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TRANSCRIPT OF PROCEEDINGS

PRODUCTIVITY COMMISSION

INQUIRY INTO THE CONSERVATION OF AUSTRALIA'S HISTORIC BUILT HERITAGE PLACES

DR N. BYRON, Presiding Commissioner,
MR T. HINTON, Commissioner

TRANSCRIPT OF PROCEEDINGS

AT MELBOURNE ON TUESDAY, 9 AUGUST 2005, AT 9.05 AM

Continued from 8/8/05

DR BYRON: Good morning, ladies and gentlemen. Welcome to the continuation of the Melbourne hearings for the Productivity Commission's inquiry into the Conservation of Australia's Historic Heritage Places. Our first presentation this morning is from Ms Poliniak, Lancefield Old Bank B and B. Thank you very much for coming. Thank you for the written submission which Tony and I have both read. The normal procedure here is if you'd like to take us through the highlights of your submission and then we would have some discussion of that.

MS POLINIAK: Thank you. Briefly before we started, we were just chatting about how people come to be here and the time that they have to take off to do that. I'm actually a general practitioner by trade. So in terms of man hours and cost when I involve myself in my passion which is my building, it takes me away from health which is desperate for more doctors, but I'm sorry, my passion comes first in this particular case.

I felt compelled to include a picture of our building because a lot of the other submissions that I saw on the web site didn't have pictures or things that they were talking about and I think it really casts a very important image of Australia. I've included a brief history of our building. We think - my husband and I who own it - the highlights are that it is the geographical centre of Victoria so all roads lead to Lancefield and all roads lead to our front doorstep which is the geographical centre. In terms of its history, it claimed to be robbed by the Kelly Gang who were later found in Bendigo and they weren't the Kelly Gang, but it was at the time of Ned Kelly who is famous in this land and famous in Victoria. So we think it's important to preserve that.

We've spent eight years renovating our bank and converting it from a private residence, and because it's still zoned commercial we're running a bed and breakfast which opened in late October last year. In terms of business it's still very quiet because we're new and therefore in terms of recouping costs it's going to take us quite some years. We still need to both work relatively full-time to fund our passion in this building and therefore the returns for us are very, very long term, rather than any short term. When we were renovating, our builder said to us, "Are you doing this to sell it or are you doing it to live here forever?" I said, "I'm being buried in the back garden, in the old stables along with the horseshoes." So we plan to be there forever.

In terms of responding to the issues paper that was put out by the Heritage Commission, I just wanted to look at a few areas. I think there certainly is a need for a comprehensive survey of historic places in Australia. Certainly as a private owner of an historic building we haven't had a lot of communication from any sources and we've had to actively go out and seek it. If I wasn't the one getting on the Internet, looking around and trying to communicate with other organisations, we'd be well out of the loop.

The only time you really realise that you're living in a heritage building is when you try and change something on it and the council says, "No, you can't do that, you're listed in the heritage overlay." So with very little proactive communication all you find is that when you want to do something different you get blocked. Where we live is a very small country town. The population is 1200. It went through a major economic decline in the mid-1990s. The thing that's bringing this town back is that it's an hour from Melbourne and it is a commutable distance from the CBD - I work in the CBD - as well as from Melbourne airport. It's a gateway and a passageway out of the CBD that's not heavily developed at this point in time. It's got a beautiful rural atmosphere and the tourism and the commutability and it's a wine-growing district.

On top of that they say that Romsey-Lancefield has the highest millionaires per capita in Victoria, I think because of the horse studs and other sort of agricultural related industries, but it's not the traditional farming community that it used to be. I think to own a heritage building you have to be passionate, you have to be proud and you have to have a modicum of insanity to get through it. I think there's an enormous flow-on effect from heritage buildings to communities in terms of tourism, and the majority of heritage buildings in our time are semi-public in that they're running businesses out of them which gives the public access to both the interior and the exterior of the buildings.

I listed some of the heritage buildings - and I'm sure I missed a lot of them but they're the ones that are currently doing things that are open to the public. It's a quirky town. Even one of the buildings, Derek's shop was a blacksmith shop and it got shifted up the street and there's wonderful heritage photographs of it on the back of a semitrailer coming up the street and being relocated. It's been a fruit and veg store; it's now a cafe. So there's a lot of interesting stuff that's happened with the heritage buildings in Lancefield.

One thing that we found in trying to improve our building is that it's very difficult to have our property valued. Property valuers see it as unique. There's no other building like it in the same sort of commutable distance on hour from Melbourne. There's more similar buildings an hour and a half or two hours from Melbourne. There's buildings on larger plots of land, there's buildings that are on smaller plots of land and adjoining other buildings. But there's really no building like ours. So in the three times that we've tried to have it valued in order to realise our equity in order to get more funding to do more renovations, it has been quite a difficult process.

Fortunately we haven't had to pay for that valuation in that it's the bank that's been paying for the valuers to come out, but it has slowed down the process. We've then had to wait and then we weren't always guaranteed that we were going to get the

funding that we needed to continue on with our project. The various acts between state and territory and local planning regulations, we've recently in Lancefield had what I would call the dunny block debacle where they tried to put a toilet block in the middle of the heritage-listed centre median strips. The toilet block itself was beautifully architect designed in the shape of a boulder, in front of a strip of very well preserved 1870s heritage buildings. The eastern end of the main CBD area of our little High Street is the most heritage conserved; the western end is the least heritage conserved, and they wanted to stick it right in the heritage end.

So that took most of my year last year fighting council, holding public meetings as "the bitch in the bank". I did make a few friends out of it but I probably made a few more enemies for standing up for heritage, and really prior to that time we were quietly renovating our place and most people didn't even know our house was inhabited, let alone what we were doing to it. So that got to a point where a planning permit was able to be submitted and they had had no heritage advice prior to it, and then we had to fight tooth and nail to try and block it at the planning permit level, and then in the end it came down to a councillors' vote. The heritage advice was given but the councillors then had the deciding vote. It could have gone either way and it was right down to the line. So we had to pull out our big guns and have some 16-year-olds stand up and talk about their heritage and what they wanted for their town. So we had to be quite strategic in that fight but I don't think we needed to have that fight and I think it demonstrates that the heritage overlays don't necessarily protect our heritage.

The Heritage Councils, I've had some interactions with the federal level, but I actually wasn't aware of Heritage Victoria in the funding and the low interest loans until I actually researched for this submission. So there's no communication between the different levels and we've certainly had no communication from council whatsoever about what our rights and responsibilities are. The only communication we've had is when we've tried to alter the building and they have knocked it back. So I think a survey would improve the communications between the different levels - between the federal, state and local levels. I suggested at the opening in my submission that the survey could be conducted as a research piece involving educational institutions at both bachelor, masters and probably a doctoral level.

So the heritage overlay in our shire is not widely publicised and it's evidenced by the toilet block debacle. Our particular property has the controls on it that are listed on the first page of my submission and effectively it's tree controls. Our property was subdivided before we purchased it and probably six significant trees were on the section of land that got removed from our title, and on our title there's one significant tree. We would fight tooth and nail to fight for that tree but now the property next door, number 3 High Street, is a hardware store and I've already had to object to their planning permit application because they were going to cut down trees. I managed to save three out of the six significant trees, and now they're trying

to put a driveway through the back and a 100-year-old cedar is threatened. So I've spoken to the local councillor but I wouldn't be surprised if some chainsaws come out in the middle of the night and it goes down, just to have a driveway put through for a hardware store.

In terms of funding and assistance we've actually had no funding or assistance and I do believe that heritage owners bear too much of the financial burden. We don't have any children; that's our choice. We haven't received any rebates in terms of our historic conservation. We haven't had any kid bonuses, we haven't had any rebates, we don't have any child care supplements from government. So all those things for the supporting family don't necessarily support a couple who are passionate or insane about heritage conservation. So I'd put in a big plug for some kind of tax break for people who are doing it off their own back.

We bought our building just prior to the cessation of the Tax Incentive For Heritage Conservation Scheme and it wasn't appropriate to us anyway. You had to employ a heritage architect which was a cost that at the time we were starting our renovations we couldn't afford, and we knew basically what we needed to do in terms of damp-proofing, restoring floors, rewiring, replumbing and those sorts of issues. So we didn't see any value added by having a heritage architect but according to the scheme you had to have one. Your financial expenditure had to be greater than $5000 and it had to be completed in two years. We've spent over $200,000 over eight years and we've only needed engineering or architecture input when we removed one internal weight-bearing wall. So to employ a heritage architect to oversee it all I think is not value adding to the project.

I believe there's currently no special provisions for expenditure over capital or operational that owners incur with heritage buildings. It would be good to see something like that introduced. To improve the number of people who can hold this passion for long enough to restore a building, I think there should be some sort of automatic financial incentive for heritage building owners. That will encourage more people to own an older building and to restore it and to maintain our heritage across Australia.

In conclusion, I believe there should be a comprehensive survey. We can only hold our passion for so long and then it's going to start to crumble, much like some of our heritage buildings. I think heritage buildings offer enormous benefits to the communities around those buildings, particularly in rural or country areas in Victoria. It's difficult to a heritage property valued and therefore it's difficult to realise your equity and use that to put back into your building, so I believe there should be some automatic financial incentives or some tax concessions, and because I've kept every receipt that I ever spent I'd like to see it backdated.

MR HINTON: Retrospective.

MS POLINIAK: Retrospective. Thank you.

DR BYRON: Thank you very much. I found your presentation this morning fascinating, and the written submission, because you touch on issues that sort of come up over and over again as sort of general abstract things but you made it really concrete and specific - one particular pair of passionate, proud and insane people, and one particular fascinating building. A few other people who have sent in submissions, who have also restored heritage buildings with B and B, said that they had no positive support from heritage authorities in government, only delays, obstacles, criticism and that sort of thing. Is that overstating the case in your experience?

