

CULTURAL INSTITUTIONS LEGISLATION AMENDMENT BILL 2025 STATEMENT OF PUBLIC INTEREST

Need: Why is the policy needed based on factual evidence and stakeholder input?

In December 2023, the NSW Government released *Creative Communities*, the first whole-of-government arts, culture and creative industries policy for the State. *Creative Communities* grew out of extensive consultation and engagement with community and sector stakeholders.

This included a Youth Roundtable, held in late 2023, to hear directly about challenges facing youth representation in the arts, culture and creative industries sector. A key message from this consultation was that there is a need to include young people in decision making in the arts, culture and creative industries.

As noted in the policy, the evidence is overwhelming: young children participating in cultural and creative activities are much more likely to do well at school, find connections and thrive in later life. It also notes that engaging young people as audience members and in career development, can lead to lifelong engagement, bolstering future audience numbers and cultivating a culturally aware and appreciative society.

The policy includes a commitment to take a first step in ensuring the next generation of cultural leaders are at the decision-making table, through the establishment of a youth representative entity. The NSW Youth Creative Network was successfully created in December 2024 and held its first meeting in February 2025.

Legislating for a dedicated position on each governing entity of the cultural institutions for a young person takes this commitment a step further and creates structural change to secure more meaningful engagement.

Objectives: What is the policy's objective couched in terms of the public interest?

Governance Institute of Australia's 2024 Board Diversity Index, indicates that young people are chronically under represented on boards. With the average age of directors increasing to 61 years old, against a backdrop of the median age of Australia's population being 38.5 years old (in 2022).

The governing entities of our cultural institutions must be representative of the communities they serve. The membership of the Board, Council or Trust for each of NSW's cultural institutions must look and think differently if they are to ensure they remain relevant, innovative and accessible for future generations.

Options: What alternative policies and mechanisms were considered in advance of the bill?

In late February 2024 the Minister for the Arts wrote to the (then) Chairperson of each cultural institution, seeking nominations for member reappointments and new members to fill vacancies. A specific request was made for the nomination of suitable candidates under 25 years old. No such nominations for young candidates were forthcoming from the cultural institutions.

It is not proposed for the legislative amendments to apply to the *State Records Act 1998* (NSW). The objects of the remaining NSW cultural institution – State Records NSW – set it

apart from other State cultural institutions, as it performs framework oversight functions and does not operate its own open-to-the public facility. Further, eight of the nine member positions on the Board of State Records NSW are already strictly prescribed by section 69 of the *State Records Act 1998*.

Analysis: What were the pros/cons and benefits/costs of each option considered?

Changing the composition requirements for the Boards, Councils and Trusts of the NSW state cultural institutions can only be done by amending the legislation that establishes the cultural institutions. If the amendments are not made, NSW cultural institutions will continue to miss out on the opportunities a diverse board membership offers. It is critical to the future of these institutions that they remain relevant, innovative and accessible for future generations.

Cultural institutions Board, Council and Trust members currently serve as volunteers. While a remuneration classification is in place to facilitate payment of members, each entity has chosen to remain unpaid. From a policy perspective, the intention is for young people appointed to these roles to be offered the remuneration assigned to the relevant Board, Council or Trust, in accordance with the amount specified in the Public Service Commission's *Classification and Remuneration Framework for NSW Government Boards and Committees* (ranging from \$7,500 to \$20,000 per annum, depending on the entity).

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

The Bill, as drafted, specifies a commencement date of 1 October 2025.

Following passage of the Bill, steps will be taken to identify suitable young people to hold a position on each cultural institution's Board, Council or Trust. This will include consultation with the NSW Advocate for Children and Young People to ensure member vacancies are promoted via channels that are best suited to engaging the right young creative and cultural leaders.

A formal process will be followed, including consideration of nominations by Cabinet, to appoint the young people as Board, Council or Trust members, as prescribed by the NSW Government Board and Committee Guidelines.

The new youth representatives will be provided with relevant training and induction by the cultural institution, in partnership with the Advocate for Children and Young people. Training for existing Board, Council and Trust members on how best to engage with young people on governance and advisory entities will also be provided in partnership with the Advocate for Children and Young people.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

The NSW Advocate for Children and Young People has been consulted on the legislative amendments and on the support mechanisms needed to operationalise the intended outcome.

State cultural institutions were consulted during the development of the Bill.