

Submission
No 142

**INQUIRY INTO GOVERNMENT'S MANAGEMENT OF THE
POWERHOUSE MUSEUM AND OTHER MUSEUMS AND
CULTURAL PROJECTS IN NEW SOUTH WALES**

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NSW Government submission

Inquiry into the Government's management of the Powerhouse Museum and other museums and cultural projects in New South Wales

Table of Contents

| | |
|--|-----------|
| Terms of Reference | 1 |
| (a) proposed move of the Museum of Applied Arts and Sciences, the Powerhouse Museum, from Ultimo to Parramatta, including:..... | 1 |
| (i) the core vision behind the move..... | 1 |
| (ii) the governance of the project, including the effectiveness and adequacy of planning, business cases, design briefs, project management, public reporting, consultant selection and costs, project costing and cultural and demographic justifications | 3 |
| (iii) the risks in the move, including damage to collections, cost overruns and the future cost of operations at Parramatta..... | 5 |
| (iv) consequences of flood at the site at Parramatta in light of the flood event in February 2020 | 6 |
| (v) impact on the heritage status of the site at Ultimo and heritage items at Willow Grove and the Fleet Street precinct at Parramatta | 7 |
| (vi) use of the proceeds from the proposed sale of the site at Ultimo | 8 |
| (vii) Government's response to the previous recommendations of the Portfolio Committee No. 4 in Report 40 entitled 'Museums and Galleries in NSW' | 8 |
| (b) the Government's management of all museums and cultural projects in NSW | 9 |
| (i) current Government policy, funding and support for museums and galleries across regional NSW | 10 |
| (ii) whether there is equitable access to collections across NSW, including at the Powerhouse Museum and the Australian Museum | 11 |
| (iii) whether comprehensive consultation with communities and experts has informed cultural policy and projects across NSW, such as that applying to heritage arms and armour collections ... | 13 |
| (iv) the continuing impact of the efficiency dividend on the budgets of museums and galleries over the last 10 years | 15 |
| (v) funding levels for museums and galleries in NSW compared with other states | 15 |
| (vi) whether there are other more cost-effective strategies than the sale of the Powerhouse Museum site at Ultimo to support museum development across NSW, including consideration of the new Parramatta site and the proposed standalone Western Sydney Museum at the Cumberland Hospital site..... | 16 |
| (c) any other related matter. | 16 |

Acknowledgement of Country

The NSW Government acknowledges Australia's First Nations Peoples as the traditional owners and custodians of the land and gives respect to the Elders - past and present - and through them to all Aboriginal and Torres Strait Islander peoples.

Introduction

Arts and culture enable lifelong learning, bring communities together, support the visitor economy and activate our civic spaces. Through an evidence-based and outcomes approach, the NSW Government is growing the understanding of the value of arts and culture to competitively position our State to help attract investment, talent and visitors, as well as help build liveable communities and enhance individual well-being.

For the purpose of this submission, the NSW Government has defined 'the move of the Powerhouse Museum' to encompass: the existing Powerhouse Museum in Ultimo; the future of the Ultimo site; the Powerhouse Parramatta Project; the Collection Digitisation and Relocation Project; and the expansion of Powerhouse Castle Hill, the Collection storage facility. 'Museums and cultural projects' is defined as museums, galleries, keeping places and associated collections-based cultural projects.

The submission is whole-of-Government with contributions from several key agencies. It is important to note that many government organisations own and manage heritage collections; not all have been addressed in this submission in the interest of focussing on major initiatives.

Terms of Reference

(a) proposed move of the Museum of Applied Arts and Sciences, the Powerhouse Museum, from Ultimo to Parramatta, including:

(i) the core vision behind the move

Western Sydney is Australia's fourth-largest economy and one of the fastest-growing and most culturally diverse regions in Australia. Its population is projected to grow by 3% per annum to 2041 – over double the rate of Greater Sydney and nearly triple the national rate over the same period.¹ The NSW Government's recently released *2040 Economic Blueprint* recognises the role creative industries play in creating vibrant, dynamic places that attract, develop and retain skilled talent in NSW and help drive economic growth.² The opportunity for Powerhouse Parramatta to harness this growth to contribute to the productivity and liveability of Western Sydney, Greater Sydney and NSW more broadly, is transformational.

Powerhouse Parramatta will be the first NSW Government State cultural institution to be located in Western Sydney. It will provide unprecedented levels of access to the Powerhouse Collection through a changing exhibition program focused on science and technology. The exhibitions will be supported by a cross-generational education program that will set a new benchmark in cultural participation by the diverse and growing communities of Western Sydney.

In August 2019, the NSW Government endorsed vision, design and operational principles for Powerhouse Parramatta. This vision has driven the design competition process, design development and operational planning of Powerhouse Parramatta and marks a significant uplift to service levels for the benefit of the communities of Greater Sydney and NSW.

Powerhouse Parramatta Vision

Powerhouse Parramatta will be the largest museum in NSW at over 30,000sqm including 18,000sqm of exhibition and public spaces. Core to its operations will be a changing exhibition program that will feature the Powerhouse Collection and will attract two million visitors per year. Visitors will experience distinct arrivals to the precinct through connections to the planned Parramatta Civic Link, new Parramatta Light Rail and Metro West, ferry, train and bus.

The institution that became the Powerhouse was established in 1881 in the Garden Palace in Sydney's The Domain, and emerged from a history of 19th Century grand exhibition halls including the Grand Palais in Paris. Powerhouse Parramatta will return to its origins through large scale exhibition spaces that will enable the delivery of an ambitious and changing program that provides greater access to the Powerhouse Collection than ever before.

¹ NSW Department of Planning and Environment (2019). *NSW 2019 Population Projections*. Retrieved from www.planning.nsw.gov.au/research-and-demography/population-projections.projections.