MS POLINIAK: We've only needed to butt up against council in the most recent times when we were trying to build a garage, which is for personal use.

DR BYRON: But that strikes me as interesting that your architect-designed plans were knocked back on heritage grounds so you can put up a tin shed. The citation that you've got on the front page of the submission is interesting. It's the first one like that that we've actually seen. People have pointed out that in some municipalities there's very little detail. It just says, "Number 42 Smith Street is heritage listed," and that doesn't actually give anybody much information about the consequences of that. Where if it's very clearly articulated that, "The heritage values of this place are A, B, C and D and therefore this, this and this would be sympathetic with that and it's therefore okay. But X, Y and Z are not compatible with those heritage values and therefore they will be restricted," and that means that people would know where they stand. This citation where it says, "No internal alteration controls apply, no external paint controls apply," where did you run up against tensions with council?

MS POLINIAK: We haven't largely because we haven't done the outside. It looks old and heritage from the outside, and we've left the outside till the end. We've renovated all the internal aspects which haven't required any council permits or approvals.

DR BYRON: Was there any problem getting the solar hot water system on the roof?

MS POLINIAK: Not that I'm aware of. Nobody has told me. It just went up. We tried to put it - the roofline is actually U-shaped and we tried to put it on the back of the U so you couldn't see it from the street, but it was too large a unit to fit there. Yes, we've come into some comment from that, but in order to be environmentally friendly - I mean, that's somewhere where we have had a tax break. We got a rebate for putting in solar hot water but we haven't got anything else for anything else that

we've done. I'd like to get up there, except it's an awfully tall building, and cover up the manufacturer's name, but I didn't get my tradies to do that when they were up there.

DR BYRON: You raised the issue of valuation. Has that had any implications for insurance, because a number of people have raised problems of not just the price of insurance but even getting access, getting a policy. Have you had any insurance issues?

MS POLINIAK: We've had insurance issues in trying to insure it as a bed and breakfast but not as a private residence. There's not a lot of companies that offer bed and breakfast insurance for an operation our size, which is very small. In terms of normal insurance, household insurance, contents insurance, we haven't had any problems. We've probably erred on the side of over-insuring it for years because we believe it's irreplaceable. If it were to be subject to fire which is probably the most likely damage it would sustain - because we have open fireplaces and rely on wood heaters in general, you would have to assume that to restore and rebuild it would cost far more than you could ever value it for. So we tend to over-insure it and bear the brunt of that cost because I would hate to lose it.

DR BYRON: Thank you. Tony.

MR HINTON: Frances, thanks for your participation, and we certainly acknowledge that it's not costless keeping you from your passion and your other profession. I had an uncertainty about the status of the building and the operation of the heritage overlay. As I understand it from your written submission, it's on the National Estate Register but that has no statutory basis, and it's not on the Victorian Heritage Register which does have, in effect, statutory basis, and your listing of what the implications are on the heritage overlay do not look all that intrusive. So are you seeking Victorian Heritage Register entry? Do you want formal recognition of the heritage status of this building and, more importantly, is the heritage overlay specific to your building, or is it the street? How does that work in terms of the local government in Lancefield?

MS POLINIAK: The heritage overlay is for the street, the whole business section or commercial zone of High Street, as I understand it. However, the interpretation of that has been vast by recent experience.

MR HINTON: Significant flexibility.

MS POLINIAK: Yes, except for my garage, but maybe I've got a black mark against my name for last year's fight and I have to do my time. There's not a lot of information about it. There's not a lot of communication about it. Most people that live in Lancefield have no idea that there's a heritage overlay. Our building is

individually listed within the heritage overlay as are other significant buildings, such as the hotel across the road, the Weigard building, the Macedonia, the Mechanics Institute, the post office, and there's a couple of other banks and old pubs. So most of the buildings that I listed that are commercial, renovated and functioning, most of those are on heritage overlay in the shire planning scheme.

MR HINTON: In effect they're a local government listing?

MS POLINIAK: Yes. The centre median strip which divides two wide carriageways of the road, of High Street, because it's about 75 metres wide, the main section of Lancefield, with a median strip in the middle. That whole median strip, because it's bluestone, the age of the trees, the horse trough, the war memorial, all of those things are actually individually listed on the National Estate, plus subject to the heritage overlay of the local planning.

MR HINTON: Thank you. I didn't quite get the right feel for the environment in Lancefield in terms of attitude to heritage. You've touched on it a couple of times but I'd welcome your sort of elaboration of the community's views on heritage; that is, I detected from some of your comments a clear tension between those who are pro development, eg, the commercial building next to you; those that are clearly pro heritage, such as fighting the boulder toilet block. But I also got from you a flavour that why is this inappropriate interference with our lives called heritage. Can you give me a feel for what the environment really is like in Lancefield?

MS POLINIAK: It's very divided currently because of the recent streetscape and toilet block. It wasn't just the toilet block, they wanted to alter the whole streets, going from these wide vistas to planting in excess of 60 new trees into the bitumen, putting in angle parking to increase the parking for the commercial side of that section of the street. So there are tensions between the traders who want to see more parking, and some of the traders were key players on the streetscape committee. The local police officer was the chairman of the streetscape committee and he got involved in it because he felt there was a safety issue for some of the older pedestrians in Lancefield trying to cross the street.

We suggested, "Why don't you decrease the speed limit and police it and make people slow down, rather than change the way people park, or put in more trees or" - they were going to put in four pedestrian crossings in a town that has a population of 1200. The only time it's busy is at 8 o'clock in the morning when all the kids commute by bus to high school. So when the high school buses come in to pick up the kids at 8 o'clock in the morning and when they drop them off at 4 o'clock in the afternoon, the town is busy. For the majority of the rest of the day and on weekends, it's a quite country town.

We have a farmers' market one Saturday morning once a month, and all the

traders for the farmers' market come in and park right where the market is. So all the people who want to visit the market have to park miles away and walk. So there's those kind of tensions between people wanting to make a quick buck and commercial interests versus the people who have - and it's probably more than newcomers. I'll never be a local because I'm not going to have three generations in the cemetery, but the newcomers who have arrived in Lancefield over the last 10 to 15 years, see it as a rural town where they want to bring up their kids or as a town where they want to own an historic building.

There's another bank at the other end of the street which is currently undergoing major renovations and they're setting it up as a gallery. I asked them if they could be involved in this and come with me, but they're both school teachers and had other commitments. So there's a lot of tension.

MR HINTON: Is there a push to resolve this tension along the lines that being pro-heritage in fact for this particular town could in fact be pro-development; that is, pro-economic activity? Is that the line of argument you think that might proceed in Lancefield?

MS POLINIAK: I think over time, yes. I'm in the middle of staging a coup at the Local Business and Tourism Association to try and shove some of the people that are currently there not doing anything. They're not doing anything for the business and tourism, and the association itself has nearly died So again some younger blood that's enthusiastic and want to see business and tourism come into the town. We're not opposed to business, tourism or development, but we want to see that in the context of conservation of the real features of Lancefield, and most people would say it's the wide streets and heritage buildings.

MR HINTON: A related question is, does your B and B have competition from accommodation not located in a heritage building?

MS POLINIAK: Yes. There is a bed and breakfast with a capacity of six rooms near the golf course which is a wooden, modern kind of building. There is a winery that has a conference centre, function centre which is modern, four kilometres out of town. They hold a lot of large weddings, but fortunately for us, they can't accommodate all the guests of a large wedding and we get the overflow. But the majority of the accommodation would be in heritage buildings. There's also a motel which is now a subdivision of the Grange group. They run the Cleveland Homestead winery as well as the motel, and the motel is a modern building.

MR HINTON: Thank you.

MS POLINIAK: So there's a mix.

DR BYRON: Does the heritage imprimatur on your building sort of add to its marketability as a B and B do you think?

MS POLINIAK: We push it as that. We're also keen bike riders. So we niche market into Bicycle Victoria magazine and advertise there so people can come up, stay for a weekend, go bike riding, go winery touring. So we're trying to link more than just the heritage aspect. The museum is a couple of doors down from us and it's open once or twice a month on a Sunday, but they have a pamphlet on heritage walks. So if people are keen about the heritage aspects, we can give them information about that, take them on a walk. If they want to be doing other things in the area, we're keen to support that as well.

DR BYRON: Because one of the things that keeps coming up in this inquiry is the prospects of adaptive reuse of old banks and churches and schoolhouses and railway stations and all sorts which have sort of become surplus to their original intent, and one of the things that we've been wondering about is in a small country town where there may be a number of old banks and old churches and an old courthouse et cetera, how many can be converted successfully to galleries, coffee shops, B and B's et cetera, given the sort of market of people passing through? Is that likely to be an issue if for example all the other heritage buildings in Lancefield sort of went towards one of these sort of modern reuses, do you think the market would sustain you all?

MS POLINIAK: Yes, because the Wyguards building, it's five terraces, are retail. They will always retail. So they can use any kind of retail. Traditionally there was a milk bar in there. There's been restaurants in there. There's currently gallery accessory shop, a couple are vacant at the moment and up for lease. When we bought the building and before we decided what we were going to do with it, other than make it habitable, we could have gone with gallery, restaurant, coffee shop, bed and breakfast, and it just depended on how you wanted to utilise the space and whether we chose to live downstairs and make that our private space, making the upstairs suitable for a bed and breakfast or we could have lived upstairs and used the whole downstairs for another venture.

