

## **Governance**

- 4.1 All Australian Government entities, including Canberra’s national institutions, are accountable to the Australian Government and Commonwealth Parliament for their strategic direction, governance and use of publicly-funded financial, physical and human resources. For the national institutions, this accountability is determined by each institution’s establishing legislation and other relevant laws, along with the Australian Government’s legislative responsibilities, policy objectives and resource management frameworks.
- 4.2 This chapter considers the evidence received during the inquiry relating to the governance of national institutions. This chapter also discusses how future national institutions might be established in Canberra, along with proposed areas of focus for any new national institutions.

## **Oversight and administration**

- 4.3 The operation of Canberra’s national institutions is subject to oversight and scrutiny by the Commonwealth Parliament and the Australian Government.
- 4.4 While each institution has differing governance, legislative and administrative arrangements, each is overseen – if not administered – by a relevant Australian Government department under the responsibility of a minister. Each institution reports on its activities to the relevant minister via either a board of management constituted under its establishing legislation or through the reporting framework of the relevant department.

- 4.5 Within the framework of federal government, relevant accountability mechanisms also apply to the work of national institutions, such as Department of Finance measures, workplace laws and independent auditing by the Australian National Audit Office (ANAO).
- 4.6 As elaborated below, Parliament also plays an important role both in establishing the legislative regime under which national institutions operate, and in scrutinising their performance.

## Legislation

- 4.7 Many of Canberra's national institutions are established through legislation outlining the role and function of the institution, and providing for independent governance arrangements including the selection and composition of a board of management. Examples include the National Film and Sound Archive (NFSA), National Museum of Australia (NMA), Australian War Memorial (AWM) and the National Gallery of Australia (NGA).<sup>1</sup> Such institutions are administered by an Australian Government department.
- 4.8 Some institutions are established by legislation but do not have independent governance arrangements, such as the Australian National Botanic Gardens (ANBG), or are business units within an Australian Government department, such as Questacon. In contrast, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), the High Court of Australia (HCA), National Electoral Education Centre (NEEC) and the Australian Institute for Aboriginal and Torres Strait Islander Studies (AIATSIS) are established with the independent status and legislative obligations of a statutory authority.
- 4.9 Canberra's national institutions must comply with their own establishing legislation where it exists, as well as other Commonwealth legislative obligations including those set out in the *Public Governance Performance and Accountability Act 2013* (Cth) (PGPA Act), which 'establishes a coherent system of governance and accountability for public resources, with an emphasis on planning, performance and reporting'.<sup>2</sup> Under the PGPA Act,

1 National institutions that are established by legislation and administered by an Australian Government Department are: Australian Institute of Sport (*Australian Sports Commission Act 1989* (Cth)); Australian War Memorial (*Australian War Memorial Act 1980* (Cth)); National Archives of Australia (*Archives Act 1983* (Cth)); National Film and Sound Archive of Australia (*National Film and Sound Archive Act 2008* (Cth)); National Gallery of Australia (*National Gallery Act 1975* (Cth)); National Library of Australia (*National Library Act 1960* (Cth)); National Museum of Australia (*National Museum of Australia Act 1980* (Cth)); National Portrait Gallery of Australia (*National Portrait Gallery of Australia Act 2012* (Cth)).

2 Department of Finance, 'PGPA Act 2013', <https://www.finance.gov.au/resource-management/pgpa-act/>, viewed 4 September 2018.

the person or group of persons responsible for, and with control over, each Commonwealth entity's operations is known as the 'Accountable Authority' and may include a government or parliamentary department, a listed entity or a body corporate established by a law of the Commonwealth.<sup>3</sup>

- 4.10 Evidence given to the inquiry raised concerns about the need for national institutions to be underpinned by a contemporary legislative regime that reflected institutions' operation in a modern, technologically driven environment that had regard for evolving community expectations.

### Modernising legislation

- 4.11 Representatives of a number of national institutions told the Committee about the positive impact that a more modern legislative regime would have. Mr David Fricker, Director-General of the National Archives of Australia (NAA), advised that in relation to the Archives, 'our legislation predates the internet'.<sup>4</sup> The Archives had recently undertaken an extensive review of its own legislation to determine how it could better align with 'the digital age and contemporary records and information management requirements'.<sup>5</sup> The NAA advised that some amendments to the *Archives Act 1983* were currently before Parliament and that it was working with the Attorney-General's Department to bring other legislative measures before Parliament in future.<sup>6</sup> Mr Fricker told the Committee that legislative clarity would allow the NAA to 'raise revenue within proper ethical frameworks' as well as improve its capacity to 'provide value added services and to strike a fair fee or charge for services'.<sup>7</sup>
- 4.12 One concern relating specifically to the NAA that was raised during the inquiry was that the Archives was often unable to meet its own statutory timeframe for requests for records, particularly with respect to the examination and release of previously classified documentation.<sup>8</sup> Acknowledging the issue, Mr Fricker advised that the Archives had incurred significant resources and costs involved with defending cases

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3 *Public Governance Performance and Accountability Act 2013* (Cth), s. 12.

4 Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 25.

5 National Archives of Australia, *Submission 54*, p. 33.

6 National Archives of Australia, *Submission 54*, pp. 30-33.

7 Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 25.

8 Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 20. See also: Community and Public Sector Union, *Submission 12*, p. 10; Professor Frank Bongiorno, *Submission 22*, p. 2; Science & Technology Australia, *Submission 38*, pp. 3-4.

brought against the agency on this matter.<sup>9</sup> The NAA also submitted that legislative amendments presently in train would enable it to better manage requests for records from high volume applicants.<sup>10</sup>

- 4.13 According to Dr Marie-Louise Ayres, Chief Executive Officer of the National Library of Australia (NLA), revised privacy legislation would assist the NLA in navigating new privacy and cybersecurity requirements, such as those recently introduced in Europe, which would apply to European-based users of the Library's online resources.<sup>11</sup>
- 4.14 Mr Craig Ritchie, Chief Executive Officer of the Australian Institute of AIATSIS, advised the Committee that an external review of the Institute and an assessment of the state of its collection had been conducted in recent years. The assessment of the collection revealed it to be 'at catastrophic risk for lots of reasons relating to the size of the appropriation resources available and the facilities'. As a result, the Australian Government facilitated legislative amendments that 'effectively modernised the act', along with additional budget appropriations.<sup>12</sup>

### **The Copyright Act 1968 (Cth)**

- 4.15 The provisions of the *Copyright Act 1968 (Cth)* (Copyright Act) are also relevant to the work of some national institutions. A number of institutions cited aspects of the Copyright Act as requiring reform to ensure they can respond to changing community expectations. For example, according to Mr Jan Müller, Chief Executive Officer of the NFSA, reforming parts of the Copyright Act would allow:
- ... cultural institutions to be able to share that material with our public without any commercial meaning, simply because we need to share the material that we digitise and that we hold in our collections.<sup>13</sup>
- 4.16 NFSA submitted that copyright was a significant challenge for it due to clients being required to obtain licences from rights owners for many uses. NFSA continues 'to pursue solutions through reliance on available

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9 Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 20;

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

11 Dr Marie-Louise Ayres, Chief Executive Officer, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 27.

12 Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, p. 58.

