



>>> onthemoney

# art

## as a collectable

Art collecting is no longer the domain of the wealthy but is open to most. With some artworks starting at a few hundred dollars, **CLAIRE HARRIS** from Flinders Lane Gallery in Melbourne, explains how there are now a variety of investment strategies available to suit each person's individual requirements.

**O**ne of the best avenues to pursue is the purchase of artwork because it appeals to you, the proviso being that investors take the time to become familiar with the works of different artists across several galleries. You can do this at art prize shows, open artist studios, graduate shows, auction houses and at relevant state galleries' collections.

Such research usually ensures a better knowledge and appreciation of artworks that are available and often results in a shift away from what had originally appealed to you. Obviously, it

is better for you if this taste change occurs before you make what could eventually be regarded as a disappointing investment. The best time to buy is once you have a firm idea of what you do and don't like.

The best way to buy is to begin looking at artists' career histories. Are they just out of art school or have they a history of exhibitions and art award entries? These considerations should be reflected in their prices.

Art awards can be an indication that curators and art advisors

are watching them. If possible, see if you can view previous works by the artist - is there a consistency? Have any collections been supporting them? All of the above factors raise artists' profiles and, by extension, the demand for their work.

Think about your budget and how much you want to spend each year. Many galleries offer a lay-by system. A number of collectors make the best possible use of this by buying the biggest and best work by an artist they are interested in and then managing their purchases through planned payments. Often a larger work will fetch a greater return on investment than a smaller work by the same artist. But really in the end it is down to the quality and content of the work.

If you feel unsure and would like direction, there are a number of art consultants who will advise you for a fee. If you are interested in collecting purely for investment, it is advisable to seek wise counsel as without a true understanding and passion for art, poor decisions can be made. Alternatively, you can devote some time to speaking with gallery directors and auction houses, as well as reading advice online and in art magazines.

Whether you are motivated to collect for enjoyment or for investment, it is important to realise that what you collect in some way reflects you and, by extension, the style of your business. No two collectors are the same and none are directly influenced in the same manner. With that in mind, the experience of researching, following and becoming familiar with the rich art world that operates throughout Australia could be seen as an opportunity to spend quality time. With a little bit of nous and an ear ready to listen to advice, what more enjoyable and rewarding way is there to shore-up your future financial security?

There are many stories of successful investment in the arts with record high returns regularly becoming news items. Often these

buyers originally purchased the work of an artist early in his or her career on the basis of simply liking the artwork, but also had been aware that the artist was receiving either, or both, critical support and the backing of a gallery. This support of an emerging artist is in itself a gratifying reward that you don't receive when purchasing much drier investment options such as shares and stocks. Some collectors find great enjoyment and satisfaction in building their portfolio by following and being partly responsible for the artists' career trajectories.

### Cashed up but time poor?

A number of collectors are turning to the internet for both research and the buying of artworks. Galleries now sell a large number of artworks internationally and interstate every year via email exchanges and telephone discussions initiated through website contact. Often the clients have viewed the artists' actual works at an earlier date and so are aware of the quality. However, digital communications are now of such high quality that an excellent idea of the artwork can be achieved with ease without that previous actual viewing.

If you have a self managed superannuation fund, it is worth speaking to your accountant about the possibilities of purchasing artwork for it. Last year the Australian Tax Office offered a tax break for businesses buying art for their offices on the basis that artwork increased productivity in the workplace. There is strong support for this tax break to be reinstated in the long term.

**Contact:** Claire Harris,  
**Business:** Flinders Lane Gallery, Melbourne  
**Phone:** +61 403 225 386  
**Website:** [www.flg.com.au](http://www.flg.com.au)

