

# **STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS**

**2017–18 ANNUAL REPORT HEARINGS**



**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
TUESDAY, 13 NOVEMBER 2018**

**SESSION ONE  
ART GALLERY OF WESTERN AUSTRALIA**

## **Members**

**Hon Alanna Clohesy (Chair)  
Hon Tjorn Sibma (Deputy Chair)  
Hon Diane Evers  
Hon Aaron Stonehouse  
Hon Colin Tincknell**

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**Hearing commenced at 10.18 am****Hon SUE ELLERY****Minister representing the Minister for Culture and the Arts, examined:****Dr STEFANO CARBONI****Director/Chief Executive Officer, examined:****Mr BRIAN STEWART****Deputy Director, examined:****Mr RAVIKISSEN PROHEEA****Chief Finance Officer, examined:**

**The CHAIR:** On behalf of the Legislative Council's Standing Committee on Estimates and Financial Operations, I welcome you all to today's hearing. Can each witness confirm that you have read, understood and signed a document titled "Information for Witnesses"?

**The WITNESSES:** Yes.

**The CHAIR:** It is essential that all your testimony before the committee is complete and truthful to the best of your knowledge. This hearing is being recorded by Hansard and a transcript of your evidence will be provided to you. It is also being broadcast live on the Parliament's website. The hearing is being held in public, although there is discretion available to the committee to hear evidence in private. If for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session before answering the question. Agencies have an important role and duty in assisting the Parliament to review agency outcomes, and the committee values your assistance with this.

Minister, do you have an opening statement?

[10.20 am]

**Hon SUE ELLERY:** Thanks, Madam Chair. Only to say that this is the first time that the Art Gallery can recall being invited to appear before the committee in respect to an annual report. I have advised them that it is not dissimilar to the estimates process and that you will be kind to them.

**The CHAIR:** Thank you, minister. I am sure that was not a misleading statement! We will try to be very kind. We will go around the committee and each committee member will ask a set of questions. Then, if there is time, we will do that again.

**Hon AARON STONEHOUSE:** On page 9, in the director's report, the director states that "This has been a difficult year". In what sense has it been a difficult year?

**Dr Carboni:** It has been a difficult year because the staff is very dedicated but quite small and limited. The Art Gallery of Western Australia is a specialised environment and we need to be able to plan very much in advance for future programs. There has been a reduction in staff numbers through the voluntary severance scheme and we had to work on an internal reorganisation in order to make sure that we can continue to provide the same services and the same quality of programs for future years.

**Hon AARON STONEHOUSE:** On the difficulty of a reduction in staff due to the voluntary targeted separation scheme, can you point to any tangible impacts that has had on your operation?

**Dr Carboni:** One department that has particularly been affected is the overall collection management department. Two out of the five staff who took voluntary severance belong to that department.

**The CHAIR:** How many in total took VTSS?

**Dr Carboni:** In that department?

**The CHAIR:** In total across the Art Gallery.

**Dr Carboni:** In total across the Art Gallery we now have 49.6 FTEs.

**The CHAIR:** How many voluntary targeted separations?

**Dr Carboni:** There were five. I had to reorganise that particular department in order to make sure that collection management, in particular, continues to be at a high level. That is really the internal reorganisation that has been necessary.

**Hon AARON STONEHOUSE:** Two of the five staff came from the overall collection management department. What were their roles within that department?

**Dr Carboni:** One was the store collection manager and the other one was an administrator within the registration department.

**Hon AARON STONEHOUSE:** At page 11, under “Outcomes”, it mentions that 116 new works of art were introduced, of which 26 per cent were acquired from international artists. I have two questions: why so few acquisitions from international artists; and, why the emphasis on acquiring Western Australian over other Australian jurisdictions’ artists?

**Dr Carboni:** We are the Art Gallery of Western Australia and so we want to make sure that the state art collection represents first and foremost Western Australian art. Our strategic plan for acquisition, if you can imagine, is in kind of concentric circles where the core is Western Australian; the second layer is Australian, so on a national basis; and the third is what we describe as global at this point, which is basically overseas. In general, the distribution here is also related to the fact that international art usually tends to be more expensive than national and then local, and so this reflects also the fact that we invest the annual budget in a way that it is evenly distributed.

**Hon SUE ELLERY:** If I may also add, it has long been bipartisan policy that the gallery will support local artists, and one way it can do that is to purchase and make a point of purchasing local art as well.

