

Resourcing Canberra's national institutions

- 5.1 As discussed in chapter 2, Canberra's national institutions have vital roles to play in preserving and presenting Australia's national story. This includes, for many, legislated mandates to collect, maintain and preserve aspects of Australia's art, culture and history, and to make these available to the Australian people.
- 5.2 Bearing in mind the discussion in previous chapters about the purposes, activities and expectations of national institutions, this chapter considers the adequacy of the financial and other resources available to them to fulfil their functions. This includes national institutions' annual budget appropriations, the impact of the efficiency dividend and institutions' staffing capacity. It also considers the maintenance of Commonwealth facilities, collection storage, the need for expanded exhibition space, parking issues and the need for digitisation of physical collection materials.
- 5.3 In addition to the Commonwealth funded resources available to national institutions, this chapter also examines their capacity to derive additional income and funding from other sources such as private sector and philanthropic support, or exploiting commercial opportunities.

Resource challenges

- 5.4 The adequacy of Commonwealth financial and physical resources available to national institutions was the subject of a great deal of evidence received by the inquiry. In particular, submitters raised concerns that diminishing budgetary resources, coupled with the Commonwealth's efficiency dividend, had compromised national institutions' ability to maintain adequate staffing levels, facilities and services, and fulfil the need for the digitisation of physical collection material.

Budgets and the efficiency dividend

- 5.5 The Australian Government is responsible for the determination and allocation of annual budget appropriations for each of Canberra's national institutions. Annual appropriations are used to cover core expenditure on activities and staffing. Appropriations may also vary to fund new policy proposals approved by the government.
- 5.6 All Commonwealth entities, including national institutions, have been subject to an efficiency dividend on annual appropriations since 1987.¹ The efficiency dividend, applied at a rate determined for each financial year, has been defined as an 'annual reduction in funding for the overall running costs of an agency' and is intended to realise savings resulting from productivity increases by Commonwealth agencies.² While the rate of the efficiency dividend has varied since its inception,³ the Committee was advised that in 2017-18 it was 2.5 per cent, and would be 2 per cent in 2018-19 and 1.5 per cent in 2019-20.⁴
- 5.7 The Committee was told that the efficiency dividend has had a significant and compounding effect on Canberra's national institutions over the past decade.⁵ This has included a 3 per cent 'efficiency target' imposed on some National Cultural and Collecting Institutions within the Communications and Arts portfolio in the 2015-16 financial year in addition to the usual efficiency dividend requirements.⁶
- 5.8 The Community and Public Sector Union (CPSU) submitted to the Committee that budgetary pressures on cultural institutions have meant that they have 'struggled to fulfil their legislated mandate within the ongoing funding'.⁷ This assessment was supported by a number of national institutions including the National Film and Sound Archive

1 Community and Public Sector Union, *Submission 12*, p. 5. See also: Nicholas Horne, 'The Commonwealth efficiency dividend: an overview', 13 December 2012, Australian Parliamentary Library, https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BN/2012-2013/EfficiencyDividend, viewed 13 December 2018.

2 Nicholas Horne, 'The Commonwealth efficiency dividend: an overview', 13 December 2012, Australian Parliamentary Library.

3 Nicholas Horne, 'The Commonwealth efficiency dividend: an overview', 13 December 2012, Australian Parliamentary Library.

4 Australian National Botanic Gardens, *Submission 15.1*, Answer to Questions on Notice, p. 1. See also: Community and Public Sector Union, *Submission 12*, p. 6.

5 See for example: Childers Group, *Submission 31*, p. [3]; Australian War Memorial, *Submission 32*, p. 11; Museums Galleries Australia, *Submission 39*, p. 1; National Gallery of Australia, *Submission 47*, p. 2.

6 Community and Public Sector Union, *Submission 12*, p. 6.

7 Community and Public Sector Union, *Submission 12*, p. 4.

(NFSA), which submitted to the Committee that its appropriation had decreased in recent years:

Between 2014-15 and 2017-18 the NFSA's total appropriation has decreased...[as] a result of the application of the efficiency dividend...The reduction in funding has demanded a need to reduce ASL [Average Staffing Levels].⁸

5.9 The National Archives of Australia (NAA) also advised that its operational appropriation had decreased in recent years, although is projected to increase over upcoming forward estimates to coincide with an approved refurbishment project.⁹

5.10 The National Gallery of Australia (NGA) told the Committee about the challenges it faced as a result of budgetary pressures, submitting to the inquiry that:

Funding reductions have put the core purposes of the NGA at risk, with questions around financial sustainability, caring for the collection and the planning of our loans programs under constant review.

While we understand that these cuts have been uniformly imposed across the APS it is hoped the Committee will take note of the profoundly negative impact they have had on the running of the organisation, staff morale, brand perception and the ability to foster a culture of new ideas and innovation. The level of current government appropriation is \$47 million per annum, the same sum provided by government in 2007. The implications of this statement are obvious...¹⁰

5.11 The NFSA articulated the challenge faced by many national institutions, advising the Committee that one of its greatest challenges was to remain within its current funding arrangements and to:

...adequately invest in critical infrastructure, including maintenance of land, buildings and the national audiovisual collection, while also undertaking programs to promote preserving and sharing the collection in digital format. A key priority for us is to maximise our revenue base as well as using our existing resources in the most efficient and effective manner possible. The combined impacts of the efficiency dividend and

8 National Film and Sound Archive, *Submission 28*, pp. 4-5.

9 National Archives of Australia, *Submission 54*, p. 8.

10 National Gallery of Australia, *Submission 47*, p. 2.

rising staffing costs have meant that the resources available to us to fulfil our mandate are becoming increasingly stretched.¹¹

- 5.12 The Australian Society of Archivists agreed that 'there have been clear indicators the level of resourcing of the national cultural institutions has been shrinking over many years'.¹² However, it advised the Committee that there was some improvement in the budgetary position for national institutions recently as part of the 2017-18 Commonwealth budget, due to the allocation of:

...\$48.5 million...over three years to support Australia's national cultural collections and allow them to transition to more modern and sustainable operating models. This includes upgrading outdated ICT systems and other assets.¹³

- 5.13 Mr Craig Ritchie, Chief Executive Officer of the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS), described the impact of the efficiency dividend on his small national institution:

For us, it has a particularly difficult effect. In this financial year, it costs us \$300,000 dollars, and it will rise to \$600,000 in 2019-20. When you've got an appropriation of \$20 million, that eats away fairly significantly. Our average staffing costs are \$100,000. If you convert that into staff numbers from having to absorb that every year – as for every institution and every part of government, it has an impact on your ability to deliver outcomes.¹⁴

- 5.14 The Hon. Dr Brendan Nelson, Director of one of Canberra's largest national institutions, the Australian War Memorial (AWM), said that the Memorial had also been impacted by the efficiency dividend, although he advised that the Australian Government had recognised the effect of this impact:

In the last five years we have lost \$7.9 million from the efficiency dividend and to the end of the estimates period it will amount to \$10.2 million. That has obviously had an impact. However, the government has been very responsive to us. In the 2016-17 [Mid-Year Economic and Financial Outlook] MYEFO we were given \$4 million to essentially allow us to cope with significantly increasing demand for services, which offset the impact of [the] efficiency

11 National Film and Sound Archives, *Submission 28*, p. 4.

12 Australian Society of Archivists, *Submission 51*, p. 6.

13 Australian Society of Archivists, *Submission 51*, p. 6. See also: Australian War Memorial, *Submission 32*, p. 9; National Library of Australia, *Submission 41*, p. 3.

14 Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, p. 57.

dividend. That of course is \$4 million over four years, so in the 2020-21 budget year we fall off a cliff.¹⁵

- 5.15 The efficiency dividend has challenged the ability of many national institutions to capitalise on their strengths.¹⁶ In some cases, national institutions have had to reduce existing activities including travelling exhibitions, services to the public, face-to-face outreach and content creation.¹⁷ A number of examples were provided to the Committee including that:
- the NGA, National Portrait Gallery (NPG), National Library of Australia (NLA), National Museum of Australia (NMA), Museum of Australian Democracy (MoAD), and AWM have had many fewer travelling exhibitions than previously;¹⁸
 - MoAD's research library, fellowships and summer scholarships to study Australian prime ministers have been discontinued;¹⁹ and
 - the NFSA is unable to digitally restore old Australian films or create its own exhibitions without a collaboration with another institution.²⁰
- 5.16 The impact of the efficiency dividend on smaller agencies was the subject of an inquiry by the Commonwealth Parliament's Joint Committee of Public Accounts and Audit (JCPAA) in 2008, as discussed in chapter 4.²¹ One of that committee's recommendations provided two options for managing the efficiency dividend: that an exemption from the efficiency dividend apply to either the first \$50 million of all agencies' appropriations, or alternatively that an exemption be applied to the first \$50 million of all agencies' appropriations where departmental expenses

15 The Hon. Dr Brendan Nelson, Director, Australian War Memorial, *Committee Hansard*, Canberra, 22 June 2018, p. 43.

16 See for example: Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 20; The Hon. Dr Brendan Nelson, Director, Australian War Memorial, *Committee Hansard*, Canberra, 22 June 2018, p. 43; GLAM Peak, *Submission 34*, p. [3]; Australian Academy of the Humanities, *Submission 44*, p. 1.

17 See for example: Community and Public Sector Union, *Submission 12*, p. 2; Mr Luke Gosling OAM MP, *Submission 75*, p. 2; Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 18.

18 Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 4. See also: Community and Public Sector Union, *Submission 12*, p. 2.

19 Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 2.

20 Mr Jan Müller, Chief Executive Officer, National Film and Sound Archive, *Committee Hansard*, Canberra, 22 June 2018, p. 22.

