



COMMONWEALTH OF AUSTRALIA

SENATE

**ENVIRONMENT, RECREATION, COMMUNICATIONS AND THE ARTS
REFERENCES COMMITTEE**

Reference: Access to heritage

SYDNEY

Tuesday, 16 September 1997

OFFICIAL HANSARD REPORT

CANBERRA

SENATE
ENVIRONMENT, RECREATION, COMMUNICATIONS AND THE ARTS
REFERENCES COMMITTEE

Members:

Senator Lees (Chair)

Senator Coonan	Senator Payne
Senator Hogg	Senator Reynolds
Senator Gibbs	Senator Schacht
Senator O'Chee	Senator Tierney

Participating Members

Senator Abetz	Senator Cooney
Senator Bolkus	Senator Eggleston
Senator Boswell	Senator Evans
Senator Brown	Senator Faulkner
Senator Calvert	Senator Ferguson
Senator Carr	Senator Margetts
Senator Chapman	Senator McKiernan
Senator Bob Collins	Senator Neal
Senator Colston	Senator Patterson

Matter referred for inquiry into and report on:

The question of balancing public access with the principle of "user pays" in order to defray the public costs of maintaining natural and cultural heritage assets such as national parks and museums with particular consideration to issues of fairness and equity.

WITNESSES

COLLEY, Mr Alexander Gerald, Honorary Secretary, Colong Foundation for Wilderness, Gloucester Walk, 88 Cumberland Street, Sydney, New South Wales 2000	510
DONOVAN, Mr Michael, Managing Director, Nature Inherited Pty Ltd, GPO Box 3341, Sydney, New South Wales 2001	496
GARDNER, Ms Sarah, Director, Strategy and Policy, Australia Council, 181 Lawson Street, Redfern, New South Wales 2016	470
SERVENTY, Mr Vincent, President, Wildlife Preservation Society of Australia, 36 Diamond Road, Pearl Beach, New South Wales 2256	496
SOMERVILLE, Mr James Graham, Vice-Chairman, Colong Foundation for Wilderness, Gloucester Walk, 88 Cumberland Street, Sydney, New South Wales 2000	510
STAPLETON, Mr Mark, Manager, Policy and Planning, Australia Council, 181 Lawson Street, Redfern, New South Wales 2016	470
WALLACE, Dr Sue-Anne, President, Museums Australia, National Office, 24 Queens Parade, North Fitzroy, Victoria 3068	470
WINIKOFF, Ms Tamara, Executive Director, National Association for the Visual Arts, 43-51 Cowper Wharf Road, Woolloomooloo, New South Wales 2011	470

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Present

Senator Lees (Chair)

Senator Gibbs

Senator Reynolds

Senator Hogg

Senator Tierney

Senator Lundy

The committee met at 9.43 a.m.

Senator Lees took the chair.

GARDNER, Ms Sarah, Director, Strategy and Policy, Australia Council, 181 Lawson Street, Redfern, New South Wales 2016

STAPLETON, Mr Mark, Manager, Policy and Planning, Australia Council, 181 Lawson Street, Redfern, New South Wales 2016

WALLACE, Dr Sue-Anne, President, Museums Australia, National Office, 24 Queens Parade, North Fitzroy, Victoria 3068

WINIKOFF, Ms Tamara, Executive Director, National Association for the Visual Arts, 43-51 Cowper Wharf Road, Woolloomooloo, New South Wales 2011

CHAIR—I declare open this public meeting of the Senate Environment, Recreation, Communications and the Arts References Committee. I welcome Dr Sue-Anne Wallace, who is appearing on behalf of Museums Australia, Ms Sarah Gardner and Mr Stapleton, who are appearing on behalf of the Australia Council, and Ms Tamara Winikoff, who is appearing on behalf of the National Association for the Visual Arts.

The committee prefers all evidence to be given in public, but at any time you may ask that your evidence or part of your evidence or perhaps an answer to a question be given in private and the committee will consider that request.

We have before us submission No. 25 from Museums Australia, submission No. 35 from the Australia Council and submission No. 34 from the National Association for the Visual Arts. We have authorised their publication in a separate volume. Does anyone want to make any alterations or any additions to those written submissions at this time?

Dr Wallace—I do not wish to make any alterations to the submission by Museums Australia, but it may be useful, either now or in a few moments, just to give you some further information.

CHAIR—Yes, that would be helpful. We will ask all of you to go through and give us some introductory remarks before we ask questions. With regard to your written submissions, does anyone want to make any alterations or any formal additions? If not, would you like to start with your opening remarks, Dr Wallace?

Dr Wallace—Thank you for the opportunity to appear before the Senate inquiry. I think the issues that are raised about heritage access are about the core values of museums in this country. I use the word ‘museums’ in a very expansive sense to mean museums, art galleries, regional galleries, keeping places and small community collections, some of which are run entirely by volunteers. They move from the very largest state and national institutions to very, very small community institutions that are no less valuable to their communities even though they do not have paid employees.

The position about access, as far as Museums Australia is concerned, is one of critical importance to ensuring that the heritage of this nation is available to the people of Australia. It is a very wide and varied heritage and it may have very regional differences in some of those much smaller places. Some of the places, like keeping places, have particular significance to indigenous people. Those places have special requirements of access which may well be to restrict the access to indigenous people or, with the authority of the indigenous community, to allow other people to have access to those collections. But those collections also are, if you like, working collections, in that indigenous communities often use their own collections in ceremonies and then return those objects to the museums thereafter.

As far as Museums Australia is concerned, it is important, if we are looking at how those collections are sustained and at the public funding of the organisations, that there is availability and free public access at least to the broad, distributed national collection and that some other activities, such as the special programs or highlighted exhibitions, may well require funding and entrance charges. But Museums Australia holds that the collections should be freely available to the public because they are the public's collections.

We know that there is a great public interest in visiting museums. The visitation rates are equivalent to every man, woman and child in Australia visiting a museum once a year. We know that everybody does not visit museums, but what that means is that a lot of people go back a lot of times—there are repeat visits. Therefore, the statistics show us that museums are important to the people of Australia. They see visiting museums not necessarily as an alternative to sport, but they do see it as a very important part of their daily life and their access into who we are.

Museums Australia represents nearly 2000 members across Australia, including 700 institutions. It includes the smallest keeping places, the regional galleries of the country, all the university museums—some 284 collections—as well as the bigger state and national museums.

Museums Australia also contributes to the Heritage Collections Council, which is a council of the Cultural Ministers Council and it has three major projects. They are funded through Commonwealth and state funding but also with a direct contribution of the major state museums of this country. Their three major projects are the Australian Museums On Line—the AMOL project—which is to increase access to those people who are remote and unable to visit museums personally, a conservation program and a marketing program. The conservation program of course will increase access because as objects are conserved they are more available for exhibition. Also, the marketing program means that more people will know about the activities of museums and they will become more widely publicised.

Finally, museums do things within their walls but they also do them outside, not

only through the on-line project but also through the way they relate to regional communities—the indigenous community is a very special one—and to the schools community; they are an essential part of the education program of Australia. The visitation rates of school children to the museums of Australia is very high. It is an essential element of the development of the curriculum not only in the visual arts or the social sciences but across the whole of cultural development, and it does reflect the cultural diversity of what we are as Australians today.

Ms Winikoff—I am also grateful to have the opportunity to speak to the committee and to represent the interests of the whole of the visual arts, craft and design industries. So I will be putting to you an industry based position. I suppose Sue-Anne has already said quite a lot of the important things about the museum perspective, so perhaps I could expand a little by talking about why it is that the professional sector of the visual arts—I am using visual arts in the broadest sense—would regard it as critical that government continue to maintain its leadership role in ensuring that the nation's cultural heritage is freely, accessibly and equitably available for the whole of the community.

I suppose if we look at why we regard governments as having a responsibility here, we have to address that question about government's role being more than simply ensuring the economic wellbeing of the community. Another part of government's role is to ensure that the community has a rich intellectual, emotional and spiritual life in order to ensure that there are commitments that the government needs to make to the community to do things that the marketplace is not well positioned to do.

Certainly our experience, both from our constituency and in talking to people here and overseas who have a great deal of experience in, as it were, the marketing of culture, is that the core operations of any cultural institution are the business of government support. Everybody agrees that that is absolutely critical because if they become the subject of decision making by people who are not necessarily committed to their core principles, one can envisage and see examples where professional ethics, professional standards, quality and excellence are compromised.

We would regard it as government's responsibility to sustain and enhance those standards of excellence on behalf of the community. So in our view it is very critical that our cultural institutions do not become hostage to the marketplace in that way. While all of the cultural institutions are working very hard to try to encourage and attract corporate sponsorship and philanthropy, nevertheless, that is done on the basis of a core operation that everyone can feel proud to be associated with, and where professionals within the cultural domain are making the critical decisions about what should and should not happen. So the position that NAVA has put very strongly to this inquiry is that it is quite critical for those core operations to be sustained through government support, and not thrown into the cut and thrust and vagaries of the marketplace.

One of the positions that we have put in our submission is that we regard the

collections as belonging to the community, since they were paid for and continue to be paid for out of community taxation. Given an unfair system, the tax is probably the most equitable that we have available to us—although we welcome the idea of taxation reform. If taxation is based on people being taxed according to their levels of wealth, it would seem the most equitable way for cultural institutions to be sustained from taxation.

The other issue that we have raised in our submission is that the necessity for decisions like this, very critical decisions in terms of impact on the whole of the cultural industry and the community generally, should be made on the basis of expansive comparable research, both within Australia and beyond. I think each of our submissions probably contains examples of where this critical issue has been addressed by institutions, and the experience that those institutions have of either charging or not charging access in terms of attendances. If we regard government's role as ensuring the intellectual wellbeing of the community, the greater the attendance at these cultural institutions, the better educated in terms of visual literacy and cultural literacy we will see the community become.

We would strongly urge the committee not only to draw on the submissions that have been made to it from within Australia but to look further afield at what has been happening in other countries and to learn from that experience. Perhaps we could undertake some more extensive research, which would be very valuable to the industry, in what it is that communities value in cultural institutions and how that role can be enhanced rather than contracted by the imposition of charges.

Finally, even if one took the most economic rationalist view of how to sustain cultural institutions and one took on what seems to be the direction that the government is pointing us towards, which is to enhance and expand private sector support for the whole range of cultural activity, there is no doubt that large attendances are a very attractive incentive for any sponsor. The greater the number of people being reached, the greater incentive there is for corporate sponsorship. If the government can ensure that those attendances are large, one can expect that the sponsors, the private sector will kick in to subsidise.

Ms Gardner—Thank you on behalf of the Australia Council for the opportunity to speak today. I might first say a little about the Australia Council and why it is appropriate that we have presented together. We are set up under an act of parliament. Our role is as the arts funding and advisory body for the government. The vast proportion of our activity and budget is allocated towards the supply side, if you like, of the arts and, through a number of different art forms, we support emerging and established artists.

The position we are putting today is based on our knowledge of particularly visual artists and crafts people, of Aboriginal and Torres Strait Islander artists within that group, and of artists working in new media. The council, as well as supporting a wide range of artistic practice, has also acknowledged the importance for encouraging the demand side of

the equation, if you like.

In April last year an audience development and advocacy division was set up within the council of which, until a few weeks ago, Sue-Anne was the director so there is a very fortuitous overlap here. This was an acknowledgment that the increasing number of artists and artistic activity is not possible to sustain by government funding alone. However, the council sees that it will be impossible for corporate support or audience demand to be able to sustain artistic practice.

The other part of the council's activity that I will mention is a very small but focused research program that we have, and this has informed much of our submission and has also been provided to the two organisations here, Museums Australia and NAVA. We have brought with us some examples of the research that we have undertaken ourselves and in partnership with other organisations. We are more than happy to provide more copies of those, if they would be useful to the inquiry.