**Dr Carboni:** If I may add, we are definitely the institution here in Western Australia that supports in this way Western Australian artists better than any other institution locally.

**The CHAIR:** While you are gathering your thoughts I have a related question. What percentage of the collection is Indigenous art—Western Australian Indigenous art—if you have that?

**Dr Carboni:** I can answer in general terms. I know that we have about 3 300—I cannot quote exactly the number—Indigenous works out of about 17 500 total holdings, so as a percentage it would be about 20—I would need a calculator.

**The CHAIR:** Maybe we can take that on notice.

**Hon SUE ELLERY:** We can provide the detail of the amount of Indigenous art and what amount of that is Western Australian Indigenous art.

**The CHAIR:** If we could add to that the acquisition figures from the annual report—what component of that was Indigenous?

**Dr Carboni:** Yes, we can take that on notice.

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[*Supplementary Information No. A1.*]

**Hon AARON STONEHOUSE:** Given the Auditor General's comment that a significant issue was a lack of conservation attention and absent conservation plans, how many of your remaining 49.6 FTEs are conservators?

**Dr Carboni:** Three—for a total of 2.8 FTE.

**Hon AARON STONEHOUSE:** Of those five staff lost due to the VTSS, were any of those conservators?

**Dr Carboni:** No.

**Hon AARON STONEHOUSE:** The Auditor General commented that the Art Gallery aims to display five per cent of the collection each year. That strikes me as a rather small number. Can you comment on that? Is that a small number and why is that so low?

**Dr Carboni:** It is standard in all museums around the world that only a small proportion of the collection is on view, because it is a physical issue of walls, square metres and linear metres. A part of the collection in most institutions would also be considered a "study" collection and as such is not usually scheduled to be on view for the general public. But it is a standard to have between five and seven, eight per cent. It depends. If you think in comparison to the Metropolitan Museum of Art in New York, it has millions of holdings. It is a huge institution, but the percentage that is on view is probably less than five per cent I would think. So we obviously do our best to exhibit as much as possible and that is why we set a target. We do rotations, especially of material that is light sensitive; works on paper are rotated on a more regular basis. But we do create new installations in order to make the displays fresher. One of our goals is to make the experience of return visitors, so those Western Australian visitors who come hopefully more than once a year or more than once every six months to have a different experience, and so we make an effort to be able to do that.

[10.30 am]

**Hon TJORN SIBMA:** I will just refer again to page 9 of your annual report, particularly the section "Operations and Management". My questions are going to emerge out of the Auditor General's performance audit of your institution earlier this year. I am interested in the progress you have made against those recommendations. Can I please begin at, I think, you are looking forward to the creation of a new storage facility for use by the gallery and presumably other agencies within the broader—the other cultural institutions, I will put it that way. Can I get some clarity about what you actually require out of a new storage facility in terms of its capacity, its scope?

**Dr Carboni:** The collection has grown quite exponentially in the past years, thanks to more funds also available through the Tomorrow Fund, which you can call it a sort of endowment that allows us to acquire more than we have done in the past. The foundation has been very active as well in providing these funds. The building itself, which opened in 1979, was clearly related to a collection that would grow, probably not as exponentially as the past few years, and it was understood it would last for about 30 years in terms of storage. In 2009, those 30 years have expired, and it is true that now storage is an issue, not so much in terms of safety of the collection, because even if we have quite a crammed situation in the storeroom, certainly we have only specialised staff who is allowed there and moves the works. We did a survey some maybe three or four years ago I think, in order to establish what we need in cubic metres in order to be able to host the collection that is not on view outside. In an ideal world, an offsite storage should include everything that is not on view. That would allow the rest of the spaces to become public spaces, basically, and we could have more exhibition spaces, special exhibitions, collection display spaces and educational spaces as well. Again, I may take on notice the exact number of cubic metres that were indicated at the time, but

in an ideal world, the collection should be for 95 per cent or 93 per cent hosted in an offsite storage, because the building itself is now 40 years old.

**The CHAIR:** The specifications of storage.

*[Supplementary Information No A2.]*

**Hon TJORN SIBMA:** Mr Carboni, are you working on a business case at the moment concerning the requirements for a new storage facility?

**Hon SUE ELLERY:** Can I just take that question? I am not in a position to provide you with an answer to that because if that work is being undertaken it would be a decision of the minister as to whether or not that becomes public. I do not see that as being part of what is recorded in the annual report.