Western Sydney Leadership Dialogue (2019). *Our Region*. Retrieved from www.westernsydney.org.au/our-region.

² NSW Treasury (2019). *NSW 2040 Economic Blueprint: Investing in the state's future*. Retrieved from www.treasury.nsw.gov.au/sites/default/files/2019-11/0909-02_economicblueprint_web.pdf

The renewal of the Powerhouse will embrace the region's rich cultural diversity, with 52% of residents speaking a language other than English at home and 50% born overseas.³ Powerhouse Parramatta will reflect the communities and cultures of one of Australia's fastest growing regions.⁴ Powerhouse Parramatta will integrate into the city, presenting a program of new large-scale community and cultural events that will expand the annual cultural calendar of Sydney. It will showcase First Nations culture and include culturally diverse programming.

Supporting the exhibition program at Powerhouse Parramatta will be a new landmark program for Australia, the *Powerlab*. *Powerlab* will include up to 40 residential studios and 60 dormitory-style accommodation places that will bring together researchers, scientists, artists and students from across regional NSW, Australia and around the world to collaborate and participate in Powerhouse programs. *Powerlab* will feature digital studios to support music and screen industries alongside co-working spaces, life-long learning and community spaces. Integrated into the *Powerlab* will be a research kitchen and library that will support a NSW industry development program including archives and oral histories.

The NSW Government's vision for Powerhouse Parramatta will see a museum embedded into an innovation and creative industries precinct, providing opportunities and pathways to employment for young people across Sydney and NSW. The *Academy* residency program will engage 10,000 students annually in Powerhouse programs in the applied arts and sciences. The Powerhouse will set a new international benchmark in experiential learning through the creation of a large-scale 360-degree digital space, unique to Australia. Through a changing program of commissioned works, the 360-degree digital and screen program will provide distinctive experiences immersing students and audiences in science, technology and astronomy.

Powerhouse Parramatta will actively participate in the daily life of the city by presenting multiple concurrent programs and events and will operate across the day and into the evening. Through an active night-time program, the Powerhouse will significantly contribute to the growth of Sydney's night-time and visitor economies providing experiences that intellectually and emotionally connect communities and drive repeat visitation.

Powerhouse Parramatta will present flexible programming such as exhibitions, major events, music, film, festivals, education, research, and industry events. It will be a place designed to evolve in response to the needs of its growing communities.

Winning Design by Moreau Kusunoki and Genton

The architectural team of Moreau Kusunoki (France) and Genton (Australia) will deliver a museum with seven large-scale exhibition spaces. The scale and volume of these exhibition spaces will enable a building with many functions and potential. The exterior structural frame will facilitate interior flexibility, enabling dynamic programming. Complementing the built form will be an active and accessible ground plane. The architecture will open towards the river, providing generous public space creating an open public precinct.

³ City of Parramatta (2016). *Local Government Area*. Retrieved from https://www.cityofparramatta.nsw.gov.au/sites/council/files/inline-files/2016%20Census%20-%20Infographic%20-%20City%20of%20Parramatta%20LGA_0.pdf.

⁴ NSW Treasury (2019), op. cit

(ii) the governance of the project, including the effectiveness and adequacy of planning, business cases, design briefs, project management, public reporting, consultant selection and costs, project costing and cultural and demographic justifications

The planning and development of Powerhouse Parramatta has been supported by an established and effective governance structure, first implemented in 2018. Since its implementation, the governance structure has been reviewed and updated to reflect the stage of the project and in response to project assurance reviews.

Governance

The formal governance structure for the Powerhouse Program includes a Program Steering Committee and a Project Control Group for each of the four projects in the program. The four projects include Powerhouse Parramatta, Collection Digitisation and Relocation, Powerhouse Castle Hill and Ultimo Creative Industries Precinct.

The Program Steering Committee (PSC) is a decision-making body and is responsible for overall governance in accordance with Government direction. The PSC is expected to endorse significant decisions, and will consider any proposed amendments to overall budgets, allocation of budgets between elements, or program for delivery. The Project Control Groups (PCGs) support the PSC and are responsible for overseeing the delivery of their related project in accordance with Government approvals. The PSC and PCG members are committed to establishing, maintaining and promoting good governance.

Because of the size and complexity of the Powerhouse Parramatta Project, Infrastructure NSW (INSW) has been charged with overseeing its detailed design and delivery. A Memorandum of Understanding between INSW, the Powerhouse and Create NSW sets out the responsibilities and accountabilities for the project. INSW received a Premiers Authorisation Order on 20 November 2019 for delivery of the Powerhouse Parramatta project.

Effectiveness and adequacy of planning

Infrastructure NSW is overseeing the statutory planning process for Powerhouse Parramatta. The project is classified as a State Significant Development under NSW planning legislation. INSW has prepared a State Significant Development Application (SSDA) and supporting Environmental Impact Statement (EIS) to seek consent from the Minister for Planning for clearing and preparation of the site, and construction and delivery of a new building and public domain. As part of the process, the SSDA will be placed on public exhibition for 28 days before the Department of Planning commences a detailed assessment of the project's merits. No construction work can commence until development consent is granted.

The EIS will consider the full range of potential environmental, economic and social effects of the proposed development. Key issues associated with the project are likely to include built form and urban design, heritage, flooding, transport, noise/vibration, wind, construction-related impacts and environmental performance/sustainability. The planning process will be informed by a range of community and stakeholder engagement activities, including with relevant government agencies, local community organisations and the public. The SSDA and supporting EIS will be subject to assessment by the Department of Planning, Industry and Environment and will be determined by the Minister for Planning.

Effectiveness and adequacy of business cases

The Powerhouse Parramatta Project is classified under the Infrastructure Investor Assurance Framework as a 'Tier 1' project and as such, is subject to regular independent review and monitoring. Since February 2016, no fewer than eight external reviews have been undertaken as work on Powerhouse Parramatta has evolved. These assurance reviews have involved independent professionals with expertise in cultural infrastructure, urban planning, economic analysis, cost management, construction and operation.

