices of the visual arts, craft and design sector to improve the fundamental conditions of work and practice. We do this through advocacy, education and the Code of Practice for the Visual Arts, Craft and Design.

NAVA was established in 1983 as the peak body for the visual arts. Today, our community is made up of over 50,000 members, subscribers, friends and followers, consisting of artists, arts workers and arts organisations.

After enduring over six years of debilitating policy shifts and funding cuts, the visual arts, craft and design sector was hit by the pandemic, already fatigued and under-resourced. Within two weeks of the shutdown, less than 50% of creative businesses were still trading according to the Australian Bureau of Statistics.¹ The situation worsened with 96% reporting cancelled programs, 88% lost revenue, and 58% reported ineligibility for the Australian Government's JobKeeper package.²

Lockdowns, cancellations, and a lack of financial support had devastating, long-lasting consequences. The sector faced significant challenges throughout the pandemic, underscoring the need for the Inquiry to acknowledge these struggles and provide practical recommendations for a more robust response to future crises.

In response to the Terms of References, NAVA advises the following:

Governance including the role of the Commonwealth Government, responsibilities of state and territory governments, national governance mechanisms (such as National Cabinet, the National Coordination Mechanism and the Australian Health Protection Principal Committee) and advisory bodies supporting responses to COVID-19.

The Commonwealth Government measures, including border controls, economic stimulus packages, and public health campaigns left many artists, arts workers and organisations

excluded from JobSeeker, JobKeeper, and the cash flow boost due to irregular incomes or university and local government affiliations.

The 2022 National Arts Participation Survey by Creative Australia shows that 97% of Australians engage with the arts in some way, either by listening to music, reading, creating art, engaging with the arts online or by attending arts and cultural events and festivals.³ Despite this widespread connection to the arts, there was a missed opportunity to commission Australian artists and designers in the development of communications, presenting a valuable avenue to inject income into a severely impacted sector. Moreover, it would have served as a public acknowledgment of the intrinsic value of art and artists. Such an approach could have effectively reached and resonated with people, offering support to artists, fostering confidence, and inspiring action.

Each state and territory government enforced varying public health measures tailored to their local context and virus spread. COVID-19 lockdowns and border closures in one state had widespread repercussions for artists nationwide. For instance, an artist in Perth invested years preparing for a show in Sydney, only to face complete cancellation, partial disruption, or logistical challenges in transporting the artwork to the gallery due to border closures. Compounding the issue, artists were limited to accessing state support programs only in their residence state, even if their work was affected in another state.

NAVA received widespread reports from visual artists and organisations encountering difficulties accessing [COVID support payments](#). Issues include:

- Difficulty entering the equivalent of hours lost into the payments application form.
- Delays in receiving disaster payments.
- Conflicting advice from Centrelink regarding reporting freelance income for JobKeeper.
- Sole trader artists reporting to JobKeeper through the app received lower payments, as they could not claim costs without submitting [profit and loss statements](#).
- Confusion surrounding the applicability of profit and loss statements for artists, with inadequate communication on the matter.
- Income support eligibility was not opened to universities and local government, jeopardising hundreds of galleries and museums, their collections, and their thousands of staff.
- Artists earning below the GST registration threshold were unable to meet the requirement for some of the COVID support payments in states like South Australia.
- Disparities in support, with artists in Sydney New South Wales eligible for a [micro business grant](#) where they received \$1,500 a fortnight until the lockdown was lifted, while interstate artists with cancelled exhibitions in New South Wales were excluded.
- In Victoria, [COVID-19 disaster payments](#) were not automatically renewed from the previous lockdown, requiring artists to reapply without notification.

NAVA recommends a comprehensive strategy to integrate arts and culture into the Commonwealth Government's crisis response. This includes:

- Recognising artists as valuable contributors to society and the economy.

- Actively involve Australian artists in developing communications campaigns, actively leveraging their creativity to effectively reach and resonate with the public, and injecting income to the sector through commissions.
- Emphasising equitable access to crisis package for all in the arts industry, including artists, arts workers and those excluded during COVID-19 such as local government and university museums, galleries and art schools.
- Harmonising the interpretation of income fluctuations for artists across Centrelink and the ATO
- Ensuring consistency in support across federal and state levels.
- Acknowledging the cross-border nature of artists' work to mitigate the impact of cancellations in one state on artists from another.

Broader health supports for people impacted by COVID-19 and/or lockdowns (for example mental health and suicide prevention supports, and access to screening and other preventive health measures).

Throughout this period, NAVA undertook several snap surveys to understand the relationship between the pandemic, the incomes of artists and arts workers, and mental health. Reduced hours and the loss of contracted work and commissions due to the pandemic resulted in income declines and negative mental health outcomes. Housing stress heightened the likelihood of significant or extreme mental health impacts for artists and arts workers. In addition, reduced sales capacity affected artists' incomes and mental health.