The position of the council is informed by the peer structure that we have. We have approximately 70 members, who are appointed by the minister across all art forms and on the council itself. We also receive information through the great number of artists and organisations that we support. We receive in the vicinity of 5,000 applications a year, of which we fund approximately 1,500: about 1,000 organisations and about 500 to 600 individual artists. This is only a very small proportion of the total amount of support for cultural activity that exists, but we believe we have a very well informed position, and one that has been developed through consultation with these bodies as well as with my colleagues here.

I will not repeat any of the comments that they have made. As you will see in the submissions, there are arguments in favour, and certainly arguments supporting the numbers of people that attend museums. There is a variety of ways in which museums have already sought to diversify their incomes. They have been grappling with this issue for some time in terms of finding alternative sources of support, as many cultural institutions have.

Certainly the council's basic position is that it would consider that good management of all cultural and heritage assets must consider strategies to defray some public costs of maintenance. However, we feel that the income streams employed in this management must not present barriers to fair and equitable access for all Australians.

We would certainly advocate a sophisticated approach to considering the wide range of uses and users of the assets, and a creative and innovative approach to developing a wide suite of income sources. However, many of those income sources may have impacts on the users and the uses of those cultural institutions. I think these points are satisfactorily covered in the submission. Corporate sponsorship, for example, may well be focused on better known artists. This may have an impact down the line on the

management practices of the museums, which could therefore have an impact on individual artists. This would be of great concern to the council.

Our basic approach is that there should be base admission without charge, and this should be the starting point. But we do acknowledge that there is an opportunity for museums and art galleries to continue to explore ways to seek other income sources, as long as this does not impact on the access that many sectors of the society have to those important cultural institutions. I think I will leave it there.

CHAIR—I want to look at the issue of valuing collections, and the potential impact that that may have on access. In some cases it may be having to value collections, and in some cases deciding to value them. What might be the impact if there are some requirements to change the way in which collections are managed? Could someone perhaps begin with some comments as to whether or not it is worthwhile to get into the exercise of trying to put a value on one's collection?

Dr Wallace—Perhaps I might answer, because it relates directly to our field of business with museums. It is an enormous task to value the collections in Australia. If such valuations are directed by government, and if museums are required to value their collections without any additional resources being provided to those museums, then resources will have to be diverted from other core activities—activities such as conservation or even the education programs that enable that wider access to museums and collections to occur—because it is a very time consuming and a very costly business.

Every single object—and there are millions upon millions, probably billions of objects—has to be handled, photographed, fully documented, and then valued. For some objects, just assessing the value, which would need to be a consensus valuation between a number of people, is going to be a time consuming process. It is a huge project to even think about embarking upon this, although I know that some of the state governments are really pushing in this direction.

Having said that, as I mentioned to you before we started speaking formally, there are some museums, particularly in Victoria—and I suspect they are the smaller museums—whose directors have said to me that they have found some value in documenting their collections. In some cases, I suspect these may well be collections that are less formally documented and slightly more random in their collection management. These museums might have grown up from a community base and might not have documented their collections in the very thorough way that we do now. We are much more thorough when we are looking at collection management now compared with collection management at the beginning of this century, so for some museums it has been a valuable process.

I know some of the directors of the very large museums are filled with horror at the idea of how they might manage it, where they are going to get the resources from, and

what they are going to have to cut from the core programs of acquisition, collection, exhibition, conservation and education if they are going to have to divert resources to valuation.

Senator TIERNEY—Ms Winikoff, I was wondering if you could perhaps explain a statement that you made a few minutes ago. You said, ‘It is very critical that our cultural institutions do not become hostage to the marketplace.’ Could you elaborate on that a little more?

Ms Winikoff—The critical issue for museums, or for any cultural institutions, is what they see as their purpose. It seems to me—and perhaps I can speak on behalf of the industry—that one of the major functions of cultural institutions is to interpret and present ideas and information through objects. If one sees the role of the institution as providing professional leadership and taking that educational role of trying to enhance community understanding of both the meaning of cultural production and what it stands for in terms of a sense of identity, then that requires the maintenance of professional standards and professional ways of operating.

The desires of the marketplace—we are using crude language, but let us just call it ‘the marketplace’ for the moment—one could see as always lagging behind where professional intention is leading. In a sense, it would be like the tail wagging the dog. Instead of people who have spent years studying the subject leading the way—people who have, as it were, the peak of visual literacy—trying to rely on ‘consumers’ to dictate where scholarship and presentation should go would seem to me an inverse operation.

Senator TIERNEY—I suppose such a thing would be a danger if funding from the private sector became the dominant form of funding, but when it is supplementary in nature, and perhaps just enhancing particular projects or aspects of the role of the cultural institution, surely the tail wagging the dog is unlikely? Do you really think that is a great danger?

Ms Winikoff—I am not saying that I think it is a danger that institutions’ income should be supplemented from private sources, but I think that the core operations need to be sustained without becoming dependent on pleasing people who have other objectives in mind. Most people or organisations that support cultural institutions do it for their own purposes—for promoting their own enterprise or for the purposes of using those resources in some way to enhance their own reputation or operations; so that should not, in a sense, be determining the nature of the business of the institution. The institution can supply those services as an extra, but that should not be its core business.

Senator REYNOLDS—We have just such an example behind you. There is a great M on the wall, and a sign that says:

This Educational Activities Room is sponsored by McDonald’s to assist in furthering cultural

awareness in the community.

With every respect to McDonald's—and I am not sure that they deserve it—what has McDonald's got to do with fostering cultural awareness in the community? Was this room built by McDonald's? Is this room not a core activity? That is the dilemma that you are outlining. We could have absolute definitions of core and supplemented activities, but the problem is that the market is so all pervasive that it takes over. We have a perfect example right there behind you.

Dr Wallace—I would like to add something to that. In the restructuring of this library—and it is indicative of how some of the cultural institutions are restructuring and rethinking what their core business is—the education facilities of the State Library of New South Wales were regarded as a profit centre rather than as a cost centre. McDonald's did not build this room, but I think you will find the McDonald's money provides the support for the ongoing activities that occur here. The match, of course, is that educational activities are for children. That is the match between the sponsor and the outcome.

Before you see that as being totally negative, I want to remind you that museums throughout the world have a code of ethics about their behaviour and their responsibilities to society. ICOM, the International Council of Museums, which is a UNESCO body, has a code of ethics which by and large has been adopted by all the major museums within Australia. The National Gallery of Australia, for example, has a printed code of ethics about the behaviour that is expected of its professionals and what those people need to deliver to society. Various people within museums also have codes of ethics. Conservators and registrars and so on have codes of ethics.

Senator REYNOLDS—But the State Library of New South Wales does not have a code of ethics about indoctrinating children who come here for activities.

Dr Wallace—It depends how they control what the sponsor is able to give to that audience. It may well be no more than that sign in return for substantial amounts of money that enable these services to be given to otherwise disadvantaged groups of people.

Senator TIERNEY—The tenor of what you are saying is that you prefer it all to be government funded. What role do you see for private funding in cultural institutions?

Dr Wallace—There is a role.

Senator TIERNEY—Good.

Dr Wallace—No, it should not all be government funded. The institution I work in, the Museum of Contemporary Art, receives in total funding from all government sources, both federal and state, \$300,000 for a \$7 million operation. No, we are not talking about total government funding. We are talking about government support for cultural

institutions to ensure that the core activities which enable access to the distributed national collection can be maintained.

Ms Winikoff—To add to that, Senator Tierney, one of the difficulties that I pick up in the committee's deliberations is how to draw the distinction between the core operations and what one would regard as add-on operations. That is quite a difficult distinction to make. I suppose in an ideal world one would like to see cultural institutions free of any necessity to have to seek support from elsewhere in the community or to be dependent on it. To have it as an add-on is useful in some cases.

What we could regard as core activities are, first of all, the maintenance and expansion of the collection and its conservation; and then the interpretation of that collection and its presentation to the community, which is the responsibility of both the curatorial staff and the educational staff. One would regard that as the core operation of that institution.

When they then expand what they do beyond that, it seems of necessity acceptable that that expansion can be subsidised from other sources because there are obviously ways in which one can forge marriages between the private sector and the public sector, which can make use of public resources for a very diverse range of purposes. But the importance of sustaining and presenting the core collection to the community is critical because we have a right to participate in the making of and have access to our own cultural heritage. It is part of our identity, and for that to have to be dependent on the interests of particular companies or individuals, one would call that into question.

Senator TIERNEY—Can I just take up the key point that you have raised on the core. You define part of the core as maintenance and expansion of collections. I am on the council of the National Library of Australia and we have a real problem with the information explosion in terms of expanding collections based on taxpayers' money only because there is a limited amount in the arts budget. Wouldn't you agree that it would be desirable for any core collection, given that there is a limit to taxpayers' money, whether it would be at the National Library or whether it be an art gallery or museum or whatever, to supplement core activities with private money, because you will be able to do a lot more, you will be able to add to your collections?

Ms Winikoff—One has to accept that and one could even see that it may be desirable, but where the distinction needs to be drawn is who has the decision making power about how that money should be spent. The relationship between the private supporter and the cultural institution needs to be clear where the curatorial decisions about what is acquired still remains within the institution and advised by experts.

Senator TIERNEY—If I could just stay on my own ground, at the National Library we are drawing back more to Australia and the Pacific as a focus. But just say the Ford Foundation or some group like that came in with money for the National Library to

expand the American collection, for example. They are now directing—and that is what you seem to be objecting to—what happens. What would be wrong with the National Library expanding its American collection with private money if that was offered that way?

Ms Winikoff—I know my colleague wants to speak to that, but just quickly, I am not saying that there is anything wrong with that. It is only not wrong where the objectives of the institution as decided by its own management are not being compromised through lack of resources for what it regards as its own priorities. That expansion of territory can be extremely valuable but not at the expense of its own decision making about what priorities it should adopt.

Senator HOGG—What you are really saying is that any money needs to be additional to the allocated budget as opposed to being substituted for the existing budget. That is precisely what you were trying to put to us, isn't it?

Ms Winikoff—Exactly.

Dr Wallace—I wanted to pick up too, Senator Tierney, on your example to say this is why the process that Australia's cultural institutions have been through over the last five years or so in determining what their policies and what their priorities are is very important. It is also important that our cultural institutions continue to revise what those policies and priorities are.

I understand that with the arrival of the new director of the National Gallery of Australia, he has already made certain statements to the staff of the National Gallery about where he believes the NGA should be situated within the collection of the cultural materials that are important to that collection.

Concerning the sort of issue that you are grappling with at the NLA, to one extent it is a rationalisation of how to collect with diminishing resources. Another one is how to site that institution more firmly within our region and within what is important to us as Australians within a national institution, just as that is why it is important that we have this complete network of museums right down to those keeping places and community museums, because that develops the breadth and the width of the collections and then there is a complete range across all the issues that are important to Australians.

Certainly, it is true, and it has always been true, that we have never been able to have collections like those of the British Museum—aside from the issue of where some of those collections should belong anyway. We have never been able to have that sort of expansive range of collections because we started collecting much later in the piece. The earliest museum we have in Australia was the Australian Museum, just down the road from us, which was developed in 1829, and the Macleay Collection at the University of Sydney. They are our very first collections of Western objects. Of course, the indigenous

collections preceded that, but they were not housed in museums in the first instance like they are now.

Senator TIERNEY—Finally, you made a reference, Dr Wallace, to what was core to the institution and access to that. Of course, increasingly, if you want to widen access, this is done via on-line services. You might want to comment more broadly on the issue of how your institutions are going. We are discovering great difficulty around the country because of the scale of the task—the technology and the costs involved—in putting collections on-line. If that is a core activity of the institutions to get a collection out so people can access it on-line—and, certainly, there will not be enough money from government budgets to do all that—would there not be a case for using private money on that sort of core activity? Otherwise it is just not going to happen to the extent that it should.