The assurance review of the 2018 Final Business Case for the relocated Powerhouse Museum, completed in February 2018, concluded that the Business Case had successfully demonstrated the case for change. The review supported the project team's proposal to separate the planning and delivery of developments at Parramatta and Ultimo, noting that ongoing engagement and collaboration between the two projects would be critical to the successful operational integration of the two facilities. The 2018 Final Business Case was rated 'satisfactory' or 'strong' in all areas. The review noted that the 2018 Final Business Case included several assumptions and provisions which would benefit from more rigorous testing, which was completed. Based on the 2018 Final Business Case and the further work undertaken, INSW was satisfied that the Business Case provided a sound basis for Ministerial decision-making on a preferred option.

Effectiveness and adequacy of design briefs

The Stage 2 Design Brief for Powerhouse Parramatta was prepared to support the development of submissions from the shortlisted design teams. It provided a summary of the vision for the project, its objectives and requirements, and provided scope for the design teams to respond creatively in their submissions.

The Stage 3 Design Brief is a comprehensive document that was provided to the architectural and design team upon engagement. The Stage 3 Design Brief provides more detail on the requirements of the individual building areas to enable the design team to develop the design submitted for the SSDA.

A Functional Brief that is currently being developed to guide the design team during the detailed design process. The Functional Brief will form part of the Request for Tender to secure a builder.

Project management

Government has established a capable and experienced project team to manage the planning and delivery for Powerhouse Parramatta drawing upon resources from INSW, the Powerhouse and Create NSW.

Consultant selection and costs

Following completion of the International Design Competition, INSW has engaged the winning architectural team Moreau Kusunoki and Genton and Arup engineers. The design team has been progressing the competition concept designs in preparation of the State Significant Development Application.

The design team has been procured in accordance with the outcomes of the design competition. Additional consultants have been procured by INSW to satisfy the project requirements, in line with NSW Government procurement guidelines.

Project costing

Slattery Australia, the Cost Planner for Powerhouse Parramatta, provided advice during the international design competition and has an ongoing cost advisory role for the project. Slattery provides advice in the assessment of design options, as well as cost updates at milestones such as the State Significant Development Application documentation and the commencement of the contractor procurement process. These reviews are important to ensure the design develops in accordance with the available budget. Assurance reviews undertaken in 2019 and 2020 favourably assessed the proposed scope of works against the available budget and operational cost forecasts.

Cultural and demographic justifications

Powerhouse Parramatta will be the first significant cultural infrastructure project in Western Sydney, Australia's fourth-largest economy and a region growing at almost triple the average Australian rate.⁵ Western Sydney is one of the most culturally diverse regions in Australia with 52% of residents speaking a language other than English at home and 50% born overseas.⁶ Significantly, Western Sydney is one of the largest First Nations communities in NSW and the Powerhouse Parramatta will reflect this diversity.

The Powerhouse program will be an important destination asset for the State, contributing to the renewal and redefinition of the NSW visitor experience. Cultural participation in Western Sydney has historically lagged compared to that in Eastern Sydney, with most recent (2015) estimates putting it at 87% (compared with nearly 94% in Eastern Sydney).⁷ This gap is generally attributed to the lack of fit for purpose cultural infrastructure of scale in Western Sydney.⁸

With 98% of Australia engaging with creative industries, and the significant forecast growth and change in Western Sydney, Powerhouse Parramatta has a unique opportunity to drive creative industries growth and innovation.

(iii) the risks in the move, including damage to collections, cost overruns and the future cost of operations at Parramatta

Collections

The Powerhouse is leading the implementation of the Collection Relocation and Digitisation Project (CRDP). The CRDP will digitise and relocate Collection items currently held at the Ultimo site to a newly redeveloped and expanded storage facility, Powerhouse Castle Hill. This will be the first time the Collection will be stored in a consolidated location.

⁵ NSW Department of Planning and Environment (2019). *NSW 2019 Population Projections*. Retrieved from www.planning.nsw.gov.au/research-and-demography/population-projections.projections.

Western Sydney Leadership Dialogue (2019). *Our Region*. Retrieved from www.westernsydney.org.au/our-region.

⁶ City of Parramatta (2016), *op.cit*

⁷ ABS 2008, Available Cultural Data: Western Sydney prepared for Arts NSW and the Department of the Arts, Sports and Recreation; Bureau of Transport Statistics 2014, Electronic Publication No. E2014-21 Population Forecasts – Summary; Morris Hargreaves McIntyre, Audience Atlas Australia: National market report, Morris Hargreaves McIntyre, Audience Atlas Victoria: Exploring the market for culture in Victoria.

⁸ SGS Economics & Planning (2018), Mapping Arts and Culture in Western Sydney, page 95. Retrieved from <https://create.nsw.gov.au/wp-content/uploads/2018/12/Attachment-A-Mapping-Arts-and-Culture-in-Western-Sydney.pdf>.

The CRDP provides an unprecedented opportunity to conduct inventory, conserve, photograph, digitise and better document the Collection as part of the relocation process. Teams of collection management experts have developed and are delivering a considered collection management approach for the Collection. They are also developing transport and storage plans to support the physical relocation of the Collection. This approach ensures the Collection is managed in a responsible, sustainable and efficient manner, protecting this significant state asset.

This project has a governance structure overseen by a Project Control Group and the Powerhouse Program Steering Committee. The Project Control Group ensures a project risk register is maintained, reviewed and endorsed as the project progresses. Risks to the Collection are managed through a robust policy and procedural framework. The relevant policies and procedures include the: Storage and Access Policy, Stocktaking Policy, Conservation Policy, Collection Incident Response Procedure, and Indigenous Cultural and Intellectual Property Protocol.