13 Mr Jan Müller, Chief Executive Officer, National Film and Sound Archive, *Committee Hansard*, Canberra, 22 June 2018, p. 25.

exceptions, stakeholder relationships, process improvement, and advocacy for reforming relevant regulation'.<sup>14</sup>

- 4.17 The NLA also faces significant challenges in relation to the Copyright Act. Dr Ayres told the Committee that it had taken 23 years of advocacy to get changes made to the Act to allow for collection of digital publications, and that 'modernisation [of the Act] is an ongoing process'. Dr Ayres said the NLA would continue to advocate for amendments to the Act in areas such as broadening its 'fair use' provisions.<sup>15</sup>

## Commonwealth Parliament

- 4.18 While the Commonwealth Parliament is responsible for the legislative frameworks governing Canberra's national institutions, the institutions are also subject to Parliament's oversight and scrutiny through mechanisms including committee inquiries and the Senate Estimates process. National institutions also engage with Parliament in various capacities, including through submissions and appearances before parliamentary committees conducting inquiries on issues of relevance to them, and direct engagement with Members and Senators.
- 4.19 In 2008, a report of Parliament's Joint Committee of Public Accounts and Audit (JCPAA) inquired into the impact of the Commonwealth's efficiency dividend on small agencies, including national cultural institutions.<sup>16</sup> That inquiry found that smaller agencies, such as Canberra's national institutions, face particular challenges. In relation to national cultural institutions, the Committee noted the significant incompatibility between the 'legislated mandate of these agencies to grow and develop their collections at the same time as needing to find productivity improvements beyond those in the general economy and delivering a wider range of services due to technological change'.<sup>17</sup>
- 4.20 The report made a number of recommendations discussed in chapter 5 of this report, particularly in relation to the impact of the efficiency dividend. In its response to the JCPAA's report in 2010, the Australian Government agreed in part with only one of the eight recommendations.<sup>18</sup>

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14 National Film and Sound Archive of Australia, *Submission 28*, p. 4.

15 Dr Marie-Louise Ayres, Chief Executive Officer, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 26.

16 Joint Committee of Public Accounts and Audit, *Report 413: the efficiency dividend and small agencies: size does matter*, December 2008, Canberra.

17 Joint Committee of Public Accounts and Audit, *Report 413: the efficiency dividend and small agencies: size does matter*, December 2008, Canberra, p. 56.

18 Government response to Joint Committee of Public Accounts and Audit, *Report 413: the efficiency dividend and small agencies: size does matter*, February 2010, Canberra.

## Australian National Audit Office

- 4.21 Over the past two decades, the ANAO has undertaken three performance audits of the national collections: *Safeguarding Our National Collection* (1998); *Safe and Accessible National Collections* (2005); and *2017-18 Management of the National Collections* (2018).
- 4.22 The most recent audit, conducted in 2018, assessed whether the NGA and the AWM had implemented effective collections management practices.<sup>19</sup> The importance of the audit can be underscored by the fact that together, the two institutions are responsible for some 70 per cent of the items within Australia's national collections, valued at an estimated \$7 billion.<sup>20</sup> The audit concluded that both agencies had deficiencies in governance and collection management practices.
- 4.23 The ANAO found that the AWM had instituted effective governance structures to oversee its responsibilities. However, the NGA:
- required improvement to ensure that its Council fulfils its legislative obligations in relation to financial management;<sup>21</sup>
  - was in an 'at risk' financial position with cash flow issues and had recently added 'solvency' to its strategic risk register as a 'major' risk, although this needed to be considered in light of matters such as the urgent maintenance works required to its building;<sup>22</sup>
  - had used injections of equity, designed for the purchase and maintenance of artworks, for operating costs, contrary to the intention of Parliament in making this appropriation;<sup>23</sup> and
  - had a recently implemented risk management framework that had yet to reach maturity and required improvements in the manner that senior management monitored, responded to and reported risks.<sup>24</sup>
- 4.24 The ANAO found that both institutions lacked 'a meaningful performance framework aligned to program objectives'. In addition, the AWM did 'not include any performance indicators or measures in its Portfolio Budget
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19 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*.

20 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, p. 7.

21 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, p. 8.

22 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, p. 9.

23 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, p. 9.

24 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, p. 9.

Statements (PBS) or Corporate Plan'. Concerns were also raised about both institutions' 'partially established documentation in relation to their collections management frameworks' that required process improvements along with centralised and consistent storage, monitoring and review.<sup>25</sup>

4.25 Both national institutions responded to the audit, accepting the ANAO's recommendations and acknowledging the concerns that were raised.<sup>26</sup>

4.26 While broader collection management and storage issues applicable to all national institutions will be considered in chapter 5, the ANAO's audit also outlined a number of key governance, risk management and records management learnings applicable to all national institutions, particularly those charged with care of the national collection. These included that:

- entities should ensure that budget allocations for ongoing maintenance, storage and security are appropriate according to risk;
- entities should have systems in place to provide the Accountable Authority with assurance that budgets are being managed appropriately and within the intent of appropriations; and
- entities should identify all relevant policies, plans and procedures; assess and fill in any gaps in these framework documents, ensuring that they meet applicable standards; and maintain them using appropriate version control and approval. Regular review is necessary to ensure that they are current and relevant; as is maintaining them in a central and accessible location.<sup>27</sup>

4.27 The 2018 report also drew attention to certain recommendations made in its previous 2005 report in relation to management of the national collections, which agencies had agreed to at the time, but were being raised again in 2018.<sup>28</sup>

## **Australian Government oversight and administration**

4.28 The Committee received some evidence challenging the administrative and working arrangements between national institutions and their administering Australian Government departments.

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25 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, p. 9.

26 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, p. 13.

27 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, p. 14.