Dr Wallace—Yes, I believe there is, and I do not think we have ever said that there is not a case for the thing such as the AMOL project to have other support—the Australian Museums On Line project through the Heritage Collections Council. There is a good case that can be argued for additional support to enable the collections—the objects in those collections—to be digitised so that they can be put within the on-line service.

There are a lot of other issues that have to be solved too about copyright, and so on, and artists, and the moral rights and responsibilities of organisations to artists as individuals or to collections as a whole. That is an expensive operation and it is almost the next phase of operation.

As I mentioned, museums have the activities that occur within the institutions themselves and outside of those institutions, and they do place weight on both the internal and the external operations. So museums consider it important in the way that they contribute to society, in working with government to make collections more accessible, by working with government on the development of policies. One policy that I would like to mention particularly is about the provenancing of Aboriginal materials and skeletal remains, which is a policy document that has been developed by Museums Australia with federal government funding. Museums do not have a problem with the assistance through sponsorship, in one way or another, to support activities such as being able to undertake a major project like getting the collections on-line.

Senator TIERNEY—In getting the collections on-line, what if you are approached by the FYZ computing company and they said, ‘We are going to give your institution all this computing gear, but you have got to use our equipment and our system to do all this’? Do you see that as compromising management’s decision making role on core activities, if those sorts of directions are given by outside providers of finance?

Dr Wallace—No. Sponsors always negotiate a package with an organisation and the negotiation of sponsorship is a two-way street. A museum can offer certain outcomes

for the sponsor, and it is high profile—that is one thing. The other thing is also being able to offer that company an ability to contribute to the public good, and a lot of companies want to have that role and responsibility of contributing to public welfare. So museums are seen as being part of that network, where companies can achieve that benefit within the community. In your example, I do not see a problem as such if a computer company insists that its equipment is used by the museum.

Senator TIERNEY—Or software programs as well?

Dr Wallace—But I will tell you an interesting story. It can be a problem when you start dealing with artists on the technology side of things. And this is a burgeoning side of the activity that all of us undertake. Artists are not necessarily tied to sponsors and I know some exhibitions that have had a real problem with new technologies. You might have one brand competing against another. You might have a computer company that insisted on an agreement whereby they have total franchise within the space. That is where museums have to be very smart and very wary about how they negotiate some of those contracts so they never give away the core values and ethics that they hold in order to attract sponsorship. We do turn down sponsorship. You will not find museums in Australia accepting sponsorships from tobacco companies the way they do in America.

CHAIR—Ms Gardner?

Ms Gardner—Yes. From the council's point of view, as I said in the opening statements, we certainly encourage the diversity of income sources, and there is no question that audience development, as well as corporate support, is increasingly important in the combination of sources of support for museums and art galleries. But I just draw to your attention some of the findings of the Australia Council's research into corporate support for the arts.

This is a longitudinal study that we have now conducted over about 10 years. This is the fourth in the series. It came out in the last year. While there were some very positive results in terms of increasing interest by business in supporting the arts, the value of corporate support for the arts in 1996 was about \$65 million, which is an increase in real terms of about six per cent since 1993. It also found that 11 per cent of businesses now support the arts, a reversal of the downward trend that had been seen during 1989 and 1993.

But, unfortunately, one of the very drastic pieces of information was that, compared with other areas of public benefit such as education, sport and community welfare, the arts had actually suffered a 62 per cent decline in comparison with those in terms of its percentage of sponsorship moneys. So there are two issues here. While certainly many of the organisations we are talking about are encouraging corporate support, there is certainly a limit and many hurdles that they have to overcome to actually access that corporate support. It is not as easy as saying, 'Yes, we will accept it'. There

are actually a number of challenges in terms of increasing that corporate support so that arts and cultural institutions can actually maintain their place within the very stiff competition that exists with sport and education for that sponsorship dollar.

Ms Winikoff—Can I make a comment, too. It is slightly tangential to what you are saying, but it does have implications in relation to private sponsorship. One of the critical issues that government through its cultural organisations has shown leadership in is negotiating for the payment of artists' fees. Because artists, as we all know, are particularly badly off financially, they are not recompensed in the marketplace to the value of the work that they actually do. This is seen as one way in which governments can try to stimulate the economy for the visual arts through ensuring that when artists' work is displayed publicly there is some payment to the artist for the use of their work for those purposes.

The adoption by public institutions of a commitment to paying artists' fees is also going to put pressure on those institutions financially. The Australia Council has prescribed the payment of artists' fees, and the capacities of organisations to pay those fees is something that they are having to grapple with. But, if one is looking at the stimulation of and the sustaining and expansion of the cultural industries, it is very critical that those who are the providers of the raw material in that industry are actually adequately recompensed for, or at least to some degree recompensed for, the intellectual property that they provide for the community. So, in a sense, government needs to ensure that that industry is sustained and expanded through the expansion of support for the providers.

Senator GIBBS—Aren't artists recompensed at all if there is a showing and certain artists show their paintings or sculptures or whatever? They get no money for that at all?

Ms Winikoff—It depends on the institution. It is not mandated. The Australia Council, if I am correct, does require—with any of its grants that are put towards those purposes, towards exhibition—the payment of artists' fees. But there is no legislation that protects artists against their work being shown without the payment of fees. So in a sense the industry is regulating itself in that regard, but it is by no means universal. Most of the major public galleries and the contemporary art spaces will pay artists' fees, but it is certainly by no means universal.

Senator GIBBS—So they have to rely on somebody purchasing their work to get money out of it. If you are a painter or a sculptor or something, the materials are quite expensive.

Ms Winikoff—Yes. It is very interesting. My organisation is currently negotiating with the Australian Taxation Office about the question of what artists have the right to claim as their professional expenses, and indeed it is a critical question. What lies behind

that is the recognition of art as a profession, the making of art as a profession, and appropriate recompense for that. The ways in which artists earn income at the moment is either through the sale of the work itself or through earning copyright fees through the use of their work for other purposes which they have some control over. So they can allow for its use on posters within catalogues, on T-shirts, on mugs. They can allow a range of uses of their work as it stands at the moment.

But one of the critical issues for artists is resale rights. At the moment Australia does not provide any assistance to artists to gain some benefit out of the increasing value of their work as it is sold on from buyer to buyer. At the moment the only money that they get is at the point of sale and through those copyright rights that they retain. One of the issues that will become increasingly pressing for Australia is the question of artists gaining some benefit out of the increasing value of their work over their lifetime. Probably all of you will have seen that sad case that was published recently in the papers of the Aboriginal artist whose work was recently sold for thousands of dollars when he had only got the benefit of \$150 from it.

Senator GIBBS—Yes. He is living in a tin shed with a camp fire, yes.

Senator HOGG—If I could just go back to Ms Gardner's comments about the apparent competition that exists between sport, welfare and education for the sponsorship dollars out there, it would seem to me that there is a possibility that, if we keep going down the path we are going, many cultural organisations will starve each other because they are all competing in a limited marketplace for a limited share of the dollars. Is that an unfair assessment of the situation?

Ms Gardner—Certainly, looking at questions of demand and audiences, from the survey that we did of 250 cultural organisations across Australia representing a variety of art forms, it was apparent that many of those organisations not only do not really think of themselves as competing with each other but do not actually see themselves as competing with other so-called leisure activities.

That is one of the reasons that the council felt it was important to institute the audience development division and the range of programs that it is undertaking to really assist those organisations with their marketing skills, and to really tackle some of these issues. So we are hoping that that sort of trend is going to be stabilised and, indeed, reversed. But there is certainly a necessity for those organisations to take these sorts of figures, and audience attendance figures, and seek to improve the situation.

Senator HOGG—There are really two areas. You are getting competition in the sense of competition for the sponsorship dollar. There must also be competition, as you said, in respect of the leisure dollar, if we can call it that. In your submission you seem to outline that admission charges contribute somewhere between about five per cent and up to 27 per cent—just on a crude reading of your document—of the income to cultural

organisations such as museums, art galleries and the like.

Ms Gardner—That is right.

Senator HOGG—Is that pretty much, across the board, your experience in other parts as well?

Ms Gardner—The figures that we provided were a split between regionally located museums and the larger institutions in metropolitan areas and there certainly seems to be some differential between those. Certainly, if you look at the percentages, because the larger institutions are often providing those other collecting and educational facilities for which they are funded either federally or through state government, the figures for admissions are approximately 12 per cent of their income for the larger museums and 29 per cent for the regional museums. Private sector support provides about three per cent of their income for the larger museums and 21 per cent for regional. Those figures are from 1993-94; there may well have been some shift from then. Sue-Anne, I do not know if you can comment on those in practice.

Dr Wallace—Yes, I would like to comment on them in practice. At one stage I used to run the admissions department of the National Gallery of Australia and I know that it actually costs money to collect those admission charges. You may remember, when the National Gallery opened, it was going to be free until about one month before it opened and then there was a requirement for an admission charge.

I ran that admissions office amongst other things in the marketing side of the National Gallery in 1993-94, and I know that when I did, the accurate statistics of what it cost to collect the admission charge showed the National Gallery was not necessarily ahead. The collection of admission charges means that you have to have admission staff as well as the information staff there in the foyer of a museum. It may be an income stream, but it has some costs.

Can I just go back to some of the other things you said about competition? I think it is important to add something else in there as well.

Senator HOGG—I am going to come to that anyway.

Dr Wallace—All right, if you are coming back.

Senator HOGG—No, you comment.

Dr Wallace—Okay. Museums recognise how much effort they have to put in to get a share of the total sponsorship capacity of Australia, which has to cover all the different areas that are going to be sponsored—from car races to sport and anything else that you might like to name.

In recognising that, you will find that if you look at the staff structures of museums 20 years ago and those of museums today, you will find an enormous difference. You will find that the numbers of professional staff who relate to what we have identified as the core activities—that is the registrars, the curators, the conservators and the educationists—have diminished, while the number of staff involved in marketing and in development have increased. Museums have had to put resources into those positions in order to get the sponsorship dollars coming in.

The second point I want to make is that, while there is competition in the total arena for the sponsorship dollar, museums and art galleries have got better at working together and collaborating as well. Museums Australia, as I have indicated, is an amalgam of all those sorts of museums within the country. I think that is an important issue.

Museums now can offer the sponsor a national profile. If an exhibition, for example, goes from the Queensland Art Gallery to the National Gallery of Victoria and to the Art Gallery of WA, a sponsor can have a national profile across the country and be spread through the national press because of the cooperation between our institutions. That cooperation includes providing some of the collections from each of those institutions to the other galleries. It increases access to one state collection in another state. It also means that they can enhance the way that they work and work more effectively and efficiently. Galleries have become better at doing that over the last 10 years because they have had to do so, as they have had to rely increasingly on the external dollar rather than the publicly funded dollar.

Senator HOGG—That is because the budget allocations from governments have been shrinking?

Dr Wallace—Yes.

Senator HOGG—There has been this greater demand to rely on sponsorship and/or user pays. User pays is really one of the focuses of what we are on about but I will pass over to Senator Lees.

CHAIR—To go back to your comments about collecting of admission charges, one of the things we have been trying to track is the impact of either putting on a charge or, indeed, as we saw in one of the institutions in Victoria, taking off a charge.

Dr Wallace—That is right.

CHAIR—But we had evidence yesterday that we cannot really rely on a lot of the information we have because, if there is no charge, there is really no way of knowing how many people are coming and going. Could you comment, particularly if you have any information from any of the various institutions that are represented, on the impact of that? We are looking at what is the threshold level beyond which people really do start

thinking twice about going.

