
2 Historic heritage value, pressures and emerging trends

This chapter discusses the value of historic heritage places and the benefits from their conservation. It also reviews the pressures on, and emerging trends associated with, the conservation of Australia’s historic heritage places. Pressures on the conservation of historic heritage arise mainly from changes in the private benefits and costs of conservation, which can be triggered by, for instance, population shifts, technological change and rising maintenance costs. Emerging trends relate mainly to the wider application of adaptive re-use, the continued growth of cultural heritage tourism and the greater use of new information and communication technologies.

2.1 The value of historic heritage

Historic heritage places may generate benefits in the way they are utilised (e.g., as a home, a place of business or, as in the case of public buildings, such as courthouses, in the provision of a community service). Beyond this use-value, there is also the potential for historic heritage places to generate cultural benefits. The Burra Charter, developed by Australia ICOMOS (International Council on Monuments and Sites), relates the heritage value of a place with the ‘cultural significance’ of a site (Marquis-Kyle and Walker 2004). According to the Charter, these cultural values are important because:

Places of cultural significance enrich people’s lives, often providing a deep and inspirational sense of connection to community and landscape, to the past and to lived experiences. They are historical records that are important as tangible expressions of Australian identity and experience. Places of cultural significance reflect the diversity of our communities, telling us about who we are and the past that has formed us and the Australian landscape. They are irreplaceable and precious. (Australia ICOMOS, sub. 122, p. 6)

The definition of ‘cultural significance’ can be highly subjective and dependent on community values and expectations. According to the Town of Vincent:

It could be strongly argued that the identification of heritage places is subjective and that formalising a place on a heritage list does not in itself objectify the assessment.

Whilst assessment criteria for identifying places of cultural heritage significance are relatively standard across Australia, the degrees of cultural significance and identifying thresholds needs to be better understood at all three levels of government. (sub. 43, p. 3)

Similarly, Australia ICOMOS noted that the concept of significance may vary across the country:

With regard to the term ‘significant’, this has a long history of use in Australia, dating back to at least the 1970s. ‘Significant’ is a synonym with value, and is shorthand for cultural or heritage significance. In general contexts, significance merely denotes some level of heritage value. In statutory contexts, it can mean that a certain level of value has been identified. (sub. 122, p. 100)

Heritage has been defined as ‘... an expression or representation of the cultural identity of a society in a particular period’ (Koboldt 1997, p. 68). Throsby viewed historic heritage as contributing to a community’s ‘cultural capital’ which:

... we might define ... specifically in the context of immovable heritage, as the capital value that can be attributed to a building, a collection of buildings, a monument, or more generally a place, which is additional to the value of the land and buildings purely as physical entities or structures, and which embodies the community’s valuation of the asset in terms of its social, historical or cultural dimension. (Throsby 1997, p. 15)

While the identification of heritage can be inherently subjective, classification of the degree of ‘cultural significance’ introduces an additional degree of subjectivity. In order to qualify for world heritage listing under the *UNESCO Convention for the Protection of World Cultural and Natural Heritage*, a historic heritage place must be of ‘outstanding universal value from the point of view of history, art or science’. At the other end of the spectrum, local governments may list places ‘... of scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value’. (Hobart City Council, sub. 70, p. 2).

Cultural values may be shared between different groups in society at no added cost. For instance, a place considered to be culturally significant to a local community, may also be regarded to have heritage value to a region, a State/Territory or even nationally. Definitions of ‘place’ and ‘heritage value’ are provided in box 2.1.

Benefits of historic heritage conservation

The conservation of Australia’s historic heritage places can generate a number of benefits (box 2.2). These range from commercial benefits (such as those provided by tourism) to more intangible community benefits (including a sense of history, belonging and community, educational and research values, and spiritual values). Conservation activities are also to benefit future generations.

Box 2.1 Defining historic heritage places

The Burra Charter defines 'place' as:

... site, area, land, landscape, building or other work, group of buildings or other works, and may include components, contents, spaces and views.