To ensure optimal and efficient management of the relocation process, the Collection housed at Ultimo has been classified by significance, specific material, handling or processing requirements of the individual objects, including size, material type, handling and collection management requirements, legislative or security requirements.

The Collection at Ultimo also includes 32 very large objects requiring specialist resources, equipment or skills for movement. A specific risk assessment and management plan to relocate the very large objects and high significance objects is being developed. Specific risk management and mitigation strategies are being identified for all other objects during the current assessment stage of the project.

Operational Funding

The vision and winning design for Powerhouse Parramatta requires the operational model be developed to support the changing program. This work is currently underway.

Cost Over Runs

The project is on track to be delivered within budget.

(iv) consequences of flood at the site at Parramatta in light of the flood event in February 2020

The site is affected by both the 1 in 100-year flood level, and overland flow paths. The ground floor level of the new Powerhouse, and the two main building entrances, will be established above the 1 in 100 year flood level with an additional allowance of 500mm added to protect the site from the 1 in 100 year flood level, in line with the Parramatta Local Environment Plan.

A Flood Impact Assessment will be prepared and submitted with the State Significant Development Application, which will identify the impact of the proposed development on flooding and stormwater flows, and identify any necessary design and management measures required to mitigate potential impacts. The Powerhouse Parramatta concept design takes full consideration of the NSW Floodplain Development Manual and relevant City of Parramatta Council requirements. A Flood Risk Management report has been prepared for submission with the State Significant Development Application, which identifies the impact of the proposed development on flooding and

stormwater flows and any necessary design and management measures required to mitigate potential impacts. No works are proposed to the watercourse or the existing river edge.

(v) impact on the heritage status of the site at Ultimo and heritage items at Willow Grove and the Fleet Street precinct at Parramatta

Powerhouse Ultimo nomination for listing on the State Heritage Register

The State Heritage Register (SHR) is a list of places and objects that are assessed to be of particular importance with The *Heritage Act 1977* Part 3A providing guidance for the listing process. The Minister responsible for administration of the *Heritage Act 1977*, has the final decision on whether to direct the listing of the item on the SHR.

On 26 February 2020 the Heritage Council advertised its *Notice of Intention to Consider Listing* the Ultimo Tramways Power House on the SHR. The boundary of the site comprises the four main interconnected heritage buildings, being the Engine House and Turbine Hall, Second Boiler House, Office Building and Switch Hall. The Notice of Intention was open for public comment for 28 days, closing on 24 March. The Heritage Council met on 21 April 2020 to consider their recommendation. The Minister responsible for the *Heritage Act* will consider any recommendation from the Heritage Council and publish the determination.

Powerhouse Parramatta

Building on previous studies, extensive architectural, heritage, museological, geotechnical, engineering and flood risk studies, including a report considering the potential impact to heritage items including Willow Grove and St George's Terrace have been commissioned for the Powerhouse Parramatta State Significant Development Application

Heritage NSW notes the existence in the proposed development area of two heritage items listed on the Heritage Schedule to the City of Parramatta Council Local Environmental Plan (LEP 2011), Willow Grove (former residence, hospital and commercial offices) and St Georges Terrace (commercial shops). Management of impacts to these properties is the responsibility of the City of Parramatta Council under the controls of the *Environmental Planning and Assessment Act 1979*. This is not a matter for the NSW Heritage Council under the *Heritage Act 1977*.

The Government understands the importance of local heritage to the community and the international design competition for Powerhouse Parramatta focused on developing concept designs to get the best outcome for the people of NSW. Finalist design teams considered aspects of heritage and cultural significance within their submissions, including local heritage buildings. Other considerations included the activation of transport and pedestrian access consistent with the City of Parramatta Council's vision for a Civic Link.

It was clear from the submitted concept designs that in order to deliver the best outcomes for the precinct, including connectivity, open space, museum design as well as value for money, the buildings on the site would have to be removed. Only one of the finalist architects proposed to retain both Willow Grove and St George's Terrace.

The retention of these local buildings was considered carefully during the judging process, however, the Independent Jury concurred with the designers that the retention of the buildings was not viable

in order to meet the agreed outcomes. The Independent Jury was unanimous in its decision on the final chosen concept.

The winning design will reflect and engage with the multiple histories of the site including its Indigenous histories. Indigenous and post-colonial history and heritage will be considered and interpreted throughout the next stage of the design process. Powerhouse Parramatta is subject to the existing NSW planning approval process for state significant developments. As part of the application process, an Environmental Impact Statement is being finalised that addresses heritage impacts and mitigations in detail.

Powerhouse Parramatta – Archaeology

The proposed site at 30B Phillip Street, Parramatta includes three Archaeological Management Units (AMUs) identified in the Parramatta Historical and Archaeological Landscape Management Study (PHALMS). These are: AMU 2882, 42-56 Phillip Street; AMU 3083, Church Street, and AMU 3092 Church Street. The assessment of these three Archaeological Management Units in the PHALMS ranges from state significance (convict town) to local significance. Heritage NSW advice to Department of Planning Industry and Environment for the State Significant Development Application for the site (SSD 10416), was that more detailed archaeological assessment should be undertaken.

The site for Powerhouse Parramatta is on, or near, the Parramatta Sand Body which contains time-depth evidence of Aboriginal occupation of the area going back 40,000 years. These are the earliest dates for the Sydney region.

(vi) use of the proceeds from the proposed sale of the site at Ultimo

The Ultimo Creative Industries Precinct Strategic Business Case assumes revenue from the Ultimo site would help fund Powerhouse Parramatta. The Ultimo Creative Industries Precinct Final Business Case will confirm the Government's plans for the Ultimo site.

(vii) Government's response to the previous recommendations of the Portfolio Committee No. 4 in Report 40 entitled 'Museums and Galleries in NSW'

In June 2016, an inquiry was established into museums and galleries in NSW. The Final Report was published in February 2019 and contained one finding and six recommendations to the NSW Government. NSW Government response has been provided to the Committee.