Dr Wallace—Certainly. I think one of the institutions you might find useful to look at could well be the Powerhouse Museum in Sydney, which had free admission and then put in an admission charge. I know there was a lot of discussion about what their figures were beforehand, because it is hard to count the number of people coming in when you do have free admission. But the Powerhouse did have a reasonable system, as I understand it, of counting their numbers. They have now had admission charges for a while. So you will have seen first of all the dramatic effect of no admission charge to the introduction of an admission charge where admissions have fallen significantly.

Ms Winikoff—They have halved, in fact.

Dr Wallace—And then there is a gradual acceptance of some of those. But the way the Powerhouse has had to balance it out is to—I think it is the first Saturday of every month; it is one weekend day of every month—provide free admission. It is almost worth this inquiry going to the Powerhouse on the day of free admission, because the number of people that you see in that museum and the range of Australians that you see—I would almost say to you that the language that is most frequently spoken is not English on those days—are people who would obviously not otherwise go to that museum. It is extraordinary.

Ms Winikoff—I want to embellish that point for a moment. If one is going to do any evaluation of attendances, as we said in our submission, it is not only a matter of numbers but also a matter of the demography of who does and does not come and why. I think you have picked up in some of the submissions the critical question of who is and is not included, or excluded, by the introduction of charges. Of particular concern would be people who would be disadvantaged by the introduction of charges, including the elderly or anybody who is financially disadvantaged. I think it is a critical point, when you are talking in your inquiry about access and equity, to look at not only numbers of people who are attending but also who can or cannot attend.

It seems to me critical, in the role that the museum plays as an educational force, that it is actually reaching beyond the wealthy and people who traditionally support cultural institutions. Through the diversity of its educational programs, it is actually aiming to develop a whole range of audiences. But if admission charges are adopted that can subvert that intention to a very great degree. So in doing any of those studies it is very critical to see who comes, not only how many and why they come.

CHAIR—With regard to the visual arts area, has any work been done—perhaps looking at the different types of presentations—to see who comes and in particular who does not come?

Ms Winikoff—I do not know.

Ms Gardner—There are a couple of research reports that would be relevant. We have a publication called, *Art galleries: who goes?* I do not actually have a copy here today but we could certainly provide it. That was a very detailed study using focus groups and surveys identifying six cluster groups of the sorts of people who go to art galleries and why they go. We would be happy to forward a copy of that.

CHAIR—Did you look at the impact of cost on any of those groups who go?

Ms Gardner—I do not think we did in that one. But there is another report here, called *Open up*—which was actually done jointly between the Australia Council and the Powerhouse Museum—which looked at the issue of cultural diversity. Certainly to questions about barriers to visiting the museum, the first on the list was the entry fee, and this was especially applicable to large families. Of course there were a range of other issues, such as lack of parking or things like that, but that was certainly the key factor in preventing people's access to the museum.

Senator HOGG—I want to get back to the area of the leisure dollar because I believe that you are firmly in competition with that. I am just wondering how you counteract the competition that you are receiving there. Yesterday, we heard evidence of a place in Sydney called Intensity. It is a video interactive operation which people are flocking to. Also, there are new forms of retailing out there with the Disney stores and so. I am just wondering if you are in a market where you are competing for user pays as a means of topping up your budget. What strategies do you have in place, if any, to counteract that challenge that you have.

Dr Wallace—Museums know that they will never attract every Australian or every international visitor through their portals, and nor should they try to do so. The statistics show that there are—Mark has a report here called the *Reluctant museum visitor*—some people in our country who will never visit museums, for whom museums are not important, just as there are some people for whom sport is not important. People make certain selections. There are two particular audiences that are really important and there is a third one that we compete for.

The first audience is the committed museum visitor. That visitor has less of a barrier with price. They will come for the provocative and challenging exhibitions and they are committed to seeing the accessibility of the distributed national collections. Then we have the visitor who can be kicked across the portals with encouragement but could also go to sporting events. In fact, that visitor moves across the whole of the entertainment area. They move between museums and sport and shopping, which is another big competitor to leisure—not the groceries, the other sort of shopping.

Senator HOGG—I understand that.

Dr Wallace—That is the audience that we all work at trying to get information to

about the value of museums in society, about what those museums hold for people and what those people can enjoy while they are in museums. That is why museums diversify what they do. They make bigger foyers in the museums to welcome people and to help them get around the museum easily. That is why museums have shops that do phenomenal business, why they have bookshops and cafes, and all of the things that we need in society to make us feel comfortable.

There is a third group of visitors who, if they knew a bit more about it, would come. When we get them to a museum they say, 'I did not know that this is what a museum is about.' Some of those visitors are part of the tourism dollar, if you like, and some of them track around on tourist buses and tours. As cultural institutions start to knit into that tourism segment they find a new audience there. So there are audiences that cultural institutions need to focus upon and share with sport. We are not trying to take people away from sport as that is an important part of our culture too. There are some members of our society and community for whom we will have very little interest.

With the prioritisation of our services, unless educational institutions bring people to our cultural organisations when they are young and introduce them to museums, we are probably not going to have the capacity to reach that particular segment. You would more or less have to push that group uphill to get them into the cultural organisations.

Senator HOGG—The last issue I wanted to raise arises out of the NAVA submission. It is the first time I have seen any reference to this in the inquiry so far. It relates to a comment about the effect of privatisation on volunteers in the United Kingdom. I would presume that this would lend itself to the issue of increased user pays. It says:

Compulsory competitive tendering has been researched in the UK and confirms an inversely proportional relationship between volunteer numbers and the degree of privatisation.

I would imagine that, as more pressure is placed on cultural organisations to become more economically efficient and provide more funds through user pays, this would be an unintended consequence. Is that correct? Is there anything to substantiate that in Australia so far?

Ms Winikoff—Yes, there are some very interesting developments in Australia and I am really glad you brought this up. When we talking about sources of support one kind of contribution to cultural institutions is that volunteer effort. It is put in for all sorts of purposes and those volunteer groups operate in a number of different ways. There are people who actually work in the museum, and people who volunteer to play other roles in raising funds and so on.

What is very interesting—and I will be able to direct you towards some of this research but I have not got it with me—is that when compulsory competitive tendering

was being mooted to be applied in Victoria there was some consternation in the cultural sector because its impact was anticipated to potentially compromise the professionalism of that sector. I do not know whether I need to elaborate but if you are in competition with somebody who runs other kinds of institutions, to win tendering against them, there is no guarantee unless the right criteria are in place that people with cultural expertise will necessarily win the tender.

So the work that has been done since the bringing in of compulsory competitive tendering is informal. It is observational. But from speaking to colleagues who work particularly in regional galleries in Victoria they say that, as those institutions are being taken over by interests other than cultural interests—as they are being seen as simply real estate or property—people who previously volunteered because they had some sense of affiliation with the institution, both as a cultural institution and as a community development source, do not now feel that sense of affiliation. They feel that the purpose of the institution is gradually being subverted in other directions and so their commitment to it changes.

Also, as they see it having as its *raison d'être* bottom line objectives, they see that that community service has decreased in value under those circumstances so they are not inspired to do it. I gather that some studies were done in Britain when compulsory competitive tendering was being mooted for introduction there, and that it was decided by the Thatcher government not to impose compulsory competitive tendering on the cultural sector for a whole range of reasons, including that they had some evidence that volunteerism would decline dramatically. So they could see that this other form of income support was being jeopardised in the process. There are also lots of other reasons why they decided not to bring in CCT.

Senator HOGG—Just following on from your answer, is there any value placed on volunteerism in the overall budget of any of the cultural organisations?

Dr Wallace—Yes, there is. Virtually every museum has a large number of volunteers. The sorts of services that are, if you like, provided to the volunteers sometimes includes one particular staff member who is given the responsibility of making sure that those volunteers are properly serviced, have access to information that they need, and have facilities and resources. There are many museums that have a special room set aside for the volunteers because volunteers give an enormous amount to cultural institutions in Australia. They study and they research. They also expose themselves to the public in taking the public around collections and on tours and the public is incredibly grateful. There is also always the odd member of the public who gets a bit cross or a bit anxious about one thing or the other and, in many cases, it is the volunteer who receives the brunt of that. Every museum you go into you will find volunteers there doing activities, both in front of the house and behind it.

Senator HOGG—And do they feel an indignation that people are necessarily

being charged to sustain the lifeblood of the cultural organisation when they themselves are receiving no remuneration whatsoever?

Dr Wallace—Yes, I believe they do. Let me give you some examples of how committed some volunteers are. At the Art Gallery of New South Wales, volunteers receive a special pin. It is a special pin because you only get it after 20 years of service. But a number of people there, and they are principally women, have given enormous service to cultural institutions. Can you imagine how many thousands of people they have taken through exhibitions? Many of those volunteers assist the museum on a weekly or a fortnightly basis. Some of them have been doing it for more than 20 years. It is extraordinary service. I know there are some inaugural guides still at the National Gallery of Australia.

The Art Gallery of New South Wales started its volunteer program in a big way in the 1970s. That is when museums started to bring volunteers in to enhance public access and to make collections and exhibitions more available to the public. Volunteers have now become an integral part of museums. It is a difficult management position where you have professional paid positions—and there is a responsibility to the profession as well—and there are volunteers, who are also professional in what they do, but they are not paid. It is an enormous commitment to community service.

Ms Winikoff—If you are interested, I could try to find the source of some of that information for you.

CHAIR—That would be very helpful. Thank you.

Senator LUNDY—I have a couple of questions I wanted to revisit on the issue that Senator Tierney was pursuing about new technologies and putting collections on-line. There was discussion earlier about a scenario described by Senator Tierney about a potential sponsor putting a collection on-line, relating to requirements for that sponsor to be software-specific. Can you comment on issues relating to access and equity in that regard, given, firstly, the issue of computer accessibility in Australia and, secondly, software specificity? The current situation is that there is market dominance of some sorts, but there is certainly more than just one player in the global sense of software and hardware technologies.

Dr Wallace—In terms of accessibility, it is almost one of the ironies of this country that some of the remote communities are more accessible than others because they have had to rely upon technology to connect them to the bigger centres, where we can either see people or ring them up on a telephone. In some of the very remote communities of Australia, you can find people on the web, on the Internet and being able to use ISDN connections. They can have videoconferencing as well in a way that some of the major institutions in a capital city of Australia cannot do because they have not had the need to develop those resources in such a way.

Until there is a wide degree of accessibility, putting the collections on-line will only solve some of the problems of access. Access is about physical access as well as technological access. Those who can access communications in the more remote communities are the ones who will benefit in the first instance, but then they are the most deprived of the possibility of being able to visit the collections. That will gradually even out, but communications and networks need to improve and also the contribution that the government can make towards those remote and slightly less remote communities, so that they are able to engage in the same degree of technology support.

With regard to your second question about the software, this is really an area where museums—and it usually comes through the development officer or manager—start to look at a sponsorship package with a potential sponsor. It is absolutely critical that they understand what they can give that sponsor, what they are giving away and how much they are signing up for in giving away rights to do further things down the track. It is important that museums do not enter blindly or naively into any sponsorship package or sponsorship agreement, because it might restrict access. The example you have given could well restrict access.

Ms Winikoff—I was just going to remark on something else in relation to new technologies. It is important to remind ourselves that although the new technologies are going to provide remarkable access in ways that were not possible in the past, that is not going to diminish the demand for proximity to the real thing. As an example, you can think of the ways in which all of us have gone on pilgrimages to visit art works in their original, despite the fact that we might have seen them reproduced countless times in publications. The new technologies are another form of reproduction.

While that initiative is a very critical one in giving people a form of access to experience, it is a different kind of experience from the experience of the visitation to the holding place for the real objects, and all of what goes with that, the interpretation and the sort of embellishment of the experience of being in the presence of something. There is a kind of magic in that that is very different.