**Hon TJORN SIBMA:** I think you are wrong there because it quite clearly states that the director looks forward to the creation of a new storage facility for use by AGWA and other portfolio agencies. Minister, in light of the findings of the Auditor General's performance audit, I would have thought it would be an expectation of witnesses that the committee would ask questions about what the gallery's future plans are for storage, which is why I have asked the question.

**Hon SUE ELLERY:** And you may, and I had not finished giving my answer. As I am not actually the minister, I am representing the minister, I am quite happy to take it on notice and if the minister agrees that an answer can be provided, we will provide it. But because I am not the minister, I am the representative minister, I would need to take that on notice.

*[Supplementary Information No A3.]*

**The CHAIR:** Just to be clear, the information is around plans for future storage facilities.

**Hon SUE ELLERY:** As I understood it, it was whether or not a business case is being prepared.

**The CHAIR:** Business case; okay.

**Hon TJORN SIBMA:** I am a bit uncertain reading through the report; it is a large one. How precisely is the gallery tracking its progress against actioning the recommendations that came out of that Auditor General's report, and whether I can get a progress update?

**Hon SUE ELLERY:** Again, the committee is entitled to ask the question. As I am not the minister, I am the representative minister, I am happy to take that on notice. I think the report indicates the Auditor General released that information in May, so that was just some —

**Hon TJORN SIBMA:** Six months ago.

**Hon SUE ELLERY:** As I am reading it, 2018. But in terms of the reporting period that is before us, there would not be any information in here necessarily about that. But I am happy to take it on notice and get the minister to provide you with a response if he thinks that is appropriate.

*[Supplementary Information No A4.]*

**Hon TJORN SIBMA:** Perhaps one of the witnesses either side of you, minister, might be able to give the committee some update, because we are talking about the preservation of an asset which is worth over \$300 million.

**Hon SUE ELLERY:** And it is very important, but the questions go through the minister and I am happy to ask that the minister provide you with an answer. But as the representative minister, I am not in a position to make that judgement call without checking with the minister. If work is being done now, it is being done outside the reporting period that the committee is asking about today.

**Hon TJORN SIBMA:** I might just have one follow-up, it relates again to page 11 and the acquisition performance. I looked at this from a lay person's perspective, notwithstanding the minister's recent

remarks about the reporting period there is obviously a challenge for space and conservation. I am trying to understand the rationale of an acquisition growth plan, which could only put pressure on your storage requirements. Can I get a sense of how you actually rationalise your collection over time, bearing in mind you have got over 17 000 pieces? Is the intention largely to maintain that collection in perpetuity, or is there some—I do not know what the phrase is, but I will say—divestment and reinvestment strategy that the gallery embarks on? I just ask out of how you maintain the value of that collection.

**Hon SUE ELLERY:** Perhaps if I start, then I will ask Mr Carbone to respond as to whether there exists an existing plan. The advice I was provided with when I was briefed on the annual report is that while the constraints, if you like, on storage space may have an impact perhaps on efficiency in that the way that material is stored, you might store things say in like three rows. So to get to the item at the back, you might have to move the two items in the front. You might have an argument about that has an impact on efficiency but it does have an impact because obviously they care deeply about the quality of the work and the preservation; it does not have an impact on those materials being at risk because of how they are stored. It just might mean getting at the one at the back takes you a bit longer, so that is an efficiency issue rather than there is an increased risk to those pieces. But I might ask Mr Carbone to outline whether there is an existing plan, and if there are further questions about the detail of the plan, I might have to take that on notice.

**Dr Carboni:** Thank you, minister. We have an acquisitions policy, which is approved by the board and it is on the website actually, so we always work towards the strategies that we have in terms of our positions. We have a body of curators. I meet regularly with the curators and we establish what would be the priorities, what is available on the market. Which, obviously all curators have their contacts and I have contact with a number of galleries and auction houses as well. These are more prone to acquisitions. And certainly, when we meet, we also discuss the size of the work that we want to propose for acquisition as well. Storage is always part of the conversation as well. But in the end, I do believe that we need to collect for the future and for the people of Western Australia, so being constrained by the current storage issues, I think would not be serving the people of Western Australia in the best way.