Place as used in the Charter has a broad scope: it is geographically defined and includes its natural and cultural features. Place can be used to refer to small things, such as a milestone, and large areas, such as a cultural landscape. A memorial, a tree, the site of an historical event, an urban area or town, an industrial plant, an archaeological site, a stone arrangement, a road or travel route, a site with spiritual and religious connections — all of these can fit under this term. (Marquis-Kyle and Walker 2004, p. 11)

The Burra Charter defines 'heritage value' in terms of the 'cultural significance' of a place:

Cultural significance means aesthetic, historic, scientific, social or spiritual value for past, present or future generations.

Cultural significance is embodied in the place itself, its fabric, setting, use, associations, meanings, records, related places and related objects.

Places may have a range of values for different individuals or groups.

Australian conservation practice and heritage legislation is based on the concept of cultural significance; ie. that the values (significance) of a place can be described and that retaining significance is the primary objective of conservation of the place. Some acts use slightly different terms — such as 'heritage significance' or 'cultural heritage value', but the concept is the same as cultural significance. (Marquis-Kyle and Walker 2004, p. 11)

The Australian Government, in its *Environment and Heritage Legislation Amendment Act (No. 1) 2003*, observed that the:

... heritage value of a place includes the place's natural and cultural environment having aesthetic, historic, scientific, or social significance, or other significance, for current and future generations of Australians. (s. 47)

By maintaining the existing stock of historic heritage places, conservation activities enhance a community's cultural capital. In this regard, Throsby said:

... cultural capital can be seen, like the physical capital in which it is contained, to be subject to decay if neglected. Existing cultural capital can have its asset value enhanced by investment in its maintenance or improvement; new cultural capital can be created by new investment. If these interpretations are accepted, the social decision problem in regard to this type of cultural capital might be seen within the framework of social benefit-cost analysis, and approached by ranking projects according to their social rate of return. (1997, p. 15)

The role of historic heritage places in contributing to cultural capital was also identified by the Hay Shire Council:

... historic heritage buildings contribute to the cultural and social identity and development of the town and the region. They have a vital role in educating school children in the history of this area and rural and remote Australia generally. They make

an important contribution to the local economy through their attraction and appeal to tourists.

The presence of historic heritage places in Hay is a contributing factor in efforts to build a stronger and more diversified local economy, reducing the reliance on the farming sector which is facing enormous challenges and uncertainty. (sub. 5, p. 2)

Box 2.2 Potential benefits of heritage conservation

Owner benefits

- Aesthetic benefits.
- Financial benefits.

Community benefits

- The role of the historic heritage place in defining the cultural identity of a community.
- Contribution to the preservation of community heritage.
- Contribution to historic streetscape, neighbourhoods etc.
- Educational benefits.
- Spillover benefits from tourism.
- *Option values* — the value to community members of having the option to visit the historic heritage place in the future.
- *Bequest values* — the value associated with the knowledge that the heritage asset can be endowed to future generations.
- *Existence values* — the benefits gained from knowing that the historic heritage place has been conserved, irrespective of whether the community member enjoying the benefit actually visits it.

Source: Derived from submissions.

Similarly, the City of Ryde Council identified the importance of having tangible links to a community's past:

The retention of heritage buildings provides a physical demonstration of the community's past and provides for an understanding of the past to be gained through interpretation of its history. This is important for future generations. (sub. 27, p. 3)

In the case of government-owned heritage properties, the provision of broadly-based cultural benefits for the community from the conservation of historic heritage places may be considered as part of the benefits provided by government ownership.

For privately-owned heritage properties, some of these benefits may flow directly to the owner and therefore provide important incentives for heritage conservation. Other benefits may accrue more generally in the community. Some of these

community benefits result from the use of the site by others, for example in tourism, or as part of education and establishing cultural identity. Other benefits accrue irrespective of use. These ‘non-use’ values include social capital, option, bequest and existence values. They are explained briefly below.