28 Australian National Audit Office, *Report No. 46 2017-18 Management of the National Collections*, pp. 59-60.

- 4.29 Dr Stephen Arnott of the Department of Communications and the Arts (DCA), the portfolio through which many of Canberra's national cultural institutions are administered, described the Department's close relationship with national institutions. He advised that the Department assists each institution to ensure that accountability and governance arrangements are consistent with relevant PGPA Act and other legislative obligations. DCA works with relevant institutions to manage funding and programs while also advising the Minister on institutions' activities.<sup>29</sup> DCA's submission further outlined its role with national institutions to develop policy and manage funding programs to support the delivery of some exhibitions.<sup>30</sup>
- 4.30 Some inquiry participants expressed dissatisfaction with arrangements for government administration of national institutions. Honest History submitted to the inquiry that the portfolio arrangements have implications for funding, particularly where a portfolio Minister is responsible for multiple institutions competing for the same pool of funds.<sup>31</sup> It asserted that competition between institutions could be lessened if regular reviews of administrative arrangements were conducted.<sup>32</sup> Mr Brendon Kelson, a former Director of the AWM, pointed out that the need to 'ease the competition for funds' was the catalyst for the Memorial moving between administrative portfolios in the mid-1980s.<sup>33</sup> The National Capital Attractions Association (NCAA) argued that institutions' funding via various portfolios created a 'silo effect' and may diminish 'the collective impact and strategic options for institutions'.<sup>34</sup>
- 4.31 Science & Technology Australia offered the view that national institutions 'should maintain a balance between accountability and independence' while it was appropriate that they remained accountable to the Australian Government.<sup>35</sup> The DCA said that useful scope existed for it, as a portfolio department, to provide corporate support to institutions within its remit, such as assessing corporate planning documents and annual reports.<sup>36</sup>

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29 Dr Stephen Arnott PSM, First Assistant Secretary, Arts Division, Department of Communications and the Arts, *Committee Hansard*, Canberra, 22 June 2018, p. 3.

30 Department of Communications and the Arts, *Submission 1*, pp. 1-2.

31 Honest History, *Submission 14*, p. 9.

32 Honest History, *Submission 14*, p. 3.

33 Mr Brendon Kelson, *Submission 18*, pp. [3-4].

34 National Capital Attractions Association, *Submission 55*, p. 5.

35 Science & Technology Australia, *Submission 38*, p. 4.

36 Dr Stephen Arnott PSM, First Assistant Secretary, Arts Division, Department of Communications and the Arts, *Committee Hansard*, Canberra, 22 June 2018, p. 3.



- 4.32 One national institution cited by some inquiry participants as not having optimal portfolio arrangements was Questacon. Questacon is administered directly by the Department of Industry, Innovation and Science (DIIS) as a division of the department, rather than having its own legislated status and independent board of management. Some submitters, including former senior officers at Questacon, believed that the institution should be transitioned into a statutory agency, consistent with the findings of several recent reviews.<sup>37</sup> The proposed re-classification was supported by some inquiry participants due to the perception that Questacon's portfolio arrangements precluded it from pursuing commercial opportunities,<sup>38</sup> or receiving philanthropic contributions.<sup>39</sup>
- 4.33 In contrast to these views, however, Ms Kate Driver, Acting Director of Questacon, advised the Committee that Questacon's portfolio arrangements had not prevented it from generating revenue by commercial means or sponsorship,<sup>40</sup> or via the establishment of a philanthropic foundation.<sup>41</sup> Mrs Rebecca Manen of DIIS also supported Questacon's existing portfolio arrangements, stating that they assisted the Government in the development of science engagement policy.<sup>42</sup>

## Boards of national institutions

- 4.34 Most national institutions are overseen by a board or council responsible for strategic direction and governance.<sup>43</sup> Board composition and operation is usually determined by the relevant institution's establishing legislation<sup>44</sup> and its members are appointed by either the Governor-General<sup>45</sup> or the

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37 Questacon Advisory Council, *Submission 29*, p. 5; ACT Government, *Submission 69*, pp. 7-8.

38 See for example: Ms Kareena Arthy, Deputy Director-General, ACT Government, *Committee Hansard*, Canberra, 22 June 2018, p. 11.

39 Mr Gordon Ramsay MLA, Minister for the Arts and Community Events, ACT Government, *Committee Hansard*, Canberra, 22 June 2018, p. 9.

40 Ms Kate Driver, Acting Director, Questacon, *Committee Hansard*, Canberra, 22 June 2018, p. 35.

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

42 Mrs Rebecca Manen, Acting General Manager, Science Policy Branch, Department of Industry, Innovation and Science, *Committee Hansard*, Canberra, 22 June 2018, p. 36.

43 See for example: Council of Australasian Museum Directors, *Submission 43*, pp. 9-10;

44 See for example: *National Film and Sound Archive of Australia Act 2008* (Cth), s. 10; *National Portrait Gallery of Australia Act 2012* (Cth), s. 15; and *National Museum of Australia Act 1980* (Cth), s. 10.

45 See for example: *National Gallery Act 1975* (Cth), s. 13; and *National Library Act 1960* (Cth), s. 10.

relevant minister.<sup>46</sup> Boards of national institutions are also usually the 'accountable authority' for the purposes of the PGPA Act.<sup>47</sup>

4.35 During the inquiry, concerns were raised about the composition of national institutions' boards and their respective responsibilities. Some national institutions asserted that existing board arrangements were appropriate and well-developed.<sup>48</sup> However, some inquiry participants believed that measures to strengthen national institutions' boards should be implemented to ensure that boards:

- comprise a diverse membership representing the Australian community;<sup>49</sup>
- comprise appropriate expertise and experience for strategic development',<sup>50</sup> including relevant professional or academic expertise;<sup>51</sup>
- have membership contingent on an understanding of the institution's history and culture;<sup>52</sup>
- include an employee representative to represent staff interests;<sup>53</sup>
- are structured at arm's length, away from either political<sup>54</sup> or donor influence;<sup>55</sup>
- establish a gender quota target;<sup>56</sup>
- improve due diligence protocols consistent with the findings of the recent Royal Commission into the Financial Sector;<sup>57</sup> and
- are administered efficiently without requiring significant resource allocation at the expense of core business.<sup>58</sup>

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46 See for example: *National Portrait Gallery of Australia Act 2012* (Cth), s. 16; and *National Museum of Australia Act 1980* (Cth), s. 13(2).

47 Public Governance, Performance and Accountability Act 2013, s. 12(2).

48 Museum of Australian Democracy at Old Parliament House, *Submission 37*, p. [5]; National Library of Australia, *Submission 41*, p. 5.

49 See for example: *Honest History*, *Submission 14*, p. 10; Cultural Facilities Corporation, *Submission 48*, p. 4; Shane Rattenbury MLA and Caroline Le Couteur MLA, *Submission 60*, p. 4.