**Hon TJORN SIBMA:** Just one follow-up into that. That is interesting but are there actual physical constraints forced on you by your storage capacity at the moment, which, if unaddressed would actually put pressure or constrain your capacity to acquire other pieces? There has to be a limit somewhere.

**Dr Carboni:** You always try to find a solution, obviously. In terms of the way we have addressed this in the past couple of years was to create a smaller space for public exhibitions. One gallery on the second floor was basically cut in half to be able to accommodate additional storage. In term of long-term future, of course, it is going to impact at some point. At the moment, we are still in the position of continuing acquire works of art and store them in safe conditions and environmentally absolutely safe conditions.

**Hon DIANE EVERS:** First, an easy question: page 57 where it says there are 40 women in a staff of 59. How many of those are in senior positions?

**Dr Carboni:** In senior positions, by senior position, I would say above level 6 managerial position, I would think. I have to take it on notice.

**Hon DIANE EVERS:** Given it is a majority of female then becoming three men —

**Dr Carboni:** In the executive at the moment, we have one out of four executive is female.

**The CHAIR:** Minister, your indication.

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**Hon SUE ELLERY:** So we are clear, the number of senior—if we define senior as above level 6, is that appropriate?

**Hon DIANE EVERS:** Yes.

**Hon SUE ELLERY:** So the number of female staff above level 6 and above.

**The CHAIR:** And the percentage.

**Dr Carboni:** Yes.

*[Supplementary Information No A5.]*

**Hon DIANE EVERS:** The next question is on page 106. I am interested in the valuation of the collection. I notice that it was revalued in 2018 but not 2017. The question just being: how often is this being revalued and how is it revalued?

**Dr Carboni:** We have different levels of objects that are included according to their original value, so for the 100 most valued works in the collection, we review the valuation every year. That impacts—I do not know exactly the figures—well over 80 per cent of the total value of the collection stays with this 100. Maybe I can take that on notice because I do not want to give the wrong numbers. But this 100 works are checked every year because it fluctuates. As you may be aware, auction houses sometimes are flops; sometimes they really go through the roof so if there is a trend that is acknowledged in terms of evaluating some of the works in the collection, that clearly would be an impact on the total valuation.

**Hon SUE ELLERY:** So we can be precise, is it accurate to say that the top 100 valued items constitute a significant majority of the value of the works?

**Dr Carboni:** Yes, definitely.

**Hon SUE ELLERY:** And in terms of being a bit more precise about that as a percentage, if that is what you are after, we can take that on notice.

**Hon DIANE EVERS:** I do not think I need that precise. I am interested that out of 17 000 items, 100 of them will be 80 per cent. Maybe that is a common thing across —

**Dr Carboni:** I can give an example. One of our best known works in the collection is a work by the painter Lucian Freud, a very famous painter. This was acquired in 1987, I believe, or shortly after. It was one of his later works and it was acquired for a relatively high price at the time but it was I am pretty sure less than \$ 1 million. Lucian Freud passed away just a couple of years ago. This is one of the works that is considered as one of his best works from late in life, so the evaluation now—again I can take it on notice too give you the exact answer—it is about \$25 million. If you look at this from the point of view of the entire value of the collection, one single work is worth \$25 million out of \$ 300 million. That is how it works.

**Hon DIANE EVERS:** A good deal. The next thing is, it is going back to the whole idea of the conservation of the collection. I notice one of the KPIs on page 153, it has the average cost of managing the collection per Art Gallery object. A nice figure, but, really, does it mean anything? You are saying okay, it is \$46 per item when I would imagine this \$25 million painting is probably getting a little bit more care than that, so is this KPI really —

**Hon SUE ELLERY:** Each piece is valuable, honourable member.

**Hon DIANE EVERS:** Absolutely. I guess what I am thinking is some pieces would require a lot more care, conservation, looking after.

**Dr Carboni:** Not necessarily; it depends on the medium. An oil painting is a relatively sturdy non-light sensitive object. Whereas a work on paper, which may be much less valuable, may require much more attention.

**Hon DIANE EVERS:** My question is that in looking at the KPIs and knowing that that number would fluctuate with the number of items in the collection and you might have just bought an extra 100 items that were lower value or something, does that figure really say much, especially when you look at it and you say your target was over \$57 and it came in at \$46, what does that really tell anyone? Is it that you did not spend as much this year or you got more pieces in? It seems to me there might be a better KPI for actually determining an indicator of how that has been cared for or conserved.

