There's no boundary between art and politics for Cath Phillips any more than between life, action and sexuality. She was born a lesbian, she says, and it's a fair guess she was born militant too, or pretty soon learnt to be. "Some lesbians like to be called gay ladies; I like to be called a dyke. I'm gung-ho about reclaiming language."

The 34-year-old Kiwi shocked her family by taking up art, tried acting but didn't like being directed and came out as a lesbian in 'seventies Darwin ("probably not the best place to do it but I survived"). She's moved on - via a two-day jail sentence when her work was censored - to lead Sydney's Gay and Lesbian Mardi Gras which has the city up and dancing this month.

As the first woman president of the Mardi Gras committee she's survived criticism and hostility from parts of the gay community which she considers her home. Elections had been an informal affair until Phillips and her team organised a well-run campaign which displaced half the sitting committee. Phillips is unperturbed. "I think a public forum is much more effective than private debate", she says. "If you publicly state what you're going to do, then don't do it, people won't vote for you again. The profile of women needed to be raised and people were feeling disenfranchised, which troubled me." Her platform offered increased accountability and more representation for women who now hold six of the committee's 14 places. "We had to settle our differences and work together which we've been doing very well."

No one could doubt her commitment. Frustrated by the attitude that an artist's sexuality is irrelevant ("that's just another closet") and by audiences who looked at her pictures of semi-naked women entwined and wondered aloud "how did that boy get tits?", Phillips has made her work increasingly explicit over the years.

While acknowledging possible tension between lesbians and gay men she sees more common ground with them than with heterosexual women who she finds likely to downplay lesbianism or other differences. "Lesbians have had problems with gay men: sexism, taking up physical space. But gay men are often willing to recognise that kind of oppression because of their own," she reflects. Money remains a problem - "men have 95% of this country's disposable wealth, and dykes aren't going to have much of the 5% that's left" - with many lesbians feeling excluded from events priced at $30 or $40 for the relatively affluent (and almost always childless) gay male partygoer.

"It's hard to keep ticket costs below $15 to $18 and still make it a fabulous event, but we're working on it."

This year's Mardi Gras includes more than 70 events, shows, dances and exhibitions between February 1 and 25, but its high point is the spectacular parade on February 17. The parade is the focal point of Mardi Gras, the bit that makes the Festival of Light's Rev Fred Nile reach for the Bex powders and provides a moral rallying point for some Queensland politicians - perhaps the only group compared with which the ex-government could be called 'straight'.

It started in 1979 as a protest after the Stonewall riots in New York, but grew to be Australia's major annual gay celebration, with a budget this year of a million dollars, all raised by the gay community. (Phillips points out it's financially the most successful dance-party organised, since it can rely on exploiting the labour of its supporters - the familiar left/alternative story.) It's grown from borrowed garages and warehouse squats to its own studios with seven permanent full-time staff plus casuals.

There are still poover-bashing phone calls, but veterans of that first angry march would hardly recognise the scene now, dazzling with floats, masks, costumes, lights. The police, who "arrested everyone" the first year now drop in to see what the crew is building, and bring their children to the parade. In fact, says Phillips, it was the police who suggested holding a party after the parade to give the crowd, high on jubilation, somewhere to disperse to. And it's more than just a good time: two dances alone last year raised $100,000 towards a gay community centre.

When the party's over, tinsel swept up, lingering revellers carried home by their friends, Phillips has her life to get on with. Domestically, with her lover of 11 years - a doctor - plus Ripley, the Rhodesian Ridgeback dog ("a dead ringer for Sigourney Weaver in Alien, but she's the biggest wimp in the world"), and six cats. Then there's her work, shelved for the Mardi Gras, shadowed by imprisonment.

"Sexuality is more than about genitals, it's about life experience. Art reflects your experience and if you divorce your experience from your work it suffers from the lack. If we ended up in an ideal society maybe it wouldn't matter, but we're not and it does," she says, pondering the future.

One thing is sure: she's not going to keep her head down and paint landscapes.

Janet Wright.