It has been argued that the existence of these broadly-based community benefits may necessitate government involvement in heritage conservation. The argument is that, if left solely to private initiative, ‘too little’ heritage conservation would occur, as individuals and businesses fail to adequately consider wider community benefits when deciding how much heritage conservation to undertake. The rationale for government involvement is considered in chapter 6.

A key issue, then, is to what extent is the private sector able to reap (or ‘internalise’) the benefits of heritage conservation. In situations where sufficient benefits are able to be captured to make heritage conservation viable from a private perspective, the rationale for government involvement is greatly reduced, if not removed altogether.

There are various ways in which the private sector might capture the benefits of historic heritage conservation. For example, the Australian Council of National Trusts (ACNT) argued that:

... those who use the place as commercial premises receive no special treatment from government: the heritage appeal of the offices or accommodation may allow higher charges to be applied or may provide access to a niche market — but sometimes it is possible that the restrictions on modifications to such premises can have the opposite effect. Nevertheless, there are numerous examples where heritage conservation has resulted in high occupancy and value, within the existing taxation and regulatory systems.

Private owners of heritage places who use the property as a private residence comprise the bulk of heritage places on local heritage lists. Whether inclusion on a heritage list adds or detracts from their commercial value is a much-debated issue and worthy of detailed consideration, as is the further question — what additional or increased costs are borne by the private owner through the process of conserving the historic values of the place? (sub. 40, pp. 37–8)

Dr Lynne Armitage and Janine Lyons (sub. 182) provide a summary of the results of empirical studies on heritage-listed property values, while the debate is revisited in section 6.5. Also, the Commission undertook a hedonic pricing study of two local government areas, Ku-ring-gai and Parramatta, as part of its assessment of the possible effects of heritage listing on property values. The results of that study are in appendix C.

Tourism is an example of a use benefit arising from historic heritage places, which may be captured by the owner of a property and/or by members of the local

community. Heritage tourism is discussed further in section 2.3 as an emerging trend.

Among the community benefits is the potential for historic heritage places to enhance the social capital of local communities by providing a tangible link to the past and reinforcing the sense of community identity. This enhanced sense of identity may, in turn, contribute to social cohesion within the community.

The ACNT regarded historic heritage as a ‘fundamentally important element of the nation’s social capital’, stating:

Heritage, by its very nature, provides a common thread of understanding and identity that is so critical to the operation of the nation. Whether it is in the armed forces, education, farming, the environment or business, matters such as ‘who we are’, ‘what we stand for’, and ‘where we came from’ are part of our shared memory, and form a key part of the collective value system that Australians apply when seeking a solution to a new challenge.

The national character is a creature of our history and our heritage. It is dynamic, constantly evolving as new experiences and diverse cultures add to our past understandings. (sub. 40, p. 8)

Historic heritage places may also have an option value attached to them. That is, their continued existence provides members of the community with the knowledge that they have the option to visit, if they want to, at some time in the future. There is also the value these places have as a bequest to future generations. Krutilla (1967) identified the concept of ‘existence’ value in relation to rare species and unique natural environments. Members of the community may also simply gain from knowing these places exist, irrespective of whether they actually visit them or intend to do so in the future (Portney 1994, p. 5).

The Allen Consulting Group conducted a survey to establish which heritage-related benefits were considered the most important. It is interesting to note from the results (table 2.1) that direct use values ranked less highly than indirect benefits. Indeed:

... the most interesting result relates to the degree to which people do not see the economic value associated with heritage-related tourism. In particular, only 16.6 per cent of the community strongly agrees with the statement ‘Looking after heritage is important in creating jobs and boosting the economy’. (Chairs of the Heritage Councils of Australia and New Zealand, sub. 187, p. 25)

This finding is consistent with the submissions of some other participants to this inquiry (such as the Urban Development Institute of Australia (Western Australian Division) (sub. 83)) who questioned whether all historic heritage places represented viable tourist destinations.

It is also interesting to note that, while the survey indicated strong support for the ability of historic heritage places to generate benefits, when it came to revealing their preferences through their actions, only around 10 per cent had volunteered for historic heritage conservation activities or made a financial contribution to historic heritage conservation in the previous twelve months (Chairs of the Heritage Councils of Australia and New Zealand, sub. 187, p. 23).