**Dr Carboni:** We give an explanation here. A KPI is something that is given to us and so we have really to work —

It is a formula that is applied to the expenditure we have for staff and for utilities in order to look after the collections and then it is simply divided by the number of objects. So, the reason why this year is slightly lower than what we had anticipated is due in part to the fact that we have less staff and so the maths, basically, work this way. I do not really feel that I have a comment on why this KPI is among the ones we need to work with.

[10.50 am]

**Mr Stewart:** If I may comment on that, the challenge, of course, with KPIs, as you say, is finding meaningful ones. This is probably the best we can do in the moment in terms of the inputs, in terms of the dollars and resources that go in. It is a challenge to come up with very good meaningful ones. This is the best we can devise at the moment. We do look at international standards, but it tends to be very qualitative, which is very hard to put in a meaningful, concise way in annual reporting or in budgets.

**Hon DIANE EVERS:** I understand. I guess that is something to keep working toward. I was trying to find something that actually tells you something useful.

**Hon MATTHEW SWINBOURN:** I refer to page 17 of your report and that is titled “Engaging with and Inspiring Audiences”. The section seems to highlight the gallery’s achievements in engaging new, younger and greater levels of visitation than in previous years, and I note that there was an increase between the reporting periods of this year and the last year of almost 70 000 people. It is important, obviously, for there to be growth in those numbers because we want to get the most out of our museums. What I would like to see is if you can outline how the Art Gallery is ensuring that it continues to grow those numbers and to reach new and greater audiences through its exhibition programs.

**Dr Carboni:** I think that we are on a good path now. We rebranded the gallery three years ago, at this point, because we felt there was need to reach out to different audiences. We felt that at this point the gallery was catering more to traditional audiences than to the younger ones. We deliberately set up a strategy so that we would offer programs that catered to the younger generations.

**Hon MATTHEW SWINBOURN:** Is that program in relation to the sneakers; is that one of those programs?

**Dr Carboni:** Yes, exactly. We branded it “Cultural Juice” and that is what we hope to be able to do on a regular basis with exhibitions that may be a bit out of the regular programming that most people would expect.

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**Hon MATTHEW SWINBOURN:** Sorry, if I can interrupt you there, did you track how that impacted on your visitor numbers in age groups that you are aiming at?

carb: Yes, definitely. The sneakers exhibition—I do believe we have the numbers somewhere, but I think 45 per cent of our visitors to that specific exhibition were between the ages of 13 and 25 or something like that. Again, I want to take it on notice; I know it is somewhere in the report. So, definitely out of the over 90 000 people who visited that show, if you think, that would be a much higher percentage and a much higher number than we would normally have, and as part of the program after this exhibition called *The Rise of Sneaker Culture*, we had a collaboration with the Western Australia Museum and we had an exhibition on the life of Heath Ledger. That kind of gave us one more way of bringing younger generations as well. The Heath Ledger exhibition was more across generations. Then we aimed the year with a third major show on a private collection of old master paintings in Florence, that catered to, if you wish, the older and more traditional audiences —

**Hon MATTHEW SWINBOURN:** Is that the Corsini?

**Dr Carboni:** The Corsini collection. I think that that combination, that balance, of different types of exhibitions really made the year a very successful one.

**Hon MATTHEW SWINBOURN:** As you say, almost 70 000 people a year increase I think is quite impressive, particular given, I suspect, the difficulties associated with the work going on at the Museum in terms of the impact on the cultural centre there. Do you have an aim to grow that?

**Dr Carboni:** Yes, we have to be as creative as possible with the available resources, of course, in order to be able to have a balance of programs that is similar to this year and hopefully we will keep growing or we will keep hitting the targets at least.

**Hon AARON STONEHOUSE:** Just referring to the rebranding of the state art collection to the AGWA —

**Hon SUE ELLERY:** Are you looking in a particular page, honourable member?

**Hon AARON STONEHOUSE:** Yes, I think that is mentioned under acquisitions. I am sorry, I do not recall the page that is under, but we were just talking about—it is probably, I think, page 11. It merely mentions that there was a rebranding of the state art collection to the AGWA.

**Dr Carboni:** Yes, it has always been AGWA, really, as an acronym; we did not change the name of the gallery.

**Hon AARON STONEHOUSE:** Right, sorry, that rebranding exercise.

**Dr Carboni:** We rebranded it, yes.

**Hon AARON STONEHOUSE:** Was there a cost associated with that rebranding exercise and does it appear in the table on page 58 under advertising?

