

**CONFIDENTIAL**

**CABINET DECISION**

No. **4463** .....

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Submission No.: 3820

Title: NT THEATRE COMPANY

Cabinet approved the formation of an Interim Management Committee appointed by, and responsible to, the Minister for Youth, Sport, Recreation and Ethnic Affairs to establish a Territory Theatre Company with a view to the Territory Theatre Company commencing activities in January 1987.



**A. G. MORRIS**  
Secretary to Cabinet.

28 January 1986

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**FOR CABINET**

**SUBMISSION No: 3820**

**Title:**

NT THEATRE COMPANY

**Minister**

THE HON. RAY HANRAHAN, MINISTER FOR YOUTH, SPORT, RECREATION AND ETHNIC AFFAIRS.

**Purpose:**

TO ESTABLISH AN INTERIM MANAGEMENT TO FORM A NT THEATRE COMPANY

**Relation to existing policy:**

ACCORDS WITH EXISTING POLICY

**Timing/ legislative priority:**

NOT APPLICABLE

**Announcement of decision, tabling, etc:**

DRAFT PRESS RELEASE IS ATTACHED (ATTACHMENT A)

**Action required before announcement:**

NIL

**Staffing implications, numbers and costs, etc:**

NO PUBLIC SERVICE IMPLICATIONS

**Total cost:**

1985/86	\$ 40 500
1986/87	\$301 500
1987/88	\$463 500

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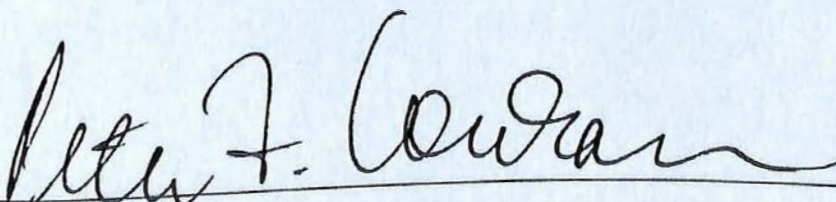
Department/Authority LAW

COMMENT ON CABINET SUBMISSION No.

TITLE: NT THEATRE COMPANY

**COMMENTS:**

While there are no legal or constitutional problems, care should be taken that any interim committee is responsible to and under the direction of the Minister. Any employment contract should be prepared by the Crown Solicitor.



SIGNED: Peter Conran

DESIGNATION: Director, Executive & Policy Unit

DATE: 30 December 1985 **CONFIDENTIAL**

Department/Authority.....NORTHERN TERRITORY TREASURY.....

COMMENT ON CABINET SUBMISSION No.

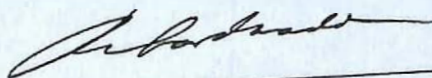
TITLE: .....NT THEATRE COMPANY.....

**COMMENTS:**

Treasury supports the submission subject to the establishment costs being met from within the Department's existing funding for new initiatives.

At the Cobourg Cabinet Meeting 12/13 June 1986 Cabinet approved \$1.5M for new initiatives to be undertaken by the Department of Youth Sport, Recreation and Ethnic Affairs in 1985/86.

At a subsequent Budget Cabinet Meeting the Department identified \$923,000 of these funds as unallocated to specific expenditure or projects. As this project has been under consideration for a considerable time and is recommended by the investigating Parliamentary Committee it is recommended that the establishment costs should be met by the Department from within its existing funding for new initiatives.



SIGNED: R C MADDEN

DESIGNATION: Under Treasurer

DATE: 14 January 1986 **CONFIDENTIAL**

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NT THEATRE COMPANYTHE ISSUES

This submission seeks Cabinet approval for the establishment of an interim management committee to bring into operation a Territory Theatre Company to operate with a permanent staff of three, engaging actors and stage crew on a seasonal basis.

