

Speech: Michael Ellis speech at the Art Business Conference

Good morning everybody.

As Minister for Arts, Heritage and Tourism I have a wide portfolio, which gives me the opportunity to do some very enjoyable things.

Like raising the draw bridge on Tower Bridge, visiting galleries, heritage sites, theatres, art centres and libraries across the country, launching the development of a new government soft power strategy at the Foreign Office or speaking at fascinating events like the one today, and I'd like to thank Louise for inviting me to speak.

Today's sessions reflect the wide range of challenges and issues currently faced by the art market.

From the very familiar, such as the question of provenance, to the practical, such as how to deal with new regulations, and the innovative, such as the best use of developing technology.

I am well aware of the importance to the UK of its art market, the second largest in the world, and am delighted that the UK is in this position.

This market contributed an estimated £1.46 billion to the UK economy in 2016, showing our reputation for knowledge, versatility, adaptability and growth.

As a department, and as Arts Minister, I am grateful for the expertise and practice of the art market, with whom we have a strong working relationship.

Today's theme is on the future of our international art market. And the UK plays an important part in this, being hugely global in its reach. For the last nine years London has hosted Masterpiece (according to Tatler, the world's most glamorous art fair) and later this month the Start Art Fair will be showing a range of new and emerging artists from across the globe, as just two examples of this.

I must address – and I think you might probably be aware – the UK will soon be leaving the European Union. We will remain a creative and ambitious nation, open to the wider world, as we are now in so many respects.

And we will keep working for a strong and globally competitive UK art market that continues to attract talent and investment from around the world.

I want to also address another live area, that of the proposed legislation on the ivory trade, and possible exemptions to the ban. It is important that the measures being taken to regulate the ivory trade are balanced with considered exemptions. My officials are working closely with Defra, the government department responsible for the ivory legislation, to ensure that these exemptions are appropriate and carefully implemented and again, I am grateful

to the feedback given by the sector to inform this.

I have also spoken to Michael Gove personally about this.

Museums

Many of the great museums in the UK owe their origins to the art market. The Fitzwilliam Museum in Cambridge is only one example where a collection is based on discerning purchases by a knowledgeable private buyer. The international network of museums has strong parallels with the art market, and the two have a close economic and cultural relationship.

For many people museums are their first and most enduring contact with art, shaping their perceptions and tastes.

Cultural institutions can play a major role in their communities, both telling the story of a place and its people, and helping to shape it.

Over half of the UK population visited a museum last year and many of our museums are the envy of the world. Three of the DCMS-sponsored national museums were in the top 10 most visited museums in the world in 2016.

The recently-published Mendoza Review of Museums in England found a thriving sector, supported by over £800m of public funding – from a variety of sources – each year.

The current exhibition here in London at the National Portrait Gallery looks at the influence of the singer Michael Jackson on contemporary art and includes amongst its aims a desire to engage an audience who might not otherwise visit an art gallery, or who, equally, might not usually consider buying an original piece of art.

One of the themes of today's conference is how the market can attract new collectors and work with communities at art fairs.

As part of this work, there is real scope for closer relations between the art market and our museums, which would benefit both.

But for this to be successful, customers need to be able to have full trust in the market and feel confident that the object they are buying is what it appears to be.

Opportunities to buy art online have increased, including from general online auction sites. But although these sites have widened access to the art market, they can bring the risk of fraud and forgery.

The writer Walter Benjamin wrote about the "aura" of a work, its quality of uniqueness, and part of a dealer's skill is to recognise that uniqueness in a genuine piece of art. This assurance may not be available to an inexperienced buyer bidding on the basis of a digital image.

I see from today's conference that there is a real commitment to integrity from the art market. I hope to see the same level of commitment from all

online markets, an acceptance of that duty to protect buyers, sellers and artists and the integrity and legitimacy of the art market.

Fakes and forgeries have been found in the most exalted of collections – even Charles the First is said to have bought a counterfeit classical sculpture. However, since it was a Cupid faked by Michelangelo, we might forgive the King for that lapse.

Authenticity and provenance are fundamental issues for the art market. They can be based on many different elements, including documentary evidence, technical reports on the object or an expert's judgement that the style of a work conforms to that of an artist.

Not surprisingly disputes can arise, and how these are resolved can affect not only the price of an individual work but the dynamics of relationships in the market afterwards.

There is an idea that the art market might be best placed to resolve the disputes itself, avoiding what are perceived as difficulties with the adversarial judicial system.

A system of mediation and arbitration could produce decisions, based on the evidence of neutral experts, on authenticity, ownership and copyright that are respected by the market.

This, I understand, is the aim of the Court of Arbitration for Art recently set up in the Hague.

I will be watching with interest to see how the art market engages with this system, how it would interact with national and international legislation, and also how its conclusions would be viewed by artists and other groups outside the art market.

It is encouraging to see the market adopting a wide and innovative approach to this fundamental issue.

Equally, the UK government has a strong belief that industries thrive when they embrace the challenges and opportunities offered by innovations in technology.

Digitisation

This includes creative industries and the arts; my Department recently published the Culture is Digital report on how the art and technology sectors can work together.

I am pleased to see that the art market is already engaging with the possibilities of digitising the history of the creation and ownership of a work.

And that the art market is considering an international standard, with a consistent approach to recording provenance and assessing how this would affect collectors, artists and the structure of the market itself.

Potentially, one of the most exciting technological developments is blockchain. This is a technology that the UK government has invested in through Innovate UK and the Research Councils, and one that many government departments are experimenting with, through proof of concept projects.

As a system that could record the provenance of a work, promote regulatory compliance and improve royalty collection for artists, blockchain could have wide applications for the art market.

These possibilities were explored recently in a report: The Art Market 2.0. It concluded that not only could blockchain transform the art market, but given it is at an early stage of development, the art market could also influence the shaping of blockchain. I'm pleased to see that the UK art market is at the forefront of exploring those ideas.

Today's sessions cover a wide variety of suggestions, ideas and possibilities. There is a formidable array of knowledge, expertise and experience, both amongst the speakers, and in the audience.

Events like today are crucial if we are to make sure the magic and wonder of art is to be preserved for future generations, just as others preserved it for us.

I hope you all have an interesting and productive day. Thank you very much.