21 Joint Committee of Public Accounts and Audit, 'Report 413: The efficiency dividend: size does matter', December 2008, https://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=jcpaa/efficdiv/index.htm, viewed 13 December 2018.

totalled less than \$150 million.²² Both options excluded appropriations provided to 'departments of state'. This particular recommendation was not agreed to by the Australian Government and the present Committee was advised that the impact on Canberra's national institutions, as a result of the efficiency dividend, remains.²³

- 5.17 Some participants in this Committee's inquiry were supportive of the concept that national institutions should either be exempt from the efficiency dividend,²⁴ or have funding reductions reversed.²⁵

Staffing

- 5.18 Staff members at Canberra's national institutions are passionate about their work and the important role played by their institutions. The Committee was told that the institutions' staff are often highly educated and many employees have very specialised skills, particularly with respect to the maintenance of items within the national collections.²⁶
- 5.19 The inquiry was told of the impact that ongoing staff reductions at national institutions had due to the efficiency dividend and also the Average Staffing Level (ASL) cap imposed by the Australian Government.²⁷ The ASL cap is the Australian Government's 2015-16 Budget commitment to return the size of the permanent staffing level of the Australian Public Service to levels that were last recorded in the 2006-07 Budget.²⁸ In determining its workforce requirements, each Australian

22 Joint Committee of Public Accounts and Audit, 'Report 413: The efficiency dividend: size does matter', December 2008, https://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=jcpaa/effidiv/index.htm, viewed 13 December 2018.

23 See for example: Walter Burley Griffin Society Inc., *Submission 5*, p. [2]; Community and Public Sector Union, *Submission 12*, p. 6; Mr Peter Jones and Ms Susan Taylor, *Submission 21*, p. [1]; Australian War Memorial, *Submission 32*, p. 11; Mr Luke Gosling OAM MP, *Submission 75*, p. 2; Ms Cassandra O'Hare, Section Secretary for the National Cultural Institutions, Community and Public Sector Union, *Committee Hansard*, Canberra, 24 August 2018, p. 10.

24 See for example: Community and Public Sector Union, *Submission 12*, p. 3; Mr Peter Jones and Ms Susan Taylor, *Submission 21*, p. [1]; National Gallery of Australia, *Submission 47*, p. 2; National Association for the Visual Arts, *Submission 65*, p. [1]; Name withheld, *Submission 74*, p. 1. Museums Galleries Australia, *Submission 39*, p. 2. See also: Walter Burley Griffin Society Inc., *Submission 5*, p. [2]. Mr Gerard Vaughan AM, Director, National Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 48.

25 Mrs Beth Vincent-Pietsch, Deputy Secretary, Community and Public Sector Union, *Committee Hansard*, Canberra, 24 August 2018, p. 12.

26 Ms Cassandra O'Hare, Section Secretary for the National Cultural Institutions, Community and Public Sector Union, *Committee Hansard*, Canberra, 24 August 2018, p. 10.

27 See for example: Mr Peter Jones and Ms Susan Taylor, *Submission 21*, p. [1].

28 Australian Government, 2015-16 Budget Paper No. 4, Part 2: Staffing of Agencies, https://www.budget.gov.au/2015-16/content/bp4/html/bp4_part_02.htm, viewed 29 January 2019.

Government entity is required to estimate 'the average number of employees receiving salary or wages over the financial year, with adjustments for casual and part-time staff, to show the average full-time equivalent'.²⁹ According to the CPSU, the existence of the ASL cap means that 'regardless of funding levels or operational requirements, agencies are forced to have a maximum average staffing level'.³⁰

- 5.20 In addition to concerns expressed by the CPSU, a number of national institutions submitted to the committee that they had either reduced or intended to reduce staff numbers to comply with the ASL cap.³¹
- 5.21 Science & Technology Australia told the Committee more generally that the efficiency dividend had resulted in the loss of staff at the NLA:
- In 2016, an efficiency dividend cut \$4.4 million from the Australian Library resulting in the loss of 22 full-time positions among the core library staff. These cuts came from the Library's digitisation project, which is one of the only mechanisms by which the Library can provide access to its vast and valuable collections to the rest of the country.³²
- 5.22 The NLA itself told the Committee that ASL caps 'pose a significant challenge to membership-based enterprises such as Trove which require long-term staffing to deliver the value members expect in return for their annual fees'.³³ As a result of ASL cap constraints, the NLA faces a challenge to grow a service that generates revenue.³⁴
- 5.23 The AWM, on the other hand, advised the Committee that in addition to the recent funding increases to offset some of the impact of the efficiency dividend, it had:
- ...just been advised that we are to receive another eight ASL for this year and we'll go to 12 ASL additional next year, which will take us back to where we were a decade ago...³⁵

29 Australian Government, 2015-16 Budget Paper No. 4, Part 2: Staffing of Agencies, https://www.budget.gov.au/2015-16/content/bp4/html/bp4_part_02.htmhttps://www.budget.gov.au/2015-16/content/bp4/html/bp4_part_02.htm, viewed 29 January 2019.

30 Community and Public Sector Union, *Submission 12*, p. 11.

31 Community and Public Sector Union, *Submission 12*, p. 9; National Film and Sound Archives, *Submission 28*, p. 5; National Gallery of Australia, *Submission 47*, p. 2; National Archives of Australia, *Submission 54*, p. 9; National Museum of Australia, *Submission 59*, p. 10.

32 Science & Technology Australia, *Submission 38*, p. 3.

33 National Library of Australia, *Submission 41*, p. 4.

34 National Library of Australia, *Submission 41*, p. 4.

35 The Hon. Dr Brendan Nelson, Director, Australian War Memorial, *Committee Hansard*, Canberra, 22 June 2018, p. 43.

- 5.24 Issues identified to the Committee resulting from staff reductions at national institutions included mental health impacts on remaining staff, health and safety issues and incidents or damage to collection items occurring due to increased workloads.³⁶
- 5.25 The CPSU advised that it had undertaken its own survey of staff at Canberra's national institutions that revealed increased staff workloads; unfilled vacancies; an increased reliance on casuals, contractors or labour hire; and activities being reduced as a result of budgetary constraints.³⁷ Some inquiry participants stressed that steps should be taken to stem the impacts on institutions' staff including the need for national institutions to further invest in staff given their 'depth of knowledge, efficiency and expertise related to collection management, development and interpretation'.³⁸
- 5.26 The Committee was told that some national institutions recruit temporary staff to cover staffing shortfalls, because such recruitment is not subject to the ASL cap.³⁹ These temporary employees are often required to conduct core activities that would have ordinarily been conducted by permanent staff.⁴⁰ The Committee was advised of the disadvantages of such staffing arrangements including that there is a loss of corporate knowledge, increasing workloads on existing staff and the loss of specialist skills gained by temporary staff that have required significant training to attain.⁴¹ In addition, it was noted that the cost of recruiting and retaining temporary staff is higher than that associated with permanent staff or those on longer contracts.⁴²

36 See for example: Community and Public Sector Union, *Submission 12*, pp. 9-10 and 13; and Ms Cassandra O'Hare, Section Secretary for the National Cultural Institutions, Community and Public Sector Union, *Committee Hansard*, Canberra, 24 August 2018, p. 11.

37 Community and Public Sector Union, *Submission 12*, p. 9.

38 Council of Australasian Museum Directors, *Submission 43*, p. 7. See also: Heritage, Museums and Conservation Program in the Faculty of Arts and Design, University of Canberra, *Submission 23*, p. [1].

39 See for example: Community and Public Sector Union, *Submission 12*, p. 11; The Hon. Dr Brendan Nelson, Director, Australian War Memorial, *Committee Hansard*, Canberra, 22 June 2018, p. 41; Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, p. 57.

40 Community and Public Sector Union, *Submission 12*, p. 11. See also: Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 2.

41 Community and Public Sector Union, *Submission 12*, p. 10 and 13. Also supported by Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 2.

42 See for example: Ms Anne Bennie, Assistant Director, Branch Head Public Programs, Australian War Memorial; *Committee Hansard*, Canberra, 22 June 2018, p. 41 and Community and Public Sector Union, *Submission 12*, p. 11.

- 5.27 Some inquiry participants were of the view that that there needed to be more flexibility around the administration of ASL caps,⁴³ such as temporary increases tied to specific projects.⁴⁴

Volunteers

- 5.28 Volunteers form an important aspect of the operation of many of Canberra's national institutions, often working alongside remunerated staff in a variety of roles including the enhancement of the visitor experience. Evidence to the inquiry suggested that the value of work contributed by highly-skilled volunteers at Canberra's national institutions should not go unrecognised.⁴⁵
- 5.29 The NGA, NLA and Australian National Botanic Gardens (ANBG) all highlighted the substantial contribution volunteers make to these institutions. In particular, the Committee was told that volunteers enhance the visitor experience by providing unique opportunities, such as free of charge behind the-the-scenes tours of the NLA⁴⁶ or guided tours tailored to the interest of visitors at the NGA.⁴⁷
- 5.30 The NLA is supported by volunteers around Australia who work to correct text in local publications as part of its *Trove* service. The NLA told the Committee that as 'at April 2018, 266.45 million lines of text have been corrected by these digital volunteers, with the total value of this work to date estimated at \$46.3 million'.⁴⁸
- 5.31 The ANBG has over 150 volunteers contributing over 32 000 hours per year.⁴⁹ Volunteers at the ANBG work:
- ...across a range of activities and areas including the Herbarium, National Seed Bank, Library, photography collection, Botanical Resource Centre, education section, Flora Explorer drivers, tour guides and the ANBG's Visitor Centre. The Friends of the ANBG also provide many volunteer opportunities through the Friends' special interest groups including the Growing Friends, Botanic Art

43 See for example: Questacon Advisory Council, *Submission 29*, p. 6.

44 National Museum of Australia, *Submission 59*, p. 10.

45 Meredith Hinchliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 6. See also: National Gallery of Australia Voluntary Guides Association, *Submission 11*, p. 1.

46 See for example: Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 26 and National Museum of Australia, *Submission 59*, p. 10.