50 Friends of the National Film and Sound Archive Inc., *Submission 13*, p. 6.

51 See for example: Friends of the National Film and Sound Archive Inc., *Submission 13*, p. 6; Ms Marianne Albury-Colless, *Submission 53*, p. [4]; National Association of the Visual Arts, *Submission 65*, p. [2]; Name withheld, *Submission 74*, p. [5].

52 See for example: Friends of the National Film and Sound Archive Inc., *Submission 13*, p. 6; Dr Andrew Pike, *Submission 24*, p. [2]; Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, pp. 6-7.

53 Shane Rattenbury MLA and Caroline Le Couteur MLA, *Submission 60*, p. 4.

54 Dr Andrew Pike, *Submission 24*, p. [2].

55 *Honest History*, *Submission 14*, p. 10.

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

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

- 4.36 Inquiry participants considered whether national institutions' boards should include current or former members of parliament. Dr Ayres of the NLA advised that the current members of parliament who sat on its board 'understand our business. They are passionate about our collections and they helped to bring us up to parliament. We couldn't have done it without them'.<sup>59</sup>
- 4.37 Mr Fricker of the NAA had a similar perspective, adding that the members of parliament who were on its advisory council 'bring a great deal to the advisory council in terms of how we should address the challenges that we face'.<sup>60</sup> This, he advised, included how institutions should respond to and work with government and Parliament. It also included guidance through strategic leadership and direction.<sup>61</sup>
- 4.38 Ms Meg Labrum from the NFSA outlined the contribution of former members of parliament on the NFSA's board, noting that their contributions stem from having 'some personal interest in aspects of what the archive does' along with potential political connections that 'have also been useful in terms of promoting some of the things that we're doing'.<sup>62</sup>
- 4.39 On the other hand the Hon. Dr Brendan Nelson, himself a former federal minister and now the Director of the AWM, advised that he could see both advantages and disadvantages to the idea of parliamentarians sitting on the Memorial's council. He was concerned about the risk of partisan influence and told the Committee that 'I personally wouldn't be recommending that the benefits of appointing serving MPs or senators to it [the council] would outweigh the downside'.<sup>63</sup>

## Consolidating oversight and governance

- 4.40 Some inquiry participants considered that there was a need for national institutions to undertake better long-term policy development,<sup>64</sup> along with the ability to strategically work together.<sup>65</sup>

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58 Name withheld, *Submission 74*, p. [4].

59 Dr Marie-Louise Ayres, Chief Executive Officer, National Library of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 29.

60 Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 29.

61 Mr David Fricker, Director-General, National Archives of Australia, *Committee Hansard*, Canberra, 22 June 2018, p. 29.

62 Ms Meg Labrum, General Manager, Collections and Access, National Film and Sound Archive, *Committee Hansard*, Canberra, 22 June 2018, p. 30.

63 The Hon. Dr Brendan Nelson, Director, Australian War Memorial, *Committee Hansard*, Canberra, 22 June 2018, p. 42.

64 Museums Galleries Australia, *Submission 39*, p. 2.

65 See for example: National Capital Attractions Association, *Submission 55*, p. 5.

- 4.41 The Committee was advised that there was no current formal structure under which national institutions could collectively develop policy for the sector, nor had an assessment of establishing one been undertaken, but the directors of institutions worked closely together.<sup>66</sup> Some inquiry stakeholders were of the view that a formal structure such as a new Australian government entity, an independent expert advisory body or a council for national institutions<sup>67</sup> could provide a collective mechanism representing national institutions.<sup>68</sup>
- 4.42 Inquiry participants proposed the types of functions a representative body could undertake, including:
- consideration of longer term financial and staffing arrangements,<sup>69</sup> and enhanced industry leverage;<sup>70</sup>
  - collaboration for branding, marketing efficiencies, enhanced access and visitation arrangements;<sup>71</sup>
  - identification and facilitation of capital programs, such as to provide for additional exhibition space;<sup>72</sup>
  - effective advocacy and negotiation with the National Capital Authority (NCA) and state and territory governments on regional outreach and planning and development issues;<sup>73</sup> and
  - sharing lessons and data to improve the management and activities of national institutions.<sup>74</sup>
- 4.43 Some inquiry participants proposed that the Australian Government consider the Smithsonian Institution in the United States as a model upon which collective governance could be based.<sup>75</sup> Under this model, each

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66 See for example: Dr Stephen Arnott PSM, First Assistant Secretary, Arts Division, Department of Communications and the Arts, *Committee Hansard*, Canberra, 22 June 2018, p. 6 and National Capital Authority, *Submission 63*, p. [5].

67 See for example: Shane Rattenbury MLA and Caroline Le Couteur MLA, *Submission 60*, p. 3.

68 See for example: Dr David Marshall, *Submission 20*, p. 1; National Capital Educational Tourism Project, *Submission 26*, p. 6; Ms Kareena Arthy, Deputy Director-General, ACT Government, *Committee Hansard*, Canberra, 22 June 2018, p. 9.

69 See for example: Mr Neil Hermes, *Submission 9*, p. [3]; Mr Brendon Kelson, *Submission 18*, p. [2].

70 Mr Neil Hermes, *Submission 9*, p. [3].

71 National Capital Educational Tourism Project, *Submission 26*, p. 6.

72 See for example: Mr Neil Hermes, *Submission 9*, p. [6]; Mr Brendon Kelson, *Submission 18*, p. [2].

73 Shane Rattenbury MLA and Caroline Le Couteur MLA, *Submission 60*, p. 3.

74 Shane Rattenbury MLA and Caroline Le Couteur MLA, *Submission 60*, p. 3.

75 See for example: Mr Neil Hermes, *Submission 9*, p. [6]; National Capital Attractions Association, *Submission 55*, p. 5; Ms Kareena Arthy, Deputy Director-General, ACT Government, *Committee Hansard*, Canberra, 22 June 2018, p. 13.

institution retained its own identity but fell under the fiscal umbrella of the Smithsonian.<sup>76</sup>

## Developing new institutions

4.44 As discussed in chapter 2, Canberra's national institutions represent and promote vital aspects of Australia's history, arts and culture. With this in mind, the inquiry considered both the establishment process for new institutions and proposals for new national institutions in the national capital. While this report will not consider the merits of each new institution proposed in evidence to the Committee, this section examines some proposals which in the Committee's view have significant merit.

## Establishment process

4.45 The Committee's terms of reference included examining 'the process for establishing new institutions'. While the Australian Government does not have a specific policy for the establishment of new national institutions, frameworks exist that enable the establishment of new Commonwealth activity, such as the development of a new national institution, to be undertaken by the Commonwealth.

