

PUBLIC ACCOUNTS COMMITTEE

**SUPPLEMENTARY SUBMISSION TO THE
INQUIRY INTO THE EFFECTS OF THE ONGOING EFFICIENCY DIVIDEND
ON SMALLER PUBLIC SECTOR AGENCIES**

I attended hearing which began at 12:45pm on Thursday, August 21, 2008. Towards the end, I was invited to provide a definition of 'collecting institutions' to help the Committee determine the group of institutions being identified before it as deserving of exemption from the effects of any application of the efficiency dividends under discussion.

The following definition is taken from the Code of Ethics of Museums Australia, the national organisation for the museum sector, which is committed to the conservation, continuation and communication of Australia's heritage. In this instance I use the term 'collecting institutions' to refer to museums and art galleries.

The International Council of Museums (ICOM), an agency of the United Nations Educational, Scientific and Cultural Organisation (UNESCO), defines a museum as *'a non-profit-making, permanent institution, in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates and exhibits, for the purposes of study, education and enjoyment, material evidence of man and his environment.'* (ICOM Statutes, 1974)

In addition to museums designated as such, ICOM recognises that the following comply with the above definition:

- a. conservation institutes, and exhibition galleries permanently maintained by libraries and archive centres;
- b. natural, archaeological and ethnographic monuments and sites, and historical monuments and sites of a museum nature, for their acquisition, conservation and communication activities;
- c. institutions displaying live specimens, such as botanic and zoological gardens, aquaria, vivaria, etc.;
- d. nature reserves;
- e. science centres and planetaria.

Collecting institutions discussed in my first submission are all covered by this definition. There are other collecting institutions that I do not refer to such as the National Science and Technology Centre (Questacon) and the Australian National Botanic Gardens. I have also mentioned other smaller agencies, such as the Australia Council.

In an informal discussion following the formal hearing between members of the committee, Committee members were alerted to three documents that might assist the Committee. Those documents are:

1. ***Museums in Australia 1975, the Report of the Committee of Inquiry on Museums and National Collections, including the Report of the Planning Committee on the Gallery of Aboriginal Australia, Canberra, Australian Government Publishing Service, 1975.***

Known widely as *The Pigott Committee Report* this seminal document has significantly shaped the debate about the nature and scope of the 'cultural institutions' around Australia, and remains valid in 2008.

Two reports were subsequently published by the Joint Public Accounts Committee: No. 196 in 1982 and No. 221 in 1983.

The former reviews a very unfavourable 1981 Audit Office report into the operations of the institution known generally to all Australians as the Australian War Memorial. The Audit Office report revealed deep problems within the Australian War Memorial, mostly as a consequence of lack of federal government funding, professional training and other factors over many years. As a result of that Audit Office report, and the subsequent examination of the report by the Joint Committee on Public Accounts (JCPA), there was a significant increase in focus by the government to the needs of the cultural institutions, including provision of additional funding, the facilitation of tertiary training courses, and attention to other matters. That JCPA Report remains an important document to the cultural institutions impacted by the results that flowed from it.

The Report No. 221 contains the government's response to the Committee's Report No 196. It is recognition by government of the need to fund adequately its cultural institutions, and manage them appropriately for the national good. The adoption of its findings saw a marked improvement in the health of the cultural institutions.

I would like to make the following additional comments in regard to the impact of the efficiency dividend on Commonwealth funded cultural institutions.

- All institutions have data bases, which include their research libraries and their collections. These are used by other institutions and organisations, and individuals, around the country. The data bases include details of war service for all Australian who have undertaken military service; library data bases of published and unpublished material, including rapidly increasing amounts of material such as maps, manuscripts, photographs and other items. Such material is basic for local and regional people to devise the histories of their respective localities. While digitisation of collections is continuing, the application of efficiency dividends is slowing down that process to a marked degree.

- Many smaller professional and quasi-professional organisations and bodies rely on the corporate memberships of the major cultural institutions for an important proportion of their small budgets.
- Most cultural institutions have Friends or members organisations, accessible to all who wish to join. Participation by membership can be active or passive. These supporting organisations routinely publish Newsletters or Journals that contain a wide range of articles and valuable information. The published material connects members to the organisation and to other members, and plays a significant role in the education of members about matters relevant to the cultural organisation. The production of such material comes at a cost and it may be among the first of things to cease or be reduced in quality, frequency or both when the cultural institutions are looking for savings. The supporting organisations also arrange specific activities for the benefit of members, to inform and engage them with the collection. Members of Friends organisations frequently are potential or actual donors of cultural material or cash, or both. Treating them in any way that suggests "less than important" can have long term adverse implications.
- The major cultural institutions often make available at reduced, or no cost some of the common facilities within their own buildings, for use by a range of voluntary or other organisations, particularly the institution's supporting organisation. They may host those bodies, enable meetings, allow access to ancillary facilities like telephones and photocopying which enable those bodies to perform their valued functions.

Thank you for inviting me to speak at the hearing and to present this supplementary submission.

Meredith Hinchliffe