Senator LUNDY—Dr Wallace, with respect to the ability of institutions to be able to conduct such research in the face of what may appear on the surface to be a highly lucrative sponsorship deal, how are institutions going to fund the sorts of research required to make those assessments, particularly with respect to new technologies and the pace with which those technologies develop, and be able to make commercial and principled decisions around those issues?

Dr Wallace—Some of that research is undertaken by individual institutions, and they can only look at their own little patch of turf, but the broader field is the basis of a lot of the research that is undertaken with the Australia Council. I do not know if Sarah Gardner would like to make further comment there about the sort of research and the role that the Australia Council plays in driving a lot of the research that occurs, particularly

about the marketing of the arts and the development of audiences.

Ms Gardner—I could go on all morning quoting figures to you. In fact, there were just a couple here that relate to some earlier points which I will make while I have the opportunity. One was about the volunteer situation and this report called *Artswork* actually draws together a range of surveys. It shows that there are about 88,000 Australians involved each year as volunteers. That is just in museums, art galleries and heritage organisations and is quite apart from any other art form or activity. There is a substantial interest and contribution made in unpaid work to those.

In terms of paid work, the annual average mean income of visual artists in 1992-93, for example, if there was any doubt about them benefiting from the people attending museums, was \$8,800. I am not joking; that is the figure. It is just staggering. They do have some income from non-arts activity but even then their gross income is still only \$23,500.

The contribution that artists make to Australia's cultural life is absolutely staggering in terms of their own personal contribution, and very often the contribution of their families in supporting them in their artistic practice. The small amount of money, relatively speaking, that the government provides to artistic activity is really quite small compared with the contribution the artists themselves make to the broader community and the value that the community derives from that.

Was there another specific piece of information that—

Senator LUNDY—Yes. Particularly with respect to resourcing or funding research into the assessment of a given sponsorship proposal or, I guess, when ideas are put to institutions that require some in-depth analysis, what supportive role does the Australia Council have or what background research does it do to support them in their decision making processes?

Ms Gardner—There is actually another organisation of relevance here: the Australian Foundation for Culture and the Humanities. It is focusing on working with the corporate sector to encourage them more into financial support of cultural activities. But there certainly is always an increasing need to also support the arts sector, as well as the broader cultural sector, in increasing their skills in marketing, not only from the user pays and the audience development side but also from the corporate sponsorship side so that they are able to identify deals which they can strike with those corporate sponsors and make sure that the organisation itself gets value and appropriate sponsorship.

Corporate sponsors are obviously far more canny in knowing the true value and they do not do it for anything except the benefit to their bottom line, in many cases. Philanthropy is obviously a separate issue. But the organisations themselves need to become more skilled in knowing what they can reasonably require out of a sponsorship

and how to get the most out of that. Certainly there is a need for greater education in that area.

The council has also been working, as I said, across the broader issue of marketing, not just to sponsors but to audiences, and all aspects of that. That is something that has only been going for 12 months. There is much still to do in that area—I think Sue-Anne would agree—and very little resources available to do it to the extent to which there really is a great need if we are to see this continuing expectation to diversify income sources for cultural organisations.

Dr Wallace—Can I add something which gives you a specific example you might find useful. When I was working with the Australia Council we held a forum with various major organisations and corporations about business and the arts. A number of those CEOs of major companies—and I am talking about our major companies in this country—said it was the first time they had sat down with a number of CEOs from arts organisations. We all said that it was a really useful thing to do, and it comes back not to competition but to collaboration.

In order to attract the sponsorship dollar, to negotiate the package that will benefit the sponsor and the cultural institution and not hamper either, we need to sit down more often around the table to work out what businesses want, what arts can provide, what arts can give and what businesses can take. It actually needs to be much more of a two-way conversation. Australia is becoming increasingly sophisticated in the area of sponsorship development. We have, after all, a number of arts industry management organisations, and sponsorship and the raising of capital and corporate funds is a part of graduate courses at tertiary institutions, so it is now a major part of the training of people who go into museums.

It is not just a case of understanding the visual arts or natural history any more; it is also about understanding how to be a manager of a business and how to attract in that marketing field. The report produced by the Australia Council in association with Asialink is specifically about how the arts could assist businesses to make an impact in Asia. Sarah may be able to provide that for you.

Ms Gardner—Yes. There have been other publications that we have produced. For example, we provided one called *You and your sponsor* to arts organisations to help them identify some of the issues that they need to think through. But there is much more that could be done in that area.

Ms Winikoff—Although, as Sue-Anne Wallace has said, Australia is becoming increasingly sophisticated in its understanding of those potential partnerships, where my organisation has identified a shortfall and a need is in the capacity within the smaller organisations and amongst individuals. It requires, as you would know, a whole range of other kinds of skills that Sue-Ann was referring to, and most of the small organisations—

and those are the bulk of the organisations within the country—neither have access to employing those sorts of skills nor have them on staff.

Most of the small organisations are very pressed just to be able to conduct their core business or what they would regard as achieving the purposes for which they were established. So to be able to acquire those skills within the organisation is a very critical and expanding need within the cultural sector in Australia. In fact, it is one of the things that we are hoping to find some means to support.

Senator LUNDY—I have one final question—

CHAIR—I am very wary of the time. We absolutely have to finish after one question from Senator Lundy and a question from Senator Hogg which I think he wants you to take on notice anyway, so that may solve that problem.

Senator LUNDY—Perhaps mine is best in that format as well. I can put it to you and you may have the answers or you may be able to refer me to an appropriate report. The issue goes to the proportionality between corporate and philanthropic investment in the arts in Australia as compared to the proportionality in comparative nations; what comment, commentary or observations you have made with respect to any distinguishing features about the prominence of government support to the arts here; and how, if at all, that bears a relationship to our demographic and geographic structures or any other idiosyncrasies that apply to Australia.

Dr Wallace—That might be a good one to take on notice. The Museum of Contemporary Art has just produced a paper on that and I will send a copy of that to the inquiry.

Senator HOGG—My final question goes to what is pretty much the heart of this inquiry—that is, the issue of user pays. Whilst it was put to us in, I think, the Australia Council presentation that we need a definition of ‘user’, I would be interested in you providing us with a definition of user in your perception, with its exclusions, if that be the case, or its inclusions. That may well assist us in our determinations.

Also, I would be interested in a definition of what constitutes a tourist. You mentioned tourism, Dr Wallace, and there are different versions floating around out there of what constitutes a tourist. To give you an example, we were told that a tourist is a person who lives more than 40 kilometres away from where they are going to, so that someone from the Blue Mountains or from Penrith coming down here is a tourist, whereas other people use the definition that it is someone staying overnight. How do you people view the concepts of tourist and user?

Ms Winikoff—If I could quickly say something about that, I think those definitions will be dependent on why you want to know. You might regard somebody as a

tourist because you want to draw the distinction between tourists and local residents in terms of access. That might be a different definition from a tourist—

Senator HOGG—If that, in effect, is the dilemma that you are faced with, then I would like that dilemma presented to us, because it then goes to show that there is no clear-cut way in which one can determine user pays, or a tourist charge, or whatever it might be.

Ms Winikoff—Yes that is a dilemma.

Dr Wallace—From the museum's perspective, we look at people who come through the door as visitors, irrespective of where they come from or of the next line of analysis that we might be doing. It is not like the old law where, remember, you had to be a tourist to get a drink at a pub on a Sunday. Do you remember that?

Senator HOGG—Yes.

Dr Wallace—I think the definition of a tourist was that you had driven 40 miles.

CHAIR—We really do have to call it time now. Thank you very much. I think it has worked very well having you all before us together. Thank you for your time.

[11.23 a.m.]

DONOVAN, Mr Michael, Managing Director, Nature Inherited Pty Ltd, GPO Box 3341, Sydney, New South Wales 2001

SERVENTY, Mr Vincent, President, Wildlife Preservation Society of Australia, 36 Diamond Road, Pearl Beach, New South Wales 2256

CHAIR—Welcome. I explain, for the benefit of the committee, that we are going to deal firstly with the access to heritage inquiry and then look very briefly at the other inquiry regarding the Commonwealth powers, which Mr Serventy has put in a submission on. We had hoped to have the third group of witnesses so we could do both of those together. We might do some later juggling when they come.

The committee prefers evidence to be given in public, but you may at any time request that your evidence or part of your evidence or an answer to a question is given in private, and the committee will consider that request. We have submission No. 6 from Nature Inherited Pty Ltd, dated January 1997, and submission No. 9, dated 2 February 1997, from the Wildlife Preservation Society and also submission No. 55, dated August 1997, on access to heritage. We authorise their publications in a separate volume. Would either of you like to make any changes, alterations or formal additions before we ask you to make an opening statement?

Mr Serventy—I would like to add a brief statement on something I forgot about on Commonwealth environmental powers.

CHAIR—We will do the Commonwealth environmental powers one later on. Is there anything you would like to add or alter on this one?

Mr Donovan—Nothing to my submission.

CHAIR—We will begin looking at the question of access to heritage. Mr Donovan, do you have any opening comments that you would like to make?

Mr Donovan—Only, as I say in these submissions, that I am in favour of the user-pays system for areas of high value. I believe that not enough is being taken from the public purse or the tourist purse to support these assets. I am supported in this view by organisations like PATA, who have produced a statement which I gave an extract from in my paper.

The World Tourism and Travel Organisation and the World Tourism Council support that heritage areas should be supported by fees or levies of some sort on people who come in and use them. This is being applied right around the world in many countries. In fact, some tourists are now even paying more than locals when they come to

national areas, particularly in Costa Rica and South Africa, and soon in Malaysia with a project that I have just finished up there. In general, I just want to support what I have put here and provide any other information that you might like.

Mr Serventy—In my statement, I made it quite clear why we should not charge for heritage access, after my experience of six years as an Australian heritage commissioner. What happens in developing nations is a different business to what happens in a developed country like Australia. We feel the two are quite different situations.

CHAIR—Thank you. I now ask the committee to put questions to you.

Senator REYNOLDS—I would just like to have a debate with Mr Donovan about his opening statement. I suppose that user-pays has become the buzz word for the 1980s and 1990s. We say that it is accepted around the world. How do we know that this user-pays principle will not become so prevalent that governments will opt out of their responsibilities?

Mr Donovan—I cannot answer that on behalf of the government; I am not the government. But I feel that we are losing assets. They are being consumed by too many people going and visiting them. The impacts are such that they are being destroyed. That has to be ameliorated in some way; sites have to be hardened. There is not enough money coming from government. We are selling at a national level most of our natural assets for tourism. Domestic tourism is consuming those assets as well by large millions of the population travelling all round the country as visitors to different states to try to have a look and the assets are suffering. We either close them off, restrict parts of them or use price as a method of deterring people from coming. We have to do something because we are losing the asset.

Yes, the hackneyed phrase used generally is ‘user-pays’. I believe that people should appreciate what they are being shown and contribute to it. I have suggested to the national parks service in this state that user-pays can constitute a fee at the gate; it can constitute paying more for food and beverages inside the site than you would outside the site, with that difference going into preserving the park. It can be that you pay for additional services when you go in, like people movers, research or information technology. There are many ways of getting more out of the people that consume or use the facility.

Senator REYNOLDS—I accept that this is a very pragmatic response to the reality of a globalised economy we now have. But I think that it is time—and that is why we are having this inquiry—to sit back and take stock of precisely what is happening. Having accepted the foot in the door of user-pays, we are now in the situation where, for example, a private developer is taking over two areas of world heritage in North Queensland. The private sector has no obligations to meet international agreements or standards.