4.46 In assessing proposed new activities, the Australian Government has developed a 'governance structures policy' administered by the Department of Finance. The policy sets out two key points of decision that must be determined prior to the creation of a new activity:

- deciding whether the government can or should conduct an activity itself and, if so;
- establishing the appropriate governance arrangements for conducting that activity.<sup>77</sup>

4.47 The types of governance structure that can be established are specified in the PGPA Act as follows:

- a non-corporate Commonwealth entity, which may be established as a Department of State, a Parliamentary Department or a listed entity;
- a corporate Commonwealth entity, which may be established as a statutory authority, a statutory corporation or a government business enterprise; or

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76 Mr Neil Hermes, *Submission 9*, p. [7].

77 Department of Finance, 'Governance policy', <https://www.finance.gov.au/resource-management/governance/policy/>, viewed 4 January 2019.

- a Commonwealth company under the Corporations Act, which may be established as a company limited by shares or a company limited by guarantee.<sup>78</sup>

4.48 There are important differences in the structure and legal personality of each type of entity including whether it is primarily funded through the Budget or has the capacity to operate commercially.<sup>79</sup> In the case of any new national institution, its structure under the PGPA Act would be determined by its primary activities and proposed financial arrangements.

4.49 In considering the process for developing new national institutions, inquiry participants presented a range of perspectives. The NCA advised the Committee that it 'recognised that the decision regarding the establishment of a new cultural institution is one for the government of the day and that the scale and scope of the facilities are dependent upon the circumstances of the time'.<sup>80</sup> In responding to any future proposals for new national institutions, particularly within the Parliamentary Zone, the NCA has created:

...an urban design framework able to respond to requirements of any institution that may be created. The core of this is the National Capital Plan. In the National Capital Plan is a series of campus squares that are indicative about what sort of things could go where, but they are definitely not fixed.<sup>81</sup>

4.50 The NCA also confirmed that 'there is ample land for new or expanded institutions in the national triangle'.<sup>82</sup>

4.51 Museums Galleries Australia submitted that:

The process for establishing new institutions should be part of a coherent national policy framework which would enable essential master planning for the sustainable development of current and future institutions and the cultural economy of Canberra.<sup>83</sup>

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78 Department of Finance, 'Types of governance structures', <https://www.finance.gov.au/resource-management/governance/policy/structure-types/>, viewed 4 January 2019.

79 Department of Finance, 'Types of governance structures', <https://www.finance.gov.au/resource-management/governance/policy/structure-types/>, viewed 4 January 2019.

80 Ms Sally Barnes, Chief Executive Officer, National Capital Authority, *Committee Hansard*, Canberra, 24 August 2018, p. 1.

81 Ms Sally Barnes, Chief Executive Officer, National Capital Authority, *Committee Hansard*, Canberra, 24 August 2018, p. 1.

82 Ms Sally Barnes, Chief Executive Officer, National Capital Authority, *Committee Hansard*, Canberra, 24 August 2018, p. 1.

83 Museums Galleries Australia, *Submission 39*, p. 9.

- 4.52 Inquiry participants suggested that in establishing any new national institutions in Canberra, consideration should be given to various other factors including:
- appropriate governance controls to ensure new institutions operate with high accountability;<sup>84</sup>
  - administration by the portfolio department that most closely oversees the relevant subject matter of the institution;<sup>85</sup>
  - a gap analysis to consider aspects of Australian culture not represented by existing institutions;<sup>86</sup> and
  - impact on the aesthetics around Lake Burley Griffin.<sup>87</sup>

### Proposals for new institutions

- 4.53 In response to the Committee's terms of reference, inquiry participants presented the Committee with a broad range of proposals for new national institutions that could be established in Canberra.
- 4.54 While it is beyond the scope of this inquiry to debate the merits of each of these proposals, key themes emerged and included new institutions focussed on:
- representation for Aboriginal and Torres Strait Islander people;<sup>88</sup>
  - a natural history museum;<sup>89</sup>
  - science and technology;<sup>90</sup>
  - Australia's multiculturalism;<sup>91</sup>
  - expanded cultural heritage institutions to cover literature, theatre, art, music and sport;<sup>92</sup>

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84 See for example: *Honest History, Submission 14*, p. 11; Meredith Hinchcliffe, Carolyn Forster OAM and Sandy Forbes, *Submission 56*, p. 7.

85 *Honest History, Submission 14*, p. 11.

86 See for example: Ms Marianne Albury-Colless, *Submission 53*, p. [4].

87 See for example: Lake Burley Griffin Guardians, *Submission 45*, p. 3; Ms Marianne Albury-Colless, *Submission 53*, p. [2].

88 See for example: National Association for the Visual Arts, *Submission 65*, p. [2]; ACT Government, *Submission 69*, p. 10; National Gallery of Australia, *Submission 47*, p. 5.

89 See for example: Mr Phil Creaser, *Submission 2*, p. [1]; Mr Neil Hermes, *Submission 9.1*, p. 1; Australian Academy of Science, *Submission 10*, p. 3; National Capital Attractions Association, *Submission 55*, p. 3; ACT Government, *Submission 69*, p. 2.

90 See for example: Australian Academy of Science, *Submission 10*, p. 3; Heritage, Museums and Conservation Program, University of Canberra, *Submission 23*, p. [2]; National Capital Attractions Association, *Submission 55*, p. 3.

91 ACT Government, *Submission 69*, p. 10.

92 See for example: National Centre for Australian Children's Literature Inc., *Submission 17*, p. 1; Ms Lexi Sekules, *Submission 25*, p. 1; Ms Marianne Albury-Colless, *Submission 53*, p. [4]; ACT

- a bushfire museum and National Bushfire Memorial;<sup>93</sup>
  - cultural innovation;<sup>94</sup>
  - representation for LGBTIQ Australians;<sup>95</sup>
  - a National Rock Garden;<sup>96</sup> and
  - a peace museum.<sup>97</sup>
- 4.55 Of these proposals, new national institutions that focussed on natural history and provided representation for Australia's Aboriginal and Torres Strait Islander people were particularly well supported by inquiry participants.<sup>98</sup>

### Natural History Museum

- 4.56 The development of a Natural History Museum or Centre in Canberra attracted strong support from inquiry participants, including from the ACT Government. The museum is proposed to have primary carriage of presenting an accessible public natural history collection.<sup>99</sup>
- 4.57 The rationale for a new institution focused on natural history was underscored in a submission from Ms Julia Landford, who argued that such a museum:

...would help to support and promote a new era of scientific enquiry through full public engagement. Every Australian should be able to engage with biodiversity and environmental issues; they must be able to see and learn about Australia's diverse insect, animal, plant, marine species, and mineral collections through both physical specimens and new technologies.<sup>100</sup>

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Government, *Submission 69*, pp. 10-11. It should be noted that the National Centre for Australian Children's Literature Inc. already exists in Canberra but is seeking recognition as a national institution.