**Dr Carboni:** No, the rebranding happened three years ago, so it would not be in this report. What is mentioned here is the rebranding of the ground floor as the new installation of the collections, so within the overall rebranding of the gallery we have rebranded the way we exhibit the collections as *AGWA Historical*, *AGWA Modern*, *AGWA Contemporary*, *WA Unlimited* and *Six Seasons*, which is the Indigenous collection. That rebranding has been done entirely within the house.

**Hon AARON STONEHOUSE:** Was there any advertising component to that or any advertising expenditure as part of that rebrand?

**Dr Carboni:** Advertising in terms of our regular emailing list and what we published on the website, and it is certainly part of the messages that we send out, so that would have been part of it.

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**Hon AARON STONEHOUSE:** Looking at page 58, the table there, “Market research agencies”, there is a \$58 990 line item. I assume that ties into the KPI shown on page 152, which deals with the percentage of visitors satisfied with their visit overall. Can you confirm for me where there was just the one question asked in that survey?

**Dr Carboni:** No, we use Morris Hargraves McIntyre, which is a very well established agency that is originally from the UK and now they have quite a few clients in Australia including the Western Australian Museum. We have been working with them for the past, I would say, six years at least, so the way they create the reports is based on a large number of questions that they ask, not only about customer satisfaction, but the quality of the visit and who are our visitors. They have a specific set of questions that relate to the reasons why people come to the gallery. So comments on the emotional side, if you wish, on the interest side. They have been creating for us reports in the past years that are quiet comprehensive, actually, and now, accumulating the data, give us a better and better understanding of our audiences, so that is certainly a much more complex.

[11.00 am]

**Hon AARON STONEHOUSE:** The example question given there in the explanatory notes on page 152 is —

‘Thinking about your visit to Art Gallery of Western Australia today, including the exhibitions on display and the facilities provided, how satisfied or dissatisfied were you with the experience overall?’

**Dr Carboni:** It is one of many.

**Hon AARON STONEHOUSE:** That is one of many questions, is it?

**Dr Carboni:** Absolutely; it is one of many questions.

**Hon AARON STONEHOUSE:** Through that market research, or through that survey, is there an opportunity for patrons to provide feedback?

**Dr Carboni:** Absolutely; yes.

**Hon AARON STONEHOUSE:** Is that feedback represented anywhere in the annual report? Is it collated or represented in that?

**Mr Stewart:** Some of the feedback, in terms of qualitative remarks, is included. There are various quotations that have come from visitors and are inserted in the annual report to show some of the responses visitors have had to exhibitions, displays and programs.

**Hon AARON STONEHOUSE:** I do not suppose you can give me an example of the page number I might find that on?

**Hon SUE ELLERY:** They are little boxes.

**Dr Carboni:** Under exhibitions I am sure we have some of these. At page 39, in blue —

“Thank you so much, it was a wonderful visit. I work in a museum in Sweden and am so impressed with this wonderful Gallery.

That is one.

**Hon AARON STONEHOUSE:** Thank you. We were talking earlier about the number of conservators. Of the 49.6 FTEs, there are three conservators. Can you identify how many artworks require full or partial conservation?

**Dr Carboni:** I would have to take that on notice, I suppose. The three conservators are specialised in different areas because it is a very high level of specialisation. We have a paintings conservator,

a paper conservator and an objects conservator. Objects, of course, include everything that is basically three-dimensional, including media, like video and mixed media. Each conservator has their own priority lists internally, of course, and we are working towards establishing a much more precise set of priorities with the conservators now.

**Hon AARON STONEHOUSE:** Can we put that on notice, please?

**Hon SUE ELLERY:** Can we be clear about what it is that you are asking, because I suspect it might also need to be a sort of snapshot answer because it will change; it is dynamic.

**Hon AARON STONEHOUSE:** I suppose perhaps within the reporting period, how many artworks require full or partial conservation?