So the size of the rooms, the size of the buildings and the layout of them gives you some adaptability. We've also toyed with the idea of putting in a retail alcohol outlet in our front bank chamber small enough to do it position-wise, commercially zoned with council. So even within the one building, you could have multiple uses depending on its size.

DR BYRON: Somebody in I think the Adelaide hearings said you can tell whether an adaptive reuse is sympathetic by the amount of adjustment that you have to make to the existing building in that if you don't have to change it very much, then it's reasonably sympathetic and compatible. But if you have to make very extensive

changes, then you really have to wonder whether that is a sympathetic reuse. Would you agree with that?

MS POLINIAK: Definitely, and in our renovations, we thought very long and hard about how many guest rooms to have upstairs because the way it was laid out, it was all bedrooms with only one en suite bathroom. So do you go for the lower end of the B and B market where everybody shares a bathroom or do you punch out two doorways and make it all en suite, and that's the option we went for. So it wasn't too much structural work. We only had to put in two doorways upstairs, and that made interconnecting things.

But if we had have gone for other uses that required more extensive work, we wouldn't have done it just because every time you knock out something that's a weight-bearing wall, there's repercussions; the plaster cracks, you've got to get the plaster back in. I've banned angle grinders because our building is actually handmade red brick that's then been rendered, and you just touch the bricks and they literally disintegrate. So we've been very mindful of that of trying to not disturb the old bricks. They're happy where they are and we'd like to leave them there. There was one other question you asked me before which I didn't answer about whether we seek heritage listing.

MR HINTON: Yes. Thank you.

MS POLINIAK: Double-edge sword. Have been toying with it, don't know quite what to do, whether it will actually give us more prevention - like, prevent us from doing some of the things that we want versus any tangible benefit at the moment. So we're sitting on the fence.

MR HINTON: That was behind my question actually to see your attitude in the environment of Lancefield as to whether that was going to be a plus or a minus or a mixture.

MS POLINIAK: Might try and do what we want to do first and then go for the listing so it doesn't stop us from doing anything.

MR HINTON: Frances, thank you very much for your participation and your written submission. We appreciate it.

MS POLINIAK: Thank you.

DR BYRON: Thank you for giving up the time to come here.

DR BYRON: Next, Lovell Chen Architects.

MR LOVELL: We come in force.

DR BYRON: Good. If you could each introduce yourselves for the transcript so that the transcribers will be able to recognise your voices, that would be helpful, and thank you very much for coming.

MR LOVELL: Thank you. My name is Peter Lovell. I'm a director of Lovell Chen Architects and Heritage Consultants.

MS GRAY: I'm Kate Gray, and I'm an associate director of the same firm.

MS BRADY: Anita Brady, associate director.

DR BYRON: Thank you. Would you like to take us through the main arguments that you want to present?

MR LOVELL: Mr Chairman, yes. We have put together a paper which really responded very much directly to the questions that were asked in a limited way. I think in addressing the Commission, our interest was to bring to the Commission our practical experience I think over the last 20-plus years in dealing with heritage, and I think dealing with heritage at all fronts, whether private, individuals, companies, government. I think rather than going through the submission as such, what I've made is a number of points that I thought we might talk to, and I felt that Anita and Kate, who have also contributed, might be able to respond to questions and also have input as well.

I think that in looking at the issues, one of the starting points that I think sometimes gets blurred is the big differentiation between different types of owners. So I'd suggest in talking about heritage incentives, funding et cetera, that there are fundamental differences between private individuals, commercial entities, institutions and the manner in which they respond to heritage and respond to funding. Looking at private individuals, predominantly residential, conservation works undertaken with their own funds, a high level of work by choice, so a lot of work is not necessity, it is by choice in the conservation area; generally not dependent upon high level of funding. Most heritage works that occur throughout Melbourne Victoria are undertaken privately all the time.

The number of buildings that are included on lists in Victoria far exceed the public heritage, if you like. If you simply take East Melbourne or Hawthorn or wherever, huge numbers of buildings. So the private individual tends to fund things themselves. Where funding I think comes in is in the works that might otherwise not be undertaken. So it's the choice items rather than necessity. Generally recipients of

grants and loans, tax concessions generally for smaller scale works, it's relatively rare that - historically private individuals have got large amounts of money. They tend to be seeding-type amounts of money.

The second group that we deal with are the commercial entities; companies, diverse portfolios, high-rise buildings, factories, infrastructure. Heritage is frequently viewed as a hindrance. There's no question that the majority of companies we deal with who have heritage assets see heritage as a hindrance, not as an asset. Their emphasis is often on disposal and minimising impact of control so that their interest is not in having to deal with it. They would rather get rid of it if they could. There's a clear sense in which heritage impacts on value.

We've recently done two matters, one on a maltings in Richmond where it had no heritage controls whatsoever. It was put on the market. The expectation of the sale price without heritage controls was double that which they finally got once it was put on the heritage register, so a fundamental change as a result of the heritage control; not to say it couldn't have been rezoned or something else that might have impacted on value, but something that came out of the blue for a major commercial set-up. So there can be quite dramatic impacts.

Over and above that, clearly the limitations placed on property which arise from heritage controls, the sugar refinery at Yarraville is fully under heritage controls. The refinery is trying to upgrade and replace redundant heritage buildings, and the heritage control imposes a massive impost on in fact the production and refining of sugar for the whole of the south of Australia, and you get immediately quite major conflicts and quite major issues for a company with shareholders to deal with in where their investment goes.

I would suggest that commercial entities, companies, are less interested in direct funding, but probably far more interested in tax incentives. So that clearly if there was a major tax incentive to conserve and works of conservation restoration were treated in that way as a deductible expense along with maintenance et cetera, they would have more interest in that I would suspect than in someone simply coming along and saying, "Here is 50,000 available or a hundred thousand to help you." Most of them we're talking about large amounts of money.

Other sites that we've dealt with, the Mobil refinery in Altona is currently on the local heritage list, the tank farms for Shell, BP are on the heritage list. The Mobil refinery has a cracker 200 feet high which is now redundant which sits in the middle of the site, heritage controlled. They've chosen not to demolish it because the demolition cost far exceeds the cost of simply keeping it. But it imposes a whole different way of thinking about the nature of heritage. That's not to say all our commercial clients are in any sense anti-heritage, but it has a quite different impost I would suggest from the private individual and residential site.

The non-government organisations - I'd suggest National Trust, Historic Houses Trust et cetera - I think it would be wrong to assume that NGO ownership of heritage necessarily ensures conservation. I think there are plenty of NGOs that don't in fact conserve any better than the private individual does or companies do. But I think also there is a manner in which such organisations can act as holders of heritage in the interim. I think the sense in which an organisation can actually for a period of time hold heritage and then look at a managed disposal of it; obviously high pursuers of corporate sponsorship and funding support and likely to have a high take-up of direct funding initiatives.

Local government I think as an owner of heritage, I think generally good managers of heritage are increasingly faced with the issue of redundant and dysfunctional buildings. I think one of the dilemmas out of amalgamation of councils is what do you do with five town halls in one municipality? How do you deal with four post offices et cetera. So that is an issue. I think the other issue that comes to play very much to the fore there is the community pressure that arises for local government in the management of their inherited heritage, and I think that that is an issue that is different from the issues that face the private individual and the corporate entity.

The one that I hadn't touched on is the institutions, churches, universities, schools. Interestingly, that group, the difference I would see is that it's largely an inherited heritage. It's not heritage that they've acquired or obtained in the short term. It is largely what they're stuck with and that I would suggest the churches particularly have a huge dilemma as they presented to you and in looking at the submissions historically a major issue. On occasions institutional heritage is often in poor condition. There is always a shortage of funding it would seem and they're dependant on raising funds often. Places are often prominent in the community and viewed as community assets.

I think it's interesting to see the manner in which the community embraces something that, while they don't own, they perceive as theirs very much and in the institutional realm so that you get a quite different scenario with the institutional heritage. So I think in thinking about this issue, our view would be there are quite different agendas going on with these groups and I think quite different imperatives on cost benefits, what they achieve, what they want to achieve out of heritage.

Going perhaps briefly to the sort of key points in addition to what we've said in the submission, it's interesting in doing this in that it's rarely, in 20 years of practice, you sit down and think solidly about something like this, and it was interesting looking at other submissions that clearly you realise how narrowly focused you are in fact, that you look at your view and then you look at someone saying exactly the opposite thing, and I haven't had time to read all the submissions, but it's quite clear

we will have a view and someone else will have a quite different view, but I think what we can bring is clearly the experience that we've had in dealing with issues.

I think that on some of the points raised in the paper, recognition of historic heritage places, I think we're very good at using criteria and recognising heritage. I don't think there's any issue with that in a sense. I think nationally, states, generally locally we are very good at it. I think to some degree we've become too good at it and we've become too focused on it, and I think that there's a tendency always I think to feel, "Look, we need to go out and survey and study and look and assess," and do all of those things. There is less so interest in management implementation, what do you do with it. I think that I would be somewhat the opposite of the last speaker in terms of surveying. I don't think we need any more surveys, certainly not in Victoria. I think what we need is a more structured approach to management and implementation. Clearly you will go on surveying, but I don't think that that's critical.

There are certainly gaps. I think there is a danger in our experience in feeling once you've done the study it's done. The 20th century 10 years ago was almost non-existent in heritage lists. The 20th century now has begun to be picked up. So there's no question you need a managed process at all levels if you like of reviewing, but I don't think you need to go right back. I think that that's an important aspect.