47 National Gallery of Australia Voluntary Guides Association, *Submission 11*, p. 1.

48 National Library of Australia, *Submission 41*, p. 2.

49 Australian National Botanic Gardens, *Submission 15*, p. 9.

Group, Photography Group, Thursday Talk and Activities committee.⁵⁰

- 5.32 The Committee was advised that some national institutions are in the process of improving how volunteer programs are operated. To address current gaps in its volunteer program, the NAA advised that it is currently developing a National Volunteer Strategy to establish a consistent approach to the development and delivery of a new national volunteer program across the institution.⁵¹ However, the CPSU submitted to the Committee that some of its members employed at the NAA had expressed concern that funding reductions had led the NAA to become reliant on volunteers for the provision of some services.⁵²
- 5.33 The Friends of the National Film and Sound Archive Inc. noted that the Archive currently operates a limited volunteer program at its offices in both Canberra and Sydney, although it submitted to the inquiry that the NFSA does not have a 'tradition of utilising volunteers in its daily routine work'.⁵³ The Friends suggested that an appropriately managed volunteer program could enlarge the NFSA's resource base through the use of 'skills, collection knowledge and corporate memory'.⁵⁴

Facilities

- 5.34 National institutions are largely responsible for the maintenance and management of their own physical facilities. Evidence to the inquiry considered several issues for national institutions in managing this responsibility including:
- facility maintenance;
 - collection storage;
 - expanded or shared exhibition space;
 - parking; and
 - digitisation.

Facility maintenance

- 5.35 Most facilities utilised by Canberra's national institutions for their public-facing operations are Commonwealth assets. The regular maintenance

50 Australian National Botanic Gardens, *Submission 15*, p. 9. See also Friends of the Australian National Botanic Gardens, *Submission 16*, p. 2.

51 National Archives of Australia, *Submission 54*, p. 25.

52 Community and Public Sector Union, *Submission 12*, p. 16.

53 Friends of the National Film and Sound Archive Inc., *Submission 13*, p. 7.

54 Friends of the National Film and Sound Archive Inc., *Submission 13*, p. 7.

- costs for these facilities are generally factored into institutions' annual budget appropriation from the Australian Government.
- 5.36 However, Mr Andrew Smith, Chief Planner of the National Capital Authority (NCA) told the Committee that despite the need for institutions to maintain their facilities 'funding generally has not kept pace with the needs for maintenance. A lot of the physical infrastructure has deteriorated to a point where major capital works are required'.⁵⁵
- 5.37 This was consistent with evidence given to the Committee by several national institutions. The NFSA described how its building in Acton was 'no longer fit for purpose'.⁵⁶ The NGA submitted that funding reductions had reduced its capacity to support building maintenance and capital replacement.⁵⁷ The NAA told the Committee that the cost of operating Commonwealth-owned facilities had a disproportionate effect on discretionary activities.⁵⁸
- 5.38 In this respect, the Committee was advised by the Department of Finance (DoF) that an individual national institution may seek to lodge a new policy proposal for major capital works. In doing so, it may seek the assistance of the Department to develop a business case.⁵⁹
- 5.39 National institutions provided the Committee with examples of the types of projects that had received additional funding from the Australian Government including:
- security upgrades at the High Court of Australia, funded in the 2018-19 Budget;⁶⁰
 - significant repairs to be undertaken at the NPG, resulting in its closure for six months in 2019 and for which a tender process to determine costings is being undertaken at the time of this report;⁶¹

55 Mr Andrew Smith, Chief Planner, National Capital Authority, *Committee Hansard*, Canberra, 24 August 2018, p. 4.

56 Mr Jan Müller, Chief Executive Officer, National Film and Sound Archive, *Committee Hansard*, Canberra, 22 June 2018, p. 22. See also: National Film and Sound Archive, *Submission 28*, p. 9.

57 National Gallery of Australia, *Submission 47*, p. 2.

58 Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 22.

59 Ms Lorraine Holcroft, Assistant Secretary, Commercial and Government Services, Department of Finance, *Committee Hansard*, Canberra, 24 August 2018, p. 43.

60 Ms Philippa Lynch, Chief Executive and Principal Registrar, High Court of Australia, *Committee Hansard*, Canberra, 24 August 2018, p. 7.

61 Ms Lorraine Holcroft, Assistant Secretary, Commercial and Government Services, Department of Finance, *Committee Hansard*, Canberra, 24 August 2018, p. 45. See also: National Portrait Gallery, Media Release, 15 March 2018, 'National Portrait Gallery to undergo renovation work', <https://www.portrait.gov.au/content/npg-renovation>, viewed 20 January 2019; and Australian Government, AusTender, 8 September 2018, 'National Portrait Gallery of

- an additional appropriation of \$13.6 million in the 2017-18 Budget to fund critical building works at Old Parliament House, including upgrading accessibility for compliance with the *Disability Discrimination Act 1992* (Cth) and the Building Code of Australia;⁶² and
- a \$6.2 million capital injection for urgent repairs on the NGA's building, funded as part of the 2018-19 MYEFO.⁶³

5.40 The Committee was also advised that a major revitalisation of the Australian Institute of Sport (AIS) campus in Canberra was under consideration by Sport Australia and the Australian Government. Funding for this project was yet to be committed at the time of this report.⁶⁴

Collection storage

5.41 Many of Canberra's national institutions are responsible for the collection, preservation and display of items representing Australia's history, art, culture and records. As part of its inquiry, the Committee considered evidence concerning the challenge some national institutions are facing to find cost effective and best practice storage solutions as their collections continuously grow and age.

5.42 A number of national institutions and other submitters advised the Committee that there were concerns about storage options for collection items.⁶⁵ For example:

- the NMA acknowledged that it faced challenges with regard to collection storage as previously identified by the Australian National Audit Office (ANAO);⁶⁶
- AIATSIS advised that the issue of storage was critical, particularly as its current limited storage facilities 'are at capacity and they're ageing';⁶⁷ and

Australia Stage 2 Building Works – Invitation To Register Interest', <https://www.tenders.gov.au/?event=public.atm.showClosed&ATMUUID=92EC0198-9513-F5BD-7CF9E84DD7AC33>, viewed 29 January 2019.

62 Museum of Australian Democracy at Old Parliament House, *Submission 37.1*, Answer to Question on Notice, p. [2].

63 Australian Government, 'Budget 2018-19, Mid-Year Economic and Fiscal Outlook' Appendix A, p. 162, <https://www.budget.gov.au/2018-19/content/myefo/index.html>, viewed 29 January 2019.

64 Ms Kate Palmer, Chief Executive Officer, Sport Australia, *Committee Hansard*, Canberra, 6 December 2018, p. 1.

65 Mr Gerard Vaughan AM, Director, National Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 48. See also: Ms Kassandra O'Hare, Section Secretary for the National Cultural Institutions, Community and Public Sector Union, *Committee Hansard*, Canberra, 24 August 2018, p. 11.

66 National Museum of Australia, *Submission 59*, p. 10.

- the NLA advised that its physical collections are growing at some 2.5 linear kilometres a year and it estimates that by 2020 it will be in 'dire need' of a yet-to-be-identified storage solution.⁶⁸
- 5.43 During its site inspections in September 2018, the Committee visited the storage facilities of the NAA, NMA and AIATSIS. The Committee saw firsthand the significant storage challenges facing these institutions, and was able to discuss with them some of their pressing issues including the appropriateness and condition of facilities, and the limitations of commercial leasing arrangements for storage.
- 5.44 The institutions emphasised the fact that storage needs will only increase in volume and complexity into the future, as all the institutions' collections continue to grow, and as existing items age. Ms Cassandra O'Hare from the CPSU told the Committee that, for example, the 'National Archives were recently given a new, beautiful building but were only given enough storage in this new building to accommodate what they currently own – nothing extra.'⁶⁹ However, The NAA submitted to the Committee that in response to its additional storage needs:
- In late 2019, the Archives will increase the national storage capacity through the completion of a project that will add 75 shelf kms in a re-furnished building located in Mitchell, Australian Capital Territory. The additional building will not be full for a number of years.⁷⁰
- 5.45 The Committee considered the ANAO's 2018 report, *Management of the National Collections*, which considered the collection management frameworks at both the AWM and the NGA. Storage for national collection items was amongst the issues examined by the ANAO and, while the audit relates specifically to the two national institutions concerned, the ANAO's concerns could be broadly applicable to all national institutions with a collecting mandate.
- 5.46 The ANAO's audit made a number of key storage-related recommendations for the AWM and the NGA including:
- the need for both institutions to improve collection management frameworks, particularly with respect to the identification, assessment,

67 Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, p. 56.

68 Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 16.

69 Ms Cassandra O'Hare, Section Secretary for the National Cultural Institutions, Community and Public Sector Union, *Committee Hansard*, Canberra, 24 August 2018, p. 11.

70 National Archives of Australia, *Submission 54*, p. 30.

regular review and consistent storage of policies, plans and procedures which are relevant to the management of their collections,⁷¹

- the need for improvements to both institutions' collection acquisition procedures including assessment of the whole-of-life costs of acquisitions,⁷² and
- that the NGA develop and implement a long-term storage solution for the National Collection, ensuring compliance with storage standards for artworks.⁷³

5.47 Both the AWM and the NGA agreed with all of the recommendations made in the audit.⁷⁴ It should be noted that some of these issues were also raised in the ANAO's previous national collections audit conducted in 2005, where the ANAO recommended that the NGA in particular should improve physical security in collection storage areas.⁷⁵ In working towards implementing the ANAO's 2018 recommendations, the NGA advised the Committee that additional capital funding was allocated in the 2018-19 Budget.⁷⁶ This allocation was supplemented by additional funding from the Department of Communication and the Arts.⁷⁷

Shared storage facilities

5.48 The Committee was provided with possible solutions to the storage issues faced by some national institutions, particularly in light of the issues raised by the ANAO's audit. Dr Mathew Trinca of the NMA suggested that a collaborative effort to store particular types of material held by national institutions could 'solve the Commonwealth's very real and considerable problem around national collections being adequately stored'.⁷⁸ The NMA's submission to the inquiry advised that its Cultural

71 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, Recommendation 3.

72 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, Recommendations 5 and 6.

73 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, Recommendation 8. See also: Mr Gerard Vaughan AM, Director, National Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, pp. 48-49.

74 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*.

75 Australian National Audit Office, *Report No. 59 of 2004-2005, Safe and Accessible National Collections*, paragraph 52.

76 Australian Government, 2018-19 Budget, Budget Paper No. 2, Part 3 Capital Measures, <https://www.budget.gov.au/2018-19/content/bp2/index.html>, viewed 29 January 2019.