Table 2.1 Perceptions of heritage-related benefits^a
Per cent of respondents

<i>Benefit</i>	<i>Statement</i>	<i>'Strongly agree' and 'agree'</i>	<i>'Strongly disagree' and 'disagree'</i>	<i>Neither 'agree' nor 'disagree'</i>
Direct use value	Looking after heritage is important in creating jobs and boosting the economy	56.1	11.0	32.9
Indirect use value	My life is richer for having the opportunity to visit or see heritage	78.7	4.6	16.8
Option value	It is important to protect heritage places even though I may never visit them	93.4	1.5	5.0
Existence value	Heritage is part of Australia's identity.	92.3	5.3	2.3
	The historic houses in my area are an important part of the area's character and identity.	80.2	5.2	14.5
Other non-use values	It is important to educate children about heritage.	96.9	0.3	2.8

^a Based on an on-line survey of 2024 adult Australians.

Source: CHCANZ (sub. 187, p. 24).

The Commission undertook a hedonic pricing study of two local government areas, Ku-ring-gai and Parramatta, as part of an assessment of the possible effects of heritage listing on property values. The results of that study are in appendix C.

2.2 Pressures on historic heritage places

All built structures (whether government, commercial, community or residential) naturally deteriorate and therefore require regular maintenance. Many buildings also

become subject to redevelopment proposals for a variety of reasons, including changes to need or preferences.

The vast majority of historic heritage places have been maintained by their owners, presumably because they perceive that the benefits of doing so exceed the costs. However, if these benefits decline or the costs increase, then the private benefit–cost calculus changes.

Private benefits and costs of conservation can be affected by a number of pervasive pressures, including population shifts, technologies becoming redundant, demand declining for the services offered by the historic heritage place, the opportunity cost of renovation or redevelopment increasing, and the increasing cost of maintenance.

Demographic and technological pressures

Many of the most significant pressures contributing to the deterioration or loss of historic heritage places owe their origins to Australia’s changing demographic patterns. For instance, population increases in our capital cities (especially Sydney and Melbourne) have led to plans for urban infill and increased density, which in turn have put pressure on heritage assets.

Also, Australia’s rural population has declined steadily over the last century, which while simultaneously reducing the capacity to pay for historic heritage conservation within those regions, has led variously to the abandonment of redundant rural buildings and to changes in rural landscapes. The population trend is predicted to continue, although there will be some growth in regional centres, such as Dubbo, Wagga, Mildura and Geraldton, due to the so-called ‘sponge cities’ effect (see, for example, PC 1999).

Urban redevelopment and infill

In urban areas, most historic heritage properties are located close to the centre of major cities and some stand on very valuable blocks of land. Accordingly, the opportunity cost pressures on these places for renovation and redevelopment keeps rising. The City of Sydney (sub. 143, p. 2) acknowledged the extent of these pressures in Sydney. However, not all capital cities have experienced such pressures. For instance, the Hobart City Council (sub. 70) indicated that lower economic growth in Hobart has meant that the principal development pressures being experienced there were unsympathetic alterations, rather than pressure for demolition and redevelopment.

Also, as the populations of urban areas continue to rise, governments have sought to limit the negative externalities of urban sprawl through policies directed at urban infill. This was claimed to be affecting the heritage character of older suburbs. For instance, Carroll and Kitson (sub. DR276) claimed that the main pressures on the conservation of historic heritage places in the Ku-ring-gai Shire in Sydney were the Government's urban consolidation policies and its associated blocking of the gazettal of Urban Conservation Areas. Zeny Edwards also commented:

In certain areas, the older established homes are progressively being demolished or renovated and replaced with family homes or multi-unit developments that are larger in proportion to the land they are built upon, due to private developer and government pressure to substantially increase the levels of local housing density. (sub. 11, p. 5)

The City of Newcastle (sub. 78) considered that urban consolidation was an emerging threat particularly to local heritage precincts and buildings on large curtilages. The Australian Garden History Society (sub. 45) expressed concern about the impact urban consolidation was having on historic heritage gardens and the settings of many heritage places.

