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PARLIAMENT OF TASMANIA

**PARLIAMENTARY STANDING COMMITTEE OF
PUBLIC ACCOUNTS**

**REPORT ON THE
PORT ARTHUR HISTORIC SITE
MANAGEMENT AUTHORITY**

Laid upon the Table of both Houses of Parliament

The Committee was appointed under the provision of section 2 of the *Public Accounts Committee Act 1970 (No. 54)*

MEMBERS OF THE COMMITTEE

LEGISLATIVE COUNCIL
Hon. G. A. Shaw (Chairman)
Hon. R. W. Ginn
Hon. P. R. Schulze

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REPORT ON THE PORT ARTHUR HISTORIC SITE MANAGEMENT AUTHORITY

1. The Committee decided in August 1992 to enquire into general management and operational procedures of the Port Arthur Historic Site Management Authority to assess the:—

- (a) efficiency and effectiveness of the operation;
- (b) likelihood of the Authority becoming commercially viable;
- (c) cost efficiency of the entry fee collection system; and
- (d) the adequacy of protection of the historic site at Port Arthur.

2. In September 1992 evidence was received from Mr Bill Hamilton, Acting Chairman, Mr Richard Wesley, Manager and Mr Gregory Bradley, Administrative Officer. From the presentation of evidence and subsequent discussion the Committee was informed about the following matters:—

- (a) the suitability of the Act;
- (b) the difficulty experienced in balancing the requirement to:—
 - (i) maintain and develop an historic site; and
 - (ii) provide and operate a major tourist attraction.
- (c) There is a constant element of deterioration at the site, and, due to lack of funds, the level of maintenance is always behind that considered necessary. As an example, deterioration in the Model Prison, 'one of the most significant prison structures in the World' was of great concern to Management, and the Authority commissioned a major study which identified an amount of \$3m to be expended to upgrade this structure over three years.

The number of buildings being preserved and adequately maintained is not expanding. The main thrust of the programme is to carry out work that is necessary in an attempt to preserve buildings in their existing condition. Essentially a larger capital works programme is needed before the current maintenance budget can be expected to adequately protect the historic site and ensure the commercial viability of the Authority.

- (d) The Authority believed it would be self funding this financial year (1992-93) to run the site on a day to day basis providing that items of Recurrent Expenditure such as sewerage, water supply and roadworks continued to be funded from Capital Works. The Manager in evidence said:—

'. . . We would be self-sufficient, including Capital Works at the current level, if we could maintain our current staffing level but increase our visitor numbers to 250 000; in other words, if there were an extra 50 000 people coming to Port Arthur a year . . .'

- (e) the difficulty in obtaining the services of specialist tradesmen in areas such as sewerage and water supply operations;
- (f) entrance fee collection, accountancy and profitability;
- (g) overall staffing of 36.25 full-time equivalents;
- (h) the development of close liaison between the Authority and the Australian Heritage Commission;
- (i) the expenditure of National Estate Money to complete three major studies (military barracks, dockyard and Point Puer). Those funds were expended to enable planning and research. No funds are yet available to commence work on these projects;
- (j) a strategic plan had been drawn up which identifies the need:—
 - (i) to double the capital works vote over a four year period (to a yearly expenditure of \$1m);
 - (ii) for the Authority to be allocated a slightly larger maintenance vote.

(3) The Committee visited Port Arthur on 18 December 1992 and:—

- (a) received a further briefing from the Chairman, Port Arthur Historic Site Management Authority and senior staff;
- (b) had informal discussions with other staff, consultants and project personnel;
- (c) inspected current projects and works and had the opportunity to view anticipated long term projects; and
- (d) viewed leased facilities.

CONCLUSIONS

4. At the time of this report, the Committee agrees with the evidence received that the *Port Arthur Historic Site Management Authority Act 1987* (number 61 of 1987) is appropriate to its purpose and could be used as a model for other Authorities.

5. The imposition of entrance fees has been accepted by the public. The system of collection appears to be reasonably efficient and management advised that further improvements are planned.

6. The Committee is satisfied that the Authority, constrained by budget limitations, has established appropriate priorities for the maintenance and development of this unique National historic site as a major tourist attraction and commercial enterprise. However, the Committee agrees with the evidence that an injection of capital funds is required to enable adequate preservation of the historic site and the commercial viability of the Authority.

7. Evidence regarding self funding was equivocal. Self-sufficiency is currently achieved by transferring approximately one third of Capital Works funding to Recurrent Expenditure on the critical operations of electrical, sewerage, roadworks and water supplies. Whilst clearly these are expenditures essential to the ongoing viability of the Site, and may contribute to conserving the Historic Site itself, it should not be seen as a true indication that the Authority is self funding.

8. To enable accurate financial management reporting, the Authority should separate funding so that the following items can be clearly identified:—

- (a) General Maintenance, for example expenditure on electrical, sewerage, roadworks and water supply;
- (b) Historical Site maintenance;
- (c) Capital Works—
 - (i) Restoration,
 - (ii) Rebuilding,
 - (iii) Enterprise development (kiosk etc.);
- (d) Recurrent Expenditure.

Parliament House, HOBART
22 July 1993

Hon. G. A. Shaw, M.L.C., Chairman