(b) the Government's management of all museums and cultural projects in NSW

The NSW Government is custodian and manager on behalf of the people of NSW of large and diverse Aboriginal and non-Aboriginal collections with local, national and international significance. The governance and care of collections is subject to several pieces of legislation and thus is the responsibility of several Government agencies. Major agencies that manage collections are included below, several other agencies manage smaller museum programs and collections related cultural projects.

State Cultural Institutions

NSW has six State Cultural Institutions (CIs): The Art Gallery of NSW; the Australian Museum; the Museum of Applied Arts and Sciences; the State Library of NSW; Sydney Living Museums; and the Sydney Opera House.

The NSW State CIs manage significant cultural heritage collections and provide services and programs throughout the State. The State CIs are custodians of 29 million collection items valued at \$4.5 billion.

In addition, the NSW State Archives and Records Authority (SARA) manages a collection of over 14 million items valued at nearly \$1 billion.

The State CIs and SARA are statutory authorities, governed by Boards of Trustees. In 2018-19, over 6.9 million people visited the State CIs. Together, these institutions provide a unique and irreplaceable archive of our history and contemporary culture. Total funding for the State CIs in 2018-19 was \$279 million. This comprises \$135 million in recurrent funding and \$144 million in capital expenditure.

Powerhouse Museum

The Powerhouse program is addressed throughout ToR (a).

Australian Museum

The NSW Government is providing recurrent funding for the Australian Museum's (AM) operational purposes and a recent \$50.5 million capital grant for *Project Discover*. When the AM reopens later in 2020 the new facilities will provide the people of NSW with a new 1,500sqm touring exhibition space, new education spaces and new amenities. The AM will also continue to upgrade galleries including the addition of a new Learning Centre, a new Pacific Gallery, an Egyptian Gallery and Minerals Gallery. To realise the AM's Master Plan further planning and capital funding will be required (the AM has a development site as part of the overall AM site on the corner of William and Yurong Streets).

Art Gallery of NSW

The Sydney Modern Project is the expansion and transformation of the Art Gallery of NSW (AGNSW) that will almost double existing exhibition space. The project involves the construction of a new building and public art garden next to the existing AGNSW as well as works to the existing building. Most of the land bridge will remain open space with a new public art garden. The total budget for the project is \$344 million. In 2017, the NSW Government committed \$244 million for the project, and the Gallery's Capital Campaign has raised more than \$100 million in philanthropic support. The

Sydney Modern Project is the largest government and philanthropic partnership of its kind to date in the Australian arts.

Sydney Living Museums

Sydney Living Museums has just completed a major renewal of the UNESCO World Heritage-listed Hyde Park Barracks Museum. The renewal project integrates Aboriginal stories and perspectives into the visitor experience. Hyde Park Barracks reopened to the public on 21 February 2020.

(i) current Government policy, funding and support for museums and galleries across regional NSW

Regional NSW is a priority area under *Create in NSW*, the Government's Arts and Cultural Policy Framework and the *Cultural Infrastructure Plan 2025+*. Create NSW's Arts and Cultural Funding Program (ACFP) is the key mechanism through which the NSW Government supports the sector. Reforms to the ACFP were undertaken in 2019 to support investment in and responsiveness to the arts and cultural sector. From 2019-20 two competitive funding rounds are now available each year. The reforms also established ten Artform Boards, including the Museums and History Board and the Visual Arts Board. These Boards advise the Minister on funding recommendations and strategic issues. The boards have representatives with Aboriginal affiliation and representatives from regional NSW. The ACFP is offered in three main categories:

- Multiyear commitments – this represents the Government's longer-term investment in significant cultural organisations,
- Open grants rounds – offering opportunities for the sector to apply for new projects, annual program support and a specific fund for NSW Aboriginal applicants: Creative Koori Projects,
- Leadership program – to foster artistic excellence for individual artists through fellowships and residencies.

In 2019-20 the ACFP has provided funding of over \$1.89 million for galleries and museums in regional NSW.

Key service organisations, Museums and Galleries NSW (MGNSW), the Royal Australian Historical Society (RAHS) and Regional Arts NSW (RA NSW) provide support to the small to medium sector. This includes small grants, professional development, assistance in developing touring programs, advice on interpretation, display and significance assessment, and strategic planning. In 2019-2020 the ACFP provided more than \$1.3 million to MGNSW and RAHS. This includes \$355,000 which MGNSW and RAHS administer on behalf of the volunteer museum and history sector. And over \$2.6 million is provided annually to RA NSW and the network of 14 regional arts development organisations. This includes \$250,000 for the Country Arts Support Program which provides responsive small grants in regional areas.

NSW Government Regional Growth Fund

Through the delivery of the Regional Cultural Fund (RCF), the NSW Government supports the development of regional cultural infrastructure. In 2018, the RCF's \$100 million program supported 136 projects, \$24 million of which was allocated to 44 museums and galleries.

Further funding from the State's Regional Growth Fund has been allocated through the: Regional Growth Environment and Tourism Fund; Regional Communities Development Fund; Drought Stimulus Package and Stronger Country Communities Fund. Twenty-six projects have received over \$6.7 million funding from these sources.

(ii) whether there is equitable access to collections across NSW, including at the Powerhouse Museum and the Australian Museum

The State Cultural Institutions (CIs) actively generate opportunities for their audiences to ensure that their collections and programming are accessible in person, online and in wide-ranging off-site situations. Touring is a cornerstone of the State CIs' commitment to outreach, and access is increasingly accompanied by digital collections and programming initiatives.