A slightly different experience was noted by the City of Port Phillip (sub. DR240). They indicated that, under the Inner Regional Housing Agreement, this inner suburban area of Melbourne had the capacity to cater for the required number of new dwellings in the area (90 000) on existing strategic sites — without impacting on any heritage places — to the year 2030.

Countering the above impacts of demographic change on the inner areas of Australia's cities has been their increasing 'gentrification', which has benefited investment in heritage places. In this regard, the Victorian Government observed:

The demographic changes that have occurred in the inner areas of Australia's cities have introduced a level of affluence, which in turn has created a positive environment for private heritage conservation. ... the new residents often have an interest in the past and a desire to care for what they see as their heritage. (sub. 184, p. 33)

Public building redundancy

Over recent decades, many public buildings and infrastructure — such as railways, churches, banks, post offices, schools — have become redundant due to the loss of client population, asset rationalisation, mergers and technological change. The NSW Heritage Office commented:

Over the last 30 years there have been major changes in the delivery of government services within the community. This has resulted in the redundancy of many government properties from their original use, particularly in rural areas of Australia, including NSW. (sub. 157, p. 72)

Many redundant public properties have either been demolished, sold (or leased) to private owners or undergone adaptive reuse. There have been many examples of adaptive reuse of these assets which have successfully maintained their heritage values, particularly old post offices in urban areas (e.g., the GPO in Martin Place, Sydney). But adaptive reuse in rural areas with declining populations has been seen as being more problematic.

Abandonment of rural structures and loss of rural landscapes

The aggregation of rural properties — reflecting economies of scale made possible by new technologies — has not only led to changes in enterprise mix, but also to the abandonment of many old and redundant farm structures, such as shearing sheds and homesteads.

At the same time, changing lifestyles (such as the increased number of hobby farmers) and shifts in rural land use patterns have contributed to the loss of cultural landscapes in rural areas, including homesteads and farmlands. Similarly, the expansion of towns and cities into rural areas has impacted on designed gardens and landscapes, early settlements, disused cemeteries and defunct industrial complexes.

In many places, public infrastructure, like old timber bridges of historic significance, have become unsafe, redundant or too expensive to maintain.

Cost of conservation pressures

Many participants considered that one of the most significant pressures on the conservation of historic heritage places was the high and increasing cost of maintaining these properties. This pressure was particularly evident for private individuals and was said to be exacerbated by the inability of many (mainly older) private individuals to fund such work, as well as the inadequacy of public funding for this purpose.

Rising maintenance costs

A number of participants pointed to cost pressures arising from a reduced supply, particularly in rural areas, of skilled trades people to undertake authentic heritage work. In this regard, the NSW Heritage Office said:

... there is a declining skill base in relation to practical building conservation and a shortage of skilled tradespeople to deliver current demands. This arises because the majority of listed heritage places predate 1950, when the impact of large-scale industrialisation of the building industry exerted significant changes in the materials

and construction techniques. Traditional trade and craft skills from this time began to decline as the impact of new construction technologies established themselves as the predominant typology. (sub. 157, p. 73)

The Construction, Forestry, Mining and Energy Union (Construction and General Division) (sub. 24, p. 2) considered that a chronic shortage of skilled workers would inevitably restrict the ability of public and private owners of heritage properties to conserve their assets. It noted that the trade skills required for heritage conservation were more specialised than those required for mainstream building work, but that the opportunities and incentives to undertake the necessary training were decreasing. However, Richard Falkinger (trans., p. 478), Architect for the Roman Catholic Trust Corporation, said that the Trust had, to date, experienced no difficulty in obtaining appropriate trades persons for major conservation works.

The small size of the Australian heritage market was also seen as contributing to the difficulty in maintaining a critical mass of specific heritage trades and skills.