- Over 80% of visual artists earned less than \$25,000 in the 2020-21 financial year and half faced income declines of up to 100%.
- Gallery closures affected 44% of visual artists who generate income from art sales, and led to a 72% drop in sales.
- Art making decreased by almost 40% as artists sought alternative sources of income to survive.
- 50% of the sector reported concerns about their future.
- Career momentum for early and mid-career artists was severely derailed.
- In arts organisations, 44% reported reduced working hours, 38% lost contracts and 73% of arts organisations across the country faced exhibition cancellations or postponements.
- The mental health impact was devastating, with 49% of artists and 51% of art workers reporting significant or extreme impact.

NAVA commends Support Act for expanding its consultative service for artists, arts workers and managers to the visual arts. Confidential Support Hotline sessions continue to be offered in partnership with AccessEAP, a not-for-profit Employee Assistance Program provider.

During the pandemic, the Commonwealth Government boosted funding for crisis relief in the arts through Support Act, covering music and the live performing arts, but **it omitted**

support for the visual arts. Despite NAVA's request to the Minister for the Arts for inclusion, the visual arts sector remains excluded.

At the start of 2020, NAVA re-opened the Artists' Benevolent Fund and raised approximately \$300,000 in donations which was distributed as \$2,000 crisis payments. The application process and eligibility criteria are similar to the Support Act Crisis Relief Fund.

In anticipation of potential future crises, NAVA asserts the essential need for crisis relief funding to be extended to visual arts practitioners either via Support Act or through NAVA's Artists' Benevolent Fund.

International policies to support Australians at home and abroad (including with regard to international border closures, and securing vaccine supply deals with international partners for domestic use in Australia).

The challenges posed by international policies, particularly concerning border closures and vaccine supply deals, had a significant impact on Australians both at home and abroad. Artists stranded overseas were unable to access any support. Advice received by some artists was that they were theoretically eligible for income support payments but were unable to receive the payments as they were overseas.

NAVA advocates for a more flexible approach in extending financial support to artists in need, regardless of their location. This is crucial for ensuring a fair and comprehensive response to the difficulties posed by international circumstances.

Support for industry and businesses (for example responding to supply chain and transport issues, addressing labour shortages, and support for specific industries).

The COVID-19 pandemic posed several challenges for artists, arts workers and organisations. This includes:

First Nations Fallout

Many First Nations Art Centres experienced a complete loss of income due to COVID-19 safety closures. The economic impact was immediately felt, with remote community art centres experiencing a cessation of tourist income and artists returning home for safety, limiting access to alternative forms of income.

In June 2020, Desart⁴ reported the immediate and significant impacts felt by art centres nationally:

- 30.0% fall in average sales
- 59.7% fall in the average number of artworks produced
- 46.0% fall in the average number of artworks sold by art centres
- 31.1% fall in the average number of artists active at each art centre.

A December 2020 follow-up reported anecdotal information suggesting improved sales for art centres who maximised their online presence and pivoted to an e-commerce model.

However, overall production and participation remained low, leading to a sustained fall in the number of artists producing artworks and an ongoing deficit in the number of artworks made. This saw more artworks sold than produced over the six months to 31 December.⁵

Additionally, First Nations artists in regional areas faced income challenges due to reduced visitation to Keeping Places and cultural tourism centres and galleries through which community members earn an income.

Transport costs

COVID-19 led to scheduling changes that significantly affected touring exhibitions. The cancellations resulted in revenue loss, often compounded by unbudgeted storage and additional freight costs due to national and state border closures.

Supply chain issues

A NAVA survey in early 2022 found that 12% of visual artists encountered difficulties obtaining art materials due to COVID-19 border closures.

Inadequate access to financial assistance

While wage subsidies assisted eligible workers, they fell short of constituting meaningful investment in the industry. Independent, non-profit and commercial businesses, deprived of self-generated income, struggled to meet non-staffing costs and faced high risk of closure during the hibernation period.

Numerous surveys undertaken throughout the height of the pandemic period demonstrated significant gaps in access to Government relief packages.

In August 2019, over one million casual employees had been with their current employer for less than 12 months, with 33.9% of Arts and Recreation Services employees falling into this category. Young people, constituting 51.8% of short-term casuals in Arts and Recreation Services, were particularly affected.⁶ A NAVA survey in 2021 found that only 21% of visual artists were eligible to receive JobSeeker payments in 2020-21.⁷

For the 6 weeks from 1 July 2021 to mid-August, the *I Lost My Gig* survey, of which NAVA is a partner, found that 823 visual arts events or shows had been cancelled, equating to \$1.65 million in lost income. The survey also found that 33% of respondents to the survey were eligible for federal COVID relief packages and only 16% for state packages.

Many art galleries and organisations had no access to JobKeeper and the cash flow boost. Local government institutions and their employees were excluded – that's every regional and suburban gallery and museum in Australia. The lifeblood of their communities, with nowhere to go.