In line with the National Arts and Disability Strategy, the State CIs continue to improve access, participation and social inclusion for people with disability. Each institution has a comprehensive disability action plan. Major recent initiatives include: the Australian Museum's accessible public entry Crystal Hall and audio descriptive tours and hearing loops throughout the galleries, the Sydney Observatory East Dome accessible telescope viewing and Sydney Living Museums' renewal of Hyde Park Barracks with multi-sensory interpretative tools which has been welcomed by the disability community.

Powerhouse Museum

The endorsed vision for Powerhouse Parramatta includes a changing exhibition program to increase access to its Collection of over 500,000 objects. This changing program will drive higher and repeat visitation and will raise the profile of the organisation to drive international collaborations and research. The Powerhouse Parramatta changing program is modelled to attract an increase to 2 million visitors in the first year, a significant increase on current Ultimo visitation.

The Powerhouse Museum in Ultimo presents permanent exhibitions. Some of these exhibitions have been on display since the museum opened in 1988. As a result, only 10% of the Powerhouse Collection has been displayed at Ultimo during this period. The Sydney Observatory and Powerhouse Castle Hill have shown <1% and 2% of the Collection, respectively, over this same period. The exhibition program at Powerhouse Parramatta will significantly increase the percentage of the Collection publicly exhibited for the benefit of the communities of NSW through a dynamic changing program. The expansion of Powerhouse Castle Hill will also increase public exhibition space and accessibility of the Collection.

The Program includes one of the largest collection digitisation projects in Australia, which will see over 300,000 objects from the Collection made accessible. This will provide unprecedented levels of access to the Powerhouse Collection and it is already changing the way the Collection can be accessed by the public, researchers and industry across NSW, Australia and the world.

Digital engagement and learning are a significant component the Powerhouse Museum's current program and will continue to be so in the future. The Powerhouse offers digital learning that connects students and teachers to sector leaders in the applied arts and sciences. Onsite and digital programs use bespoke applications and technology that provide students and teachers from regional, national and international locations access to the Collection and opportunities to engage with it via live streaming, digital tours, digital workshops, social media, blogs and podcasts.

Powerhouse Parramatta will maintain ongoing regional programs that engage with museum and gallery stakeholders across NSW, providing museological expertise. As part of the CRDP, the Powerhouse will negotiate a program of targeted loans of very large and large objects. This will allow new audiences across NSW to access these significant Collection objects. Targeted loans will be developed in collaboration with regional NSW partners to ensure support for the care and management of objects whilst on loan.

Regional NSW communities will also benefit from the establishment of the *Academy*, a world first residency initiative. The Academy will accommodate at any one time up to 60 students from across regional NSW to stay at Powerhouse Parramatta to engage in Powerhouse programs.

Australian Museum

The Australian Museum's collection of 21.9 million objects and specimens is the largest natural history and cultural collection in the Southern Hemisphere. Similar to all other major natural history museums around the world, only a small percentage of the research collection is on public display. Its primary use is as a scientific research collection. Scientific and cultural researchers and community members are encouraged to work with the AM collections staff to better understand the collection and utilise it for purposes as diverse as biodiversity management, biosecurity, illegal wildlife trafficking (genetic tissue collection) and for cultural exchange and understanding of the region. Since 2016 the Australian Museum has provided free entry to all children 16 and under providing approximately 50,000 school students per annum free access to the AM. In 2015 the AM opened the award-winning Crystal Hall a new accessible entrance and ramp. This new entrance has provided the platform for the AM's Access and Inclusion Action Plan 2018-2021 to achieve 90% implementation (at 30 March 2020).

Through long term digitisation programs nearly 1.5 million records are available to the public on the Atlas of Living Australia with over 30 million downloads of AM materials in 2018-2019. The AM website has over 10,000 pages of content including fact sheets, education resources, podcasts, blogs and rich exhibition and scientific expedition content which is freely available.

The AM website attracts more than 11 million users annually making it one of the most accessed museum websites in the nation. In addition, a comprehensive outreach program for regional NSW provides access to the AM's collection, educational assets and museum expertise. This includes Education Outreach; Museum in a Box, Video-conferencing utilising 3D imagery of AM collections. In 2018-2019 education Outreach programs reached almost 100,000 students.

The Australian Museum manages an active regional program of long-term collection loans including: a world-renowned fossil collection at the Age of Fishes Museum, Canowindra, a palaeontology collection at Wellington Caves Museum and the Sommerville Minerals collection and Chapman Minerals collection displayed at the Fossils and Minerals Museum in Bathurst are considered collectively to be one of the greatest mineral collections in the world. AM produced and created exhibitions that tour across Australia (and regional NSW) each year reaching over 125,000 people in 2018-19.

The AM undertakes Cultural Outreach including; the AM's cultural collections and education materials are utilised at community festivals and events for Pacific and Aboriginal communities in NSW. Community members, artists and researchers with a particular interest in the collection can access the collection by appointment and digitisation of this collection has also enabled remote/regional communities to access the cultural collections on-line.

Art Gallery of NSW

The Art Gallery of NSW's main Domain site was attended by over 4.1 million people between 2016-17 and 2018-19 – an average of 1.37 million people per year. The Gallery provides free entry to its permanent collections and most exhibitions and programming. The Gallery has a substantial and respected education program extending from preschool to tertiary students and teachers. In 2018-19, 61% of the Gallery's education participants were from Western Sydney and regional NSW.

Access to the Gallery's collection is extended through loans and touring exhibitions across NSW, Australia and internationally. The Gallery toured 14 separate exhibitions to 31 different locations between 2016-17 and 2018-19, which were viewed by audiences of just under 550,000. Recent touring exhibition highlights include the *Archibald Prize* regional tour, *Brett Whiteley: other places (somewhere else)*, *European old masters 16th-19th century*, and *Mervyn Bishop*.

