

# ADELAIDE FESTIVAL

8th August 2014

The Hon Jay Weatherill MP  
Premier of South Australia  
GPO Box 2343  
ADELAIDE SA 5001

cc: Hon Jack Snelling MP, Minister for the Arts  
Alex Reid, Executive Director – Arts and Cultural Affairs

Dear Premier

**Re: Boards' and Committees' Reform**

Thank you for the opportunity to respond to your letter of 8 July 2014.

The Adelaide Festival has been the central highlight of the State's cultural calendar since it first started in 1960 and has a long-held reputation for its innovation and excellence. It is regarded as Australia's foremost arts festival and one of the most prestigious international arts festivals in the world.

The Adelaide Festival Corporation Act was instigated in 1998 after a variety of investigations into the best model of operation for the Festival. It was considered at that time that the Adelaide Festival was such an important entity in South Australia that it warranted its own legislative framework outlining the powers and obligations of the organisation as an individual statutory authority with a dedicated Board of Management.

Such independence was viewed as essential for the Adelaide Festival to retain its position and international reputation as one of the premier arts festivals.

Previous working party reports had identified the practical difficulties for the Festival operating as it had without the provision of autonomy from Government or as part of a broader arts entity. Such difficulties identified as particularly problematic were cases of sponsorship conflicts which for sound commercial reasons needed to be clearly separate from Government operations and focused specifically on the Festival's needs, performers' contract requirements for indemnities, the need for flexibility within day to day operations for employment arrangements, and most importantly the need for a perception of clear independence in artistic decision making at arms-length from Government.

Received.....	11 / 8 / 14
Physical ID.....	PREMIAD 04124
File No.....	PREMIU 0049
Action Officer.....	Min Arts - Direct
Draft Due.....	
Previous Corres.....	

  

Received.....	/ /
Physical ID.....	
File No.....	
Action Officer.....	
Draft Due.....	
Previous Corres.....	

T: 61 (0)8 8216 4444  
F: 61 (0)8 8216 4455  
E: INFO@ADELAIDEFESTIVAL.COM.AU

LEVEL 9, 33 KING WILLIAM STREET  
PO BOX 8221 STATION ARCADE  
ADELAIDE SA 5000  
ABN 70 858 344 347

ADELAIDEFESTIVAL.COM.AU

The Festival's Board certainly recognises the importance for all arts entities to ensure a financial model that leverages all available income generation to support cultural objectives.

We already include sustainability as one of our five key goals and continually seek to maximise all income opportunities across all of our operations. We believe that the value that our Board contribute to the Festival's outcomes provides the State very real value for money.

The Board of the Adelaide Festival Corporation currently comprises representatives of a range of sectors within the community including Government, the Corporate Sector, Local Government, Higher Education, Media and the Arts Industry. The membership of the Board brings a diverse range of community voices and a valuable mix of skills, contacts and expertise to the Festival that contributes greatly to the Festival's ongoing success.

The Festival also provides a broad range of opportunities for other members of the community to be involved in the Festival, including the Friends and Patrons Program, our Writers' Week Advisory Committee and our Volunteer Program which includes in excess of 200 volunteers each year.

There is no net cost to the Festival for Board fees as donations made by Board members would far exceed any fees paid. It should be mentioned that under the Board's direction considerable effort has been expended in Sponsorship and Philanthropy and the Corporation believes that there may be a major breakthrough within the next twelve months based on the fact that the Festival is annual. It is anticipated that funds raised for 2014/15, excluding Box Office or grants, will exceed \$1.8 million.

The positioning of the Board between the Festival Management and Government guarantees that major sponsors will not be deterred from providing monies because they fear their sponsorship will simply end up in Treasury.

As highlighted in your letter we have given considerable thought to the opportunity for efficiencies that may be provided and the Adelaide Festival Corporation Board notes that discussions have in recent times suggested further detailed investigation be undertaken into the possibility of sharing resources between the Adelaide Festival and other South Australian arts entities.

In relation to ensuring that the Adelaide Festival is delivered efficiently, the Board has worked hard to ensure that the maximum available funds are spent on delivering the Festival program. The Festival has itself reduced its administration spend in recent years to around 11% for both the 2013 and 2014 Festivals from 15% of expenditure for the 2012 Festival.

The Board believes that it is important to note that the Adelaide Festival's charter is to ensure that it remains of national and international significance and at the highest level of innovative programming. A key value of the Adelaide Festival is to bring the very best cultural experiences from around the world to Adelaide and to profile Adelaide and South Australia to the world each year (as we have succeeded in doing as evidenced by over 29% of our ticketed audiences traveling to the



Festival from interstate and overseas, and the unprecedented national and international media coverage, enabling substantial brand positioning overseas for the State of South Australia.).

This is a vastly different business intent than for any other arts organisations operating within South Australia. We feel we must ensure that artistic integrity is not lost in pursuing a commercial orientation to a point where our unique nature, economic (almost 25 million dollars in net economic benefit to the State each year) and socio-cultural impacts and contribution to the State's creative identity and reputation is compromised.

The Board is, of course, always open to considering ways to better manage the Festival and is committed to ensuring that the Adelaide Festival has sufficient resources available to deliver a world class annual Festival of the highest artistic standard that engages the local community and continues to attract profile and visitation from interstate and overseas.

The Board has concerns regarding the possibility of sharing resources with another arts organisation and, in particular, does not believe that sufficient research has been undertaken that substantiates some of the potential savings being mooted.

We are however clearly supportive of a thorough investigation into the possibility of any such savings where a core focus of the investigation is to ensure that the Festival can continue to meet its current charter.

Any change in the operational, administrative or organisational structure for the Adelaide Festival must ensure that there are sufficient dedicated resources, to continue to ensure that the Adelaide Festival continues as one of the world's leading arts festivals and preserves the innovative artistic integrity that the Festival is internationally recognised for.

I, or any of our Board members, am happy to discuss any facet of this letter with you.

Kind Regards

A handwritten signature in dark ink, appearing to read 'Richard Ryan', with a stylized flourish at the end.

Richard Ryan AO  
Chair

PREM14D04124



Hon Jay Weatherill MP  
Premier of South Australia

Mr Richard Ryan AO  
Chair  
Adelaide Festival  
PO Box 8221, Station Arcade  
ADELAIDE SA 5000

Dear Mr Ryan

Thank you for your letter of 8 August 2014 to the Premier of South Australia, the Hon Jay Weatherill MP, about the Boards and Committees Reform.

Your letter has been sent to the Minister for the Arts, the Hon Jack Snelling MP, as he has been asked to provide advice to Cabinet on the future of your board or committee.

Should you have any queries about your letter, please contact the Minister's office on telephone 8463 6270.

Yours sincerely

A handwritten signature in dark ink, appearing to be "Jay Weatherill", with a long horizontal stroke extending to the right.

**Premier's Correspondence Unit  
Office of the Premier**

11 August 2014

*cc: Office of the Hon Jack Snelling MP, Minister for the Arts*