

[submitted online]

15 February 2019

New Zealand Productivity Commission
PO Box 8036
The Terrace
Wellington 6143

Local government funding and financing

Tēnā koe,

The submission that follows is from Museums Aotearoa, Te Tari o Ngā Whare Taonga o Te Motu, The Museums of New Zealand Incorporated (MA). We write this on behalf of all our members, comprising some 200 public museums and galleries and over 1500 individuals who work or volunteer in or for them.

Introduction

Museums Aotearoa is the peak professional organisation for museums and those who work in or have an interest in museums. The 'museum sector' includes museums, public art galleries, historical societies, science centres and historic places open to the public. MA members include these institutions and people who work within them and individuals connected or associated with arts, culture and heritage in New Zealand. The museum sector comprises 470-500 institutions throughout New Zealand, including 20 large (20+ staff), 60 medium (5-20 staff), and 400+ small and volunteer museums. Our membership represents over 96% of staffed institutions.

Public museums and galleries care for and provide access to and education about our nation's culture and heritage, for current and future generations. Our members hold our national collections of visual arts, decorative arts, documentary history, military objects and collections, social history, technology, natural history, taonga Māori, archaeology and ethnology. Much of our museum and gallery activity takes place in heritage buildings, in locations dictated by historic significance.

This submission is confined to specific questions in the issues paper that relate to public museums and art galleries.

Submission

- 1 Museums Aotearoa research supports the vital role of public museums and art galleries in their communities as well as in tourism and the economy more broadly.¹

¹ [The value museums, art galleries and heritage properties contribute in Aotearoa New Zealand](#). Museums Aotearoa 2018.

- 2 Most public museums and galleries in Aotearoa New Zealand rely to a large extent on funding from local councils, and most are either within councils, CCOs or have annual funding contracts with councils. This is primarily for operating costs
- 3 Pressure points: Tourism (Q5)
Public museums and art galleries are an essential part of the exceptional visitor experience for both domestic and international visitors. Tourism growth is placing increased pressure on council-funded cultural attractions. However, more demand and more visitors to a museum or gallery does not translate into more resource to cover the additional cost of service provision. Some have introduced a charge for international visitors which helps, but does little to address the year on year erosion of the base funding.

The Issues Paper notes that tourism growth has not translated into increased income for councils in the same proportion (eg Auckland Council net negative, Southland nearly break-even). It also discusses the relationship between commercial and other rates. A mechanism which ensures a share of commercial income growth driven by tourism comes back through councils to support the non-commercial providers such as museums and galleries would help this situation.

- 4 Pressure points: 'Non core' expenditure (Q11)
We note that museums are a core business for local councils under the Local Government Act.

Future funding and financing: Increased Crown investment in infrastructure (Q37)
Most Crown investment in museum sector infrastructure is limited to a few special funds for capex. A significant infrastructure issue is with museum and gallery buildings. Many are heritage buildings, or sited in historically significant locations rather than for the convenience of visitors. A number of museums are currently closed or seeking funding for earthquake strengthening² and redevelopment to meet 21st century visitor requirements, such as accessibility, safety and adequate climate control. Museums Aotearoa estimates at least \$200m is required for earthquake strengthening of public museum and gallery buildings alone.

Local councils are not in a position to fund this level of capital expenditure across all their public buildings and the Regional Cultural Heritage Fund is totally inadequate to address the issue. This kind of capital work does not qualify for other existing Government funds such as PGF and TIF. We encourage consideration of additional Government support for the capital infrastructure needs of cultural assets.

Nāku noa, nā



Phillipa Tocker
Executive Director
Museums Aotearoa

² Rotorua Museum, Sarjeant Gallery, Southland Museum and Art Gallery, Hokitika Museum and Lyttelton Museum are currently closed because they are damaged or do not meet minimum standards. Canterbury Museum also requires significant redevelopment – plans for which were overturned by the Canterbury earthquakes.