The status of historic heritage places, I looked at the issue of risk and condition, and while I think the state of the historic environment reports and that sort of issue is very important. I think that going off and surveying endlessly the condition of places and the risks and vacancies et cetera is not necessarily beneficial at a wholesale level unless it is very focused on what you're trying to deliver out of that survey. It seems to me that we can all tell you that there are 10 per cent of properties that are derelict. It doesn't take rocket science to do it and I don't know that you necessarily have to go and pedantically survey everything. I think there is an issue there. I think you need to look at what you want to achieve out of it if you are going to move forward and look at that.

Market failure - there is no question that market failure is evident all the time in terms of private investment versus public community benefit, disbenefit. The one thing I'd comment is that it is terribly subject to market fluctuation. Market failure in a booming market is likely to be far less in relation to heritage than it is in a declining market. The Hotel Windsor wa

MR HINTON: Counterfactual.

MR LOVELL: So the reality is they would have done the works, but I think in the public perception of ALH saying, "That's great. We're investing a lot of money here and the council is coming to the party and helping us," that clearly in selling the notion of heritage to corporates was very beneficial. So I think the work probably would have occurred anyway, as with David Jones. The work would have occurred because the facade was falling off.

MR HINTON: I now understand that analysis.

MS BRADY: Is there also another element to that, particularly to Y and J - Young and Jackson - is that overused word "iconic", very much - well, a privately owned building, but very much loved by the Melbourne community.

DR BYRON: And very prominent.

MS BRADY: Yes, very prominent. So works to that building, restoration works, there is a benefit to the community that flows from that in that it looks better and it's more pleasant to visit and all of those things.

MS GRAY: And the contribution I suppose recognises that the value is held by the community in part as opposed to it being solely a private asset.

MR HINTON: Perhaps Neil will allow me a third question and that's - you gave a very favourable overall assessment of the systems, how it operates across the various categories that you very usefully listed for us, and though it wasn't of course perfect, but you flagged. Is that experience Victoria-specific or Melbourne-specific; that is, your company clearly is dealing with a lot of buildings across different categories. That overall assessment, was that relating to Melbourne, was it relating to East Melbourne, was it relating to rural Victoria as well, does it go beyond Victoria?

MS BRADY: I think it's certainly predominantly Melbourne, but it works generally well outside in the regional area.

MR LOVELL: Yes. I think it's Victoria with one or two exceptions in the municipalities that perhaps haven't pursued it as aggressively, but I think - we deal with Ballarat, Geelong, Bendigo, many of the sort of rural towns and cities and, no, I would say as a system it works pretty universally across the state successfully.

MR HINTON: That's all Neil will allow me. Is that right?

DR BYRON: Fortunately you've asked three of the questions that I was going to ask. I don't know that I have anything else. I found the distinction and your pen

portraits of the different types of ownerships particularly useful, and just sort of mentally running through the submissions that we've received, I think most of them are pretty consistent with your taxonomy. So I think you may have given us a very helpful framework that we can use in structuring our report, so I thank you particularly for that, and for the examples of the market values with and without heritage listing, and that's a big issue.

My only other question from your comments, you've obviously dealt with some industrial sites which may be very important as part of cultural historic heritage but are not particularly aesthetically attractive. They're not calendar material. Many of them have very little potential for adaptive reuse. What does one do with a heritage gasometer or meatworks?

MR LOVELL: Usually groans I think is usually the response. Look, industrial heritage I think is being rather left behind in the whole process. There's no question. I mean, we are now looking hard at industrial heritage and I think there is a fundamental dilemma with community, appreciation and perception of the value of industrial heritage versus the value of a nice house. I don't think we've got solutions to it at the moment and I think that at all levels of heritage management, state, national, local, there needs to be a concerted look at where we go with things like Yarraville Sugar Refinery because unless Sugar Australia feel that there is a fundamental return to them in maintaining that site, their options are they just desert it, abandon it and leave it. They invest 20, 30, 40 million in it, but they want to know that they can do that and they're not going to be hamstrung.

There are very fundamental issues and I don't think we've really come to grips with it at all at the moment. I think we're busily again listing and recognising without actually delivering a solution.

DR BYRON: Have you come across cases of owners deliberately demolishing old structures before - you know, just in case they might become heritage listed which would impose some complaints on their options.

MS GRAY: Or when there is a heritage listing already in place in some cases.

MR LOVELL: Very rarely. I don't think that's a common occurrence - I mean, in my experience.

DR BYRON: The few examples that we've had I think have been from rural areas rather than metropolitan.

MR LOVELL: Yes. If a client did that, we probably wouldn't be dealing with them anyway, but I don't think in our experience really - - -

MS BRADY: I just wanted to add one other point to the discussion on industrial heritage. We talked about the Yarraville Refinery which is still operating. Then of course throughout inner Melbourne you've got former industrial buildings that have variously adapted well to other uses which is fine, but we also have - for instance, in the City of Maribyrnong where a fairly substantial proportion of heritage controls in that municipality were over industrial sites, some of which are still operating, some of which have recently become redundant or increasingly redundant in the last 10 years as the buildings are no longer suitable to the - in quite often heavy industrial operations that were occurring within those buildings.

So the industries move away, the buildings are redundant and are sitting there empty, but the zoning is still industrial. So there's no easy - - -

DR BYRON: What do you with the old armaments factory?

MS BRADY: There's no easy solution to those buildings. They're not able to be adapted easily to some residential or even commercial office use. They're very much operating in an area where there's still heavy traffic, trucks driving around and chemicals and whatnot stored on these sites. Yet there's no industry that can move into the buildings easily and reuse them.

MS GRAY: They have hidden charms, these complexes by and large.

MS BRADY: They're very significant buildings nevertheless, but there's this - - -

MR HINTON: Only their mother could love them.

MS GRAY: Something like that.

MS BRADY: Only us usually.

DR BYRON: But some of them are sitting on I would imagine extremely valuable real estate on the Maribyrnong River.

MR LOVELL: Well, yes.

DR BYRON: Potentially valuable - - -

MS GRAY: Potentially.

MS BRADY: Potentially.

DR BYRON: - - - if it wasn't for the fact that they've got redundant, but interesting old important buildings on it.

MR LOVELL: I think that's right, and the other thing which we haven't touched on is the contamination issues which are all - virtually every single site we deal with has high levels of contamination, and so clean-up costs are absolutely enormous. So, yes, there's a whole extra issue.

DR BYRON: I'm afraid we're going to have to move on, but thank you all very much for coming and for giving up your time and all the thought that's gone into the submission. It's been very valuable. Thank you.

DR BYRON: Brighton Residents for Urban Protection; Ms Shephard and Ms Stegley. Thank you both.

MS STEGLEY: Good. Thank you.

DR BYRON: You've seen the procedure. So whenever you're ready and comfortable, if you'd like to take us through the highlights of your presentation.

MS STEGLEY: Good. Thank you and good morning. My name is Kristen Stegley and I'm appearing in my capacity as the founder and past president of Brighton Residents for Urban Protection, and appearing with me is Mrs Caroline Shephard, a very valued member of our organisation. It's my intention to just very informally make some comments upon some issues that I hope will be of use and relevance to you both, particularly in regard to local government which I know that you have an interest in.

Just to briefly give you a little bit of background about Brighton Residents for Urban Protection, we're a community organisation that has a very deep interest, and a mainstay of our existence and reason for raison d'etre is to protect the heritage and the heritage values of Brighton. I don't want this to sound precious - you know, Brighton. It's not about being precious at all. It just happens to be where we live and it's our community.

Yesterday we heard Mr Molesworth from the National Trust speak on several occasions about the high heritage values that people in general have, and we're here to say he is absolutely right, and our organisation bears that out quite well. The organisation founded in 1998 - in March 1998 - so that's seven years ago. Within six months of its founding, 2 and a half thousand people were members of that organisation. They were paid-up subscribers to the organisation. That's an awful lot of people. That's a community coming together and really saying with one voice, "We care about our urban environment, particularly in regard to its heritage values." 2 and a half thousand people - when you think that the National Trust statewide has 13,000 subscribers. So that's a pretty strong message that's coming across to support what Mr Molesworth is saying in regard to the high heritage values that people have regarding that.

What made all of these people join? All sorts of reasons did, but overwhelmingly what made them join was because they were sick to death of seeing their local heritage being bulldozed and destroyed left, right and centre, and why was that heritage being bulldozed left, right and centre? The main reason was because the municipality apart from half a dozen council-owned buildings - and I have to mention the municipality's name. It's Bayside - didn't have a scrap of heritage protection. We're talking about seven years ago. We're not talking about 1955 or 1956 when the National Trust hadn't even formed. We're talking about seven years

ago. So our organisation set out to change that.

Fortunately with my props, I'm just going to beg a little bit of indulgence and your time to give you as brief a background as I can to put what is an important issue in context, and that important issue is what happens when the system fails? Again, yesterday we heard Mr Molesworth saying, "Well, at the end of the day it's a pretty good system." Well, yes, it would be a pretty good system if it didn't fail us as it does, particularly in the City of Bayside, consistently. I'll just take you through that, and also it was interesting to hear Mr Lovell say that overwhelmingly, local government is pretty good when it comes to managing its local heritage. Unfortunately our story shows otherwise.

Just very briefly, in 1986, Andrew Ward finished what's called the City of Urban Character and Conservation Study. That was the local heritage study. The recommendations that came out of that were fantastic; to protect individual properties and to protect 10 precincts. The then Brighton City Council chose not to do that, largely because of anti-heritage advocacy that went on within the municipality. That's 1986. Then of course that went through right to the early 1990s. Then we had amalgamation and then the City of Bayside was formed in 1996.

