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Sydney Morning Herald

Carriageworks enters voluntary administration

By [Kylar Loussikian](#) and [Linda Morris](#)

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Carriageworks, the cultural centre based in the historic Eveleigh rail yards, has become Sydney's first major arts company to call in administrators as the coronavirus pandemic wreaks havoc across the industry.

The organisation, which is without a permanent chairperson, called in KPMG restructuring partners Philip Quinlan and Morgan Kelly on Monday after standing down half their [core staff in April](#).

Sources close to discussions said the decision to put Carriageworks, the largest contemporary multi-arts centre in the country, into administration was made after it became clear the NSW government would not guarantee regular grant funding due in July.

[Carriageworks, the cultural centre in the historic Eveleigh rail yards, has gone into administration. *CREDIT:NICK MOIR*]

Government sources, who were not authorised to comment publicly, rejected the claims. NSW has not had a permanent arts minister since the resignation of Liberal MP Don Harwin from the job in late April.

The sources suggested Carriageworks was the "canary in the coal mine" of Sydney's arts sector because of its heavy reliance on performance grant funding. Other major arts companies have turned to online performances after public health orders closed venues and shelved new productions scheduled for this year.

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In a statement, Carriageworks said the sudden cancellation or postponement of six months of activities due to restrictions on public gatherings had resulted in an "irreparable loss of income".

Chief executive Blair French said he hoped Carriageworks would be able to reopen to artists and the community once the state recovered from the effects of the pandemic.

"The Carriageworks board regret that this action has had to be taken. They are mindful of the impact of this situation upon independent artists and partner companies across the performing and visual arts at a time when the effects of COVID-19 related closures have made this sector so vulnerable," Mr French, who replaced former director Lisa Havilah in 2019, said.

"The board remain hopeful that the Carriageworks facility will be able re-open to artists and community alike once NSW emerges from the effects of the current pandemic."

The Sydney Writers' Festival, Mercedes-Benz Fashion Week Australia, the design event Semi Permanent, part of the Vivid program, and its weekly Farmers Market were among events lost when the venue shut down due to coronavirus.

[Nick Cave's installation at Carriageworks in 2018.*CREDIT:NICK MOIR*]

The precinct derives 75 per cent of its income from commercial activities. In 2018, Carriageworks posted a deficit of \$559,236, after taking in \$1.5 million from the box office, \$1.1 million from food programs and markets, and \$3.9 million from commercial events.

With restrictions on social gatherings likely to remain in place for some time to come, the board said it had no alternative but to place the company into voluntary administration.

[Carriageworks chief executive Blair French.*CREDIT:JAMES BRICKWOOD*]

The decision will bolster calls for an immediate, targeted stimulus from federal and state governments to allow struggling arts companies to survive the pandemic.

Esther Anatolitis, executive director of the National Association of the Visual Arts, said she was "heartbroken" to learn that Carriageworks had entered administration. "Strength and courage to all of Carriageworks' staff and tenant organisations," Ms Anatolitis said.

"Australia's leading economists have sounded the alarm on the risks to the nation of allowing the arts industry to collapse. I implore governments to take their calls seriously - as well as the united calls of the entire industry. Public investment in companies like Carriageworks enriches all of our lives. To ensure our post-COVID-19 future is bright, there's no time to be lost in strengthening that investment."

The pandemic has pushed many arts companies to the brink of collapse. Opera Australia earlier this year warned it had held crisis talks to keep the company afloat after the cancellation of the remainder of its summer season including its flagship Opera on the Harbour event. The company's chief executive, Rory Jeffes, flagged the sale of one or both of its properties to stave off the threat of bankruptcy.