77 Dr Stephen Arnott PSM, First Assistant Secretary, Arts Division, Department of Communications and the Arts, *Committee Hansard*, Canberra, 22 June 2018, p. 4.

78 Dr Mathew Trinca, Director, National Museum of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 55. See also Mr Gerard Vaughan AM, Director, National Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 55.

and Corporate Shared Services Centre (CCSSC) (discussed later in this chapter):

...offers opportunities for the Canberra-based collecting institutions to come together to build a shared, purpose built collection storage facility, which would also enable public access to these important national objects.⁷⁹

- 5.49 The NAA also submitted to the Committee that with respect to its new storage facility, that it was 'open to approaches from other cultural institutions and agencies to pay for temporary storage particularly where they are experiencing storage pressures'.⁸⁰

Whole-of-life costs of collection items

- 5.50 One of the issues raised by the ANAO and closely linked to the issue of storage was the need for assessment of the whole-of-life costs of collection items. The AWM told the Committee that it had improved upon its previous acquisition policy that had resulted in items simply being delivered to it, and the Memorial 'wound up with storerooms full of stuff that we were still processing years afterward'.⁸¹ As part of its acquisition process, the AWM has now instituted a centralised team that is responsible for:

...a process where we're able to turn around a donation for the offer. Most of them come in through a web portal, so people write out what they've got, send us photographs and we do most of the initial assessments off site, without the item actually coming in.

When we say we're really interested in something, it comes to the site and has that final assessment. We'll be looking at things like whether it has potential hazards – asbestos, radiation, those sorts of things. That has enabled us to squeeze the process, which in some stages took several years, down to three months, which is our benchmark.⁸²

- 5.51 Ms Daryl Karp of MoAD also suggested that an analysis of the costs of its long term storage was required, advising the Committee that:

79 National Museum of Australia, *Submission 59*, p. 10.

80 National Archives of Australia, *Submission 54*, p. 30.

81 Major General Brian Dawson (Ret.), Assistant Director, Branch Head National Collection, Australian War Memorial, *Committee Hansard*, Canberra, 22 June 2018, p. 44. See also: Ms Cassandra O'Hare, Section Secretary for the National Cultural Institutions, Community and Public Sector Union, *Committee Hansard*, Canberra, 24 August 2018, p. 14.

82 Major General Brian Dawson (Ret.), Assistant Director, Branch Head National Collection, Australian War Memorial, *Committee Hansard*, Canberra, 22 June 2018, p. 44.

The sheer acquisition costs are quite significant ... The cost of storage is significant, especially if it's a large object. You make the decision that it is too costly to have.⁸³

Expanded exhibition space

5.52 A lack of physical space at many national institutions has constrained the breadth of collection items on public display. The inquiry heard that some national institutions had reached the limits of their existing exhibition space, and were keen to expand it. This would enable institutions to improve the capacity to display items and to increase offerings such as 'blockbuster' exhibitions that draw increasingly large numbers of visitors, especially from interstate.⁸⁴ It was pointed out that major exhibitions allow for a national institution to significantly increase its profile, but because of the space required and visitor capacity available, are not suitable to be hosted by all national institutions.⁸⁵

5.53 The NGA, for example, told the Committee of the need for additional space, advising that:

Of all the galleries in Australia...we've got by far the biggest collection. But, if you take the major institutions, particularly those in Sydney, in Melbourne and in Brisbane, we have by far the smallest building. It's a real problem for us, because we cannot do justice to the national collections. We try and we try, we turn things over now more regularly than we did in the past, but that costs more money and puts more pressure on staff, but that's the best way we can respond to this chronic lack of space – and it's chronic. We need better for the national collection...⁸⁶

5.54 During the inquiry, the AWM also advised that its biggest challenge was a lack of space for its activities and that a business case was being prepared for an expansion of its current facilities.⁸⁷ Some submitters argued against the proposed expansion, however, suggesting that alternatives to create

83 Ms Daryl Karp, Director, Museum of Australian Democracy, Old Parliament House, *Committee Hansard*, Canberra, 24 August 2018, p. 20.

84 Mr Peter Jones and Ms Susan Taylor, *Submission 21*, p. [1].

85 See for example: Mr Neil Hermes, *Submission 9.1*, p. 2; Museum of Australian Democracy at Old Parliament House, *Submission 37*, p. [5]; Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, p. 58.

86 Mr Gerard Vaughan AM, Director, National Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, pp. 48-49.

87 The Hon. Dr Brendan Nelson, Director, Australian War Memorial, *Committee Hansard*, Canberra, 22 June 2018, p. 41. See also Department of Finance, *Submission 78*, Answer to Questions on Notice, p. 4.

more space at the AWM existed including development behind its existing facilities,⁸⁸ or that the proposed expenditure could be better spent on the mental health and well-being of returned service men and women and their families.⁸⁹ On 1 November 2018, the Australian Government announced its approval of \$498 million in funding for the AWM expansion plan.⁹⁰

- 5.55 The inquiry also highlighted that a number of other national institutions had also mooted expansion plans, although these were yet to be approved or funded by the Australian Government. Proposed expansion plans highlighted to the Committee included:
- a proposed doubling of the NMA's existing exhibition space,⁹¹ as part of a master plan for its site unveiled during the inquiry;⁹²
 - a proposed new building at the NGA allowing it to significantly expand exhibition space and incorporate commercial facilities,⁹³
 - the proposal for a new National Archives Cultural Headquarters Building, which would enable the NAA to reach new audiences through reference services, exhibition and education programs, and other interactive public access experiences, and importantly expand specialist family history and Indigenous research services,⁹⁴ and
 - a proposed new building for the NFSA to be located at the Acton Peninsula.⁹⁵
- 5.56 The Committee was also advised of plans canvassed with DoF in 2003 to expand Questacon, including an IMAX theatre and commercial car parking facilities. The proposal did not proceed to Cabinet-level consideration.⁹⁶

88 Mr Henry Burmester, *Submission 3*, pp. [3-4].

89 Mr Brendon Kelson, *Submission 18*, pp. [4-5].

90 Prime Minister the Hon Scott Morrison MP and Minister for Veterans' Affairs the Hon Darren Chester MP, *Joint Media Release – Telling the stories of our service men and women*, 1 November 2018, <https://www.awm.gov.au/media/press-releases/telling-the-stories>, viewed 8 February 2019.

91 National Museum of Australia, *Submission 59*, p. 1.

92 Sally Pryor, 'National Museum unveils \$266 million expansion plans', 8 December 2018, *The Canberra Times*, <https://www.canberratimes.com.au/national/act/national-museum-unveils-266-million-expansion-plans-20181204-p50k7b.html>, viewed 10 January 2019.

93 Mr Gerard Vaughan AM, Director, National Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 48. See also National Gallery of Australia, *Submission 47*, p. 6.

94 National Archives of Australia, *Submission 54*, p. 18. See also: National Archives of Australia, *Submission 54.1*.

95 National Film and Sound Archive, *Submission 28*, p. 9. See also: Friends of the National Film and Sound Archive Inc., *Submission 13*, p. 7.

96 Mr Neil Hermes, *Submission 9.1*, pp. 1 and 3.

A shared exhibition space

- 5.57 The Committee explored whether a shared exhibition space in the Parliamentary Zone to facilitate temporary exhibitions could be developed, particularly to benefit national institutions located outside the Zone.
- 5.58 The ANBG submitted to the Committee that a shared facility would allow selections of its collection material to be displayed to the public, from 'the extensive natural history collections to archival and library treasures, most of which are not open to the public on a regular basis'.⁹⁷
- 5.59 Other national institutions were supportive of the concept in principle, but expressed some hesitation, arguing:
- that such a space would require significant 'cultural adaptation' between institutions given the differing perspectives that each would bring;⁹⁸
 - that an intimate connection to the individual institutions' collections may be lost because 'there's a certain character that goes along with how you present an exhibition';⁹⁹
 - that there may be difficulties in identifying which organisation would maintain, fund and staff the space;¹⁰⁰
 - that the space could be perceived as a cost-cutting measure and diminish Australia's collection and heritage;¹⁰¹ and
 - that present collection-sharing arrangements between national institutions worked well and already allowed the collection material of one national institution to be showcased in the context and setting of another national institution, such as recent collaborations between the AWM and the NGA.¹⁰²

97 Australian National Botanic Gardens, *Submission 15*, p. 7.

98 See for example: Mr Angus Trumble, Gallery Director, National Portrait Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 54.

99 Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 19.

100 See for example: Mr Angus Trumble, Gallery Director, National Portrait Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 54.

101 Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 19.

102 See for example: Mr Gerard Vaughan AM, Director, National Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 54; Dr Mathew Trinca, Director, National Museum of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 54.

Parking

- 5.60 Parking within proximity to the national institutions, particularly those located within the Parliamentary Zone, was another concern raised during the inquiry. Two key issues emerged: the availability of adequate parking facilities for visitors, and the availability of revenue generated through paid parking at or near national institutions.
- 5.61 The NCA advised the Committee that the availability of parking for visitors to national institutions, particularly during times of peak demand, had become an issue.¹⁰³ The NCA said that while it worked with national institutions to find parking solutions, including the development of expanded car parking facilities,¹⁰⁴ circumstances where visitors are unable to find parking continue to arise. The impact of parking availability was that national institutions could miss out on potential visitors and the revenue they generated.¹⁰⁵
- 5.62 Evidence to the inquiry indicated that school excursions and other tour groups visiting national institutions also had an impact on parking in the Parliamentary Zone. The NCA stated that there is a lack of central coordination regarding the movement of large groups around the Zone, and that there is a need to consider how infrastructure demands could be coordinated during peak times.¹⁰⁶ During the course of the inquiry, a new, free 'Culture Loop' shuttle bus was instituted to allow patrons to move between many of Canberra's key national institutions.¹⁰⁷
- 5.63 Connected to the issue of parking availability was that of paid parking. According to the ACT Government, paid parking was introduced for land managed by the NCA in 2004 to prioritise spaces for visitors to the national institutions and to assist with ongoing parking management in the Parliamentary Zone and surrounding areas.¹⁰⁸
- 5.64 The introduction of paid parking in the Parliamentary Zone and at the NMA had, according to Meredith Hinchcliffe, Carolyn Forster OAM and

103 Mr Andrew Smith, Chief Planner, National Capital Authority, *Committee Hansard*, Canberra, 24 August 2018, pp. 4-5.

104 Mr Andrew Smith, Chief Planner, National Capital Authority, *Committee Hansard*, Canberra, 24 August 2018, p. 5. See also: Ms Daryl Karp, Director, Museum of Australian Democracy, Old Parliament House, *Committee Hansard*, Canberra, 24 August 2018, p. 16.