By 1998, the year of our founding, between those 10 or so years, 50 of those buildings that had been identified, many of them A-listed buildings - so of state significance - 50 of those buildings had been bulldozed. Our organisation said enough is enough. Knowing that the Bayside City Council were not going to take any action and that the bulldozing was going to continue, we went to the minister for planning and said, "This is got to stop. How can you help us?" Basically he said, "What do you think should happen?" and we said, "Well, until such time as the Bayside City Council introduces heritage amendments, we want interim protection on every single building in this document," and within two weeks we had it. So that was terrific.

In the interim, interestingly enough Allan Lovell and Associates had started to conduct what was the Bayside Heritage Review Study which was Bayside-wide because of the new amalgamation. That study commenced in 1998. It was completed in the year 2000 which was terrific, but we knew that it would take the Bayside City Council at least two years to prepare its amendments to get this series of documents into the planning scheme. We requested the Bayside City Council to request the minister to put interim protection on these properties until such time as it had completed its process. It refused.

Our organisation then went to the minister and said, "All of this heritage is up for grabs. It doesn't have a shred of protection on it. What can you do?" Within two weeks we had interim protection on all of these buildings and precincts, which is just

as well because two years later in 2002, the Bayside City Council had prepared an amendment to enshrine this in its planning scheme, but in December of that year it wrote to the minister telling the minister that the council intended to abandon the amendments and "also just by the way, would you please remove the interim protection on all of these properties".

We then of course went to the minister and said, "Don't do it, and hang in. We'll try again." So the current state of affairs is that these documents have been prepared as amendments and the amendments are now sitting with the minister for signing off. It's taken seven years.

So I suppose the main point that I'm trying to get thoroughly across is what do we do with errant councils? What do we do with basically rogue councils? The previous Brighton City Council, the Bayside City Council has been a rogue council. It simply hasn't done its job. It has totally abrogated its responsibilities in regard to local heritage and in regard to its duties and obligations that it has under the Planning and Environment Act. So one of the suggestions that we'd like to put on the table is that what is needed to control rogue councils is some kind of a mechanism whereby state government has the role or has the capacity to monitor or to act as the watchdog or the policeman or whatever.

I mean, I'm not sure how many other rogue councils there are out there across Australia or in other states, but there is most definitely a need for some kind of a safety net for heritage in this instance in regard to local government's failure because we know what happens when they do fail, we lose so many buildings. So that's what I mean by that issue of compliance there. How do we get local governments to comply when the system is failing us.

The second point there I've got down just for general comment is in regard to local government funding and resources. We're all just screaming out for more funding. Local government does have many important heritage assets that it owns and manages, but it's just not enough, and I don't really want to appear here as kind of a basher of local government, and I would have to say in its defence that it actually can't do it in its own. It really does need more funding. I know that that's a comment that you're hearing very frequently, but it is a very urgent issue for local government.

In regard to incentives for the private sector, I'd just like to support the concept of the bag of tools that are floating around at the moment. More tools need to be in that bag. It doesn't have to be a really wealthy bag, but a bag that does offer those incentives just to get those people over the line, just to help them along a little bit, and like you, I'm certainly not in favour of wealthy people being able to do restorations or renovations to their privately owned homes on the back of the taxpayer, but that's not what we're talking about in that bag of tools. We're talking

about a range of incentives that work elsewhere very successfully in the world and indeed worked quite successfully in a number of municipalities across Australia.

In fact another bag or another tool that I'd like to comment upon being thrown into that bag relates to the usefulness of local governments establishing their own heritage foundations with seed funding, however they're started, and if those foundations were available, I have no doubt that local communities out there that have tremendous goodwill would very happily contribute to those funds, to those foundations; tradesman, all sorts of local organisations and individuals within the community I'm sure would feel very strongly about being able to play an active role in contributing to the preservation and conservation of their local heritage.

The dot point about the heritage studies just to support that - I think Mr Lovell touched on this - the need for local governments to continue doing them or at the very least to continue updating them. I mean, this has taken X amount of years. Within five or six, 10 years, it will be out of date. It needs updating. So therefore local governments need to be encouraged in regard to that and also to have the funding available for it, and as we know, the ground keeps shifting, moving in regard to heritage values, particularly mid-20th century heritage. I'd say of all of these documents, there's probably five buildings in this municipal-wide review that touches on anything post-1940. So particularly at the moment, those viewpoints are quite rapidly changing. So we've got to be keeping updating and keeping abreast of what's happening there.

The dot point about thresholds, I bring your attention to that CD which I have given you because I know that you've been very interested in rigour and thresholds. So I'll just bring your attention to a panel report that came down at the end of last year regarding a planning scheme amendment within the City of Bayside, and the panel had some really useful comments to make in regard to rigour and thresholds. So I draw your attention to section 6 in that report, point 6.3 which deals with assessment criteria and threshold levels; 6.4, the application of rigour; and 6.8, a strategic approach to establishing local heritage significance, because I know you're interested in that as well.

DR BYRON: Thank you.

MS STEGLEY: The valuations - I think you might have those documents now. We spoke about them several months ago; the studies that have been done regarding the economic impact on valuations, but that just puts them all together in one package for you.

DR BYRON: Thank you very much.

MS STEGLEY: In regard to the upside of listing, I can certainly say that within

our municipality, we breathe collective sighs of relief when we either get interim protection on buildings or any assistance that can help preserve our local heritage, assets and values because despite what has been lost particularly within the City of Brighton, nonetheless Brighton still remains a treasury of buildings that can offer our community the most wonderful experience of being able to experience their history or opportunity to experience their history.

The role of community organisations, well, I hope quite clearly just that brief background that I gave you in regard to the activism of our organisation shows very obviously the important role that local organisations and community organisations can have and how productive they can be, and I think we can feel quite proud in saying that either directly or indirectly, our organisation has been responsible for the protection of hundreds, if not thousands of buildings within our municipality. So that's a very productive outcome, and in addition, I would just mention the hundreds, leading into the thousands of volunteer hours that have gone and continue to go into our organisation over the past seven years, and I wouldn't want to put a dollar value on that. I couldn't put a dollar value on that.

That's basically the main points that I thought might be of interest to you, and if you have any questions, then I'd be very happy to answer them as best I can. Just before that, I might come back to one or two questions you asked other people yesterday if I may. One of the questions you asked - I can't remember who it was, it could have been Mr Molesworth - was in regard to what is often the kind of a trigger when things are normally going along as they should, private sector being responsible for private heritage. What all of a sudden happens that gets out of sync.

From our experience and also observing the wider story out there, it seems to me to be that the trigger usually is when the community gets very upset and appalled at the fact that something is going to be done to a heritage building that just simply shouldn't be done. People just intrinsically understand that it shouldn't happen, and then it becomes a people movement I suppose, and usually then state government has to step in because it's such an important issue. I think it's as simple as that, I really do.

DR BYRON: Doesn't that answer at least in part your first question about who controls the council when councils don't seem to give any or sufficient regard to heritage matters? I think one answer is that the councils are creatures of state government and that ultimately state governments set the framework within which all the councils are supposed to operate, and as in the case of the interim orders that the minister has given, there's the ultimate sort of checks and balances of the backstop; if the council won't do something, the minister has a reserve power to come in and issue an interim order.

MS STEGLEY: But that's not the way it's meant to work. It's just not meant to

work that way. I mean, we had to work really hard to make that happen because ministers for planning don't like to be seen interfering with local governments, but that's what had to happen because we had to go and say, "Well, the council is not doing its job. Ultimately you as the minister are responsible for Victoria's heritage. Therefore you are going to have to do your job."

DR BYRON: So presumably you could persuade the minister that that was in fact the case.

MS STEGLEY: Well, it was a very clear-cut - - -

DR BYRON: At least the system allows for the sort of checks and balance. I think you'd be in a far worse situation if the minister didn't have those sorts of powers.

MS STEGLEY: The very unfortunate situation would have been if there hadn't been a committed organisation like ours going to the minister and saying, "There's a severe failing in the system here. You're going to have to do your job," because if we hadn't have done that, we would have continued to have lost more buildings.

DR BYRON: I guess the theory is that local governments are elected by their ratepayers and represent the wishes of the majority of the ratepayers in that area. What you're saying is that somehow that has failed and that the elected local council wasn't in fact truly representative of the interests of the ratepayers in the city.

MS STEGLEY: In this instance, yes.

MR HINTON: Between 1996 and now, presumably the Bayside has been subject to several council elections.

MS STEGLEY: Yes, it has been, and that's one of the reasons why we've been able to get this heritage amendment up because we were able to change the nature of the council. But irrespective, duties and obligations of local government in regard to heritage protection are very clearly set out. As I say, they have operated in an extremely roguish way. Their dereliction of duty has beggared belief, it really has.

MR HINTON: Has the heritage issue become an issue for the local government elections in Bayside? Was it debated in campaigns?

MS STEGLEY: It's been on the agenda, yes. Yes, it certainly has, but it's never been the number 1 issue. At the end of the day it's still rates, rubbish and footpaths or something like that, but it's certainly percolated. The problem is that the political will has not been there. It has simply not been there.

MR HINTON: Can I explore with you, Kristen, your term "rogue councils", and

you put that in the context of needing this mechanism to oversight and monitor and whatever. Are you talking here where councils are taking decisions that are not fully reflective of community attitudes, but that's not translated into election results or are you talking about dereliction of statutory responsibilities such that they are acting outside or beyond their legal obligations. Is it as blunt as that?

MS STEGLEY: It is as blunt as that. It is as blunt as that.

MR HINTON: So is there recourse to a legal process as well with injunctions or - that is, there's the election process and there's also the judicial process and then there's the political process the way you've advised the minister.

MS STEGLEY: That's right.

MR HINTON: That is, if we're talking rogue councils in terms of concept of acting illegally, then the judicial process also is a route to follow as well.