Exacerbating these labour supply cost pressures was the ageing of the volunteer workforce. Many heritage industry participants indicated that the cost saving provided by the volunteer network was critical to the conservation (particularly to the interpretation and presentation) of historic heritage properties. However, the National Trusts and other ‘not-for-profit’ participants provided information to suggest that the age structure of the volunteer workforce was increasing and the number of volunteers declining.

Declining public sector budgets for historic heritage conservation

Heritage conservation is only one of many activities competing for public funds. Even so, many participants claimed that, over recent years, there had been a relative decline in public sector budgets for the conservation of historic heritage places, with much of the remaining funds being swallowed by administration of the system. For instance, many pointed to the recent reduction in the amount of Australian Government funding for historic heritage conservation at the State and local levels, following implementation of the new national heritage regime — it was noted that the announced funding of \$52.6 million for the ‘Distinctly Australian’ program over the next four years will virtually all be consumed, at the national level, in administration of the new system. A number of participants noted, in that context, that the Australian Government has committed a further \$1 billion to the Natural Heritage Trust for five years from 2002-03, but very little for historic heritage.

With limited budgets and increasing responsibilities, government participants pointed to the pressure on both line departments and local councils to concentrate

on core activities at the expense of conserving their heritage properties. This problem was said to be more acute in rural areas. For instance, the Hay City Council stated:

The depressed farming sector, as a consequence of the protracted drought, ... means that Council is under extreme financial pressure simply to maintain its core services at the most basic of levels. (sub. 5, p. 1)

There are likely to be increasing calls for public funds for the conservation of historic heritage places under pressure — particularly for urban redevelopment in cities and from redundancy/abandonment in rural Australia — but all tiers of government face many other priorities for the disbursement of taxpayers' funds.

2.3 Emerging trends in historic heritage conservation

Over the years, historic heritage conservation has had to adapt to emerging technological, economic, demographic, environmental and social trends. The Australian Department of Environment and Heritage (DEH) (sub. 154) noted that rising incomes, advances in knowledge and education, and shifts in social attitudes could be expected to lead to changes in the way the Australian community views historic heritage. It said:

It is likely that such changes will allow for new approaches to the conservation of historic heritage. For example, with demographic shifts to inner-city suburbs in Sydney and Melbourne in the last decade there has been a 'gentrification' of many historic heritage areas with much new private investment in the restoration and maintenance of heritage assets. (sub. 154, p. 26)

Also, the ACNT (sub. DR237, p. 13) identified as an important emerging trend, the changes taking place in planning and land use regulation, and the impacts they may have on considerations of public/private property rights and responsibilities:

... increased land use and planning regulation for environmental and amenity considerations incorporate heritage protection, and the changing focus of urban planning to broad-scale impacts and approaches, similarly incorporate heritage considerations, rather than isolating them.

Other participants generally pointed to adaptive reuse, heritage tourism and virtual recording as the three main growth areas in the conservation of historic heritage.

Adaptive reuse

Most participants considered adaptive reuse — that is, finding innovative ways to change the use of heritage places without impacting too heavily on their heritage

values — as an important means of ensuring the retention and future conservation of historic heritage places. However, some saw adaptive reuse as merely sacrificing heritage values (for example, changes to churches and community centres).

DEH (sub. 154) suggested that the most successful built heritage adaptive re-use projects were those that best respected and retained the building's heritage significance and added a contemporary layer that provided value for the future. It observed that adaptive use of heritage buildings had a major role to play in the sustainable development of Australian communities, particularly in terms of landscape enhancement, identity and amenity for the community. In this regard, the Department noted that one of the main environmental benefits of reusing heritage buildings was the retention of the original building's 'embodied energy' — that is, the energy conserved by not demolishing it and re-building.

Commercial success stories from appropriate and innovative adaptive reuse projects have been numerous, particularly with old government, commercial and industrial facilities. However, the prospects for adaptive reuse of some 'privately-owned and for public use' historic heritage places, such as churches and certain National Trust properties, have been constrained by their clients' desire for no change to their original use. For instance, the Uniting Church of Australia (sub. 76, p. 6) indicated that, despite changing social and demographic trends leading to increasing facility redundancy, it had experienced vigorous community opposition to the concept of adaptive reuse of its churches, halls and other buildings for non-religious activities, as well as to internal works needed to reflect the changing way of worship by its congregation.

