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Submission No:

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To: Committee, JCPAA (REPS)

Subject: PUBLIC ACCOUNTS COMMITTEE INQUIRY EFFICIENCY DIVIDENDS

4 July 2008

Secretary Joint Parliamentary Committee of Public Accounts and Audit Parliament House CANBERRA ACT 2600

Dear Secretary

My attention has only just been drawn to this inquiry by the JCPA. Please accept the following submission.

I write this submission as a former member of the staff of the National Museum of Australia Canberra (commenced in the embryonic institution in December 1983, retired 1993), who maintains a close contact with former Museum colleagues and with the Friends of the National Museum. I believe that, through my continued broad associations, I have some overview understanding of what is happening within that organisation, matters that are deeply worrying my former colleagues and the many who have come after me, concerning the capacity of the National Museum of Australia to do the work assigned to it by legislation and community expectations. That concern comes mostly as a consequence of the continued stresses on the institution from the annual application of efficiency dividends.

I also write this submission as an active reader in the National Library of Australia, Canberra, with the privilege of a Petherick Room reader's ticket, a ticket I have held for about 12 years. In the 14 years I have been an active reader in the National Library of Australia I have produced a number of monographs on several subjects, and have had a number of articles published in peer reviewed and other journals. I happily will supply a list if asked. A search of the National Library's catalogue under "Campbell, T W" or the Australian Public Affairs Full Text system under the same author name will give a quick indication of output. As a consequence of my heavy use of the Library and continual dealings with staff at all levels, I believe I am broadly aware of some of the pressures the National Library is enduring as it struggles to maintain services.

Small institutions such as the National Museum of Australia and the National Library of Australia do not have an unlimited capacity to forgo scarce money, just because the relevant government money management agencies and their political masters determine that they will lose 1.5% each year, regardless of capacity. My comments necessarily are restricted to the two agencies with which I am most familiar, but I am sure my comments apply to many others, and should be read as such.

To use an analogy, if you look around the membership of the Joint Committee of Public Accounts it

undoubtedly will be apparent that some members have surplus weight on their bodies and could lose a kilo or two each year (let's suggest 1.5%) if and when the pressure is put on them. Some perhaps could lose an additional bit (let's say 2%) on a on off exercise, if required. Some members of the Committee may, however, be at or close to their safe minimum body weight right now, and therefore not have a capacity to lose more (say 1.5%), simply because they are told to. More importantly, they could not lose an additional 2% if demanded, without quite serious effects on their health. A doctor who simplistically told all his patients each year to lose 1.5%, regardless of their capacity, would rightly be condemned for being a sloppy doctor. Should a patient fall over with a terminal condition as a result, that doctor would be subject to the full force of the law. Equally with the small agencies of government, such as the National Museum of Australia and the National Library of Australia. As with a patient, the end result of continued weight loss does not have to be a fatality, but there can come a time when the human body cannot readily recover once it has gone past the safe minimum.

So too the national collecting cultural institutions. To keep the analogy going, you only have to look at photographs of the men who endured great privations as prisoners of the Japanese during World War II. Those men who survived took a very long time to recover and become fully functioning human beings again. Some never did. My aunt's brother did not survive. He lost too many 1.5 percents.

My second point is the idiocy of the directive, which was first given many years ago, and never withdrawn. The fact is that the cultural institutions represent such a small proportion of the federal budget. If you look at the total cost of the cultural institutions to the Commonwealth each year, and if you then theoretically struck from the budget that full amount, the net effect on the bottom line of the federal budget would not be more than a brief blip, not even noticeable, yet the cultural effect would be enormous. It probably would not equate with the loss of one day's excise on petrol, at 5 centrs per litre, to make a comparison with a current subject of interest to some.

