



BUDGET FAILS TO INVEST IN JOBS AND GROWTH FOR LIVE PERFORMANCE INDUSTRY

Dear Member,

The Federal Government handed down the 2016-17 Budget tonight.

LPA RESPONSE TO FEDERAL BUDGET 2016-17

LPA has responded strongly to the Government's failure to invest in jobs and growth for our industry.

The Budget fails to deliver jobs and growth for Australia's live performance industry -- but the worst news is yet to come.

Live Performance Australia (LPA) Chief Executive, Evelyn Richardson, said "This Budget is supposed to be focused on jobs and growth. But the live performance industry and the broader arts industry are completely missing from the Government's vision for the Australian economy. This Budget fails to deliver jobs and growth for our industry. It fails to deliver any major new policy initiatives or programs."

The worst news is yet to come for small to medium performing arts companies when the full legacy of the 2015 Budget cut to Australia Council funding is realised in the next fortnight.

LPA President, Andrew Kay, said "This is not a cut to the arts. This is a full scale cull. We are very concerned that due to unprecedented funding cuts to the Australia Council last year, the legacy of the 2015 Budget will become very real next week when the Australia Council makes its funding announcements. We expect to see 40 percent of our small to medium companies lose funding and face going under. That's 18 to 20 companies that won't be creating new productions, hundreds of creative and talented Australians out of work and lost revenue.

"These cuts will have huge flow on effects impacting all parts of our industry including the major performing arts companies, venues, festivals and the commercial sector. We are particularly concerned about losing our creative and technical talent who may be forced to go offshore for work and career development opportunities".

LPA Chief Executive Evelyn Richardson said "The Government must commit to return the \$72.8 million over 4 years it took from the Australia Council last year so that our major funding body can deliver its Strategic Plan, including investing in the small to medium sector.

"While we were pleased to see the government respond to our call to ensure Catalyst funding was fully committed for 2015/16 and welcome yesterday's announcement of grant recipients, this does not address in any way the imminent threat of significant job losses and the demise of core companies that are critical to our industry. We were also disappointed to note that funding will not be continued for Sounds Australia which supports our local music industry overseas."

LPA's full media release in response to the Federal Budget is available [here](#).

LPA will be advocating strongly in the upcoming Federal election.

Our top priority is to safeguard sustainability of the live performance industry, with two key actions:

- Return the funding cut of \$72.8m over 4 years to the Australia Council to provide long term stability for small to medium companies
- Maintain and improve the transparency of the Catalyst program

LPA's full list of Federal Election 2016 Policy Priorities are available [here](#).

Further updates will be provided to Members following the Australia Council funding announcement.

COMMUNICATIONS AND THE ARTS

Additional expense measures for the Department of Communications and the Arts included:

- \$3.1 billion over three years from 2016-17 in base operational funding for the Australian Broadcasting Corporation (ABC).
- \$814.2 million over three years from 2016-17 in base operational funding for the Special Broadcasting Service Corporation.

Government efficiencies

No additional efficiencies for the Department of Communications and the Arts or its agencies were reported in the Federal Budget.

Sounds Australia

LPA is disappointed to note that funding will not be continued for Sounds Australia which supports our local music industry overseas.

TAX REFORM AND SMALL BUSINESS

Company tax reductions: From 1 July 2016 businesses with turnover less than \$10 million will have a company tax rate of 27.5 per cent. The eligibility threshold for the lower rate will be progressively raised until all companies are at 27.5 in 2023-24. The rate will then fall to 27 percent in 2024-25 and then by 1 percentage point each year to 25 per cent by 2026-27. This measure will cost \$2.65 billion over the next four years.

Unincorporated tax discount: To match the corporate tax changes, the tax discount for unincorporated businesses introduced in last year's budget will be increased to 8 per cent, capped at \$1,000. This discount will be further increased in phases to reach 16 per cent by 2026-27. This measure will cost \$450 million over four years.

Small business threshold: From 1 July 2016 the small business threshold will be raised from \$2 million to \$10 million turnover, providing more businesses with access to benefits such as accelerated depreciation. This measure will cost \$2.18 billion over four years.

Training to work: Based on the Australian Chamber's training to work proposal, under the Youth JobsPATH initiative 120,000 vulnerable young job seekers will be provided job readiness training and placed in businesses for work experience internships for 4-12 weeks, receiving an extra \$200 per fortnight payment. Host employers will be provided \$1,000 and will then be eligible for up to \$10,000 support paid over six months if they hire the job seeker.

Be your own boss: An extra \$88.6 million in supporting job seekers who wish to start their own business. Access to self-employment training and mentoring for job seekers broadened to include those not on income support.

ADDITIONAL BUDGET INFORMATION

Further information on the 2016–17 Federal Budget can be found via:

- [Federal Budget 2016–17 Papers](#)
- [Department of Communications and the Arts' Portfolio Budget Statements 2016–17](#)

- [Budget 2016 - Tax Reform Factsheet](#)

Any additional Federal Budget details that arise will be communicated to Members.

Should you have any queries in regards to the measures outlined within the Federal Budget 2016–17 or LPA's Federal Election 2016 Policy Priorities, please contact the [LPA Office](#) via email or phone (03) 8614 2000.

Kind regards,

Evelyn Richardson
LPA Chief Executive



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