MS STEGLEY: To be honest, we didn't have to go that far to investigate or make inquiries as to whether or not they were acting in that way and whether the judicial process needed to be invoked or gone down because there were other easier mechanisms to achieve the same result.

MR HINTON: And less expensive, too, I suspect.

MS STEGLEY: Exactly, but fortunately there's been a bag of tricks I suppose that we've been able to use, and we've used just about all of them. But at the end of the day, it really shouldn't have to be up to local community organisations to be out there protecting our local heritage which is part of the state's heritage. That's what our local government is for.

MR HINTON: So it should fall to the duly elected council to prosecute the local interests.

MS STEGLEY: Yes.

MR HINTON: eg heritage conservation.

MS STEGLEY: Absolutely. I hope those comments are useful.

MR HINTON: Yes.

DR BYRON: Just one past point. Do you think it's appropriate to make a distinction between sort of urban metropolitan areas and rural areas where - I mean, one of our terms of reference is about the pressures on heritage on an historic

heritage basis, and it seems that in urban metropolitan areas, a lot of the pressure comes from demolition so that the land underneath those heritage buildings can be reused for some new building. In rural areas, it frequently seems that the main pressure on heritage buildings is not because somebody wants to demolish them, but simply because nobody wants them any more. So there's demolition by neglect. They're simply redundant and surplus and slowly decaying.

The high pressure on the heritage buildings in Brighton I presume is because of it being a very, very desirable place to live and there's lot of redevelopment and proposals or apartment buildings and all those sorts of things. So does it sort of fit into a classic case of very high pressure on heritage buildings for urban redevelopment?

MS STEGLEY: Yes, it has been very much that case especially in the late 90s, and from the very late 90s when we had a planning system that was very much encouraging dual occupancy redevelopment; so two houses on the one block et cetera et cetera. This greatly upset local people who could very clearly see that parts of Brighton were being treated as nothing more than dirt - dirt.

DR BYRON: What I was leading to, is there a confounding of sort of heritage conservation issues in sort of a purist sense with urban character issues, parking overshadowing, overlooking, people saying, "I would rather have that beautiful old house next door to me rather than a block of six flats." There's a whole lot of urban character issues - - -

MS STEGLEY: I know what you're getting at.

DR BYRON: - - - that may not necessarily relate to the historic significance of that nice old house next door.

MS STEGLEY: Okay. I know what you're getting at and what you're referring to and implying, and in some people's minds, to be sure, issues of heritage value or heritage character and neighbourhood character and urban character are very confused, very kind of meshed and those lines are blurred. But for the purists and for those that are at the real coalface of it, those issues aren't blurred at all. We are very clear and very understanding of what we mean by heritage value and heritage character, and to a certain extent, heritage value and heritage character is a subset of urban character. But it is not urban character.

Heritage value and heritage character is its own set of principles, own set of criteria et cetera, and it's not to be - to be certain - and it's understandable why those issues to get blurred while they get meshed and married and all the rest of it, especially when you - particularly in precincts for example where you have a particular flavour, harmony of character, whatever. So that is understandable. But at

the end of the day, if we can keep the two separated as best we can, I think that that's to everybody's advantage.

DR BYRON: Thanks.

MR HINTON: Caroline, did you have anything to add to Kristen's comments this morning?

MS SHEPHARD: No, I think she's covered it very well.

MS STEGLEY: I'm sure you do. You always have something to say, Caroline.

MS SHEPHARD: I've got my own presentation but I think what you're asking me is do I have any comments to those questions. Is that what you meant?

MR HINTON: Yes. Would you like to - - -

MS SHEPHARD: Yes. I would like to make my own presentation. I'd just like to give you some of these things just to substantiate what I have to say. As I speak, you can refer to them. I don't know. I presume you have a copy of - anyway, I'll give them to you just in case you haven't.

DR BYRON: Thank you.

MR HINTON: Caroline, in view of the time, you might wish to take out the key points of what you're going to say because we're running up against another eight people to appear for us today. A very tight timetable.

MS SHEPHARD: I'll speak very quickly. I just want to first of all - I presume I don't have to say my name or anything because that's already been covered.

MR HINTON: Thank you very much.

MS SHEPHARD: I just want to thank you both for the opportunity to make this important presentation to this hearing. In my opinion, it's imperative that the Commonwealth government make available significantly greater funding for the ongoing protection for identified historic heritage places and for further studies to identify and give protection to previously overlooked, but nevertheless important historic stock.

Furthermore, greater funding for education of all levels of society, that is primary and secondary schools, adult education and focus groups et cetera on the importance of preserving the built form in Australia. There is also a great need for further research into the positive benefits for preserving and protecting historically

important places, and this will result in a positive outcome both economically and socially as has been the case in overseas countries like England.

The significance of the conservation of Australia's historic built heritage places are these: it cannot be overstated, the importance of the Commonwealth government having a policy framework in place for the ongoing protection of historic heritage places. It's not a matter of just looking at the economic, social and environmental benefits and costs for the present time, but taking a much broader and long-sighted view of the almost untapped tourism potential we have here in Australia which needs to be harnessed and protected. Despite losses, we still have a treasury of under-promoted 19th century architecture extant and later periods which in the fullness of time will prove to be a wonderful promotional asset for tourism if used correctly.

Melbourne in particular was the greatest example of 19th century architecture in the world along with Buenos Aires. South Australia and Tasmania still have the most cohesive examples of early Victorian built fabric which needs not only careful management and protection, but excellent promotion for potential tourism. This is particularly important in their capital cities where there will be obvious tension in the future, although I think they're a lot more aware of what they have than we ever had in the 60s when we had so much.

Overseas visitors have remarked to me on many occasions that they're looking for the history here. Indeed when we were travelling through Europe last year, we met a German couple who remarked that they would like to visit Australia - - -

MR HINTON: Caroline, may I interrupt you.

MS SHEPHARD: Yes, sorry. You don't want to go through all this detail.

MR HINTON: This is a substantive submission and you've clearly put a lot of work into it, and I thank you very much for that. I can assure you this is taken as a written submission which both Neil and I will carefully read. It also importantly will be on our web site. It will be available for every other interested party that's interested in this particular inquiry. I really encourage you not to read out the next 14 pages that's going to take us well into two more allocated times for the period ahead. If you can pick up the key points, I'd be most grateful.

MS SHEPHARD: I'll do that.

MR HINTON: But importantly I can assure you that this detailed submission will be fully read by both Neil and myself very shortly.

MS SHEPHARD: All right. Could I just then say that - could I answer some of

these questions that you've been putting forward or do you want me to disregard those as well?

MR HINTON: I want you to pick out three key points that you really want to emphasise to us this morning that others in the room can hear, and if you can give me three points, I'll listen very carefully.

MS SHEPHARD: I think one of the most important points that I really think I don't think has been actually addressed - not absolutely addressed - is that I'm sure everyone in this room has travelled overseas and seen the most amazing buildings that are promoted for tourism. But we in Australia also have some wonderful unique buildings, and what I think we should be doing is sending people over from Australia, sending them over particularly to England where they do their heritage so incredibly well and ask them how they do it and how they address the economics of keeping these buildings going, and they're a lot older than ours. People have said to me, "But our buildings are only a hundred years old. We can't compete with that."

What I'd like to say is that if we protect these buildings that are so incredibly important, they may be only a hundred years old today, but in the fullness of time, if you leave them and protect them and maintain them, don't overreact, don't over-protect them - I mean, over-restoring is just ridiculous. It spoils the whole fabric of the original building. If we do that well as they do in England, we will have them standing for 500 years and so on and so forth. I don't know what's wrong with people in Australia. We don't seem to be able to grasp the importance of what we have. We always think that what's out there in the other countries is much more important.

I mean, it took the Americans to tell us about koalas to protect them. That's ridiculous. We nearly lost koalas. I mean, I know that's got nothing to do with what we're talking about, but this is just an example of how we don't appreciate what we have. We're a very unique country.

I just want to say that the main pressures - you asked the question what are the main pressures on conservation of historic heritage places, and I'll answer that. It's very simple. Development driven by greed and financial gain are the greatest pressures on our buildings today. I mean, urban consolidation is another huge pressure, particularly in the suburbs where we live. This has been a great negative impact on our heritage, on our built heritage, because most of those buildings that are extant are on larger blocks. That was one of the reasons why we all wanted to live in this area. I've lived there all my life, but my parents chose that area. They could have come much closer to the city. It would have been much handier for my father when he was working in the city, but they chose to go to Brighton because of the open space, the leafiness of it. But that's being eroded because of this tension for urban consolidation, and that's impacting very badly on the built heritage in that area.

The economic, social and environment benefits and costs for conservation. You asked that. In my view you cannot measure cultural gain in financial terms. Talk of benefits and costs reduced argument to the baseline of an economic rationalist, has little place in conservation of historic heritage places, and - well, I won't go into all the examples. You'll read that.

MR HINTON: Thank you.

MS SHEPHARD: But basically I think that anyone connected with this heritage story has an obligation very much so to protecting what we've got here, what we've got left. I noticed that you've got a questionnaire here about this - - -

MR HINTON: About our public hearing process. We do indeed, Caroline, yes, and we encourage all interested parties to complete the questionnaire.

MS SHEPHARD: Can I just make a comment here. It's a very personal comment. Where we are actually right - this footprint of this building, in the 1960s I actually happened to work on the site here. It wasn't this building obviously in the 1960s, but it was here in this very site. I can't tell you how this building upsets me. I'd just like you to look around this room and ask yourself a few questions here. Is this room stimulating to you? I mean, do you find that it's - in my opinion it's a very sterile room. The only thing you can say is that the view is good, but - it's pretty good, but I'd rather see a low-scale building that was here originally.