**Dr Carboni:** Can you explain what is “full” conservation and “partial”?

**Hon AARON STONEHOUSE:** I am not too sure; I am not an expert on it. Perhaps there are different levels of conservation that may be —

**The CHAIR:** Maybe if we just say: however you grade the level of work that is required.

**Hon AARON STONEHOUSE:** If there is a distinction made between —

**Dr Carboni:** Because if it is dusting of the surface of an oil painting, it is obviously a minor thing.

**Hon AARON STONEHOUSE:** Sure.

**The CHAIR:** However you grade that; what percentage.

*[Supplementary Information No A6.]*

**Hon TJORN SIBMA:** I might continue this thread. If my question is ridiculously specific, let me know. The obvious underlying interest here is because it is the first time your group has been called. I think the fundamental interest of members here is how the gallery works to preserve its collection, because it is a collection held on behalf of the state.

Mr Carboni, you were referring in your previous answer to individual conservators effectively being trusted—having their professional judgement trusted enough to develop a priority list for objects requiring conservation to various standards. Can I ask you, though, how the board of the Art Gallery actually monitors this conservation effort and what their priorities are? Obviously you present some external KPIs; some are not as useful as others, to be perfectly honest. That is not an observation I make solely of you; I make it of every single agency. Are there internal metrics that might be more instructive to us, that you could divulge, about how you go about prioritising that work?

**Hon SUE ELLERY:** If you can provide an answer to: what is reported to the board?

**Dr Carboni:** It is reported regularly, through the director’s report basically, whatever conservation issues arise. Either it will be my director’s report or it is a special paper, of course. We have a senior collection management team, so we work internally to identify all the issues. What is needed to report to the board, I will report to the board directly.

**Hon TJORN SIBMA:** For future consideration around KPIs—I take your point that you get to a point at which you have to make the best possible metric and that there are some assumptions made around that—would there be any value in KPI reporting which lists the number of conservators per artwork, for example, or conservators overall, or the hour of the actual time period of effort which goes into restoring and conserving? I am just trying to get a sense of capturing where the need actually is. If I am to take the question of my colleague Hon Diane Evers, getting a single cost input for 17 000 items I do not think is particularly instructive when one of the items comprises eight per cent of your collection’s value. Could I get a sense of whether or not there is any focus internally on driving a more informative set of KPIs around the conservation effort?

**Hon SUE ELLERY:** Perhaps if I give a kind of overview first. The honourable member would be well aware that these KPIs are in an annual report. KPIs in annual reports are set by government. Agencies might have a point of view, but essentially the broad parameters are set by government. Whenever you are trying to measure something that involves a degree of service, whatever that service might be, it is so much harder than if you are producing the old widget and you are using a number of people to produce that widget. It is hard to come up with those KPIs. Nevertheless, for internal purposes the director might have a point of view about whether there is something more meaningful for them, but I guess I make the overarching remark that this is about an annual report and they are set at a kind of global level.

**Dr Carboni:** Just to add for a second: we have this senior collection management committee. Of course the senior conservator is part of the committee and so we constantly discuss these issues internally.

**Hon TJORN SIBMA:** I have one follow-up question and it relates both to this annual report and the budget allocation. I am just trying to get a sense of the proportion of funds which are actually dedicated purely to conservation activity at the gallery. For example, I think you appropriated \$10.9 million in the recent budget to collections management, research and conservation services. I am trying to get a sense of where the balance of that allocation is, if possible.

**Hon SUE ELLERY:** We might take that on notice because it flows from the question asked by Hon Aaron Stonehouse and it will depend on the definitions. Perhaps if we take that one on notice as well.

*[Supplementary Information No A7.]*

**Hon DIANE EVERS:** Under the Art Gallery Act there is an offence for damaging, mutilating, destroying or removing any of the assets from the Art Gallery, with a conviction to a fine of \$200 or 12 months' imprisonment. I am curious: during the reporting period, have you had any incidents of damage or otherwise to the collection, or in previous years? Is this something that comes up?

**Dr Carboni:** Certainly there is minor damage that happens every now and then because some people touch the works. Usually the minor damage is related to fingerprints and so it does not need really major conservation; just cleaning. Certainly, we cannot report anything major for this period. We did not have any major issue this year.

[11.10 am]

**Hon DIANE EVERS:** Previous years? Anything that you can remember?

**Dr Carboni:** In my time, no major issue. Certainly, it happens that some minor damage is —

**Hon SUE ELLERY:** I think there have been a couple of famous, or infamous, events. There was Melbourne Gallery and then that one last year, I think it was, when a young man ran into a—I do not know where that was, though.

