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# NSW government considers Sydney Opera House takeover of Carriageworks

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The Sydney Opera House would take over operations at Carriageworks, the contemporary performance space which called in administrators on Monday, under a proposal being considered by the Berejiklian government.

The multi-arts venue in the historic Eveleigh rail yards became Sydney's first major cultural institution to collapse during the coronavirus pandemic, after the shutdown caused the cancellation of a number of major events including the Sydney Writers' Festival, Mercedes-Benz Fashion Week Australia and Vivid shows.

[The multi-arts venue in the historic Eveleigh rail yards entered voluntary administration on Monday. *CREDIT: LOUISE KENNERLEY*]

Sources close to discussions with the Opera House told *The Sydney Morning Herald* that a push to hand the venue to the Opera House Trust was under way before administrators were called. The government was unhappy with the financial position of the organisation before the pandemic, the sources said.

The government's arts funding body Create NSW provides annual grant funding of more than \$2.5 million to Carriageworks.

An Opera House spokeswoman said the Trust "has been approached by the government to consult on the long-term sustainability of Carriageworks as an important cultural venue, particularly at this most difficult time". "We were deeply saddened to hear of Carriageworks Ltd going into voluntary administration," the spokeswoman said.

In a statement issued on Monday night, Carriageworks said it had no choice but to call in administrators after restrictions on public gatherings had resulted in an "irreparable loss of income". In April, Carriageworks froze spending and stood down half its core staff. Chief executive Blair French said he hoped the facility would be able to reopen to artists and the community once the state recovered from the effects of the pandemic.

Were Carriageworks' corporate entity dissolved, the government would be free to appoint a new body to take over the lease via an open competitive tender process.

The Opera House is regarded by senior arts bureaucrats as best placed to create a viable public program appealing to Carriageworks's traditional patrons.

"Think about it, who else could do it?" one government source, close to discussions but not authorised to speak publicly, said. "You are going to need other performing arts centre operators with a good balance sheet."

A source with knowledge of Carriageworks described the move as "a Sydney power play". Carriageworks, the source said, had shifted cultural focus away from the harbour to communities and artists in a way that an organisation like the Opera House never could. "Sadly arts and culture for some people is about control and power and having the biggest voice," the source said.

Labor's treasury spokesman Walt Secord said it was "extraordinary" that the government had allowed Carriageworks to collapse and called for an emergency rescue package for the arts sector.

"Carriageworks is the tip of the iceberg; there are so many other arts groups and organisations as well as individuals who are in absolute strife and at risk of going the same way as Carriageworks," Mr Secord, who also has responsibility for the arts, said. "This entire sector of the community has been ignored by the government ... they have been completely left out in the cold, without the government offering a single cent of support."

[The popular night markets at Carriageworks last year.]

A NSW government spokesman said the pandemic had affected many industries and funding across the arts sector needed to be "fair and equitable".

"The government will explore options as it works to secure the long-term sustainability of Carriageworks, including consulting with the Sydney Opera House, and more widely to ensure the venue continues to serve and inspire the community as a cultural precinct," the spokesman said.

In 2018, Carriageworks posted a deficit of \$559,236, taking in \$1.5 million from the box office, \$1.1 million from food programs and markets, and \$3.9 million from commercial events. The deficit was caused by a one-off write-down of \$618,647, but the directors had been satisfied about Carriageworks' future given it had secured Create NSW funding until 2021.