I well remember attending a lecture back in the 1980s given by the architect of the Canadian Museum of Civilisation, then in the process of construction in Ottawa, Canada. A quietly spoken Inuit man he told us, if I recall correctly, that the proposed Canadian Museum of Civilisation was going to cost something like \$C600 million. There was deep concern about how to pay for it. Prime Minister Pierre Trudeau told the architect to wait outside the Cabinet room for him to return, went into budget Cabinet and literally struck one destroyer from the fleet of the Canadian Navy, so saving much more than \$C600 million, and the Museum was built. The architect told us that Prime Minister Trudeau declared that the people of Canada could not see a warship at sea, but they would be able to see a Canadian Museum of Civilisation each and every day into the future, and would be proud of it.

The National Museum of Australia and the National Library of Australia, and the other similar national institutions, are national institutions that accept and undertake both national and international responsibilities, projecting Australian culture and heritage to Australians, and to the world. The National Museum of Australia, for example, recently has mounted an enormously significant exhibition of Aboriginal culture in Japan. The National Library of Australia equally has become an important respository of the printed and other works of neighbouring countries, where there perhaps are less formal collecting and preservation arrangements, or where political and other issues may render their national holdings less than secure. It is not hard to imagine that, at some time in the future, the cultural heritage of some nearby countries might only be held within Australia's collecting institutions. I recommend that you take a look, for example, at the collections that form the microfilm series of the Pacific Manuscripts Bureau within the Australian National University, Canberra, funded in part by contributions from the National Library of Australia and a number of other institutions within Australia and internationally.

I recall hearing a former Harold White Fellow (a short term scholarship holder within the National

Library of Australia) tell a large gathering of fellow Harold White Fellows and others that the National Library of Australia holds a very rare copy of a contemporary published work that was banned on publication in its country of origin. The National Library of Australia, through its active acquisition programme of material in that particular country, had acquired a copy and brought it to Australia before it could be seized. That is just another example of the significant behind the scenes, but enormously important, work done by institutions such as the National Library of Australia. I know that the National Museum of Australia also holds wonderful examples of the material culture of several nearby countries, safely, securely and sympathetically. They will survive; the objects within the various countries may not. But the continued application of efficiency dividends pay no attention to these important activities, yet you can be assured our political and other masters will be proud of what we hold if and when catastrophes strike in our region, and our collecting institutions reveal what has been preserved. Those who made thoughtless decisions about mindless application of efficiency dividends will not recall their stringencies when they glow warmly with preservation achievements by the institutions they have mindlessly tried to destroy.

Sadly, I have heard in recent days that the National Library of Australia has been forced, because of the huge impact of the current efficiency dividends of 1.5% plus this year's 2%, to withdraw its collection development librarian from our nearest neighbour, Indonesia. I believe that is a last resort action by the National Library of Australia, and is being done only with considerable anguish, but it is symptomatic of the consequences that flow from the disdain which those who make decisions about continued application of efficiency dividends seem to have to the nation's standing, as expressed through its cultural institutions.

I hope that the Committee brings before it some heads of various small institutions, and invites them frankly to express their views. I hope those Agency heads have the strength and courage to express their views frankly and fearlessly. I hope that the Committee listens carefully to the views of the agencies and not just to the views of the financial regulatory departments. I well recall that, back in 1987, when the very existence of the National Museum of Australia was being challenged, we were forced to defend ourselves against Department of Finance officers who openly sought to force the Museum's closure. When we pointed out that there was legislation requiring us to do certain things we were told that such an Act was completely irrelevant. That was the attitude then. I hope it is not the attitude now.

Two documents might be of relevance and interest, specifically in relation to the National Museum of Australia, but undoubtedly applicable elsewhere. They are *What Price Heritage? The Museums Review and the Measurement of Museum Performance: Issues for Discussion*, produced by the Department of Finance in March 1989 at the time it was attempting to destroy the National Museum, and *The Role of the Commonwealth in Australia's Cultural Development: a Discussion Paper*, produced by the Department of the Arts, Sport, the Environment and Territories in April 1992. DASET was the National Museum's "mother" department. That DASET document was produced as a response to the Department of Finance paper, and is a classic example of the adage "In due course the Government acted promptly"! A mere three years!

I am more than happy to provide other comment if asked, or to try and be more specific on individual matters.

Yours sincerely

T W Campbell