While I have accepted a partnership between public and private sectors and, as a sometimes pragmatic politician, I can accept that that kind of relationship is in the community interest, I just think the purpose of this inquiry is to try to find what is the appropriate mix. We have heard about core responsibilities and other responsibilities. I am wondering if you have a view on the extent to which government is responsible for basic activity and to what extent incremental private sector is acceptable.

Mr Donovan—I do not believe the developments you mentioned up in northern Queensland are appropriate, quite frankly, and I do not think to say that they are user-pays is a correct view of them. They are an unnecessary development in a highly sensitive area and I do not personally support them. But if we are dealing with national parks in any state, or Uluru, or Northern Territory wildlife parks—places like that—they are simply not getting sufficient funds from government for their maintenance, that is, core activities, operational costs, et cetera. They are getting more and more use by visitors, tourists—call them what you will: people who show up at the gate who want to have a look at it because they are interested in our natural heritage or they are visitors to Australia. There is quite a difference there, so that if government cannot or will not provide sufficient for core operations, the only other source is from people visiting it.

My view is that that is quite appropriate and I do not think there is enough of it. We have the Royal National Park here in Sydney which is being impacted on to death because too little is charged to get in there: pricing is not used as a deterrent and it is being overused. We have other parks around this state, and in other states of Australia, where you can get free access and they are being deteriorated very badly. I have quite a separate view about development that is inappropriate, because that is not user-pays; that is capitalism coming in and taking over something that should be for everybody. But where we do have—

Senator REYNOLDS—But one can lead to the other, in terms of philosophy.

Mr Donovan—Yes; you can have a park where you say, ‘Okay. Let’s have user-pays in here. Let’s put commercial management in to run it.’ In my experience, where I have inspected those contracts they are very poorly drafted so that there is a question about what the conditions are if somebody does something wrong; they are not administered properly, because there is not enough money to do it; and they should not have been done in the first place. So I have a very clear view, certainly in my mind anyway, about where the delineation is.

Senator REYNOLDS—In that case, do you believe that there is a need for a national approach to this question of user-pays and access? Is it necessary for the national government to establish some very clear guidelines, that obviously have to be negotiated with the states, so that you do not have this mishmash approach we have at the moment, depending on which state you are in and which museum or national park you are visiting? The whole question is an absolute dog’s breakfast. This inquiry actually arose out of a

dramatic increase in a charge for visiting the Great Barrier Reef Marine Park which was quite disproportionate to charges incurred in other national parks or museums. So do you see a role for the Commonwealth in trying to resolve these questions and to find the appropriate balance between public and private and the user-pay principle?

Mr Donovan—Very definitely; I do believe that there should be a national standard set that everybody conforms to, for a whole range of reasons. It will be easier to sell tourism internationally and get the money extracted from that to pay for it; it will be a standard that can be viewed by everybody across the country and understood by them; and there will be less ability for states to pick off and make exceptions about what they will do, and what they cannot do, due to special interest submissions and politicians being pressured into making decisions at the state level. So, very definitely, it has to be done.

The reason it is called national heritage is that it is national. It does not matter where something exists in a single state—it is part of the national heritage. We should be mature enough to look at it in those terms and apply it nationally.

Senator REYNOLDS—Thank you.

CHAIR—I have a question for either Mr Donovan or Mr Serventy. I am looking particularly at Mr Serventy's submission and his opposition to the general idea of full user pays. But it also relates to something you just said in answer to a question from Senator Reynolds regarding putting on a charge—and you used a national park to the south of us as an example—and that is that we do begin to restrict access to those people who are relatively well-off or at least have a reasonable level of disposable income. If areas are being overused and the pressure is too great, are there not other ways that we can look at to look after them better?

Mr Serventy—I have a difficulty in that I have been to most of the national parks in Australia, and many national parks around the world, I have heard of this 'loved to death' and I have never seen it happening in Australia. The point is that good management can control it. In other words, at Kakadu, by putting a railing in, people can walk along without touching the paintings at Obiri rock hole. There are mechanisms. In developing nations, of course, they have the problem of needing more money and, quite often, only the tourists can provide that. But that is a different ball game to Australia. I feel that the things we want to keep are what we are interested in.

What will happen in the case of Hinchinbrook is that the user will certainly pay, because, whereas a person could go there by yacht or kayak in the old days and enjoy one of the most remarkable passages in Australia, now he will pay because he will have 1,000 people with their jet-skis and motor boats all pouring along there and ruining it for him. That is because it is unwise development. In my opinion, governments have to make sure those unwise developments are not allowed.

CHAIR—Thank you. Mr Donovan?

Mr Donovan—Addressing your issue of what I call social equity—how do you in fact have a charge on an area, a location or a particular exhibit that may push it into a separate socioeconomic bracket?—if you apply social equity because of the government of the day's views or other sorts of pressure, it still has to equate with the fact that if, by letting everybody in, everybody can see it and maybe everybody touch it, it will not exist in the future. How are you going to explain to the future that we tried to give everybody access now but nothing is left for the future?

We are not talking about charges here that are so great that people cannot, out of discretionary income, occasionally go to see places of high national worth. There are people in society who simply do not have any money at any time to spend, and that is unfortunate. There are, however, mechanisms that are used in Australia to recognise that. For instance, I think most of us who pay rates get free dumping allowances at the local tip when we pay our rates.

It is possible to provide vouchers to people who live in an area where there is a national park so that they can get so many accesses a year free of charge and then pay for the rest. All tourism—and even some of the lower socioeconomic groups become tourists—is discretionary income. Should not some of it be used to pay for national heritage? At the other end of the spectrum, you could take the hard view that council parks are all free, and therefore they can go to council parks. I think that is divisive, but it is an answer that has been given to me on several occasions.

I do not have an answer for it. What we are trying to do is to provide a level of income from volume attendances that provides something to harden the sites and operate them. I have done some work where if you go out and you ask for donations for a certain project in a national park you get an enormous response at \$2 a head. In one instance, we found out that they get 40,000 bucks a year. They only needed about \$17,500 to do the work needed on site, yet nobody had gone out and put together a proper donation or giving program.

In effect, that is a type of user pays. It does not have to be a legislative charge. You can say, 'This park needs boardwalks, or it needs viewing areas, or it needs certain things preserved through research, rare and endangered species protection, or whatever. If you would like to contribute, here is the basin—put your money in.' That is a form of it as well.

CHAIR—This inquiry so far I think has found charges ranging from obviously zero up to \$100 per access. I think one of the things that has concerned us, particularly from earlier witnesses today who talked about the Powerhouse Museum, is that we are probably excluding sections of the population if we put on any charge—and as it goes up, others. But if I can just leave that and come back to Mr Serventy's submission, it is with

interest I note the terms that you use relating to the private and the public good which were what were used by economists that we had before us yesterday. We are very interested in where the public good lies as opposed to where it really is a private advantage for you to get access to a national park or a museum. Could either of you comment on where you see the line between what is a public good and the private benefit that someone may accrue from doing something?

Mr Serventy—I think the user-pays syndrome is economic rationalism. I come from Western Australia where we had a free university which is now user pays. I thought it was a marvellous idea. If we want a clever country, why should people not go to free universities? As for the argument, ‘Where is the money coming from?’ I notice Australia is the least taxed country in the world. I had quite a discussion on how the federal government can solve the unemployment problem, which I did pass on to Bob Hawke many years ago. Possibly Landcare may have developed from that paper, and there is an immense amount being done. The only thing is that governments have to accept that they have to start taxing more heavily in Australia to pay for these things.

At present we have not got any worries, I think, in terms of too much use of a resource. I am quite sure about that. I have been all over Australia and very rarely have I seen that happen. In India, for example, at the Taj, they have a free day one day of the week and then the whole Taj is crowded. I have been on both days—on the days when you pay and the days when it is free—and the magic of the Taj was not destroyed by the fact that there were 20,000 Indians there. In the same way, the magic of a painting is not destroyed because a lot of people are watching it at the same time. Quite frankly, I think it is just an economic rationalism argument to get money out of people and not have to collect tax. In other words they do not have to worry so much about it.

Mr Donovan—One of the problems with taxation is that it is universal. Everybody has to pay, but not everybody might use part of the elements to which it contributes. The arguments occur over the toll here on the bridge. Only those people on the north shore have to pay it when they come into town, so why tax the whole of the city for it? Therefore the charge on the bridge remains, even though the bridge has now been paid for.

The user-pays principle is for those people that want to go and have recreation or go and have a view of something—they do pay. Yes, it is very close to commercialism, but you pay for so many things these days. If the government cannot find, through their budgets, sufficient money out of the taxation base to keep supporting these places of national heritage, what is the alternative? In fact they will not be here some time in the future—and I am not going to predict whether it is five, 10, 15 years of my lifetime or your lifetime. I am surprised to hear that somebody has said it should be \$100 a head. I think we are talking here more of levels of volume that go through certain areas at \$5 a head. They are not huge amounts of money. I would be concerned if there were huge amounts of money being asked for because it would push them specifically towards being very commercial. There has to be some sensible stance taken as to what is necessary. I

have not come across a really good budget by any area of culture that says this is exactly what we need and these are the numbers we put through. They are not really good at marketing. They are going for volume market and I believe that we should have markets that are niche markets to get the people in who are really interested and have an appreciation. That is not to say that you do not market to everybody else in general, but you should strike a balance.

Mr Serventy—Friends of national parks and friends of museums contribute millions of dollars of unpaid work. The Organ Pipes National Park in Victoria rangers told me that over a 10-year period they had gained a million dollars of work on that— university students getting rid of the intrusive weeds. At the Australian Museum here they tell me that the friends supply at least \$100,000 in unpaid work to supplement the fact that they have not got enough staff to do the work that is needed. The friends are spending a lot of time helping out because they enjoy it. As you know from Red Cross, these friends of all kinds put hundreds of millions of dollars into the public purse, in effect.

Senator GIBBS—Just picking up on what Mr Donovan had to say, national parks in Australia comprise a very small area of our country and as it is our national heritage, why should people not pay for it out of their taxes? After all, people pay taxes for a variety of things, like hospitals. There are some people who never use a hospital but they do not mind paying their tax dollar for those people who are in need of hospitals.

It is the same with education. People do not mind paying for education. They might be childless, they might never be married, they might never have a child, yet they do not mind paying. Why should governments renege on paying money out of our tax dollars when it is in the national interest? After all, there are a lot of people in this country who do not have disposable incomes and therefore they cannot take their children to these places and then the children are not benefiting. As Mr Serventy said, we are supposed to be going into the era of a clever country. Surely, this is beneficial to everybody.

Mr Donovan—I do not disagree with you in what you have just said. The point is that nobody in government has ever put their hand up and said, ‘We are going to fund national parks or areas of high cultural value to the level that they need’, whatever that might be. The debate then is that if they do not have that amount of money and if they are not marketing properly, where does the extra money come from?

Senator GIBBS—The problem that we are looking at is if a user-pays system is implemented and then you recoup a certain amount of money from those people who do go through the gate, do governments then take away that extra money rather than it being a supplement to what the government is already paying? That is the danger. Whatever government of the day it is, it can say they are giving so many thousands and then take that money from them. That is simply supplementing what they were getting originally.

Mr Donovan—I am not in favour of the money going back into the government purse because I have never seen it ever given back again. That is the problem. Look at the operation of a site. Let us say it is going to cost \$10 to run this site and government will support \$8.50 of it but the other \$1.50 has to come from ancillary services, including people who pay through the gate or donations or whatever, and it is a targeted, properly run program and it meets its budget. However, let us say through rain, or because the economy does not do too well, they only get to \$9.73, then they can look at a top-up the next year. It is not a matter of saying, ‘We are only going to give you \$4 and you have got to get the other \$6 but you cannot charge for admission.’ There is no business that I know that will ever generate that off-site through concessions or other services or sponsorship.