93 ACT Government, *Submission 69*, p. 10.

94 National Capital Attractions Association, *Submission 55*, p. 3.

95 ACT Government, *Submission 69*, p. 11.

96 National Rock Garden Trust Inc., *Submission 36*, p. 1. It should be noted that the National Rock Garden Inc. already exists in Canberra but is seeking recognition as a national institution.

97 Medical Association for the Prevention of War (Australia), *Submission 57*, p. 5.

98 See for example: National Gallery of Australia, *Submission 47*, p. 5; Ms Marianne Albury-Colless, *Submission 53*, p. [4]; National Association for the Visual Arts, *Submission 65*, p. [2]; Australian Institute of Aboriginal and Torres Strait Islander Studies, *Submission 66*, p. 2; ACT Government, *Submission 69*, p. 10.

99 See for example: Mr Phil Creaser, *Submission 2*, p. [1]; Mr Neil Hermes, *Submission 9.1*, p. 1; Australian Academy of Science, *Submission 10*, p. 1; National Capital Attractions Association, *Submission 55*, p. 3; ACT Government, *Submission 69*, p. 10; Ms Julia Landford, *Submission 70*, p. 4; Mr Doug Rogan, *Submission 71*, p. [1].

100 Ms Julia Landford, *Submission 70*, p. 1-2.



- 4.58 Key benefits from the establishment of a natural history museum proposed by submitters included:
- attracting national and international tourism;<sup>101</sup>
  - public engagement with science-based issues;<sup>102</sup> and
  - a centralised national facility for natural history collections.<sup>103</sup>
- 4.59 Other possible functions of such a museum were also suggested, including:
- domestic and international outreach;<sup>104</sup>
  - cultivating public-private partnerships to fund education and research platforms as well as assist in the dissemination of findings and promote natural science information;<sup>105</sup>
  - bringing citizen scientists together in Australia through online innovation;<sup>106</sup> and
  - providing student and public education programs, resources and workshops across a broad range of natural science disciplines.<sup>107</sup>

### **Australian Institute of Aboriginal and Torres Strait Islander Studies and a national resting place**

- 4.60 A range of views were presented to the Committee emphasising the importance of better representing Australia's Aboriginal and Torres Strait Islander people at the heart of Canberra's national institutions. Mr Ritchie from AIATSIS told the Committee that:

...there is something powerfully significant about the idea of a significant Indigenous institution in the Parliamentary Triangle. That would take some serious investment by government, of course...<sup>108</sup>

- 4.61 The ACT Government submitted that:

Celebrating and promoting a better understanding of our Aboriginal and Torres Strait Islander culture and history could be achieved through the establishment of a distinct Aboriginal and

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101 Mr Phil Creaser, *Submission 2*, p. [2].

102 Australian Academy of Science, *Submission 10*, p. 3.

103 Mr Doug Rogan, *Submission 71*, p. [2].

104 Ms Julia Landford, *Submission 70*, p. 2.

105 Ms Julia Landford, *Submission 70*, p. 2.

106 Ms Julia Landford, *Submission 70*, p. 3.

107 Ms Julia Landford, *Submission 70*, p. 3. See also Mr Doug Rogan, *Submission 71*.

108 Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, p. 8.

Torres Strait Islander Museum and Gallery. Large collections of Aboriginal and Torres Strait Islander artefacts are already held across various institutions which are not readily on display.<sup>109</sup>

4.62 The National Association of the Visual Arts was of the view that no new national institutions should be considered until there has been a commitment to 'establishing, building and sustaining a First Nations cultural institution'.<sup>110</sup> The Association cited several key criteria for the development of a national institution that recognised Australia's Aboriginal and Torres Strait Islander people, including that it be:

- developed under the self-determined leadership of First Nations Elders and cultural leaders;
- governed by a decision-making model that is in alignment with the Uluru Statement; and
- located on a site that is culturally appropriate and culturally safe.<sup>111</sup>

4.63 ACT Legislative Assembly members Shane Rattenbury and Caroline Le Couteur proposed that Canberra's existing Aboriginal Tent Embassy 'be given standing as an interim national institution'.<sup>112</sup> Commenting on the broader issue of Indigenous recognition within Canberra's national institutions, they raised the fact that:

The Australian War Memorial still does not have a monument to fallen Aboriginal Warriors and those who died protecting their culture and country in the Frontier Wars. The Australian public are interested in Aboriginal history in Australia, thus it would be a positive addition for tourists to have the Tent Embassy better supported, and Aboriginal defence force members commemorated.<sup>113</sup>

4.64 As an alternative to a new national institution, the Committee heard that consideration should be given to whether AIATSIS, the key existing Australian Government entity charged with preserving Australia's Aboriginal and Torres Strait Islander history, heritage and culture, should be expanded.

4.65 According to AIATSIS, an expanded remit for its work could incorporate a range of projects enabling it to transform to a more outward facing agency, including:

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109 ACT Government, *Submission 69*, p. 10.

110 National Association for the Visual Arts, *Submission 65*, p. [2].

111 National Association for the Visual Arts, *Submission 65*, p. [2].

112 Shane Rattenbury MLA and Caroline Le Couteur MLA, *Submission 60*, p. 5.

113 Shane Rattenbury MLA and Caroline Le Couteur MLA, *Submission 60*, p. 5.

- Knowledge and Discovery centre – a state-of-the-art technological hub for people to learn about and interact with the AIATSIS collection.
- Extended digital reach and exhibition capacity – a physical and digital expansion to enhance reach and accessibility.
- National Resting Place – AIATSIS to be the custodian of our ancestors with a place where people gather for reflection, education, and learning.
- National Centre of Excellence – a national forum for dialogue and for people to encounter and be transformed by the culture and story of Aboriginal and Torres Strait Islander Australians.<sup>114</sup>

4.66 In its submission to the inquiry, AIATSIS advised that in any transition to a more outward facing national institution, consideration must be given to its existing facility on the Acton Peninsula, which was no longer fit for purpose. It advised the Committee that at its current location:

Exhibition space is highly restricted, and the facility is lacking in appropriate space as a national forum for people to encounter and be transformed by the story of Aboriginal and Torres Strait Islander peoples.<sup>115</sup>

4.67 To remedy this situation, Mr Ritchie of AIATSIS advised the Committee that the agency has been developing a capital proposal, to be put to government, that would:

...allow us to extend our facility and create some innovative spaces for people to engage in all sorts of ways, not just traditional museum gallery activities, but utilising digital technology to be able to generally and really powerfully engage with the culture and history of Australia's Indigenous people.<sup>116</sup>

4.68 AIATSIS agreed that an appropriate facility could potentially be developed in the Parliamentary Zone and could include a national resting place.<sup>117</sup> AIATSIS submitted to the inquiry that such a memorial:

...would offer a place where people would gather for reflection, for education, and for learning. It would be a place for the individual and a place for all.<sup>118</sup>

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114 Australian Institute of Aboriginal and Torres Strait Islander Studies, *Submission 66*, p. 2.