BACKGROUND

1. Prior to the last election an undertaking to establish a state-type theatre company in the Northern Territory was given by the then Chief Minister.
2. Subsequently, a Parliamentary Committee was authorised to investigate the establishment of the company.
3. An extensive fact finding tour of other states was undertaken and the committee met with organisations in Sydney, Brisbane, Rockhampton, Perth and Adelaide, as well the Northern Territory

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4. That committee recommended that a Territory Theatre Company be formed, the proposed company to be limited by Guarantee.

CONSIDERATION OF THE ISSUES

5. An Interim Management Committee would comprise personnel having an appropriate range of legal, accounting and management experience, plus a nationally respected theatre expert.
  
6. It is proposed that the Interim Management Committee take such steps as may be necessary to bring the Northern Territory Theatre Company into operation, including:
  - (a) preparation of a constitution;
  - (b) registration under the Companies Act;
  - (c) recruitment of General Manager and Artistic Director;
  - (d) preparation of estimates for the first three years of operation; and
  - (e) production, in the first half of 1987, of an initial four months season of four plays, one of which will tour smaller centres throughout the Territory. In 1987/88 financial year, the first full year of

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operation, and 1987/88 there will be two four-play seasons each of approximately four months duration.

- 6.1 The Committee will also explore in liaison with the existing Territory Music Ensemble Steering Committee, the staged development of the Ensemble, its management and administrative requirements.

OPTIONS

7. There are 3 options.
8. Option (a)  
The formation of an Interim Management Committee to establish a Territory Theatre Company be approved and financial commitment made to the first 2½ years of operation.
9. Option (b)  
Consideration be given to a substantial increase in funds to the Darwin Theatre Group, (1985/86 \$80 000) to increase professional content.
10. Option (c)  
Retain Status Quo, which is continued funding to amateur theatre and no professional theatre activity.
11. Option (a) is recommended.

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PUBLIC IMPACT OF THE RECOMMENDATIONS

12. Performing arts organisations and individuals have been consulted and would welcome actions to establish professional theatre in the Territory.
13. The general public would be expected to welcome an improvement in both quality and quantity of Theatre performances resulting from the establishment of a professional Territory Theatre Company which would also tour the smaller centres

FINANCIAL CONSIDERATIONS

14. The appointment of an Interim Management Committee would in itself require an allocation of funds for travel, accommodation, sitting fees and secretarial services, and in line with its terms of reference, recruitment of the General Manager and Artistic Director would also incur costs. These 1985/86 costs total \$40,500.  
See Attachment B.
15. Commitment in 1986/87 amounts to \$301,500, and is calculated taking into account the fact that the Theatre Board closing date is closed for funds to be obtained for most of that period (calendar year funding), and that the Company would only be fully operational for half of that year.



16. The 1987/88 commitment has calculated a Theatre Board contribution and it is anticipated that the NT Government commitment will need to be \$463 500 for that first full year of operation.
17. It is anticipated that at the end of the first full year of operation of the NT Theatre Company, financial assistance to existing pro-am Theatre companies can be reduced considerably. There will still be a need to support amateur groups to a degree but the NT Theatre Company will be a source of professional expertise.

EMPLOYMENT AND STAFF CONSIDERATIONS

18. There are no Public Service employment implications.
19. The formation of the Interim Management Committee to establish a Territory Theatre Company will provide employment, on a contract basis, for:
- 1 x 3 year General Manager
  - 1 x 3 year Artistic Director
  - Professional actors employed on a seasonal basis.

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CO-ORDINATION AND CONSULTATION

20. This submission has been distributed for comment to Departments of Treasury and Law.
  
21. No legislation is required.

RECOMMENDATION

22. It is recommended that Cabinet approve:
  1. The formation of an Interim Management Committee appointed by, and responsible to the Minister, to establish the Territory Theatre Company and approve financial commitment of \$40 500 for the current financial year; and
  
  2. Approve in principle a commitment of \$301 500 for 1986/87 and \$463 500 for 1987/88.

*Rae H. [Signature]*  
20/1/86

C O N F I D E N T I A L

PRESS RELEASE

FROM: THE MINISTER FOR YOUTH, SPORT, RECREATION AND  
ETHNIC AFFAIRS

The Minister for Youth, Sport, Recreation and Ethnic Affairs, Mr Ray Hanrahan, today announced that Cabinet has approved the formation of an Interim Management Committee to establish a Northern Territory Theatre Company.