105 Mr Andrew Smith, Chief Planner, National Capital Authority, *Committee Hansard*, Canberra, 24 August 2018, p. 5.

106 Mr Andrew Smith, Chief Planner, National Capital Authority, *Committee Hansard*, Canberra, 24 August 2018, p. 4.

107 ACT Government, *VisitCanberra*, 'Culture Loop', <https://visitcanberra.com.au/transport/5c1af6635b5633dc7cbe402f/culture-loop>, viewed 8 February 2019.

108 ACT Government, *Submission 69*, p. 7.

- Sandy Forbes, resulted in a decrease in visitor numbers to national institutions. They submitted that the impact of paid parking on the NLA for example was that visitor numbers fell by 10 000 people in its first month of operation. They also argued that paid parking had a financial impact on researchers who physically accessed the national institutions.¹⁰⁹
- 5.65 Paid parking on national land in Canberra, including within the Parliamentary Zone, generates revenue for the Commonwealth, with ticket sales and infringements on national land resulting in estimated revenue of \$98.2 million in the financial years 2015-16 to 2017-18.¹¹⁰
- 5.66 The Committee was advised that the revenue generated through paid parking on national land was generally not retained by the national institutions where it was raised and instead reverted to the Commonwealth's Consolidated Revenue Fund.¹¹¹ Of the national institutions within the Parliamentary Zone, only the High Court of Australia has legislative authority to retain and use the revenue collected through paid parking.¹¹² The ANBG, located outside the Zone, advised the Committee that it sets and retains fees generated through paid parking 'based on market rates and reviewed on an annual basis'.¹¹³
- 5.67 The ACT Government was supportive of the idea that revenue raised from paid parking should be returned to the respective national institution that raised it. Such a proposal, according to the ACT Government, would provide 'an opportunity for the Australian Government to reallocate this revenue stream to support the funding and operations of Canberra's national institutions'.¹¹⁴ DoF advised the Committee that any change of this kind would require a decision by government.¹¹⁵

Digitisation of collections

- 5.68 During the inquiry the Committee was advised that 'less than 10% of all national cultural institutions' records have been digitised as a whole'.¹¹⁶

109 Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 6.

110 ACT Government, *Submission 69*, p. 7.

111 See for example: Lake Burley Griffin Guardians, *Submission 45*, p. 2; Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 6; National Capital Attractions Association, *Submission 55*, p. 5; ACT Government, *Submission 69*, p. 7.

112 High Court of Australia, *Submission 81*, Answer to Questions on Notice, p. [3]; Ms Philippa Lynch, Chief Executive and Principal Registrar, High Court of Australia, *Committee Hansard*, Canberra, 24 August 2018, pp. 7-8.

113 Australian National Botanic Gardens, *Submission 15*, p. 18. See also: Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 6.

114 ACT Government, *Submission 69*, p. 7.

115 Department of Finance, *Submission 78*, Answer to Questions on Notice, p. 3.

116 Australian Society of Archivists, *Submission 51*, p. 4.

The pressing need for the physical materials in national institutions' collections to be digitised was a resourcing priority raised by several institutions and other submitters. This was emphasised as important both to improve access for all Australians¹¹⁷ consistent with institutions' mandates¹¹⁸ and to mitigate against the risk of collection items, such as audio-visual materials, degrading over time.¹¹⁹

- 5.69 Many national institutions advised the Committee that digitisation of collection material was a priority, particularly from an accessibility perspective.
- 5.70 The Committee was told that the magnitude of the digitisation task required resourcing and supporting infrastructure that was currently beyond the financial capacity of many institutions.¹²⁰ This included the need for:
- modern IT systems¹²¹ that are complemented with sophisticated cybersecurity arrangements;¹²²
 - storage capacity for both physical material and its digital equivalent;¹²³ and
 - timely investment in the skills required to operate and maintain equipment¹²⁴ so that materials do not degrade further.¹²⁵
- 5.71 A key challenge identified by some national institutions was the need to ensure audio-visual materials currently held in analogue format were

117 See for example: National Museum of Australia, *Submission 59*, p. 10; National Film and Sound Archive, *Submission 28*, p. 4.

118 See for example: Australian Society of Archivists, *Submission 51*, p. 4.

119 National Film and Sound Archive, *Submission 28*, p. 3.

120 See for example: National Museum of Australia, *Submission 59*, p. 10.

121 See for example: Dr Marie Louise-Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 21; Mr Jan Müller, Chief Executive Officer, National Film and Sound Archive of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 28.

122 See for example: Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, pp. 27-28; Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 28; and National Archives of Australia, *Submission 54*, Attachment 1, p. [1].

123 See for example: National Film and Sound Archive, *Submission 28*, p. 4; National Archives of Australia, *Submission 54*; Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 16 and 18.

124 Mr Jan Müller, Chief Executive Officer, National Film and Sound Archive of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 19.

125 Australian Institute for the Conservation of Cultural Material Inc., *Submission 46*, p. 2.

- digitised within the next few years, to ensure that content did not degrade and that materials and facilities were available to undertake digitisation.¹²⁶
- 5.72 The Committee's visit to AIATSIS provided one glimpse of the task ahead for those national institutions that have large holdings of such analogue audio-visual materials. AIATSIS has implemented a strategy to address the issue, despite its limited resources. Along with other institutions, AIATSIS viewed the audio-visual digitisation task as requiring completion by the year 2025, to avert the risk that this material would be permanently lost.
- 5.73 For projects of this scale to be successfully completed, it was impressed upon the Committee that both a clear national strategy,¹²⁷ and an investment in additional resource allocation for national institutions, including staff, were required.¹²⁸ At present, institutions conducted their own digitisation initiatives for this material such as the specialist audio-visual digitisation Service Provider Panel managed by the NAA, and *Deadline 2025*, developed by the NFSA.¹²⁹
- 5.74 In discussions with the Committee, national institutions also drew attention to the misperception that digitisation of the national collections would eventually reduce the need for physical storage space.¹³⁰ Institutions noted that digitisation generally supplemented rather than replaced physical items, which were not destroyed, and therefore the challenge of resourcing physical storage discussed above would remain relevant into the future.

Collaboration between national institutions

- 5.75 Given budgetary and resourcing constraints for national institutions, coupled with the need to embrace new ways of showcasing Australia's national collection, evidence to the inquiry demonstrated a strong interest by institutions in working collaboratively.
- 5.76 The NMA submitted to the inquiry that while each national institution:

126 See for example: Dr Andrew Pike, *Submission 24*, p. [1]; National Film and Sound Archives, *Submission 28*, p. 8; National Archives of Australia, *Submission 54*, p. 15; Name withheld, *Submission 74*, p. [1]. See also Mr Jan Müller, Chief Executive Officer, National Film and Sound Archive of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 15.

127 See for example: National Archives of Australia, *Submission 54*, p. 15.

128 See for example: Dr Andrew Pike, *Submission 24*, p. [1].

129 National Archives of Australia, *Submission 54*, p. 15.

130 See for example: Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 16 and National Film and Sound Archive, *Submission 28*, p. 10.

...has clear roles and mandates to address and fulfil, there is a real and growing need to develop greater collaboration and co-operative enterprise between us all. There is great strength in the diversity represented by the individual institutions and their brands, and in exploiting opportunities as they arise to come together for specific program and operational initiatives, in the national interest.¹³¹

- 5.77 A range of examples of how national institutions already worked together emerged during the inquiry and included that:
- The ANBG has established collaborative relationships with likeminded institutions in Canberra to enable the exchange of display materials, educational activities and participation on advisory committees. It has also developed more formal partnerships with academic institutes around scientific activities.¹³²
 - The NFSA has collaborated with similar institutions to bring exhibitions to Canberra, and to bring them to Australians via touring displays.¹³³
 - The AWM and the NGA collaborated to hold an exhibition on the work of war artist, Arthur Streeton in late 2017.¹³⁴
- 5.78 The NLA has worked collaboratively with other collecting and archival institutions around Australia to build broader capacity in the sector.¹³⁵ The Australian Society of Archivists drew attention to the NAA's partnership with the website Ancestry to offer greater online access to Fremantle passenger arrival lists to users of both websites.¹³⁶
- 5.79 Broader collaborations that benefit national institutions also exist. For example, the NCA has worked with national institutions and others to create a draft urban design framework for the Acton Peninsula Precinct.¹³⁷ Collaborations also exist between academic institutes such as the Australian National University and Canberra's national institutions on academic projects and the development of digital resources across fields in science, humanities, social sciences and the arts.¹³⁸

131 National Museum of Australia, *Submission 59*, p. 2.

132 Australian National Botanic Gardens, *Submission 15*, p. 7.

133 Dr Jan Müller, Chief Executive Officer, National Film and Sound Archive, *Committee Hansard*, Canberra, 22 June 2018, p. 22. See also: National Film and Sound Archive, *Submission 28*, p. 7.

134 Mr Gerard Vaughan AM, Director, National Gallery of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 54. National Gallery of Australia, 'Arthur Streeton: The art of war', <https://nga.gov.au/streeton/>, viewed 30 January 2019.