115 Australian Institute of Aboriginal and Torres Strait Islander Studies, *Submission 66*, p. 3.

116 Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, p. 58.

117 Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, pp. 58-59. See also Australian Institute of Aboriginal and Torres Strait Islander Studies, *Submission 66*, pp. 3-4.

118 Australian Institute of Aboriginal and Torres Strait Islander Studies, *Submission 66*, p. 4.

- 4.69 The Committee was told that the issue of a national resting place had previously been considered on a number of occasions.<sup>119</sup> The concept responds to the removal for more than 150 years of Aboriginal and Torres Strait Islander ancestral remains from their Indigenous Country, to be placed in museums, universities and private collections in Australia and overseas. While the return of ancestors to their traditional lands is extremely important to Australia's Indigenous peoples, in some cases their exact location of origin can not be identified. In other cases, traditional owners may not have suitable land for their reburial on Country.
- 4.70 At present, remains which cannot be returned to Country are housed mostly in the National Museum of Australia, and also in some state museums. Indigenous people have expressed concern for some time, however, that museums are not a culturally appropriate location for their ancestors. They have sought the establishment of a national resting place where these ancestral remains could be housed in a way that recognises their deep significance, accords them respect and dignity, and allows Aboriginal and Torres Strait Islander people to visit and pay respect to them in culturally appropriate ways.<sup>120</sup>
- 4.71 Most recently, the final report of Parliament's Joint Select Committee on Constitutional Recognition relating to Aboriginal and Torres Strait Islander Peoples, in 2018 discussed the issue of a national resting place.<sup>121</sup> In particular, that Committee's report supported:
- ... the proposal to establish a national place of healing in Canberra. The Committee acknowledges views that such issues involve sensitive cultural considerations and should be developed after further consultation with Aboriginal and Torres Strait Islander peoples as necessary.<sup>122</sup>

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119 Dr Stephen Arnott PSM, First Assistant Secretary, Arts Division, Department of Communications and the Arts, *Committee Hansard*, Canberra, 22 June 2018, p. 6. See also Mr Craig Ritchie, Chief Executive Officer, Australian Institute of Aboriginal and Torres Strait Islander Studies, *Committee Hansard*, Canberra, 22 June 2018, p. 59 and Ms Marianne Albury-Colless, *Submission 53*, pp. [4-5].

120 For detailed discussion of the national resting place proposal, see Attorney-General's Department Advisory Committee for Indigenous Repatriation, *National Resting Place Consultation Report 2014*, <https://www.arts.gov.au/documents/national-resting-place-consultation-report-2014>, viewed 12 March 2019.

121 Joint Select Committee on Constitutional Recognition relating to Aboriginal and Torres Strait Islander Peoples, *Final Report*, November 2018, p. 185.

122 Joint Select Committee on Constitutional Recognition relating to Aboriginal and Torres Strait Islander Peoples, *Final Report*, November 2018, paragraph 6.104.

## Committee comment

4.72 As Australian Government entities, Canberra's national institutions are accountable to the Australian people, through the Commonwealth Parliament and Government, for their operations and management of public resources. The Committee believes that effective management and governance arrangements and appropriate oversight are essential to ensure that the institutions continue to enjoy public support.

## Oversight and administration

4.73 The Committee notes the evidence it received from national institutions regarding the need for a modern and appropriate legislative framework to assist institutions adapt to an evolving set of public expectations. The Committee welcomes the examples provided to it about measures being undertaken to update and reform legislation relevant to some institutions. The Committee believes that it is imperative upon the Australian Government to ensure that institutions have the appropriate legislative arrangements to effectively conduct their activities in contemporary Australian society.

4.74 While the role of Parliament with respect to national institutions is well established, the Committee is concerned about evidence received during the inquiry about the lack of action taken in response to the 2008 report of the JCPAA on the impact of the efficiency dividend on small agencies. Matters pertaining to the efficiency dividend will be discussed in detail in chapter 5 of this report, but in relation to the principle of parliamentary oversight, the Committee is disappointed that recommendations by a parliamentary committee that may have led to an improved operational environment for many national institutions were not supported.

4.75 The Committee is also particularly interested in the enduring nature of the themes identified in audits examining national institutions conducted by the ANAO over the past decade. In the Committee's view, several themes permeate across audit reports from 2005 and 2018, including in relation to governance, risk management and records management. At a broad level, it is of significant concern to the Committee that issues raised in 2005 remain to be resolved by some national institutions, and were the subject of repeated audit findings in 2018. At a time when national institutions are seeking support from Australian taxpayers for new and expanded resources to continue to fulfil their roles, it is imperative that their governance, including financial management, be above question.

- 4.76 The Committee has some specific governance-related concerns about the outcomes of the 2018 audit of the AWM and NGA. In particular, the Committee is of the view that:
- the AWM must include objective performance measures as part of future Portfolio Budget Statements (PBS) or Corporate Plans, and indicate the basis on which these will be determined, benchmarked and assessed;
  - the NGA must similarly undertake a clear process to determine, benchmark and assess its key performance indicators, in light of the ANAO's conclusion that some of these were not met;
  - the NGA should clarify whether it continues to be at an 'at risk' position with respect to cash flow issues and whether it still faces a 'major risk' with respect to solvency; and if so, the urgent measures being undertaken to redress that situation; and
  - the NGA should take immediate measures to strengthen its financial governance and oversight, given the ANAO's finding that Collection Development Acquisition Budget funds had been utilised for the NGA's operational costs rather than its collection development.
- 4.77 In the Committee's assessment, many of the recommendations made by the ANAO in both its 2005 and 2018 reports are likely to be applicable to the ongoing operations of all of Canberra's national institutions. Given the apparent lack of implementation of some of the 2005 recommendations, the Committee considers that stronger monitoring of institutions' responses to audit findings may be warranted. In its *Draft Annual Audit Work Program 2019-20*,<sup>123</sup> the ANAO has proposed a 'follow-on' audit which would consider reforms undertaken in response to its 2018 report, and also examine the collection management practices of a further two of the 12 national collecting institutions. The Committee welcomes this, and is of the view that such an audit should be expanded to examine the compliance of all relevant national institutions with the findings and recommendations that remain outstanding from its previous reports.