It was absolutely fantastic, the building I worked in, and I'm sad that it's gone, and I want you at the end of the day when you leave this building to look across the road at this unbelievable building that's the Melbourne Club and compare it to what you've left, this - it's huge, this building. It takes up an enormous - we've lost a lot of buildings because this one overwhelmed them all and this is just a comment. If we let this continue, we are going to lose just absolutely everything. This used to be the Paris end of Collins Street. We've still got a few buildings, but it's nothing compared to what it used to be like when I worked here in the city. It was just wonderful. It was a fantastic city. I'm still proud of it.

There is so much I need to tell you and I know constraints, but yesterday we were taking to people in Block Arcade. They were going, "This is a treasure of a building." I've spoken to people who have come up to me and said, "I'm lost in the city. Where do I find Myer?" and they were right down at the Rialto Building. I said, "I will come with you. Are you in a hurry?" and they said, "No." I said, "I'll take you via some of our magic buildings." I've taken them into the ANZ Bank building. That's why I've shown you that. I took them through Block Arcade. They were blown away. These people were from New Zealand and they said, "We have got nothing like this in New Zealand. Our bank buildings are nothing like this ANZ

Gothic bank building." We've still got some amazing buildings and we need to really protect them.

MR HINTON: Thank you very much, and thank you for your personal observation about this building. I find this room most stimulating, not because of the room but because of the comments by the interested parties.

MS SHEPHARD: I didn't mention the people inside.

DR BYRON: It's all about people. Thank you very much. I'm afraid we are going to have to move on, but you have raised some very interesting issues and they're all duly noted. Thank you both very much. Can we just stop for five minutes and then we'll resume with Mandy Jean.

DR BYRON: Thank you very much., ladies and gentlemen. If we can resume with the representatives from Mount Alexander Shire Council. Thanks very much for coming, Mandy. If you could each introduce yourselves for the transcript.

MS JEAN: I'm Amanda Jean. I'm the local heritage adviser for Mount Alexander shire and Hepburn shire and a number of other shires in Western Victoria.

MS HALSTEAD: My name is Christine Halstead. I'm a senior town planner for Mount Alexander shire.

MS JEAN: This submission which I have prepared is basically a submission from a heritage adviser's perspective working in local government for 15 years in New South Wales, Western Australia and Victoria. Although I have worked in the metropolitan areas, my specialty is in rural shires, and this submission focuses specifically on the Victorian central goldfields, and it is supported by the Shire of Mount Alexander, although I prepared it myself.

Specifically I wanted to address issues of local significance and the over the last 15 years, the concept assessment thresholding the equitable management of local significance particularly in rural areas is very problematic and it causes a huge degree of conflict and distress. So in the submission I would like to really only focus on the heritage policy framework, efficiency and heritage listing with particular reference only to local significance and local government's role. So although I talk about the Victorian central goldfields, I'm not talking about state-registered areas and even areas of national significance, although at the end of my submission, my conclusion is that they all must be interlinked and integrated, otherwise there's no meaning for local significance.

I was interested in making a submission because of the history of local heritage controls in the central goldfields area. They have been in existence and most of our heritage studies are now 30 years old or more, and the concept of what heritage is and the concept of what local significance is has changed fundamentally while our assessment and our listing is actually based on very old-fashioned concepts and the nature of heritage is continually evolving. That's why it's interesting to talk about this area.

In particular I'd like to talk about these areas on page 2. I did make a quick calculation. I have corrected my figures, but basically I believe that the central goldfields has the highest number of individually listed heritage sites of local significance per head of population, and in fact we have a population of 32,000 people in Hepburn shire and Mount Alexander, and we have 3000 individually listed places of local significance, and I am not including buildings in precincts or state-registered buildings. So it actually works out for every 10 people, we have one heritage site, and the other unique feature about the goldfields which is quite

terms of something imposed from above as opposed to building up from the bottom?

MS JEAN: I see it very creatively. I think you can't assess and really weight local significance without a national view, and really those larger programs and policies have to come from someone who has a large - who can actually go across borders. It's really heritage without borders. That's what I'm looking at, and for that you really do need federal or Commonwealth, and it has to come from the national level. Also then you can actually weight local significance because maybe - when you look at goldfields, there are many goldfields throughout Australia and you have to work out what is local significance. Local significance is useless unless you also use the comparative analysis tool and you need to do that across the country and internationally. I really do feel that we shouldn't just be very parochial in Australia and look just within our borders.

MR HINTON: I'm puzzled by that. Maybe I'm misunderstanding you. Let's take a local region, local community. They have an old church building that's been there that's been around a long time. It's of particular local significance. The local families have had three generations buried in the cemetery, but it has no state history. It has no Australian history and it would not really resonate with the wider Australian community. Prima facie that to me is of local significance, and it would be a local decision and judgment to identify that and say, "We really think it is significant and we will therefore seek to protect it, conserve it." Why would you need an Australian system to impose upon that sort of decision-making?

MS JEAN: I would say to you that the community would then come up to you and say, "We have an increase in our population and we would like to put a new addition on the front of the church. Why can't we do that because it's our church," and I as a heritage adviser would say, "Well, it might change the local significance of your church, but if I could compare that church and say it's a Wesleyan church and this was the migratory pattern of those of maybe Welsh miners or Welsh farmers who walked through your community, and this, although it's local significance, has a particular uniqueness that would save that church" - local significance can't be saved for the long term if the local community don't wish to reserve it. So why would you bother listing it as a heritage item.

I believe you list things for heritage significance if they also reflect a benefit to a wider community than just the local community. This might be heresy, but it is true - - -

MR HINTON: That wasn't the word that came to my mind, Mandy.

MS JEAN: I believe that so often the local people use their buildings and they actually want to change them all the time and they are frustrated when they have elitist heritage people say they can't do it, because it's a living culture, it's a living

history and tradition. That's why you do need those regional thematic studies to support the local.

MR HINTON: You have now answered my third question which I was trying to explore with you the concept of threshold for local significance. So thank you. Sorry, Christine, I interrupted you.

MS HALSTEAD: I don't know whether it's helpful or not. The theory of writing planning policy is that state and local policies do different things. So you might get a broad brush policy statement in the state policy provisions, but then that would need to be translated into what is different in the local situation. So they are separated as policy frameworks because they do theoretically different things if they're used properly and written in an innovative and creative way.

DR BYRON: I don't think I have any other questions at this stage, but I found your submission and your presentation this morning quite fascinating and very stimulating. Is there anything that you'd like to say by way of wrapping up?

MS JEAN: Yes. I'd just like to say thank you very much for the opportunity to present and we were very happy that you came to visit Mount Alexander and Castlemaine. Without your visit, we wouldn't be here and we wouldn't be presenting today. We felt that you coming out to the region made a difference and that it wasn't just going to be concentrated on big cities and metropolitan focus of heritage, and we feel that in the country, heritage and agricultural heritage has often been regarded as third rate or the lower priority. So thank you very much for this opportunity.

MS HALSTEAD: Thank you.

DR BYRON: Thank you very much, Mandy and Christine. Better keep moving.

DR BYRON: RBA Architects and Conservation Consultants and Ausheritage. Thanks for coming. It's Roger, is it?

MR BEESTON: Yes.

MR HINTON: Roger.

DR BYRON: If you could just introduce yourself for the transcript and then take us through the main points of your submission and we can discuss it. Thanks for coming.

MR BEESTON: Thank you. My name is Roger Beeston. I'm here with two hats on, one representing my practice, a firm of conservation architects based in Melbourne, and secondly in my role as deputy chairman of Ausheritage. I was very late in emailing in a fairly informal manner two submissions and I'm not sure whether you've had a chance to have a quick look at them. Do you want me to just go through it quickly?

DR BYRON: The one that's headed About Ausheritage and I've got one that's about the RBA practice profile.

MR BEESTON: Yes, they were the two submissions.

DR BYRON: We've got them and Tony and I have both read them already, and as soon as we can catch up with the backlog of submissions, they will go onto the web site as formal submissions to the inquiry and become part of the body of evidence that we can draw on. So in that sense it's probably not necessary to now read it into the transcript as well, but I'd really like if you could highlight for us the main issues either from your practice or from your involvement with Ausheritage. Ausheritage was mentioned before I think in Adelaide - Artlab?

MR BEESTON: Artlab is one of the members, yes.

DR BYRON: They told us a little bit about it, and I think somebody else has also - - -

MR BEESTON: Prof Logan I think mentioned it in Adelaide and a more comprehensive submission is going to be made to you in Sydney on behalf of Ausheritage as well.

DR BYRON: Great. Okay. Given that context - - -

MR BEESTON: I'll be brief. I think I simply wanted to come along and I guess represent, if you like, the coalface in a sense. We are a practice of conservation

architects in Melbourne and we make our living entirely from cultural heritage management activities in the private sector. We receive no government funding whatsoever, and I think it's perhaps of benefit for the Commission to see that there are practices like mine out there not just surviving but indeed thriving. My main points apart from saying that I've been doing this now for almost 18 years, 11 of those in my own practice, there were really just three key points I wanted to make on behalf of my practice, and I'll quickly just go through those if I can.

DR BYRON: Please.

MR BEESTON: An observation is that there exists in Australia an energetic and evolving viable industry sector which might be referred to as the cultural heritage management industry. The sector employs many professionals including architects, geographers, historians, conservators, archaeologists, engineers, construction tradespeople and administrators. The profession is able to thrive through a combination of a broad acceptance of the Burra Charter and excellent legislative frameworks which apply to managers and owners of heritage places to revert to professional services, and in addition there is a broad community demand for effective cultural heritage management in the face of otherwise uncontrolled development. The third observation is that ironically there is a shortage of suitably trained conservation architects in Australia.

