

**ARTS AND CULTURE TRUST BILL 2020**

*Receipt and First Reading*

Bill received from the Assembly; and, on motion by **Hon Sue Ellery (Leader of the House)**, read a first time.

*Second Reading*

**HON SUE ELLERY (South Metropolitan — Leader of the House)** [6.44 pm]: I move —

That the bill be now read a second time.

On behalf of the Minister for Culture and the Arts, I introduce the Arts and Culture Trust Bill 2020. Most of the state's most iconic theatres, such as His Majesty's Theatre, are managed by the Perth Theatre Trust, the PTT. The trust has served this role for many years in accordance with the powers granted to it under the Perth Theatre Trust Act 1979. However, the PTT has been hindered by the limitations of that act. Although the act has done what it was designed to do, it has also restricted the PTT's potential and prevented it from moving beyond the narrow role assigned to it, which is to manage theatres.

Successive governments over many years have identified the need for reform for the PTT and the management of state cultural assets. This included the 2015 agency expenditure review and the earlier reviews conducted by the Public Sector Commission. The McGowan government initiated a number of reforms to ensure that the public sector is modern and high performing and maintains its ability to deliver future services to the community. The PTT is part of the public sector and this is the perfect time for the PTT to be included in the broader reform process. Although there have been some amendments to the Perth Theatre Trust Act 1979 over the past 40 years, these amendments were not related to comprehensive and wideranging reforms needed for a PTT to effectively meet current government or community needs.

The McGowan government has a vision of a PTT that manages not only theatres, but also cultural centres and other valuable cultural assets—a vision that cannot be achieved with the PTT in its current form. For this reason, this bill will completely replace the legislative framework under which the PTT formerly operated. The PTT will be transformed into a new statutory authority known as the Arts and Culture Trust. This new authority will have greater responsibilities, broader powers and more flexibility to manage, care for and develop cultural assets for our future generations.

The Arts and Culture Trust will be similar to the PTT in some regards. It will be a key government arts entity. It will be a statutory authority and a body corporate. It will be managed by a board. It will have a list of duties and the legal powers needed to carry them out. However, the new trust will also have many important differences. The most important of these reforms relates to the trust's core functions. The trust's responsibilities will not be limited to theatres. It will have the power to manage all kinds of cultural venues, including outdoor spaces such as the Perth Cultural Centre. This will include state-owned assets assigned to the trust and potentially any privately owned assets that enter into partnership with it. The trust will also have a greater power to engage in business arrangements subject to the Treasurer's approval.

Many reforms in the bill relate to the board that will manage the trust. The new trust's board will consist of nine members, compared with the PTT's eight members. This will make quorums and majority decisions easier to obtain. The bill will require board members to have specific skills and experience that relate to the trust's operations. It will also require board members to have different skills. This will ensure that the board has a broad spectrum of knowledge to draw upon. Moving to a skills-based board will no longer see almost half of the trustees nominated by the City of Perth. Although this made sense in the early days of the PTT, it now manages theatres in Subiaco and Albany. The new trust will reach even further and potentially control assets across the whole state. This change is not a reflection on the City of Perth in any way; it simply reflects the fact that the management of the trust is a statewide concern, not just for the City of Perth.

There will also be reforms in the bill to increase the trust's accountability beyond the annual audits by the Auditor General to ensure its affairs will be transparent and beyond reproach. The trust will be subject to special safeguards regarding the use of information and the disclosure of conflicts of interest.

An important provision in the bill will allow the government to declare a state-funded arts organisation to be a "resident company" for the purposes of the bill. This reform will provide clarity for the relationship that exists between these designated state-funded arts organisations and the trust.

The bill will also grant the trust with increased power to participate in commercial activities and business arrangements. This will provide the trust with the ability to optimise the potential of the assets it controls, including assets that are located near major commercial and tourism hubs. By allowing the trust to capitalise on this potential, it will be able to maximise its resources and create flow-on benefits for local businesses around trust property. It will also help create much-needed jobs in the cultural tourism sector, along with the hospitality and retail sectors.

For accountability purposes, the bill requires the trust to obtain the approval of the minister and the Treasurer before entering any business arrangement that does not directly relate to trust functions. This will ensure that the trust power is used wisely and provides maximum benefit for the trust and local business.

The PTT is currently restricted to managing the specific theatres vested in its care. The current legislative regime is restrictive and does not easily facilitate short-term events or opportunities that can arise within the cultural and artistic sector. To enable the new trust to hold artistic and cultural events to be enjoyed by the community, the bill will grant the minister the power to declare any part of the state a venue if it is intended to be used partially or wholly as a place for cultural and artistic purposes for any duration of time that the minister thinks is appropriate. A declaration will enable the area to be used by the new trust to hold events and provide the trust with broad powers to manage and conduct those events. This reform will provide a long-overdue opportunity for the government, through the trust, to host cultural and artistic events anywhere in the state. Any venue declared will be subject to the agreement of all parties who have an interest in the land, and the activity will need to comply with all normal legislative requirements—for example, liquor licensing and environmental laws.

Under the current legislative regime, arts and cultural assets fall under the management of the state government, including the Perth Cultural Centre and the Sunset Heritage Precinct. There is a growing argument that many of these assets should be managed by an organisation that specialises in cultural asset management. For this reason, the bill will grant the government with the power to vest any of the state's artistic and cultural assets, including public spaces, under the control of the trust. This will provide a long-overdue opportunity for the government. It will give the state a mechanism that it can use to consolidate cultural assets under a trust that is best placed to manage them, and then use those assets by hosting arts and cultural events to be enjoyed by the community and attract visitors to this state.

As a statutory authority and part of the public service, the new trust will be accountable to the minister, the government and the Parliament, and will be required to comply with all legislation governing the public sector.

To ensure the trust has the ability to ensure the orderly operation of permanent and temporary trust venues, and recognising the broader remit of the new trust, the bill will also allow the Governor to make regulations on various operational matters regarding trust property. This will include management of venues, admission of people to trust property, the behaviour of people who visit trust property, consumption of liquor at trust venues, the imposition of fees by the trust, and parking management on trust land. These regulations can be enforced with fines and will provide the trust with a greater ability to manage and protect the assets vested in its care. Like any other regulations, they will be scrutinised by the Joint Standing Committee on Delegated Legislation and be subject to disallowance by either house of Parliament. This will ensure they undergo a sufficient level of parliamentary scrutiny.

This bill will mark the start of a significant period of change, with the Perth Theatre Trust being transformed into the Arts and Culture Trust. The bill includes consequential amendments to many pieces of legislation. These amendments will remove references to the Perth Theatre Trust and replace them with references to the new trust when necessary. The bill also includes transitional provisions to allow an orderly handover of the Perth Theatre Trust's assets, liabilities and contractual obligations. This will ensure that the transition will not compromise any pre-existing matters and, importantly, the rights of employees. If the bill is unable to provide for a transitional matter, the Governor will have the power to make regulations to deal with that matter. This bill provides a significant and long-overdue reform to the management of cultural assets in this state.

Pursuant to standing order 126(1), I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to a bilateral or multilateral intergovernmental agreement to which the government of the state is a party; nor does this bill, by reason of its subject matter, introduce a uniform scheme or uniform laws throughout the commonwealth.

I commend the bill to the house and I table the explanatory memorandum.

[See paper [4227](#).]

Debate adjourned, pursuant to standing orders.

*House adjourned at 6.52 pm*