In addition, the Gallery provides extensive digital access to its collection and engagement programs, producing materials such as an innovative resource package that accompanies the Gallery's flagship regional engagement program *Home: Aboriginal art from New South Wales*, which was developed in 2018-19 in partnership with the Department of Education Arts Unit and comprises curriculum-linked Art Sets for teachers, artist profiles, images of artworks and video resources including artist interviews.

The Sydney Modern Project will help further strengthen and grow engagement with, and access to, the Gallery's collections, exhibitions and programs, both physically and digitally.

State Library of NSW

With a history dating back to 1826, the State Library of NSW (SLNSW) has developed a collection of over 6 million items. It includes books, manuscripts, maps, photographs, paintings, architectural plans, objects and digital content. The public can access the SLNSW collections through its reading rooms, online platforms, and exhibitions programs, with selected materials made available through the NSW public library network.

In 2018, the Library completed a renewal of its heritage Mitchell Building with the aim of placing as much of its collection on public view as possible. The transformed Mitchell Building includes a new paintings gallery and a Collectors' Gallery – a permanent display of thousands of objects previously held in the Library's underground storage area. The Dixon Gallery has been set up to permanently feature stories and materials from the perspective of Indigenous Australians. The SLNSW has developed a new Master Plan which proposes accessible entrances to both of its buildings as well as the creation of a new auditorium with increased access and seating for people with disability.

Since 2012, upon launching its *Digital Excellence Program*, the Library has been digitising its collection on an industrial scale. Over 12.5 million digital objects have been created as well as a new digital experience to enable readers to search and browse the Library's collections more easily, intuitively, and enjoyably. The Program is funded by the NSW Government until 2022.

(iii) whether comprehensive consultation with communities and experts has informed cultural policy and projects across NSW, such as that applying to heritage arms and armour collections

The Government undertakes extensive arts and cultural sector consultation to inform the development of policy and delivery. *Create in NSW: The NSW Government Arts and Cultural Policy Framework* (2015) and the *Cultural Infrastructure Plan 2025+* (2019) were developed through community and cultural sector consultation across regional and metropolitan NSW. In 2018, over 450 sector stakeholders attended the Arts 2025 Summit. This was followed by four targeted workshops attended by 100 key stakeholders, and six additional industry conversations with 300 participants. These forums identified artform specific challenges and opportunities to inform Create NSW's policy and program development, including the Arts and Cultural Program Funding reforms in 2019-20, (ToR b(i)), which led to the establishment of the ten Artform Boards. These Boards are drawn from a diverse pool of artists, art organisations and cultural institutions from Sydney, Western Sydney and regional NSW.

Create NSW is currently developing a new Aboriginal Arts and Cultural Strategic Framework to inform investment and strategic directions and better integrate Aboriginal cultural development within the broader NSW Aboriginal policy context. A focus will be investigating the needs for Aboriginal cultural infrastructure, including Aboriginal cultural centers and keeping places and what opportunities and barriers exist. Initial engagement has been undertaken with the Aboriginal cultural sector with a more extensive engagement program being undertaken throughout 2020. The framework will also strengthen synergies with the NSW Government's *OCHRE* Plan, its Aboriginal Affairs Strategy.

Aboriginal Affairs

Aboriginal Affairs is stewarding a series of reform pieces which will ultimately harness opportunities to improve how Aboriginal culture, histories and stories are communicated by museums. These include *OCHRE* – the NSW Government's approach to working with Aboriginal communities through co-design as the way to engage and develop legislation, policies and programs. Aboriginal Affairs is also leading the NSW Aboriginal Cultural Heritage Reforms, with Heritage NSW.

Arms

Arms and armour are a small part of the rich and diverse state-wide collections. The collections of firearms at museums is an important part of NSW's history. In 2019 the Government considered proposals from stakeholders and the NSW Police Force to provide a balanced approach to address concerns around firearms collections at museums, at the same time as ensuring public safety and the integrity of these collections, which are open to the public and typically advertise that firearms are held on the premises. As a result, an amendment was made in 2019 to the *Firearms Regulation 2017* providing exemptions from the requirement for museums to make pistols and prohibited firearms permanently inoperable. This amendment commenced on 30 August 2019 and provides that the Commissioner of Police or his delegate the Firearms Registry, may exempt, in certain circumstances, Museum Firearms Permit holders from the requirement that pistols and prohibited firearms be rendered permanently inoperable. The exemption may be amended or revoked at any time but applies for the term of the permit. The existing requirement that all other firearms which form part of the collection, must be rendered temporarily inoperable, continues to apply to any pistol or any prohibited firearm that is in the collection or becomes part of the collection.

Recent Major Projects – Powerhouse Parramatta and Sydney Modern

Powerhouse Parramatta

In March and April 2020, the Powerhouse and INSW undertook a program of community and stakeholder consultation through direct engagement with community members. Participants included community, cultural, education and local government members and organisations. During the consultation forums, 224 stakeholders and 1,718 community members were directly engaged, generating 3,707 comments. To ensure active and robust participation in the consultation process, a wide awareness campaign was undertaken. The consultation plan was adjusted to allow participation to be maximised during the COVID-19 pandemic, using non-face-to-face channels.

A Powerhouse Parramatta Community Reference Group was established in March 2020. The group is an ongoing consultative forum and is an opportunity for the community to continue to influence the development of the Powerhouse Parramatta Project. Established after a public expressions of interest process, the Community Reference Group is made up of 16 members representing youth, heritage, business, education, arts and culture in Parramatta and Western Sydney. Consultation will be ongoing through the development and delivery of Powerhouse Parramatta to ensure community aspirations and high levels of cultural amenity are delivered.