Lack of Insurance

As public health orders fluctuated, NAVA consistently advocated for a government-backed insurance scheme to instil confidence in the visual arts and craft sector amid fluctuating public health orders. Specifically, NAVA emphasised the importance of ensuring artists' payment in the event COVID-19 related exhibition cancellations. This call aligned with

industry-wide requests for a government-backed business interruption insurance scheme⁸ to cover costs like rerouting travelling exhibitions and ensuring payments post-cancellation.

Without insurance, galleries hesitated to commission new work, turning to collection-based exhibitions, limiting opportunities for artists, particularly early-career individuals. New commissions play a crucial role in a visual artist's career, providing opportunities for reviews, discussions, media coverage, and networking with curators. A national insurance scheme could have alleviated some unexpected costs incurred by business interruptions due to public health orders and border closures, such as shifting programs online, storing artworks, and redirecting pre-planned interstate and international exhibitions.

RISE

Eligibility criteria for the \$200m Restart Investment to Sustain and Expand (RISE) Fund originally excluded individual artists and approximately 75% of all art galleries due to their connection to local government or universities. This is the majority of the visual arts.

In June 2021, the guidelines were revised to allow local governments and sole traders with employees to apply. In October 2021, the RISE program guidelines were again updated to include rescheduling costs for projects impacted by COVID-19 restrictions and extend eligibility to previous recipients to apply for additional costs incurred due to rescheduling due to COVID-19. While these were important changes, they came too late to have a notable impact on the visual arts sector.

Financial support for individuals (including income support payments).

Inadequate access to financial assistance

JobKeeper and JobSeeker were vital lifelines for many in the industry, but the exclusions from eligibility posed significant challenges. Notably, 70% of artists who earn a living through teaching⁹ were left out along with universities, university galleries and more than 250 galleries, arts centres, festivals and programs run through local governments.

Casual artists and arts workers with less than twelve months of engagement faced barriers and irregular incomes made it difficult for some to access income support. Despite temporary expansions of JobSeeker criteria for sole traders affected by the pandemic, artists and arts workers struggled to demonstrate eligibility to Centrelink, hindering their access to support programs.

In some cases, the \$750 JobKeeper payment exceeded part-time workers' earnings, leading to reductions in means-tested government payments. This disproportionately affected part-time workers balancing employment with caregiving or studying, as the \$1,500 per fortnight cut into their existing payments and increased employer demands for hours.

Superannuation Depletion

The early release of superannuation during the pandemic, intended to provide financial support, disproportionately affected artists, who often lacked alternative means of assistance.

The most recent 2017 study by Professor David Throsby on the economic circumstances of arts practitioners,¹⁰ revealed that nearly half of artists are members of a superannuation scheme with an employer. The 2017 report found some artists have some other means of providing for their future financial security such as personal savings or investments, or support from a partner or family. Although the percentage of artists without financial arrangements decreased from 14% in 2009 to 5% in 2016, the 2017 report indicated that 40% still considered their provisions inadequate.

The government's superannuation release program further exacerbated the situation, as over 2.6 million Australians, including many artists, accessed up to up to \$20,000 of their retirement savings, posing lasting challenges to artists' long-term financial security.

To address challenges faced by artists, arts workers, and organisations during the COVID-19 pandemic and provide a foundation for a more resilient and supportive framework for future crises, NAVA recommends:

- First Nations Support
 - Establish targeted financial support for First Nations Art Centres to mitigate income loss, especially in remote communities and for artists dependent on tourism.
- Financial Assistance and Eligibility
 - Strengthen financial support programs for the arts sector, ensuring inclusive eligibility criteria that account for the diverse nature of employment within the industry.
 - Rectify exclusions in relief packages.
- Insurance Scheme for the Arts
 - Establish a government-backed insurance scheme tailored for the visual arts and craft sector.
 - Provide coverage for business interruptions, exhibition cancellations, and associated costs like online program transitions, artwork storage, freight and redirection of planned exhibitions.
- Superannuation
 - Re-evaluate policies related to the early release of superannuation during crises, considering the long-term financial impact on artists.

Please don't hesitate to contact us for any further information we can provide.

Sincerely,

Penelope Benton
Executive Director

Leya Reid
Advocacy and Communications Manager



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<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Previousproducts/5676.0.55.003Main%20Features2Week%20Commencing%2030%20March%202020?opendocument&tabname=Summary&prodno=5676.0.55.003&issue=Week%20Commencing%2030%20March%202020&num=&view=>

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6 https://parlinfo.aph.gov.au/parlInfo/download/library/prspub/7262636/upload_binary/7262636.pdf

7 <https://visualarts.net.au/sit-for-an-artist/>

8 <https://visualarts.net.au/news-opinion/2021/visual-arts-sector-urgently-requires-crisis-funding/>

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