If you do not have a sufficient base from government and you cannot charge, people will go to sponsorship. Sponsorship has to be very carefully managed in these areas so that it is long term, so that it does not green the organisation that is giving the money unnecessarily. It must be a balance out, that they are giving it because they want to give it and they are getting a good reputation for being a green organisation for supporting the national heritage.

You can work it if you get near to what can be cut and managed. The problem is that we have this chunk in the middle, that there is simply not enough to even maintain the infrastructure, much less try and get the operating costs out of it. It has been let slip. Vince’s comment was that you can harden sites so you can keep people away. That is terrific, but that takes maintenance, it takes more people, it has got ongoing costs associated with it. It is one thing to put the infrastructure in but you have got to allow the organisations that manage these areas the ability to earn enough money to then operate them, and government traditionally has not done that.

Senator LUNDY—Mr Donovan, in your opening remarks you referred quite specifically to the depreciation of the asset or the expending of the particular asset. How do you offset what you have described as depreciation in financial terms with government investment and strategic development of that asset? I am interested in seeing how you extend the financial terminology into the actual input end of natural heritage assets.

Mr Donovan—If you are the owner of a building, you provide depreciation, you put together a sinking fund; you make an allowance that allows you to repair and renew over a period of time so the attractiveness of what you have is maintained. From the figures that I gave in there, we know that something of the order of 28 per cent of the people who go to areas of high national value are very concerned with their upkeep. Yet there does not appear to be the equivalent in commercial terms of depreciation allowances or sinking funds provided for the upkeep of these areas; they are slowly deteriorating.

What I am suggesting is that there are lessons that can be learnt out of how businesses run, and that you put aside elements for repair and maintenance. It is a

recurrent capital works budget that is applied for. Quite often you may get it; quite often you may not get it. If you do not get it you let it run for another few years. If you do get it you do as much as you possibly can and the money from government can only ever be spent for that purpose.

I am suggesting that if you look at the way commerce provides depreciation and sinking funds and allows for that to be an element within the budgetary factors of some of these agencies, I think more could be done to keep renewing and maintaining the upkeep and standard of them to a level where more people will come and appreciate them. Whether entry is free or people pay, it is all to do with, 'We think this is terrific,' and therefore there is national pride involved in it.

Senator LUNDY—If you extend that analogy to the input end, how do you quantify what investment there is on behalf of the government in terms of offsetting depreciation? How does it factor up in your equation? You seem to have one side of it in accounting terms but you have not extended your analogy to the input or investment end on the management of that asset.

Mr Donovan—One of them is an accounting term; the other is dealing with subjective appreciation of something, but there are—

Senator LUNDY—But how do you rationalise the two issues? How do they come together to complete your analogy?

Mr Donovan—I think the bottom line is that there has to be sufficient money to keep the asset maintained. That is from the point of view of all the built material that happens in it and it is quite easy to see whether that is failing. The other side is to do enough research to see where the impact is happening within the natural environment and measure it—that is a scientific and often subjective view of it—and try to marry the two of those together.

There are—again I am going to step outside Australia which Vince may not like me doing—many areas around the world that are simply closed off for certain periods of the year to let them renew outside of their peak attraction period. They just shut them down and let them regrow because the impact during their peak period is so great. I am not aware that we do that in Australia; we may do it in some areas. That is a very good way of looking at it: during a certain season the asset depreciates—I am using a financial term there—but it is allowed to renew naturally. The physical elements of it can be planned because you can go along and say, 'That's rusty, that's peeling and that needs to be redone.' We tend, through our mind's eye, if we are in a place every day, not to see the nature of the place deteriorate.

Senator LUNDY—I guess my point is that I am finding it hard to interpret the financial analogies with the concept of placing a monetary value on a natural asset and

then using that as a basis to justify your particular viewpoint. I can see your point and I can understand where you are coming from, but I just do not feel that the analogy flows through and picks up all the points if you were to apply it.

Mr Donovan—I think the African elephant has been valued at about \$US127,000 each, as far as what it can develop in tourism in Kruger National Park. What you are doing is saying that the number of people who can be enticed to come and see this will have a value in accounting terms that you can work out. They equate one acre of potatoes in Africa to be the equivalent of 100 tourists—and a damned site easier to pick.

What I think I am trying to get across is that we need to be clever and innovative, and we should be going out and saying, ‘What is this site worth? Is it of such high value that, like the Wollemi pine, we are not going to get anybody in to see it but we will commercialise its application so people can actually grow one’, or is it an area where it is sensitive for a certain part of the year or we can open it all year, as the Royal is, and look after it? I do not have an answer to it. What I am trying to say is that most of the agencies that operate tend to operate within very strict scientific paradigms. There are other ways of doing it outside that I would like them to look at.

Senator LUNDY—With previous witnesses to this inquiry we had some discussion about the application of economic rationalism to arts, and particularly to access to such assets. It seems that what you are doing is just overlaying that type of terminology or that sort of approach on the natural asset without going back to the substance of the issue, which is protection enhancement and public access. It is trying to couch the issue which we are addressing in terms that are understood by the corporate sector and those that think in financial terms.

Mr Donovan—But aren’t you trying to be all things to all people? Part of what I do, how I earn my living, is to go in and advise people as to when the business side of the management of the natural assets should pull back. There are principles under Agenda 21 that I have been working up in Malaysia—and Ramsar—that say, ‘If the deterioration of the site reaches a point so that in fact you can measure it, you have gone too far. The business has to pull back.’ That is what I have been doing for the last six years—advising people where that line might be drawn and taking a very conservative view.

I wrote in a report on the national parks of New South Wales that they try to be all things to all people all the time—providing absolute access, all the facilities. You cannot do it. You are not dealing with something that can regenerate overnight; you are not dealing with something that can be reconstructed in a short period of time. You are dealing with flora and fauna that have a sensitivity that is very hard to measure.

So I am all for shutting areas off, letting them go quiet and using principles there that in fact pull the business back to the level where it says, ‘This is where we can acceptably allow access but, beyond that, we are gaining in fact, over time, 200 or 300

years—call it what you will—or we will not have an asset there eventually.’

Senator HOGG—A question for you, Mr Donovan. I understood in your opening statement you made the comment that tourists should pay more than locals. Is that correct?

Mr Donovan—No. I said that I believe there is a view that some tourists should pay more than locals. It is actually applied in places like Costa Rica, in the game parks in Africa and some other places. Where they have the ability to recognise that a person is a tourist, particularly an international tourist, they actually pay a little bit more for the privilege.

Senator HOGG—Can you give me some idea of how one then defines a tourist under those circumstances?

Mr Donovan—I heard your question to the previous people when I was sitting in the room.

Senator HOGG—Yes. It is very germane to what we are doing.

Mr Donovan—I believe the tourism industry says that a tourist is someone who is staying away from their normal place of domicile for at least one night. Your description of someone coming from the Blue Mountains, I believe, would be classed a visitor. The tourism industry looks at visitors and tourists. Someone who is coming down from the Blue Mountains for the day would be a visitor. If you are going from Sydney to Wollongong just in the day, you would be a visitor. But visitors have recreation.

A tourist is somebody who is leaving their place of domicile for the purpose of, in my view anyway, recreation or lifestyle change and visiting somewhere else that they may or may not have been to before for the purposes of lifestyle recreation. It means that where a visitor would be coming down to do some shopping in Sydney from the Blue Mountains but would take in an art gallery if they had time, a tourist would in fact have discretionary dollars and would have planned a visit to that gallery as part of the visit to the city. So in my mind they are two separate functions. However, they do tend to blend together.

Senator HOGG—Right. You probably heard my other question about what constitutes a user. Undoubtedly, there will be different elements of what constitutes a user.

Mr Donovan—That is far more difficult.

Senator HOGG—We are looking at a user-pays basis of entry into some of these cultural sites and heritage sites, so what constitutes a user becomes very important.

Mr Donovan—We would have to come up with some quantifiable description of

someone who actually goes in and consumes something. The problem with the word 'consumption' tends to be that I am going to pick up a pen and use it and, therefore, it will eventually become empty. Is a user someone who lives over the road from a national park and goes in and has a picnic there every weekend? Yes, they are. The park throws their garbage away if they do not take it with them, and the park provides toilets and water facilities and all those sorts of things. They will bring their families in and they will talk about it highly to other people that they have met and maybe entice tourists.

Does the fact that I live around the corner from the Stanton Library in North Sydney and go there to do a lot of research mean I am a user? Yes, I am. If there was some way that I could pay formally to do the research, I would be quite happy to do it. I, in fact, invented a way for the Australian National Botanic Gardens to have user pays on their web site through secure funds transfer. There are ways you can do it. If it is casual use, such as somebody once or twice a year lying in the Domain during lunch because they have nothing else to do, does that constitute use? I suppose it does in the very narrow view of it. If they only do it once, should they be entitled to go there? I would say yes.

Senator HOGG—So where do you suggest we can look for a definition?

Mr Donovan—If someone is going to a national park—and I am using some work I did in Canberra—and drive their car in and park, should they pay for the parking? In my view, the answer is yes. It is infrastructure that should be paid for. If they just go for a walk around the park, should there be payment for that? If they paid sufficient for the parking, maybe not—it is horses for courses. You have to look at every situation to see how it might be applied. If they buy food and drink when they go into that park, should they pay more for it? I believe so—up to 15 per cent more, and that 15 per cent should go to the park management to look after it.

Senator REYNOLDS—But we do not apply this approach to anything else in our taxing system. I might choose to not contribute to all kinds of things that government funds. I could opt out and say I am not going to contribute to certain things I might not agree with. I will not embarrass Senator Tierney by saying what they might be. There would be anarchy if people could opt in and out of those areas of government activity that are funded by the taxpayer. Surely, we have to look at collective responsibility. That is why, if anything needs user pays, it is a question of reforming the tax system, so that those who are not paying taxes at the moment do pay.

Mr Donovan—The counter-argument to that, as a person who pays taxes and looks at the way the government spends it, is that I would say to government 'Become more efficient in the way that you actually apply our tax dollars before you ask us for more money.'

Senator REYNOLDS—I do not think we have a meeting of minds here, Mr Donovan.

Mr Donovan—No, I know. But the point is this: if you assume that what we should do is put the tax system up and have universality—a catholic approach—to it, I have no objection to that. But as a consumer who would be quite happy to pay if the money was going into national cultural areas, I would also want to have the right to turn around to government and say, ‘I think you are wasteful in some areas. Before you put the taxes up can we see whether we can trim a bit here and a bit there and reapply that to the area?’

Senator REYNOLDS—But it is that philosophy that is making life so difficult.

Mr Donovan—The philosophy of government not wanting to trim their budgets or asking for too much from the consumer?

Senator REYNOLDS—The fact that people are not wanting to pay more tax is making life so difficult for all governments. In actual fact, Australia is a low taxed country by OECD standards, and we would all be much better off if we paid a bit more and did not have to run around paying a bit extra here and there in user pays.

Mr Donovan—Yes. Running on that logic, we pay less for our meat than Japan does: does that mean we should pay more for our meats? If we are one of the lowest taxed countries in the world, I would still say look at how efficiently that tax is being applied to where it is necessary. Are there other areas of government that it could opt out of?

CHAIR—I am just looking at the time here, and we are juggling two inquiries. I am going to ask Mr Serventy to stay at the table when I call the Colong Foundation. We will continue with the access to heritage inquiry for a while and then we will move on to the new inquiry. Mr Serventy, do you mind staying with us?

Mr Serventy—I can stay.

CHAIR—Are there any further questions for Mr Donovan?

Senator TIERNEY—Yes. Mr Donovan, you mentioned you worked overseas and you were giving advice on when organisations had to pull back to protect the asset. Are there any principles underlying the sort of priority they should place on pulling back? The point I am making is that there are often conflicting groups who want to use an asset in particular ways. If they are pulling back, if it is not a total shutdown, how do you work out the priorities? Are there any principles underlying that?