The City of Sydney (sub. 143) highlighted other constraints limiting the re-usability of some heritage buildings, namely difficulties in:

- adapting heritage premises to meet contemporary living and working standards, including the desire by developers to provide for car parking and additional amenities; and
- upgrading heritage buildings to meet Building Code of Australia and Equitable Access requirements.

While most participants saw adaptive reuse as a positive way forward for heritage conservation, they also pointed to the very high costs, and thus competitiveness issues, associated with the adaptive reuse of heritage buildings. For instance, the Tourism Council of Tasmania (sub. 149, p. 2) said that the upkeep using traditional building materials and methods, as against modern materials and methods, imposed a considerable cost burden that impacted on the heritage building's operational competitiveness. In a similar vein, the Royal Historical Society of Victoria (sub. 79, p. 2) noted that heritage restrictions often worked against successful adaptive reuse

by preventing making historical buildings health and safety compliant, such as through the inclusion of fire doors, hand rails, wheelchair access or other adaptations.

Heritage tourism

A number of submissions to this inquiry have noted the potential for historic heritage conservation to increase tourism to a region. For example, the City of Perth identified the importance of heritage in promoting tourism:

- studies have shown that a high proportion of foreign tourists cite historic significance as an important factor in choosing a destination;
- according to the World Tourism Organisation, cultural tourism accounts for 37 per cent of world travel and this is growing at the rate of 15 per cent a year;
- in Western Australia, the cultural industry sector contributes \$983 million a year to the State's economy;
- research has shown an increase in demand for quality interpretation of the natural, social and heritage features of places visited; and
- retaining inner city cultural heritage and interpreting it will continue to strengthen Perth's growing tourism and cultural life. (sub. 67, p. 9)

Where historic heritage is conserved for tourism purposes, other private benefits can arise. For example, hotels, shops and restaurants may be established in historic precincts to cater for tourists. This development of tourist infrastructure may, in turn, return additional benefits to heritage conservation by increasing visitor numbers.

However, the tourism market is highly competitive and not all historic heritage places are viable for commercial tourism. The Urban Development Institute of Australia (Western Australian Division) noted that:

In regards to opportunities for tourism development to provide an offset to the economic constraints of development, the property industry is of the view that tourism options are not generally a sound economic investment (very few provide a substantial economic return) and that the number of heritage sites that are suitable or in an appropriate location for tourism is very limited. (sub. 83, p. 3)

As noted earlier in section 2.1, tourism can provide a tangible benefit from conserving historic heritage places. However, there were differing views on the appropriate mix and the extent to which heritage tourism can continue to cover the costs of conservation.

Some regional and local economies have become increasingly dependent on tourism. Australia ICOMOS (sub. 122) argued that cultural tourism (which

encompasses visitations to historic heritage places) was one of the fastest growing sectors of the tourism industry. It pointed to the positive impact historic heritage conservation has had on tourism in many places around Australia — including the City of Fremantle, Tasmania’s historic towns and convict sites, The Rocks in Sydney, Victoria’s central goldfields, the Queensland mining heritage trail and the old mining town of Burra in South Australia.

The City of Ballarat (sub. 100) commented that historic heritage plays a significant role in the economic well-being of Ballarat. It noted that substantial tourism benefits have arisen from the past preservation of its built form from the nineteenth and early twentieth centuries. The Council estimated that heritage-based identity contributed to attracting over 2 million visitors to Ballarat each year, with a total visitor expenditure of over \$300 million (sub. 100, p. 1).

Similarly, the Tourism Council of Tasmania (sub. 149, p. 1) confirmed that Tasmania’s built heritage was a key tourist attraction and that, with the right application (that is, providing appealing and attractive experiences), it could make an even larger contribution.