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123 Australian National Audit Office, *Draft 2019–20 Annual Audit Work Program*, <https://www.anao.gov.au/work-program/draft>, viewed 2 April 2019.

## Recommendation 10

**The Committee recommends that during the 2019-2020 financial year the Australian National Audit Office conduct a follow-up audit of Canberra's National Collecting Institutions, with a particular focus on monitoring their implementation of relevant recommendations made in the ANAO's 2005 and 2018 reports relating to the national collections.**

- 4.78 The Committee notes views expressed during the inquiry that some national institutions may benefit from either changed portfolio circumstances or reclassification under the PGPA Act. The Committee considers, however, that the administration of portfolios and the entities within them should remain a matter for the Australian Government. Having said that, the Australian Government should ensure that its administrative arrangements provide each national institution with the best opportunity to discharge its responsibilities and capitalise on potential new commercial opportunities. The latter issue will be considered in chapter 5.

## Boards of management

- 4.79 The Committee is of the view that that the boards of national institutions provide an opportunity for members with various perspectives including with government, corporate and industry expertise to shape the strategic direction of each institution. The Committee agrees with some inquiry participants that additional measures could strengthen board appointments. In particular, the Committee finds attractive the notion that the boards of national institutions should include representatives who reflect Australia's cultural diversity; possess relevant strategic, professional and subject matter expertise; and understand the institution's history and culture.
- 4.80 The Committee also sees that there is value in the appointment of current or former members of parliament to institutions' boards, particularly to assist in navigating competing political and policy objectives that may arise. In making or recommending such appointments, relevant ministers or the Governor-General should have regard to the capacity of the proposed appointee to bring relevant experience and an apolitical perspective grounded in the best interests of the institution concerned.

## Consolidating oversight and governance

- 4.81 The Committee is cognisant of views expressed during the inquiry that pointed to the need for national institutions to develop a collective policy,

strategy and negotiation mechanism. A number of suggestions for how this could be achieved were presented including the development of a new Australian Government oversight agency, an independent expert advisory body or a council for national institutions.

- 4.82 The Committee did not find a compelling case for the significant restructuring of arrangements to consolidate national institutions under a single agency or portfolio. The Committee considers that it would be more appropriate for the Australian Government to convene a less directive but highly consultative structure, such as a council, comprising senior representatives of each institution. Such a structure could be utilised to develop collective strategic planning and policy; explore efficiencies, including sharing of resources; and provide for joint advocacy, negotiation and collaborative marketing efforts. Any new structure should include representatives from the NCA and the ACT Government.

### **Recommendation 11**

**The Committee recommends that the Australian Government, in consultation with Canberra's national institutions, the National Capital Authority and the ACT Government, develop a formal consultative structure for national institutions, to pursue the alignment of their strategic planning and policy, explore efficiencies and sharing resources where appropriate, and provide for joint advocacy, negotiation and collaborative marketing.**

### **Developing new national institutions**

- 4.83 Evidence given to the inquiry made it clear that there is strong community interest in the development of new national institutions to be based in Canberra. It was apparent from the evidence that in developing new national institutions, a clear strategic focus and strong governance framework should be part of the decision-making process undertaken by the Australian Government. Additionally, the Committee considers that the resourcing issues to be discussed in chapter 5 should be addressed prior to the creation of any new national institution.
- 4.84 The Committee was pleased to see the breadth of potential focus areas for new institutions in Canberra raised by inquiry participants. Some of these proposed innovative ideas that could be explored in further detail in the coming years. However, the Committee believes that two proposals made to the Committee are worthy of more detailed immediate consideration by the Australian Government: a natural history museum; and a national



institution that represents our nation's Aboriginal and Torres Strait Islander people, located within the Parliamentary Zone.

- 4.85 The Committee agrees that there is a case for a new national natural history museum to be based in Canberra. While there are currently various national institutions that focus on aspects of Australia's natural history and sciences, there is scope for a more integrated public scientific and research institution that could capitalise on the existing natural sciences resources in Canberra, enhance tourism and also develop opportunities for more commercial engagement for Australian science.

## Recommendation 12

**The Committee recommends that the Australian Government develop a business case for the establishment of a natural history museum in Canberra.**

- 4.86 The Committee believes that formal public recognition of Australia's Indigenous heritage in our nation's capital is long overdue. The Committee noted that many participants in the inquiry held a similar view. While several national institutions highlighted their Indigenous collections or exhibitions, this does not substitute for a comprehensive and highly visible national institution focused on Australia's Aboriginal and Torres Strait Islander story. The present representation of Indigenous Australia within the core national institutions precinct of the Parliamentary Zone is chiefly one of protest, and does not provide for a broader acknowledgement and celebration of Aboriginal and Torres Strait Islander history, heritage and culture.
- 4.87 The Committee believes that there is a need for formal recognition of Australia's Indigenous heritage within the Parliamentary Zone. This includes a national resting place for ancestral remains that are unable to be returned to Country or that the relevant communities choose to house temporarily or permanently in the national memorial.
- 4.88 The Committee's site visit to AIATSIS' headquarters on the Acton Peninsula highlighted the unheralded value of that agency as a national institution through its research and preservation activities. It was also apparent to the Committee that AIATSIS offers an untapped visitor experience that could be further developed with larger facilities. As such, the Committee believes that the Australian Government should consider relocating AIATSIS from its current location to new, purpose built facilities in the Parliamentary Zone. The new site should be easily

accessible to the public, incorporate a public exhibition space and a national resting place.

### **Recommendation 13**

**The Committee recommends that the Australian Government relocate the Australian Institute for Aboriginal and Torres Strait Islander Studies (AIATSIS) from its current location on the Acton Peninsula to a new location in Canberra's Parliamentary Zone; and expand the remit and facilities of AIATSIS to constitute a comprehensive national institution focused on the history, culture and heritage of Australia's Aboriginal and Torres Strait Islander people. This should include public exhibition facilities, and a national resting place for repatriated ancestral remains that cannot immediately return to Country. The institution should be developed under the leadership and in comprehensive consultation with Indigenous Australians.**

- 4.89 The Committee notes that the relocation of AIATSIS into the Parliamentary Zone may also present an opportunity for the NFSA to relocate to the premises vacated by AIATSIS on the Acton Peninsula. The NFSA's current facilities and its case for such a move are discussed in chapter 5.