

Super art ban faces critics

A fight is on to preserve the art of self-managed super funds, writes **Gabriella Coslovich.**

ARTISTS, gallery directors, framers and other arts industry professionals will converge on the Chapel Street studio of David Bromley this morning to protest against the possible banning of art as an investment in self-managed superannuation funds. They say such a ban would seriously damage art sales and the industry's viability.

"It's an industry that needs as much support as it can get at the moment. It's had a couple of really rough years and the super fund art investment policy is a real boost for the industry," says artist Lisa Roet, who today will be joining fellow artists including David Larwill, Emily Floyd, Matthew Johnson and Mark Schaller at Bromley's studio to launch the Save Super Art campaign.

High-profile arts accountant Tom Lowenstein estimates that the change to the superannuation laws could cost the Australian primary art market about \$100 million in sales each year.

"This issue has unified the arts industry more than any other one issue that I have encountered in the 40 years that I have worked in the art world," says Mr Lowenstein, who is co-ordinating the Save Super Art campaign.

In May last year, the federal government announced a comprehensive review of the superannuation system, in order to maximise retirement incomes for Australia's ageing population.

Known as the Cooper Review, the final report will be handed to the government on June 30. But a preliminary report released in April recommends that art be prohibited as an investment in self-managed super funds and that these funds dispose of their

art assets by June 30, 2020.

The recommendation has infuriated the arts industry, which has been struggling in the aftermath of the financial crisis. While the smaller self-managed super funds will be banned from buying art as an investment, larger corporate funds can continue doing so. And, as far as artist David Bromley is concerned, that is "incredibly patronising to self-managed super funds".

Do-it-yourself super fund managers who have been investing in art are also angry about the potential changes. Canberra retiree Bernie Ayers, who manages his family's superannuation fund, says that over the past two years his art portfolio has significantly outperformed his share portfolio.

Furthermore, by investing in art, Mr Ayers says he has helped young indigenous and contemporary artists succeed in their careers.

He predicts that if implemented the Cooper recommendation will adversely affect the new growth area of Australian art sales.

"Many do-it-yourself super trustees only became aware of art as a diversified investment for their fund when they saw their share portfolio plummet during the global financial crisis," Mr Ayers says.

Last week, he wrote to federal Arts Minister Peter Garrett urging him to reject the Cooper recommendation.

"Although I suspect we are a little unusual, through conversations with gallery owners, auction houses and artists, I understand that art purchases through super funds, though still low (5 to 20 per cent) is the fastest growing sector of current art sales," Mr Ayer wrote to the minister.

"I, for one, will be quitting the art market completely if the recommendation is adopted," he wrote.

That's a move that the Save Super Art campaign is trying to ensure that Mr Ayer will not have to make.