Supplementary Submission No 65d

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

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SUPPLEMENTARY SUBMISSION (IV) TO THE SECOND UPPER HOUSE INQUIRY INTO MUSEUMS, GOVERNANCE AND CULTURAL PROJECT MANAGEMENT IN NSW

Dr Lindsay Sharp (July 20, 2020)

Mr Chairman and Committee Members,

Thank you for the opportunity to update my submission in response to changing circumstances after Government's announcement on 4 July of the retention of the Powerhouse Museum at Ultimo and, thereafter, comments by the Premier, Treasurer and Minister Harwin. This has changed the entire context of the discussion although there is, as yet, no clarity in many areas of concern.

THE 'CORE HERITAGE' ELEMENTS OF THE ULTIMO POWERHOUSE MUSEUM, GOVERNMENT'S POTENTIAL RESILING FROM THE 4 JULY ANNOUNCEMENT, CURRENT MAAS ACTIVITIES AND FUTURE LIKELY SALE OF THE TRAM DEPOT/HARWOOD BUILDING SITE/DEVELOPER DEAL: LOSS OF VALUE, AVOIDABLE COSTS, WASTAGE POTENTIALLY AT \$ 675 MILLION:

- 1. For some time MAAS has been defining, on an unknown historical basis, what the museum claims is the so-called 'core heritage buildings' in Ultimo. This has never been clearly or fully enumerated but appears to include the original Engine Hall, extended several times, the main [later] Boiler Hall which contained the coal-hopper feed system with its steel structural supports and the [later] Switch House which used to be devoted originally to fashion, design and decorative arts, onwards from the opening in 1988. That constitutes, apparently, the current MAAS/Government view of 'core heritage structures'.
- 2. As such, if this is claimed by MAAS/The Government to be the total heritage buildings list then it is completely inadequate, inaccurate and misleading. The Tram Depot, now a purpose-rebuilt museological collections storage, workshop, display and office complex known as the Harwood Building was the reason why the original power station was built in the early C 20. To power the developing tram system, Sydney's first intra-urban, modern, street transport system. It is absolutely integral to the original heritage of the site. Any other supposed view is ahistorical and based on profound, even deliberate ignorance.
- 3. The Wran Building, designed by Lionel Glendenning for NSW PWD, along with its linking Galleria, are now an irreplaceable element of the State's built and cultural heritage [quite apart from being award winning at a national level] especially since their cumulative visitation has been in excess of 22 million people.
- 4. These six buildings in total, with the original Administration Building to the north of the Engine Hall, constitute the 'core heritage structures' of the Powerhouse Museum complex in Ultimo.
- 5. The very large objects [VLOs] which have occupied the Engine House, Boiler Hall, and Wran Building/Galleria also, as a suite of world-class collections telling the story of the

Industrial Revolution and steam/engine power, are a core part of the State's cultural, industrial and social history. They are unique in the world and uniquely occupy vast industrial spaces absolutely appropriate for their display and narrative purpose while also providing a magnificent tapestry into which new display technologies may be woven along with new takes on the previous narratives. The steam engines are uniquely animated by a steam system as a complete unit.

- 6. In its 4 July statement, and thereafter in other statements by the Premier and the Treasurer, Government let it seem that these facilities and object zones along with their collection contents and functionality would be retained and rejuvenated. New evidence indicates this apparent stance may be misleading and that MAAS/Government, at the least, is intending to demolish the Harwood/Tram Depot Building and still move the smaller objects from the secure storage area under that building to a distant facility to be extended at Castle Hill.
- 7. The evidence that the packing and move preparation programme is ramping up even further is unmistakable in the multiple reports emanating from MAAS. This can only mean one thing- a hidden plan to continue with that decanting and ultimate museum facility destruction. This is extraordinarily stupid. The immediately adjacent museological work area is logistically and almost uniquely efficient and effective since transport of objects into the main display spaces is virtually perfect and secure. To have to move these objects up to Castle Hill in the primary decanting is, in itself, a high risk and completely unnecessary. It is also expensive, requiring many tens of millions of dollars if done correctly, and first the construction of a new storage facility at Castle Hill which will take several years. Total project costs could easily exceed \$200 million. And this on top of the wastage of a purpose built facility worth at least \$80 million. Not to mention the purported loss of the total site's value at \$195 million. Although sale of the Harwood/Tram Depot site may give Government some income [see below] it is still the case that Government has lost the bulk of income from selling this site. Therefore it is legitimate to add this figure into the calculation. Thus, in all that equals approximately \$675 million of wasted money and lost value. To what end and to what purpose?
- 8. This can only be because Government[most probably]/ MAAS [possibly] have already done a property deal for the footprint of this entire Harwood/Tram Depot facility including the front [south] piazza. Government would be lucky to make \$50 million from that sale thereby [at a maximum] realising a \$625 million loss as opposed to one of \$675 million. To say this is fiscal irresponsibility on an unprecedented scale is to be kind.
- 9. It would also suggest that Government has been unanchored to reality and careless with the truth. Let us see what the Minister says on 29 July as a witness at UHI Mark II into Museums and Cultural Projects.
- 10. What is even more unacceptable and distressing to museum professionals is the apparent nonchalance with which the President, Board and CEO of the Museum regard this profoundly non-trivial, amateur acceptance of a future operational liability of staggering proportions. If one begins to calculate the additional costs and risks out over 'Whole-of-life' operations with three major Sydney sites into and from which objects and personnel will be forced to travel, the numbers will gross up to tens of millions of dollars. To what end and to what purpose?
- 11. In preparation of any Business Case and Benefit Cost Analysis, along with any EIS, other possibilities and costs must be calculated to compare and estimate better options and higher BCAs. There is absolutely no way any calculation of this complex, ineffective, expensive folly can compare favourably against the BCA of retaining the Harwood

- Building, not decanting the collections, not paying for massive Castle Hill extensions and not increasing the operational costs and logistical risks many fold.
- 12. The President and CEO MAAS should, please, on 29 July 2020 be asked to explain their inability to understand these fairly simple facts and, if Government is secretly pressuring them, to further explain why they have not decided to resign should that pressure continue.
- 13. The behaviour of the President, Board and CEO/Director is governed by an Act of Parliament and it is not difficult to see that legal action may be initiated by interested parties to bring them to account in respect of the demonstrable charge that they are performing a clear and dangerous dereliction of duty under the provisions of that Act.

THIS AUTHOR BELIEVES THAT THIS UPPER HOUSE INQUIRY IS THE LAST, BEST HOPE FOR THIS OUTRAGEOUS FISCAL, CULTURAL AND HERITAGE IRRESPONSIBILITY TO BE HIGHLIGHTED AND THE PARTIES RESPONSIBLE BROUGHT TO JUDGEMENT.