Mr Hanrahan said that the Committee's responsibilities would involve preparing a constitution, registration under the Companies Act and recruitment of professional staff.

"The new Territory Theatre Company will complement existing amateur performing arts organisations, and will be a resource of professional expertise" Mr Hanrahan said.

"The formation of the Company will bring the NT more into line with other states and should attract more Commonwealth funding for Theatre in the Territory."

The Territory Theatre Company will service more remote areas in the Territory as well as the larger centres and its first season will begin in early 1987.

ATTACHMENT 'B'  
DEC 1985NT THEATRE COMPANY  
INTERIM MANAGEMENT COMMITTEECOSTS

	<u>85/86</u>	<u>86/87</u> (6 months trading)	<u>87/88</u> (12 months trading)
<u>MEETING</u> (monthly Feb-Nov '86 bi-monthly thereafter)			
Travel Costs			
. 1 x Sydney Darwin	6 000	9 000	7 500
. 1 x Alice/Darwin			
Accommodation			
. 2 x 2 nights per meeting	2 000	3 500	2 500
Sitting Fees			
. Category C Chairman @ \$145			
. 3 members x \$115	<u>2 500</u>	<u>4 000</u>	<u>3 500</u>
	10 500	16 500	13 500
Secretarial Services	3 000		
Recruitment			
. Managing Director	15 000		
. Artistic Director			
Salaries			
. Manager 2 months 85/86)	12 000		
. Artistic 1 month 85/86)			
. Directors and Secretariat from 1/1/87		85 000	90 000
Administration Costs		50 000	60 000
Performing Season		<u>150 000</u>	<u>300 000</u>
ESTIMATED COST TO NT GOVERNMENT	40 500 =====	301 500 =====	463 500 =====
SUPPLEMENTARY FUNDS:			
Australia Council (Calendar Year Funding)		150 000	300 000
Performing Income, Corporate Gifts, Sponsorship, etc.		<u>200 000</u>	<u>400 000</u>
ESTIMATED TOTAL BUDGET	\$ 40 500 =====	\$ 651 500 =====	\$1 163 500 =====

NOTES:

- NOTE 1: The Darwin Theatre Group funding from both NT (\$80,000) and Federal Sources is expected to be reduced as the NT Theatre Company becomes fully operational. Funding for Darwin Theatre Group then would be minimal, as is NT funding for any other amateur theatre company at present. Box office takings of amateur theatre companies are not likely to be effected and these at present would only cover front-of-house and administrative costs such as printing and advertising.
- NOTE 2: This submission does not address the possibility of the NT Theatre Company taking on Theatre in Education responsibilities and the present NT Government funding for same in the foreseeable future.
- NOTE 3: Estimates on the cost of providing administrative space for the Company have been made, taking into account that there are a number of other performing arts groups in Darwin for which provision of rehearsal/storage/workshop/office space is essential and with which the new NT Theatre Company can share. Estimated cost of obtaining, leasing and modifying suitable premises is around \$180,000 for 1986/87 and has been included in the Department's New Initiatives.
- NOTE 4: There is no guarantee of Australia Council Federal funding and there is no way of estimating accurately the extent of such funding. However taking into account the funding for other professional state theatre companies, and making allowances for size and population of the Territory, Federal funding from the Australia Council for the NT Theatre Company when it is fully operational is likely to be in the vicinity of \$300 000 per annum.
- NOTE 5: The amount of \$200 000 in 1986/87 and \$400 000 for 1987/88 for box office and Corporate sponsorship is a more conservative estimate (approximately 25%) than that of the Back Bench Committee Report (50%). It was felt that for the first three years it was more desirable to underestimate that income until the NT Theatre Company is fully operational and establishes audiences and explores sponsorship potential.