Art Gallery of NSW

As the State's public gallery, the Art Gallery of NSW provides communities across the state with inclusive and innovative engagement opportunities. Since 2015 the Gallery has undertaken extensive consultation around the Sydney Modern Project, including project partners the Royal Botanic Gardens and Roads and Maritime Services, neighbours, Aboriginal, arts and community groups, and visitors to the Gallery. Recent consultation has also included community sessions in Blacktown, Fairfield, Orange, Wollongong, Newcastle and Broken Hill. Community forums were also held, with focuses on NSW regions, Aboriginal and Torres Strait Islander Community, Tertiary Education, Accessibility Community, and Greater Sydney. Multilingual Gallery staff supported community sessions in Mandarin, Cantonese, French and Arabic. The Gallery's Regional NSW and Western Sydney Engagement Plan also outlines the wider goals and mechanisms by which the Gallery reaches out. The Sydney Modern Project will help further strengthen and grow this engagement.

(iv) the continuing impact of the efficiency dividend on the budgets of museums and galleries over the last 10 years

The government-wide efficiency dividend has been successful in reducing back office costs and focussing expenditure where it is needed most.

(v) funding levels for museums and galleries in NSW compared with other states

The Australian Bureau of Statistics conducts a survey of Cultural Funding by Government biennially. The latest data was collected in the 2017-18 financial year and published July 2019. Museums and galleries are captured as 'Art Museums and Other Museums and Cultural Heritage' items. The data shows that NSW provided a total of \$245.9 million in funding to these categories, which is approximately 68% more than that provided by Victoria (\$146.1m) and approximately 81% more than Queensland (\$135.4m) and Western Australia (\$135.5m). As a percentage of total funding,

NSW ranks third at 39.2% compared to Western Australia (45.6%) and the Northern Territory (40.2%). On a per-capita basis, NSW provides \$31.04 in funding compared to Victoria's \$22.87 and Queensland's \$27.27.⁹

(vi) whether there are other more cost-effective strategies than the sale of the Powerhouse Museum site at Ultimo to support museum development across NSW, including consideration of the new Parramatta site and the proposed standalone Western Sydney Museum at the Cumberland Hospital site

The NSW Government conducted a thorough investigation into the relocation of the Powerhouse Museum. Following a short-listing of two sites, the Riverbank site and the Golf Course site, the Riverbank site was chosen.

NSW Government is currently undertaking due diligence on a potential transaction with the University of Sydney as a future anchor education tenant on part of the Cumberland Hospital site, as a key catalyst of its broader Westmead Innovation District vision.

NSW Government has also prepared a comprehensive Place Vision for the neighbouring adjacent Parramatta North Heritage Core. The Place Vision identifies a range of small scale uses appropriate for the site such as innovation start-ups and enterprise, arts and culture and social enterprise. A larger scale facility would be inappropriate due to the site's National Heritage significance and social sensitivities.

(c) any other related matter.

Economic value of museum visitation

The cultural heritage and gallery sector is a key driver for the NSW visitor economy. In calendar year 2019 alone, the total number of international, domestic overnight and daytrip culture and heritage visitors to NSW was 9.7 million (up 1.3% compared to 2018). These visitors stayed 67.7 million nights (down 3.8%) and spent \$11.4 billion (up 3.1%) in NSW.

In this period, visiting history/heritage buildings, sites or monuments continued to be the most common cultural and heritage activity undertaken by international and domestic daytrip visitors.

In the same period, visiting museums and art galleries gained market share among domestic visitors. It was the most popular cultural and heritage activity in the domestic overnight market and a close second in the daytrip market. The domestic market undertook most of its culture and heritage activities in regional NSW. However, Sydney remains the main destination for international visitors who participated in cultural and heritage activities while on their trip around Australia.¹⁰

⁹ Meeting of Cultural Ministers, *Cultural Funding by Government*, Australia, 2017-18, retrieved from <https://www.arts.gov.au/sites/default/files/data-behind-survey-of-cultural-funding-by-australian-governments.xlsx>.

¹⁰ Tourism Research Australia National and International Visitor Survey for the Year Ended December 2019.

The NSW Government launched a \$10 million tourism recovery package in February 2020 to support the industry's recovery from the effects of drought and bushfires. The package includes the *Now's The Time To Love NSW* campaign, delivered by Destination NSW. The COVID-19 outbreak and the introduction of travel restrictions have required Destination NSW to pause marketing activities and modify the campaign strategy in line with the NSW Government's phased approach to crisis management and economic recovery. Current activities focus on planning for domestic visitors and future activities will evolve as restrictions continue to ease.

Drought, fires, flood and COVID-19

Regional NSW has suffered long term drought. The bushfires of 2019-20 seriously impacted many regional museums and galleries and some lost significant income through cancelled activities, exhibitions and drops in visitation during the peak tourism period in summer. Floods followed in some areas. In response to COVID-19, the Government is ensuring that the arts and cultural sectors are following the latest advice and directions from NSW Health and the Federal Government. Create NSW has put in place several relief measures, including funding in response to drought, bushfires and COVID-19.

The most recent economic analysis of the contribution of the arts, screen and cultural sectors was undertaken by Create NSW and KPMG in 2018.¹¹ The report found that in 2016/17, the arts, screen and cultural sector contributed \$16.4 billion to NSW's gross state product. This includes \$8.7 billion in direct value added from the arts, screen and culture sector and \$7.7 billion in indirect value flowing from arts, screen and culture activities into other sectors. The report also estimated that the sector employs around 118,800 full time equivalent workers (82,400 directly employed and 36,400 indirectly in activities flowing from the arts and cultural sector). Every dollar expended annually in NSW on arts, screen and culture generates a return of \$1.88 to the NSW economy.¹²

Thus, in time, the arts and cultural sector will play an important role in helping communities across the state recover and rebuild. Now, more than ever, the Government is committed to supporting a sustainable arts and cultural sector through this unprecedented time.

¹¹ <https://www.create.nsw.gov.au/resources/economic-value-of-arts-screen-and-culture-to-nsw-report/>, all figures from 2016/17 as the most recent financial year at the time of the analysis.

¹² Expenditure is not limited to NSW Government investment.