Mr Donovan—I have been working with people outside Australia and inside Australia. If an area is terribly sensitive you can open it for a certain period of a year. That is one form of pulling the business back, that it only operates for a limited period of time. You can cap the number of people who would go onto the site on any one day for a

period of days. You can use quotas to do that sort of thing.

You can restrict access to certain parts of an area for certain periods of the year, be that days, weeks or months. You can restrict access by charging people more money the further they go into certain areas. We have one area where there is a very highly prized peat swamp forest. You will pay an amount at the door to get in and see most of the park but to get into the peat swamp you will pay a hell of a lot more. We are using price to pull the numbers of people back. There is a whole range of mechanisms that you can use which are physical or economic barriers.

I have no problem in saying to someone, 'The sensitivity of this area is such that it should close down for a certain period of time to allow regeneration.' That can either be a place within a place, or the whole place.

Senator TIERNEY—You indicated you are giving advice to places like Malaysia. What sorts of organisations in Australia do you work with?

Mr Donovan—I have worked with the Australian National Botanic Gardens and the national parks. Here in this state I have worked with the economic and regional development people. In Western Australia I was looking at natural outdoor ecomuseums and places like that.

Senator TIERNEY—To what extent do they take your advice on rationing resources in these various ways that you have indicated?

Mr Donovan—Of the 114 recommendations that we put to the national parks service here, about 23 have happened. You really need to ask them. Quite often I go back and work with a client but I do not stick around to see how much of it they actually put in. A lot of the methodology has been adopted in quite a few places.

As for the places overseas, the whole structure of what I recommend is usually implemented. You would need to go back to the source people to find out how much of it. They have all liked what I have written. When you say how much of it has been applied, they need money, they need political will, they need time and they need people who want to see it happen as well. Without some of those factors things may not happen. It does not mean to say the recommendation was not good in the first place. I do have a lot of recurring customers.

CHAIR—I thank Mr Donovan for his time and I ask Mr Serventy to stay with us while we call the Colong Foundation people.

[12.10 p.m.]

COLLEY, Mr Alexander Gerald, Honorary Secretary, Colong Foundation for Wilderness, Gloucester Walk, 88 Cumberland Street, Sydney, New South Wales 2000

SOMERVILLE, Mr James Graham, Vice-Chairman, Colong Foundation for Wilderness, Gloucester Walk, 88 Cumberland Street, Sydney, New South Wales 2000

CHAIR—Welcome. We have a little over an hour remaining. I hope everybody can stay with us for that time. We prefer all evidence to be given in public, but you may at any time request that some of your evidence or perhaps an answer to a question be given in private and we will consider that request. We have before us submission No. 7 of January 1997 on access to heritage, and we have authorised its publication. Are there any alterations that you would like to make to that at this point in time?

Mr Colley—No.

CHAIR—I now invite you to make an opening statement, and we will also be asking you some questions.

Mr Colley—I found a bit of difficulty with the definitions of this inquiry. A heritage place, I suppose, is a place recognised as such under the natural heritage convention. As far as the Colong Foundation is concerned, I am not going to attempt to go anywhere beyond national parks. We as individuals of course have an interest in preserving places like Sydney Cove and so on but, as an organisation, our object is to preserve the natural environment. That was the first trouble I had with the definition, but I assume that most national parks are heritage listed.

The second difficulty was with the definition of a user. Mr Donovan was talking about this. Obviously, people who go into the park and walk about in it or ride about in it are users; but you do not need to go into a national park to be a user: you can enjoy it by simply going to the edge and having a look at it. You can enjoy it by driving through it or by driving past it. In my opinion, we are all to an extent users of national parks for that reason: they are free to everybody and everybody gains some enjoyment from them.

In the same way, suburban parks have the same quality. They are there for everybody to enjoy, and there is no attempt made to charge for the use of suburban parks. If you are going to charge for the use of national parks, it is going to be a very difficult matter. You can charge the people who drive in in their cars on a well used road, but that is about it, as far as entering the park goes. You cannot charge in the great majority of parks, because it just would not pay to have a person at the entrance to the park taking the fees. You can charge for parks like Kosciusko or perhaps even the Royal National Park. Therefore the definition of ‘user’ really includes everybody, as it does for the suburban parks.

CHAIR—Could we also perhaps include as users those people who sit at home in front of their television and see a video of Kakadu?

Mr Colley—I think so, yes. That is what I say: it is a very diffuse thing, and everybody benefits from national parks. One of the troubles with this definition of ‘user’ is, as I have said, how you are going to charge for the use at all. And that is a problem which has led, in my opinion and the opinion of the foundation, to a lot of abuse of national parks. What the national parks authorities are trying to do is to create users, and they are creating users by leasing out land within the park so that people will go in there and they can charge lease charges and find other means of revenue.

The result is that a portion of the park is alienated from public use. Of course, when that happens, the natural flora and fauna suffer because great areas are cleared for parking and that sort of thing, and there is a great deal of use of the park. There are some examples overseas which show what that type of development can lead to. The Yosemite National Park has several hotels, 37 liquor outlets and enormous amount of traffic on the Mercer River, with boats going past every 40 seconds or so, and the whole place is very much degraded by commercial use. Another example is Banff National Park. These are two of the oldest national parks in the work. Banff National Park has a railway and a road going through it, a mighty hotel and several smaller hotels, and a 27-hole golf course and other facilities for the people that go in. The result is that the natural fauna, particularly the bears and wolves, are dying out.

The same thing is threatening some of our parks, in particular Kosciuszko, where already we have overnight accommodation for 8,000 people and there is a proposal for another 1,066 people to go in. The parks service will charge leasehold charges on that and it will charge for people going into the park but it has an enormous outlay to keep the park going for those people. In fact, the outlay of looking after the park exceeds the revenue it gets from it. Last year, they had revenue of \$12 million from the park, but they spent \$15 million maintaining it. The latest proposal for the extra 1,066 beds will cost the government services \$4 million for roads and \$6 million for sewerage and water.

Of course, the damage done within the park is terrific. The national parks service in 1980 forecast what was happening. It was already happening. There was not very much water up there, not enough to dilute the effluent, and all the streams radiating from the resorts were polluted. It cost an enormous lot a little while ago to upgrade the water and sewerage services.

There is another threat to parks in their commercialisation. There is a trend at present to license and charge commercial users of parks. If you let people have four-wheel drive safaris and horse riding expeditions, they do an enormous amount of damage to the parks and it is very hard to restore the parks. It is an enormous cost. In fact, you could not really estimate what it was worth. A lot of other users of the parks are people who can go into a park anywhere they want because they are not going in along the road, and they can

wander around in there and you will never catch up with them, nor will you ever know the damage they are doing. There will be no relation between the amount of damage they do and the amount that you might make them pay. I cannot see how you can create a balance between the ill-defined heritage issue and the fact that the users are very hard to define. How on earth you can get a common measure and create a balance, I do not know.

CHAIR—We are actually making sure that we give all witnesses the opportunity to comment on the issue of who is a user and how you define a user. In fact, it has been left to Senator Hogg to frame all of those questions, so we are very pleased that you have addressed that issue up front.

Mr Colley—As it is a public possession, we do not think the public should be charged for the use of their own land and we do not think there is any means of having equitable user pays. I think it should come out of taxation, as it can be compared with the urban parks which are paid for out of rates.

The point is that, even with the best ideas you can think of, there has never yet been a means devised whereby the revenue from parks will exceed the public outlay on them—even in Kosciuszko, which is the nearest; and in other parks I think it would be virtually impossible. To sum up, our idea is that the whole object of creating national parks is to preserve part of the national environment. Once you start to put in the coffee houses, golf courses, resorts and all the other things which are going into parks, you are carrying into the parks the very thing the parks are created to let us get away from—that is to say, all the trappings of an industrial civilisation, all the noises. You are also not saving any money. You are not only degrading the park, but costing the government money to do it.

CHAIR—Thank you. I will begin the questioning by going back to Mr Serventy's submission. Earlier today, you mentioned the 'friends of' and various other volunteer groups. Do you believe that there are any concerns that those groups will die away, if we move down the road of acquiring more and more money to get in and to be involved? Many of the groups are made up of people who are not happy to see either commercialisation or fees and charges levied?

Mr Serventy—Yes. I agree with what you are saying. I do say that we are not thinking of only one use. In my submission, I have listed about eight uses for national parks. For example, they can be used as reference areas for agricultural problems. They might contain species which would be valuable in medicine—curing cancer and so on. The Maoris, for example, are demanding that they want to get a return from their plants and animals. These act as carbon sinks. They provide mechanisms to alter the climate. There are a number of other uses—probably dozens I have not even thought of—which make them valuable. How you charge for all that I do not know. I think I have made my full statement in this paper, so there is no need to add to that.

CHAIR—I have a question for either representative of the Colong Foundation. From reading your submission, you have not mentioned overnight camping as one of the acceptable activities in parks. Should that be an allowable activity in designated camping sites within parks?

Mr Colley—I would rather they camped outside, but I do not think it would be very practical to enforce that. A lot of bushwalkers are going to camp anyway and I think they ought to be able to. We would prefer it if motor camps were located outside the park, because it does introduce a lot of clearing of scrub and that sort of thing. It does degrade the park.

Senator TIERNEY—Mr Colley, you are saying that we really should not charge for entry to national parks, but you are very concerned about the degradation of national parks by usage. Wouldn't charges act as a mechanism to stop the degradation of national parks?

Mr Colley—Do you mean the money collected?

Senator TIERNEY—For a start, it would reduce usage and the money could then be used to improve the facilities in the national park or fix up the degradation.

Mr Colley—I do not have any particular objection to charging motorists entry to the park. After all, it costs \$200 a week on the average, according to the NRMA, to maintain a car, so they could afford to pay to get in. I would not object to that, but I find it very difficult to visualise any other charge which could be enforced without degradation of the park.

Senator TIERNEY—I just wonder why you are separating the motorists. Most people who travel to the national parks have to go there by car anyway.

Mr Colley—Well, they are the only ones you can catch. I mean, bushwalkers and people in four-wheel drives can get in anywhere.

Senator TIERNEY—Yes, well, that is true. So you do not have any objection to charges?

Mr Colley—No, I do not have any objection about charging to get into parks on the road.

Mr Somerville—If an area is becoming degraded, it is very simple administratively for the National Parks and Wildlife Service to prevent camping in that area. That has happened for instance in the case of Burning Palms, north of Stanwell Park. Because the area was being overused, they forbade camping there and that has been the rule now for a number of years. So degradation, if it occurs as a result of camping, can be

controlled.

Senator TIERNEY—You might have heard Mr Donovan mentioning earlier that he had done work with various organisations to bring about certain controls. I was just wondering what your views on that were, particularly in relation to, say, the Colong Foundation for Wilderness, if we were to set up a system, as he was indicating, where you restrict access either by time or by various groups, so that the heritage value of the asset could be retained? Do you have any comment on that sort of rationing of usage of national parks?

Mr Colley—Provided the accesses are the right sort, you do not need to worry. The main meaning of ‘access’ to anti-conservation groups these days is the right to go in there with their four-wheel drive or horses and drive off the roads, doing an enormous amount of damage. I think that was quite right. People just driving in, walking around the park and that sort of thing will create some damage sometimes, it is true. It is not a very difficult matter to install walking tracks where it is very heavily used and to maintain them, as has been done in the Blue Mountains for a century. Those Blue Mountains tracks are beautiful to walk on. They have not done much damage at all anywhere. Once you let the off-road vehicle people and the horse riders off the roads, there is a lot of damage created.

CHAIR—As there are no other questions, I formally close this section of the inquiry on access to heritage.

Committee adjourned at 12.46 p.m.