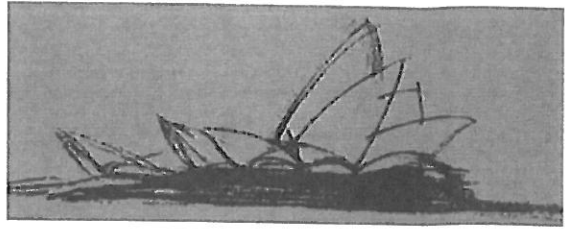


# Sydney Arts Alliance



The Hon. Nathan Rees, MP  
166 Best Road  
SEVEN HILLS NSW 2147

Dear Mr Rees

## **Re: Barangaroo Casino and the Arts**

The Sydney Arts Alliance notes the recent developments in NSW Labor's position on Barangaroo Casino. Whilst the Alliance opposes additional gaming in NSW, there is an opportunity to apply successful UK and US policy to ensure that its development does not pass without the ALP securing enduring benefits for the Sydney community.

The Alliance recommends that NSW Labor support a levy on gaming revenue from the casino operations. The levy would be paid into an arts acquisition and grants fund to sponsor the purchasing of works of art and issuing of grants to local artists.

There is a window of opportunity as the casino proposal is being considered whilst the current Minister, George Souris MP, is responsible for both gaming and the arts.

## **UK Model**

In the UK a proportion of revenue from the national lotteries is used to fund a range of social programs, including the arts. The Arts Council of England explains:

"The Arts Council of England ... supports a range of artistic activities from theatre to music, literature to dance, photography to digital art, and carnival to crafts.

Between 2011 and 2015, we will invest £850 million from the National Lottery to create these experiences for as many people as possible across the country."<sup>1</sup>

A similar funding model has been developed in Chicago, called the 'Per Cent for Art' scheme, which is attached to the city's development process.

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<sup>1</sup> See <http://www.lotteryfunding.org.uk/uk/arts-council-england-2>

### **Australian model**

This model could be easily adapted to the current circumstances in NSW. One per cent of revenue from a new casino in Sydney would be required to be paid into an 'Arts Acquisition and Grants Fund.' The Fund would sponsor the purchasing of artworks for a range of institutions and for providing grants to local artists. The Fund would be managed by a board of trustees comprising of major institutions, including the Art Gallery of NSW and MCA, as well as regional and community arts groups.

It is important that the funding arrangement is based on revenue, as opposed to profit. Broadly speaking, Echo Entertainment made \$1 600 million in revenue in the previous year to 30 June 2012. If a 1% levy were charged on annual revenue, \$16 million could be paid into the Fund annually. It is expected this number would increase significantly as a result of increased gaming activity in the new casino.

The key point is that the disbursement would be relatively minor for the gaming institution, but be a significant cash injection for the arts in NSW.

Further, as the impact of the casino on NSW society and culture is ongoing, it is appropriate for the levy to be enduring, as opposed to a one-off payment in compensation. To strengthen this objective, disbursements made by the fund could be based only on the fund's growth, so that the original capital is left undisturbed across the cycle. This would ensure the Fund endures for future generations.

### **Next steps**

The Alliance asks for an opportunity to present this proposal to you and your office so that you can take the proposal to Shadow Cabinet. Please feel free to contact us for more information or to arrange a meeting.

Regards



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Member of the Sydney Arts Alliance