**Dr Carboni:** It was in Hong Kong or in China. Someone actually was allowed with a bottle of water or with a can of soda and tripped over a kind of separation between the work, went in and cut the canvas. It was actually on loan from an Italian collection, but nothing like that has ever happened in the gallery.

**Hon DIANE EVERS:** Nothing—that is good to know. In terms of your visitors, you also talk about online visitors, I noticed your visitors last year increased more than 20 per cent, which is excellent, but the online visitation has not changed much. I am just wondering: is there any sort of connection between the online visits?

**Dr Carboni:** That is a good question. I think that the online visitorship has steadily grown by one, two, three per cent and the trend is there, whereas physical visitorship is related, really, to the programs that we put together. So last year has been quite a good year, as I explained before, because of the particularly interesting program, I think, and balanced program that we managed to put there. In my mind, online visitorship needs to encourage physical visitorship, because we want people to be engaged with the actual works of art. We are working towards creating a much more dynamic website as well, which probably would make the numbers rise. It is an important part, of course, because it is the first portal that we have. Everyone would look into the website to know when we are open, if we are closed one day a week, what is on view at the moment. The answer is that while there is a steady but slow growth in online unique visitors—that is what we calculate, unique visitors—physical visitorship can vary according to the programs.

**Hon MATTHEW SWINBOURN:** Can I refer you to page 30 of your report, “Realising AGWA Potential”. This deals with the gallery’s revenue-generating activities. My question is: can you outline how the art gallery continues to leverage greater outcomes from the government’s investment through its sponsorship and revenue-generating activities—that is, the art gallery’s own revenue-generating activities?

**Dr Carboni:** There are different generating activities. The commercial ones are the cafe and retail shop, which is one of the best visited shops in town for this particular type of gift and craft works. That generates a small commercial—because we are a relatively small gallery, but it is important to have them because people expect that they can buy something and have a cup of coffee as well.

**Hon MATTHEW SWINBOURN:** You mentioned the cafe. Was that open the entire reporting period or was there a period in which it was closed?

**Dr Carboni:** No, there was a closure because there was an interim period between two different operators.

**Hon MATTHEW SWINBOURN:** So you have now got the new operator up and running?

**Dr Carboni:** Yes.

**Hon MATTHEW SWINBOURN:** And you are happy with the service you are getting out of that?

**Dr Carboni:** Yes, it is actually working quite well at the moment, as far as we are concerned. It is on more of a sandwich and coffee basis than a full meal, and it is working better at the moment.

**Hon MATTHEW SWINBOURN:** And your sponsorship activities?

**Dr Carboni:** We have one sponsorship manager as part of the development office. Sponsorship actually has grown a bit from last year. We have a few annual sponsors. Wesfarmers is the major sponsor for us—the principal partner. They have been incredibly generous to the gallery, as well as to many other institutions. We had quite a few combinations of in-kind and monetary sponsorships. For example, the Alex Hotel, which is nearby, offers a number of nights for our visitors and couriers that come for exhibitions. That is in-kind. Singapore Airlines is another one that offers quite a good amount in-kind as well, in order to fly works of art and people across the world. The 303 MullenLowe, which is the advertising company, we have a mixed agreement, so we have an in-kind and a monetary sponsorship in this respect. Each one has a different type of function and we do the best we can, of course, every year to improve on that.

**Hon MATTHEW SWINBOURN:** And you are saying that you are going well with sponsorship at the moment?

**Dr Carboni:** Yes, they are steady and, again, I may take it on notice, but I think that we —

**Hon MATTHEW SWINBOURN:** There is no comparison here in terms of—in what I am looking at.

**Dr Carboni:** I am pretty sure that we did better in 2017–18 than we did in the previous year, so it is kind of steadily growing, but I may want to take that on notice if you wish to have that.

*[Supplementary Information No A8.]*

**The CHAIR:** That concludes our first ever annual report hearing with the art gallery. On behalf of the committee, I thank you for your attendance today. The committee will forward the transcript of evidence, which highlights any questions taken on notice and any additional questions that members may have after 26 November. Responses to these questions will be requested within 10 working days of receipt of them. If you are unable to meet this due date, please advise the committee as soon as possible in writing before the due date. The advice is to include specific reasons as to why the due date cannot be met. If members have unasked questions, please submit these via the electronic lodgement system on the POWAnet site by five o'clock Wednesday, 25 November. Once again, thank you for your attendance today. Thank you, minister.

**Hearing concluded at 11.16 am**

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