At the same time, some participants noted that heritage tourism often suffers from having too many of the same heritage offerings in the one place, such as B&Bs and ‘static museum’ properties, resulting in their revenue streams being insufficient to pay for the upkeep of those properties. For instance, the Tourism Council of Tasmania, while noting that successful heritage tourism was about getting the level and mix right, commented:

... in some instances now Tasmania needs, in order to keep its tourists coming, more high standard accommodation, more modern attractions and not more heritage buildings preserved. The market is almost saturated with heritage buildings.

... The need to keep ... the best of them alive and providing an attractive and appealing experience for visitors, is demonstrated by observing the fate of some of the National Trust properties not having the appeal of some years ago and not being able to be maintained.

These buildings need a commercial application to be maintained as living examples. ... They must be changed from static furniture displays — they must provide an experience. (sub. 149, p. 2; trans., p. 546)

Graham Brooks and Associates observed that those places where conservation had not been effective in retaining the depth, integrity and spread of their historic imagery were not as successful as tourism destinations:

... the built environment conservation industry holds the keys to a major portion (at least half) of the world’s tourism assets. If these assets are not protected and sustained through proactive heritage conservation and good tourism management, the tourism

industry will suffer, as tourists move to other destinations that have not been ruined or excessively exploited. (sub. 72, p. 12)

However, both Australia ICOMOS (sub. 122, p. 65) and Graham Brooks and Associates (sub. 72, pp. 12–3) observed that the benefits from the generation of economic activity in heritage-based communities (through investment, revenue capture, employment, small business opportunities and the like), were somewhat offset by the negative impacts from the increased use of historic heritage places — such as congestion, the leakage of locally-generated revenue, fluctuating demands on local infrastructure and resources, the displacement of local services, and physical impacts and degradation on the properties and landscapes.

Virtual recording

A number of participants pointed to both the short and long term benefits of using digital technologies to record the details and history of heritage properties, rather than actually heritage listing them. For instance, John Boyd (sub. DR196, p. 4) argued that the cost of virtual recording would be a lot less than the costs flowing from listing. Also, virtual recording would not be subject to damage or loss by bushfire, white ants, rust or general deterioration.

Advances in information technology have led to a growth in virtual (digital) recording as another means of conserving our past for future generations, and particularly for those marginal places which do not quite meet the threshold tests. For instance, the Mechanics' Institute of Victoria (sub. 89, pp. 1–2) indicated that, despite losing about 550 of its historic buildings in Victoria, the Institute had developed the 'Big-Mech Database', which contains core material on all known Institute buildings, as well as ownership, management, architectural and historical material. Currently, this database comprises some 5000 pages of information and 3000 images of buildings and building plans.

In a similar vein, Engineering Heritage Victoria (trans., pp. 570–2) was of the opinion that new digital technology offered a number of openings for historic heritage promotion, education and conservation. First, it noted that this technology afforded the opportunity to record, for future generations, what it refers to as the 'byways of heritage' — that is, the plans, the construction techniques, photographs and, particularly, the oral histories of the people that were involved in those projects. Second, it indicated that podcasting (that is, the publication of audio files on the internet) offered new opportunities for the storage and dissemination of heritage information. And third, for the travelling public, it pointed to the prospects for 'virtual heritage' where, for instance, readily available GPS and audio

technology could be combined to ensure that the value of heritage and heritage sites was not diminished because no-one knew where they were or what they meant.

Gary Green also noted that new emergent technologies — such as DigiCult, Augmented Reality and Holographic 3D Projections — have the capacity to change the way we look at heritage. He commented:

Virtual Heritage Preservation can provide high-resolution 3D reconstructions and guided tours (VRML flythroughs) of heritage sites. At present, most heritage sites are not open to the public, so this technology provides additional advantages over a physical listing. (sub. DR199, p. 6)

In summary, new virtual recording technologies provide a number of marketing opportunities to increase the value and/or reduce the costs of conservation. However, while it may, at times, be a useful adjunct, virtual reality is not likely to be an acceptable substitute for the physical conservation of virtually all historic heritage places.