135 Australian Library and Information Association, *Submission 6*, p. 3.

136 Australian Society of Archivists, *Submission 51*, p. 6.

137 National Capital Authority, *Submission 63*, p. [5].

138 Australian National University, *Submission 68*, p. [2].

Cultural and Corporate Shared Services Centre

- 5.80 One project that highlights broader collaborative efforts between Canberra's national institutions is the CCSSC, which is administered by the NMA. The CCSSC was created in 2016 to 'support cultural and small corporate agencies within the Australian Public Service (APS) ... [and] provides high quality services tailored to meet the unique business requirements of cultural agencies'.¹³⁹ The Committee was told that the CCSSC was 'delivering savings and enabling partner institutions to focus on delivery of programs and services'.¹⁴⁰ At present, MoAD and the NAA use the services of the CCSSC which includes IT, finance, payroll, records management and accessibility.¹⁴¹ The NMA advised the Committee that it had received funding of \$8.9 million over three years to enable collecting agencies to migrate to the CCSSC.¹⁴²
- 5.81 The NMA outlined the benefits of the CCSSC for participating institutions and the Commonwealth which included:
- access to improved, high level service delivery;
 - compliance in key areas including security and electronic records management;
 - standardisation of enterprise resource planning platforms; and
 - aggregated purchasing power for contracts and services.¹⁴³
- 5.82 The Australian Society of Archivists expressed concerns that since the announcement of the CCSSC, little information regarding its framework and operations had been provided outside the NMA's corporate plan. While noting the benefits of resource consolidation and shared services, it expressed caution about the need to ensure that collaborators could still meet their individual mandates.¹⁴⁴

Private sector sponsorship, donations and philanthropic support

- 5.83 As Canberra's national institutions continue to face budgetary pressures, many have sought to build partnerships with private sector and philanthropic entities to support their work. The Committee was told that
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139 National Museum of Australia, *Submission 59*, p. 8.

140 Council of Australasian Museum Directors, *Submission 43*, p. [7].

141 National Museum of Australia, *Submission 59*, p. 8.

142 National Museum of Australia, *Submission 59*, p. 8.

143 National Museum of Australia, *Submission 59*, pp. 8-9.

144 Australian Society of Archivists, *Submission 51*, p. 7.

in recent years, private sector and philanthropic income for some of Canberra's national institutions had risen.¹⁴⁵ Evidence to the inquiry also suggested that private sector and philanthropic support was valuable for many national institutions in conveying their work outside the national capital, including internationally.¹⁴⁶

- 5.84 In 2011 the Australian Government appointed Mr Harold Mitchell AC to chair a review into *Private Sector Support for the Arts in Australia*.¹⁴⁷ Mr Mitchell's report found that there was potential to strengthen private donation to the arts in Australia, but that arts organisations often lacked the skills and expertise to access them, while 'the limited funds available to many arts organisations creates a situation where they cannot afford dedicated staff to drive a strategic approach to fundraising'.¹⁴⁸ The report made several recommendations that aimed to help arts organisations attract increased private sector support.
- 5.85 The NMA advised the Committee that it viewed private sector support as 'inextricably tied to developing and maintaining its relationship to the broader Australian public. Corporate interests and philanthropic funds are attracted to institutions and programs that can demonstrate close engagement with communities of interest and their publics'.¹⁴⁹
- 5.86 The inquiry was told about the fundraising capabilities of some national institutions. A number of institutions, such as the NGA and NPG, were already successful fundraisers.¹⁵⁰ Other national institutions, such as Questacon and AIATSIS, had implemented philanthropic foundations to pursue fundraising opportunities.¹⁵¹ The NLA had undertaken a review of opportunities available to it and expected to implement recommended strategies.¹⁵²
- 5.87 Fundraising for Canberra's national institutions was also part of the role played by those with an interest in the work of particular institutions. For example, the Friends of the ANBG submitted to the Committee that it had established a public fund, which sought tax deductible donations and

145 Council of Australasian Museum Directors, *Submission 43*, pp. [6-7].

146 See for example: Department of Communications and the Arts, *Submission 1*, p. 1 and National Museum of Australia, *Submission 59*, p. 6.

147 H Mitchell, *Building Support: Report of the Review of Private Sector Support for the Arts in Australia*, October 2011.

148 H Mitchell, *Building Support: Report of the Review of Private Sector Support for the Arts in Australia*, October 2011, p. 31.

149 National Museum of Australia, *Submission 59*, p. 7.

150 National Association of the Visual Arts, *Submission 65*, p. [2].

151 Ms Kate Driver, Acting Director, Questacon, *Committee Hansard*, Canberra, 22 June 2018, p. 35; Australian Institute of Aboriginal and Torres Strait Islander Studies, *Submission 66*, p. 11.

152 National Library of Australia, *Submission 41*, p. 4.

which had allocated some \$1 million in funds for specific projects at the ANBG.¹⁵³

- 5.88 The Committee received examples of how private sector and philanthropic support had been successfully engaged to assist national institutions in furthering their objectives.
- 5.89 The NGA submitted to the Committee that it had successfully worked with philanthropic donors to support four exhibitions which have 'replaced diminishing cash contributions from corporate partners'.¹⁵⁴ In addition, the NGA had also developed:
- a 'Foundation Board' made up of representatives from most Australian states to engage Australia-wide donors; and
 - a dedicated fundraising team to attract funds to support current and future initiatives.¹⁵⁵
- 5.90 In another example, Questacon:
- has partnered with the Ian Potter Foundation to enable the ongoing operations of Questacon's *Smart Skills Outreach Program* and Ian Potter Foundation Technology Learning Centre in Canberra;¹⁵⁶
 - has been the beneficiary of funds raised through an independent philanthropic foundation;¹⁵⁷ and
 - has a range of long-term partnerships with corporate organisations that provide both financial and technical in-kind support as well as a foundation to support the advancement of science education and advancement.¹⁵⁸
- 5.91 Other national institutions also highlighted initiatives with the private sector and philanthropists:
- the ANBG has received support from the Ian Potter Foundation which resulted in the largest donation received in its history;¹⁵⁹

153 Friends of the Australian National Botanic Gardens, *Submission 16*, p. 2. Supported by Australian National Botanic Gardens, *Submission 15*, p. 17.

154 National Gallery of Australia, *Submission 47*, p. 5.

155 National Gallery of Australia, *Submission 47*, pp. 5-6.

156 The Ian Potter Foundation, *Submission 4*, p. [1]. See also Questacon Advisory Council, *Submission 29*, p. 5.

157 Ms Kate Driver, Acting Director, Questacon, *Committee Hansard*, Canberra, 22 June 2018, pp. 35-36.

158 Department of Industry, Innovation and Science, *Submission 67*, p. 12. See also: Questacon Advisory Council, *Submission 29*, p. 5.

159 Australian National Botanic Gardens, *Submission 15*, p. 15.

- MoAD has developed some sponsorship and grant income and is developing a new plan for future partnerships and philanthropic initiatives;¹⁶⁰
 - the NLA has a long history of philanthropic support with funds raised currently being invested into digital initiatives;¹⁶¹ and
 - the NMA has attracted the corporate support of key suppliers of transport, media, accommodation and food and beverage partners to conduct touring exhibitions.¹⁶²
- 5.92 The NLA told the Committee that corporate donors were no longer attracted to supporting one-off international exhibitions held in Canberra.¹⁶³ Instead, many donors are looking at longer-term engagement initiatives such as supporting scholarships.¹⁶⁴ For example, Raytheon Australia, which has a long term partnership with Questacon, submitted to the Committee that it has a 'strong responsibility to help generate a workforce pipeline for new engineers. This starts with encouraging students to take up those school subjects that will equip them to study science and engineering at university'.¹⁶⁵ The company is also a strong supporter of Questacon continuing to develop its partnerships with other commercial partners.
- 5.93 Some concern was raised during the inquiry about the appropriateness of expectations that national institutions could significantly supplement their resources with private or philanthropic funds.
- 5.94 Some inquiry participants questioned whether it was realistic to seek increased support from such sources, noting that unlike the United States and Europe, there is no entrenched culture of philanthropic support for national institutions in Australia.¹⁶⁶ A number of submitters argued that private funding and philanthropic support should not be relied upon to fund core functions that are within the legislative responsibility of

160 Museum of Australian Democracy at Old Parliament House, *Submission 37*, p. [4].

161 National Library of Australia, *Submission 41*, pp. 3-4. See also Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, pp. 24.

162 National Museum of Australia, *Submission 59*, p. 6.

163 National Library of Australia, *Submission 41*, p. 4. See also Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, pp. 23-24.

164 Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 24.

165 Raytheon Australia, *Submission 73*, p. 1.

166 See for example: Mr Gordon Ramsay MLA, Minister for the Arts and Community Events, ACT Government, *Committee Hansard*, Canberra, 22 June 2018, pp. 8 and 10; Ms Marianne Albury-Colless, *Submission 53*, p. [4].

government.¹⁶⁷ It was also noted that the exercise of attracting funding was resource intensive for national institutions.¹⁶⁸

- 5.95 Some also cautioned that any measures to increase non-governmental resourcing should ensure that donors do not seek to influence the content of national institutions' operations or exhibitions,¹⁶⁹ and that there should be transparency around the sources of funding.¹⁷⁰ The Department of Parliamentary Services and the National Electoral Education Centre advised that, given the nature of their work requiring strict independence and political impartiality, they did not consider it appropriate to accept any or certain types of private sector or philanthropic support.¹⁷¹

Developing other sources of revenue

- 5.96 Many of Canberra's national institutions provided evidence to the inquiry regarding their efforts to develop additional revenue sources to supplement their annual appropriations from the Australian Government. In some cases, income was produced simply to recover the costs related to an activity.¹⁷² In other instances, income generated was directed to furthering institutions' own philanthropic ambitions, such as the NMA's recent *Songlines* exhibition where the proceeds of merchandise were

167 See for example: Community and Public Sector Union, *Submission 12*, pp. 18-19; Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 6; National Association for the Visual Arts, *Submission 65*, p. [2]; Mr Luke Gosling OAM MP, *Submission 75*, p. 3; Mr Gordon Ramsay MLA, Minister for the Arts and Community Events, ACT Government, *Committee Hansard*, Canberra, 22 June 2018, pp. 8 and 10. See also Museums Galleries Australia, *Submission 39*, p. 8; Cultural Facilities Corporation, *Submission 48*, p. 4.

168 See for example: Community and Public Sector Union, *Submission 12*, p. 19; Australian National Botanic Gardens, *Submission 15*, p. 17.

