



Australian Artists Association

5th Floor 574 St Kilda Road Melbourne VIC 3004

Tel (03) 9529 3800 Fax (03) 9525 1616

ABN 25 006 321 026

TL:CJ

13 September 2011

The Hon Simon Crean MP
Minister for Regional Australia, Regional Development and
Local Government;
Minister for the Arts,
P.O. Box 6022
House of Representatives
Parliament House
Canberra, ACT., 2600

OPEN LETTER REGARDING ISSUES OF NATIONAL CONCERN TO THE VISUAL ARTS

Dear Minister,

It was a pleasure meeting you at Lauraine Diggins Gallery last month and being able to convey to you, some of the concerns within the arts community and especially the depressed art market.

I also had the pleasure of discussing these concerns with Helen O'Neill, and as a result, I have prepared a number of submissions, which detail those concerns.

SUBMISSION 1 :

Investment in Art by Self Managed Superannuation Funds

Without a doubt, this is the major obstacle to any recovery in the art market and the recently introduced new Regulations have created even more difficulties and uncertainty.

SUBMISSION 2 :

Artists and Galleries Trust Accounts

The Global Financial Crisis has affected the art market quite considerably and has caused a number of galleries to close their doors. This will have a disastrous effect

Patron
John Olsen OBE AO
Directors
Melbourne
Rick Amor
Bruce Armstrong
Emily Floyd
Robert Jacks AO
Matthew Johnson
Tom Lowenstein
Evan Lowenstein
Mark Schaller
Jan Senbergs AM
Sydney
Colin Lanceley AO
Adam Micmacher
Peter Pinson OAM
Ben Quilty
Wendy Sharpe
Tim Storrier AM
Ron Robertson-Swann OAM
Margaret Woodward
Michael Zavros

on many artists being owed substantial moneys, which could be avoided if galleries operated Trust accounts for their artists.

SUBMISSION 3 :

Government Encouragement to the Visual Arts

It will take a long time for the art market to return to levels of two years ago, and in our view, the most effective way to achieve increased activity, is to "kick start" this activity by providing "funds" to artists, which are in effect acquisitions.

SUBMISSION 4 :

Losses from Non-Commercial Activities

This Submission, reveals the inequities of the tax system, which has adversely affected artists and despite regular Submissions since 2003, no action has been taken.

In addition to the above Submissions, there are two other areas that are of concern to the arts industry and need to be addressed :

1. Resale Royalty

I enclose a letter I have sent to Brian Johns, the Chair of CAL, which highlights a number of problems in that area.

2. The Personal Property Securities Act

This is new Legislation, which has the possibility of creating a major threat to artists, unless these concerns are addressed.

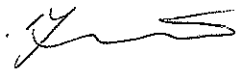
Minister, as you can see, all of the above concerns have created difficulties for artists. Many of the new initiatives taken by the Government, have been either ineffective, onerous or have done very little to improve the livelihood of visual artists.

We are concerned that the traditional alliance between the arts and the Labor Party is being eroded to an extent that the artists believe that they have been abandoned by the present Government.

It is therefore essential that some steps are taken by the Government to redress this situation.

I would be happy to meet with you to discuss these matters further.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tom Lowenstein', with a stylized flourish at the end.

Tom Lowenstein
Executive Director

c.c. Senator Christine Milne