169 See for example: Cultural Facilities Corporation, *Submission 48*, p. 4; Australian Society of Archivists, *Submission 51*, p. 6. See also Mr Peter Jones and Ms Susan Taylor, *Submission 21*, p. [3]; Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 5; Medical Association for Prevention of War, *Submission 57*, p. 4; Mr Luke Gosling OAM MP, *Submission 75*, p. 3; Ms Cassandra O'Hare, Section Secretary for the National Cultural Institutions, Community and Public Sector Union, *Committee Hansard*, Canberra, 24 August 2018, p. 13.

170 *Honest History*, *Submission 14*, p. 8.

171 See for example: Department of Parliamentary Services, *Submission 76*, p. 3; Mr Tom Rogers, Electoral Commissioner, Australian Electoral Commission, *Committee Hansard*, 24 August, 2018, p. 21.

172 See for example: Australian National Botanic Gardens, *Submission 15*, p. 18; National Museum of Australia, *Submission 59*, pp. 6-7; Department of Parliamentary Services, *Submission 76*, p. 3; Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 23.

directed to social inclusion and sustainability projects that assisted Indigenous artists and communities.¹⁷³

5.97 Inquiry participants provided the Committee with numerous examples of the initiatives undertaken by national institutions to develop additional sources of revenue, including:

- rental of floor space to similar institutions or venue hire for events;¹⁷⁴
- national digital infrastructure services, such as the NLA's Trove service, offered on a membership-based, co-investment model alongside state libraries, local councils, universities and individual philanthropists;¹⁷⁵
- retail, food and beverage outlets;¹⁷⁶
- admission charges and memberships;¹⁷⁷
- school and public education programs¹⁷⁸ including special meal packages to engage school students after hours;¹⁷⁹
- fee-for-service contracts to grow plants for government clients;¹⁸⁰ and
- securing grant funding, such as to deliver conservation programs and partnerships.¹⁸¹

5.98 Inquiry participants considered whether there were additional opportunities available for national institutions to raise revenue. DoF advised the Committee that, under the Australian Government's Charging Framework, 'entities can charge for regulatory, resource or commercial type activities. Revenue from charging activities is treated in different ways depending on the charging category and any government decision on the treatment of revenue'.¹⁸² Identification of opportunities to charge for activities was a matter for individual institutions although the Department engaged with entities to determine the viability of the

173 National Museum of Australia, *Submission 59*, p. 7.

174 See for example: Australian National Botanic Gardens, *Submission 15*, p. 18; Museum of Australian Democracy at Old Parliament House, *Submission 37*, p. [5]; National Library of Australia, *Submission 41*, p. 4.

175 National Library of Australia, *Submission 41*, p. 4. See also: Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 21.

176 See for example: Australian National Botanic Gardens, *Submission 15*, p. 18; Australian War Memorial, *Submission 32*, p. 9; National Library of Australia, *Submission 41*, p. 4.

177 Department of Industry, Innovation and Science, *Submission 67*, p. 13.

178 Australian National Botanic Gardens, *Submission 15*, p. 18.

179 Department of Industry, Innovation and Science, *Submission 67.1*, Answer to Question on Notice, p. [3].

180 Australian National Botanic Gardens, *Submission 15*, p. 18.

181 Australian National Botanic Gardens, *Submission 15*, p. 18.

182 Department of Finance, *Submission 78*, Answer to Questions on Notice, p. 2.

opportunities identified.¹⁸³ The Department also advised the Committee that revenue from commercial activities 'can generally be retained by the entity charging for these types of activities, subject to any government decision on how revenue should be treated'.¹⁸⁴

- 5.99 The National Association of the Visual Arts submitted that opportunities for new revenue generation from activities such as venue hire and other external usage of national institutions would only materialise if there was significant investment from the Australian Government to improve buildings and facilities.¹⁸⁵ On the other hand, it was suggested that revenue could be derived through capitalising on direct international flights to Canberra, including from Singaporean school students undertaking mandatory international travel.¹⁸⁶
- 5.100 The imposition of admission charges to national institutions that were currently free to visit was also discussed during the inquiry. Although the Committee was told that many national institutions once charged a fee for admission,¹⁸⁷ Questacon is the only national institution in Canberra to do so currently and generates some 45 per cent of its revenue from general admission.¹⁸⁸ Some national institutions charge admission to special exhibitions or 'blockbuster' events¹⁸⁹ but this was not the case for all institutions.¹⁹⁰ It was noted however that 'charging fees for special exhibits does play an important role in cross-subsidising other activities by cultural institutions'.¹⁹¹ Submitters to the inquiry, however, generally supported the principle that entry to national institutions' general collections should continue to be free of charge, on the basis that this encouraged increased visitation.¹⁹²

183 Department of Finance, *Submission 78*, Answer to Questions on Notice, p. 1.

184 Department of Finance, *Submission 78*, Answer to Questions on Notice, p. 2.

185 National Association of the Visual Arts, *Submission 65*, p. [2].

186 Ms Kate Driver, Acting Director, Questacon, *Committee Hansard*, Canberra, 22 June 2018, p. 36.

187 See for example: National Capital Attractions Associations, *Submission 55*, p. 5; Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 6.

188 Mr Neil Hermes, *Submission 9.1*, p. 1.

189 See for example: Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 26.

190 Dr Marie-Louise Ayres, Director-General, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 26.

191 Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 6.

192 See for example: Questacon Advisory Council, *Submission 29*, p. 3; Museum of Australian Democracy at Old Parliament House, *Submission 37*, p. [5]; National Capital Attractions Associations, *Submission 55*, p. 5.

Committee comment

Budgets and the efficiency dividend

- 5.101 The Committee acknowledges concerns that Canberra's national institutions have been subject to budgetary pressures over a significant period, although evidence points to some relief from this in recent years as a result of additional funding for some institutions. This has been made possible as a result of sound budget and economic management.
- 5.102 The Committee notes that successive governments have sought to curtail government spending as part of exercising responsible fiscal management over a number of years, including through the imposition of the efficiency dividend. This has been legitimate and necessary to ensure a strong economy, a balanced budget and an accountable public sector. It is clear to the Committee, however, that the efficiency dividend has had a disproportionate and cumulative impact, on smaller agencies in particular, that has hampered the ability of many national institutions to deliver a full range of services, including to the public.
- 5.103 The Committee notes calls by various inquiry participants that national institutions should be exempt from the efficiency dividend or even that the measure should be removed altogether. It is apparent that the efficiency dividend can be a burden on core business practices rather than a driver of innovation.
- 5.104 The Committee believes that the recommendations of the 2008 report of the JCPAA for managing the impact of the efficiency dividend on small agencies should be revisited by the Government. In particular, the recommendation of the JCPAA for an exemption from the efficiency dividend on the first \$50 million of Budget appropriations for agencies with expenditure of less than \$150 million, would seem to the Committee to be a moderate option that would significantly relieve the disproportionate burden of budget pressures on Canberra's national institutions.¹⁹³

193 The Committee notes that special consideration may need to be given to how such a policy could be applied to institutions whose corporate arrangements within larger agencies may otherwise exclude them, such as Questacon.

Recommendation 14

The Committee recommends that the Australian Government revisit the recommendations of Joint Committee of Public Accounts and Audit Report 413, *The Efficiency Dividend: Size does matter*, with a view to adopting measures to offset the disproportionate impact of the efficiency dividend on small agencies including Canberra's national institutions. This may include setting a threshold amount for institutions' annual expenditure below which the efficiency dividend would be excluded or reduced.

Staffing national institutions

- 5.105 Evidence to the Committee's inquiry provided it with an insight into the impact that ongoing budgetary restraint has had on institutions' dedicated and highly skilled workforce. The Committee is very concerned to learn of the impacts that staffing reductions have had on the workloads, mental and physical health, and safety of staff at national institutions. While the Committee understands that budgetary pressures are a factor for all Commonwealth entities, the well-being of the workforce should always be a priority, including in staffing and related decisions made by and for national institutions.
- 5.106 While acknowledging evidence from the AWM that recent small budgetary increases have allowed it to restore staffing levels under the ASL cap, the Committee is concerned about the ongoing impact of the cap on Canberra's national institutions. In the Committee's view, consideration should be given to how it disproportionately impacts smaller agencies, such as national institutions.
- 5.107 The Committee notes evidence pointing to institutions' increased use of temporary labour hire arrangements as a mechanism to sidestep ASL cap requirements. In the Committee's view, the practice has only added to the training, cost and administrative burden upon institutions. Temporary labour hire also means that institutions are unable to permanently retain the corporate skills and knowledge developed by temporary staff.
- 5.108 It is also possible that in some cases, institutions' use of volunteers has supplemented the work of paid staff. The Committee commends the invaluable contribution made by the thousands of volunteers who support Canberra's national institutions in various ways.
- 5.109 In considering staffing requirements into the future, the Committee agrees with a number of inquiry participants that the Australian Government must develop a flexible approach to the application of the ASL cap,

particularly for national institutions, to ensure that the policy does not force institutions to seek more costly alternatives.

Recommendation 15

The Committee recommends that the Australian Government reassess the Average Staffing Level caps on Canberra's national institutions, to reduce the cost and skills-retention impacts these are presently having, and avoid the need for institutions to undertake less efficient temporary labour hire arrangements.

Facilities

- 5.110 The Commonwealth is the custodian of a significant property portfolio in Canberra which encompasses a diverse range of buildings including some of the nation's most iconic landmarks. Maintenance of the facilities housing national institutions is an important aspect of the work of institutions on behalf of the Commonwealth and people of Australia. As part of the inquiry, the Committee was fortunate to have the opportunity to visit a number of national institutions, speak with staff and examine a number of public buildings and storage facilities.
- 5.111 National institutions' facilities are almost all public assets and many are of national significance. In the Committee's view, the Australian Government has an important responsibility to ensure that these buildings are maintained for their heritage value, the institutions which they house, and their status as valuable and in some cases irreplaceable assets of the Commonwealth.
- 5.112 It is of concern to the Committee that individual national institutions have insufficient resources and capacity to properly maintain their facilities and ensure necessary capital works, and that in some cases the need to do so is diverting attention and resources from the fulfilment of their core functions. In the Committee's view, the Australian Government should consider whether efficiencies could be gained through a more strategic and efficient approach to national institutions' facility maintenance. This might be done through existing mechanisms such as the NMA's Cultural and Corporate Shared Services Centre.

Recommendation 16

The Committee recommends that the Australian Government consider the adoption of a strategic and coordinated approach to the management and maintenance of national institutions' buildings and facilities.

- 5.113 The Committee is pleased to note a range of commitments to capital works and building improvements that demonstrate the Australian Government's commitment to meeting the longer term maintenance needs of some national institutions' facilities, including at the NPG.
- 5.114 The Committee emphasises that if they are not already, national institutions must be proactive in drawing facilities issues to the attention of the Australian Government and ensuring that appropriate steps are taken and funding sought to manage maintenance requirements at the earliest opportunity. Where necessary, the assistance of DoF should be sought to lodge new policy proposals for major capital works.

Collection storage

- 5.115 During its inquiry, the Committee was struck by the significant and very real challenges faced by several national institutions in relation to finding and managing sufficient and appropriate storage space for their collections. The Committee saw invaluable and impressive items of all kinds, held in conditions that varied from state-of-the-art, to dangerously inadequate. Overall, it was apparent to the Committee that the current approach to collection storage is piecemeal and inadequate. The Committee also recognises that storing the collections is a problem that will only grow in future if viable long-term solutions are not pursued now.
- 5.116 The Committee considers that there is merit in the proposal for national institutions to collaborate, with Australian Government support, to build a shared collection storage facility, taking into account the needs of each participating institution now and into the future. Such a facility would not only provide for economic efficiencies, but could offer security of tenure and the ability to ensure fit-for-purpose storage conditions for the various items held in the collections. While this would undoubtedly involve a significant initial financial outlay, the Committee believes that it would ultimately be not just cost-effective, but a warranted investment in preserving the irreplaceable treasures of Australia's national story.

Recommendation 17

The Committee recommends that the Australian Government coordinate and support the development of a permanent shared collection storage facility for Canberra's national institutions, to replace the current piecemeal and inadequate arrangements and create maximum efficiency. This should be developed and implemented in close consultation with relevant institutions to ensure it is fit-for-purpose to meet their current and future needs.

- 5.117 The Committee notes the specific outcomes of the ANAO's 2018 audit of the AWM and NGA relating to collection management, and is particularly concerned that both agencies – and potentially other national institutions too – need clear and robust processes for assessing and accounting for the whole-of-life costs of their collections. Such assessments need to form part of strategies for managing institutions' existing collections, and also consideration of potential new donations and acquisitions.
- 5.118 The Committee urges national institutions to ensure that their plans and budgets include clear and documented processes to account for the whole-of-life costs of collections and acquisitions. The Committee invites DoF to support institutions as required to achieve this, and encourages the ANAO to actively monitor and engage with institutions on this matter in its future audits, including the proposed follow-up audit proposed in its *Draft Annual Audit Work Program 2019–20* and recommended in chapter 4.

Recommendation 18

The Committee recommends that Canberra's national institutions ensure that their plans and budgets include clear and documented processes to account for the whole-of-life costs of collections and acquisitions. Assessments of whole-of-life costs need to form part of strategies for managing institutions' existing collections, and also consideration of potential new donations and acquisitions.

Exhibition space

- 5.119 The Committee acknowledges the evidence provided by a number of national institutions about the insufficiency of space to exhibit their collections. In this regard the Committee also recognises that only a limited number of Canberra's national institutions have the capacity to host significant exhibitions, including increasingly popular 'blockbuster' exhibitions that draw large numbers of visitors and provide institutions

with a significant profile boost. The Committee welcomes the Government's recent announcement of significant support for expanding exhibition facilities at the AWM, and hopes that similar proposals for expansion by other institutions, such as the NMA and NFSA, will also receive positive consideration, having regard to the significant potential benefits to the national capital including expanded tourism and conference hosting opportunities.

- 5.120 The Committee is also interested in seeing progress made towards a shared exhibition space located on national land in Canberra. The Committee notes reservations expressed by some national institutions about the challenges of establishing such a facility, but considers that resourcing and cultural challenges can be overcome. Indeed, the Committee remains concerned that the arguments it heard against a shared exhibition facility demonstrated a continued 'silo' mentality among at least some national institutions. The Committee considers that cooperation in a shared facility would present a valuable opportunity for national institutions to break down their silos, and strengthen their shared vision and approach.
- 5.121 The benefits of a shared exhibition facility include the ability for use by individual institutions that require a temporary increase in exhibition space, or to conduct multi-institution joint exhibitions. It would also allow national institutions located outside the central national area to benefit from the existing tourism drawcards in the area, and for touring exhibitions from interstate and overseas to visit Canberra and be held in a dedicated space.

Recommendation 19

The Committee recommends that the Australian Government, in conjunction with national institutions, develop a new shared exhibition space on suitable national land in Canberra.

Parking

- 5.122 The availability of adequate parking facilities at Canberra's national institutions is a key determinant of the visitor experience. The Committee notes that the absence of appropriate parking facilities within the Parliamentary Zone may have discouraged potential visitors to some national institutions. While the Committee was assured that this was not a regular occurrence, it does highlight a concern for national institutions as they seek to build a positive reputation and increase visitor numbers.
- 5.123 The Committee understands that the availability of parking within the Parliamentary Zone may be at a premium, particularly at peak visit times. The Committee is encouraged by the commitment of key stakeholders including the NCA to work with national institutions to manage and better coordinate this issue. The Committee is also encouraged by the announcement during the inquiry of a trial shuttle service to ferry visitors between key national institutions in the Parliamentary Zone and on Acton Peninsula. It looks forward to an update on the success of this service in due course.
- 5.124 With regard to the revenue generated from paid parking on national land, the Committee notes the views of some that the revenue collected should be channelled back to national institutions. In this respect, the Committee is conscious that long-term Australian Government funding to Canberra's national institutions continues to be significant, and that this report recommends a number of measures to relieve budget pressures and further strengthen Government support for the institutions. Moreover, the Committee notes that the amounts to be gained by redistributing parking revenue to individual institutions would be modest, while the implementation of such a scheme would be complex, and importantly, may also result in disproportionate benefit to the largest and best-located institutions. As such, the Committee does not consider that redistributing the revenue from paid parking is an initiative worth pursuing.

Digitisation

- 5.125 The Committee notes the concerns raised by several national institutions about the need for resources and planning to digitise physical and analogue items in their collections, and acknowledges the particular urgency of this task for those institutions holding analogue audio-visual materials. The Committee believes that, rather than each relevant institution struggling to address this challenge in isolation, there is a strong case for a clear and coherent whole-of-government strategy, developed and implemented with Australian Government support, to get this work done by 2025.

Recommendation 20

The Committee recommends that the Australian Government acknowledge the need for the digitisation of analogue audio-visual items in the collections of the institutions, to ensure that all such material is digitally preserved by 2025, and develop a clear and coherent whole of government strategy across institutions to get this done.

Collaboration between national institutions

- 5.126 Throughout the inquiry, the Committee was pleased to see some examples of Canberra's national institutions collaborating effectively in a range of ways. The possibility for more formal and wide-ranging collaboration, including through a possible new consultative structure, was discussed in chapters 3 and 4. The Committee reiterates its view that national institutions must work together to develop and articulate a shared strategic vision of their importance in telling Australia's story. To that end, pursuing cooperative and joint efforts to share resources and maximise efficiencies, where appropriate, is both sensible and necessary
- 5.127 While the Committee understands that there have been some past concerns with respect to the NMA's Cultural and Corporate Shared Services Centre, the Committee considers that there are clear benefits to national institutions in pursuing the project. In particular, the Committee is cognisant that a well-managed shared services program could allow national institutions to focus fewer resources on meeting basic organisational support needs, and more on the management of collections and strengthening public engagement. As such, the Committee believes that more national institutions should consider participating in the Centre, and all involved should be committed to constructive cooperation to overcome genuine obstacles to greater resource sharing. The Committee also agrees with submitters that participation in resource sharing should not compromise institutions' existing funding and resource arrangements, or ability to fulfil their individual functions.

Developing non-government sources of income

- 5.128 The Committee welcomed the evidence it received demonstrating a great deal of good work being done by Canberra's national institutions to develop partnerships with corporations and philanthropists, and to maximise other possibilities for raising revenue, such as through merchandising and events. The Committee also applauds the efforts of community groups, such as the 'friends' of various national institutions, to raise funds for them.
- 5.129 While there are some very positive aspects to the development of corporate and philanthropic partnerships, the Committee noted suggestions that the narratives of some exhibitions held by national institutions could be influenced by major donors or benefactors. The Committee believes that all parties involved in the procurement of non-government funding, or other donations, should exercise an awareness of the potential public perception of such transactions. Institutions should ensure that they have clear and consistently applied policies for engagement with private donors, and maximum public transparency about their sources of income. As such, the Committee considers that national institutions might wish to develop clear policy guidance material to assist in managing engagement with private entities.
- 5.130 With regard to the development of in-house commercial opportunities, institutions should be proud of the fact that not only have their efforts resulted in the production of additional revenue but that many activities have sought to do social good, enhance the visitor experience or showcase the best of the national capital.
- 5.131 The Committee believes that the Australian Government should encourage all national institutions to capitalise on available opportunities to generate revenue and, where necessary, invest additional resources to assist institutions to leverage these ideas. The Committee sees some link between these issues and its discussion and recommendations in chapter 3 relating to marketing and public engagement.
- 5.132 One potential opportunity considered during the inquiry was the imposition of new admission fees at national institutions. In the Committee's assessment, while it is possible that such fees may generate revenue for institutions, there is a significant risk that they would instead cause a decline in visitor numbers. The Committee therefore agrees that admission fees should not be charged for public entry to the core exhibitions of those national institutions that are presently free. The Committee does, on the other hand, support continued case-by-case consideration of entry fees for special events, tours and exhibitions, for

which admission fees are already commonplace, and do not seem to act as a deterrent to visitors.

Ben Morton MP

Chair

29 March 2019