Under the heading Need for Change, I've just got a couple of dot points. I believe that there would be great benefit or there is a lack of formal recognition of cultural heritage management and practitioners by the relevant government agencies, at the federal, state and the local level, and indeed in the industry sectors as well, and I refer particularly to the area that I'm involved in which is the construction industry. Effectively any architect can put a hat on and say, "I have heritage expertise," and they can be awarded the project of looking after a piece of state heritage. Accordingly there is really a lack of an appropriate process for recognising those people who actually do have the appropriate qualifications.

Under the second point, the regulatory impact on cultural heritage management, with respect to buildings, there are very effective mechanisms at the federal, state and local level for the conservation of built heritage. However, the costs associated with the obligations to maintain, repair and conserve built heritage are often prohibitive and there is a distinct lack of incentive for heritage building owners to appropriately expend necessary funds, and I think it's worth making the point that improved incentives such as tax rebates which are common European countries and which Paul Keating had a bit of a go at introducing here in Australia a few years ago which I understand was a pilot program and has now been abandoned, tax rebates are required to promote more effective practical implementation of the excellent legislative frameworks which exist.

My third key point, Australian cultural heritage management expertise as an exportable commodity - through my work as deputy chairman of Ausheritage, Australia's export network for cultural heritage services, I've had the opportunity to travel to several neighbouring Asian countries in recent years. Australian cultural heritage management consultants are widely accepted throughout Asia and the Pacific as being capable of bringing critical world's best standard skills to these countries to assist in their often daunting need for effective cultural heritage management mechanisms. A need for change - there is a critical lack of government support for the efforts being made on a voluntary basis by a small group of practitioners in their efforts to provide cultural heritage management expertise internationally. The potential economic and social benefits to be achieved through the exportation of Australian cultural heritage management expertise is vast. They are my key points in terms of RBA.

Ausheritage - you've had the opportunity to read this brief profile of what Ausheritage is. It was established by the federal government in 1996 with substantial funding assistance which petered out after a couple of years unfortunately. We currently have roughly 45 members including universities, national collecting institutions, the Australian Heritage Commission until very recently, state galleries, libraries, museums, private architectural firms and private and government conservation agencies such as Artlab, as you mentioned before.

We are involved very actively through the Asian region and we are about to begin expanding in addition into the Pacific region. We're in a couple of weeks heading over to New Zealand to explore ironically access to New Zealand international aid funding which is unavailable to us through our own government for our activities in the Pacific region. We have MOUs with ASEAN, COCI and the Indian National Trust. These are very significant achievements when the ramifications of them are understood. ASEAN and COCI for example now use Ausheritage and its members as a principal reference point for cultural heritage management policy decision-making across ASEAN at an ASEAN level.

The points I simply wanted to make on behalf of Ausheritage are that Australian cultural heritage managers and the accepted standards to which they work as evinced in the Burra Charter and as supported by various legislative frameworks are regarded very highly internationally. Services provided by the Australian cultural heritage management sector are an exportable commodity and as such may provide not just economic, but also significant foreign relations outcomes. Engagement by Australian cultural heritage managers internationally enhances Australia's foreign relations. Ausheritage has consolidated many significant relationships internationally, particularly in Asian. Ausheritage receives very little government funding and relies almost entirely on member subscriptions and the gratis efforts of its board to maintain its operations. Federal government funding assistance to Ausheritage would allow it to significantly expand and consolidate its

achievements. Thank you.

DR BYRON: Thank you very much for the interesting and substantive points you've made there.

MR HINTON: And both submissions.

DR BYRON: In both submissions, yes, and for the succinctness of the presentation. The point you made about recognition of expertise and the apparent contradiction that there is a thriving, dynamic, energetic sector and yet - is the shortage of expertise in conservation architects or in heritage advisers or is it down at the tradesmen skills level of stonemason, artisans? Is it isolated to particular areas or particular occupational groups?

MR BEESTON: No, I think it's not. All three of those examples you gave, conservation architects, there's certainly a shortage of those; heritage advisers at the local planning level, I believe there's not so much a shortage of expertise, but I think it's an evolving profession if you like, and I think I could - whilst I'm not intimately involved in that sector as I am as a private conservation architect, my perception is that there is a shortage of appropriate expertise at that level and certainly trade skills, yes. Every day we are witnessing the loss of trade skills, lead workers, renderers, stonemasons.

DR BYRON: People who understand heritage materials.

MR BEESTON: People who understand heritage materials and conversely in European countries - there are some isolated examples such as the international specialised skills organisation who actively see it to rectify this shortage. Ironically they do that primarily by sending interested people overseas to Britain, the UK, for example or to Italy where these sorts of trades remain fairly vibrant.

DR BYRON: Yes. We've spoken to them about this issue.

MR BEESTON: Right. But if I'm asked to go and undertake restoration works to St Patrick's, which I'm not - just over there - I'm going to - - -

MR HINTON: We met him yesterday.

MR BEESTON: Pardon?

MR HINTON: We met him yesterday.

MR BEESTON: Did you? Right. I'm going to struggle to find good quality tradesmen on a number of levels.

DR BYRON: Okay. You mentioned the recognition of professional expertise, that any architect could purport to be a heritage architect, but wouldn't the client say, "Tell me what you've done or show me samples of your work?" Isn't there a sort of a caveat emptor that those who have the track record of performance would be in the box seat compared to somebody who just said, "Yes, I'm an architect, but I could probably do heritage work, too?"

MR BEESTON: Yes, of course that does happen. I think the result of that process is that the best expertise available is not necessarily being used where it ought to be.

DR BYRON: Okay. The other point you made, I think you said something like, "The costs associated with conservation of heritage buildings can be prohibitive to a private owner." You went on to say there's a need for an incentive such as tax rebates and so on. I guess apart from the question of compensating by giving money, the flip side of that coin is, is there anything we can do to reduce the costs or can we assure ourselves that the costs being imposed on the private owner of a heritage building are the lowest they could reasonably be, that we're not excessively putting an unnecessary burden onto the owner which we then have to compensate by offering him greater grants or tax concessions or rate rebates or something else. Have you any sense that any of the burdens are unnecessary or is it simply that the cost of the materials and the skilled labour to do heritage conservation is more expensive than doing the modern equivalent?

MR BEESTON: There are a number of points I would like to make in response to that. Firstly most of my clients are fairly unforgiving economic managers and I'm always asked to demonstrate the economic viability of the restoration conservation option versus the pull-down and rebuild option I guess to put it simply. So I think we are subject to regular economic forces. We don't operate in a bubble in any sense, and therefore I don't think the costs are punitive, if you like, to an owner of a heritage building. My second point is that the older the building, the more likely it has been to have accrued a whole series of defects due to poor maintenance practices et cetera.

We might be looking at a one in 50-year facade restoration program which on the surface of it is going to cost an enormous amount of money versus a bit of a touch-up with some spots of paint here and there that you might undertake once every five years or once every 50 years, full stripping and restoration program is going to cost a lot of money. So I don't think that the sector is so puritanical I think that it requires this great expense. I think there are other factors at play. The technology of course is also old and therefore upskilling for example to do the necessary restoration work, we can't just go to the tilt-up concrete slab industry that's so prevalent these days and hope to find tradesmen who are going to be readily able at their normal hourly rate to restore a stone facade.

DR BYRON: That's what I mean. Handmade materials like bricks et cetera and using hand tools and places that were assembled slowly and carefully by hand I would have thought were inherently going to be more expensive than the sort of adult Lego that gets slapped up very quickly with prefabricated modules and so on.

MR BEESTON: Yes. I think you are correct. I would retort by saying to you that Australian practitioners are very innovative and we have plenty of examples where we are able to deploy economic contemporary technology to achieve the same end, if you like. Stone doesn't have to be, for example, carved by hand. It can be carved by a machine these days; a robot using a cad machine. We lack perhaps the finer detail of the hand-chiselling, but that even can be replicated if need be.

MR HINTON: Roger, I had a couple of questions, one for each of your submissions. The first one is in relation to your professional responsibilities with regard to adaptive reuse. Can you give us some benefit of your experiences regarding the different challenges; that is adaptive reuse of a perceived attractive building, what I assume would in your terms be fairly straightforward and lots of options available, but adaptive reuse for something that's less attractive such as an industrial site carries with it particular challenges. Is the industry moving on such that adaptive reuse for that second category is becoming more of a viable option relative to, say, 10 years ago? Can you give us experiences - - -

MR BEESTON: I think very definitely. Industrial factories for example are now very popularly adapted and successfully adapted. In Sydney we have the various piers, Walsh Bay figure walls. My own practice has been involved in the Hawthorn tram depot which became redundant as a tram depot here and has been successfully adapted for both residential and ironically heritage tram museum use. So I think the short answer to your question is yes, we have come a long way in 10 years.

MR HINTON: Is it more technology or is it more community shifting of attitudes as to what is now perceived as functional and aesthetic or is it a bit of both?

MR BEESTON: Hawthorn tram depot which I had several years' involvement in, if it hadn't been subject to heritage protection, there would have been very little incentive on behalf of the developer to go to the effort of adapting it. They would have pulled it down and they would have put a tilt-up tower there perhaps mimicking the form of the former workshop sheds. Sorry, what was your question again?

MR HINTON: An apartment block that you might want to live in today may be - options may be much wider than they were 20 years ago because aesthetics have shifted. So the reuse of a building now for an apartment complex might not only be available because of technology, but might be because tastes have shifted.

MR BEESTON: Absolutely. I think Australians have become great fans of apartment-style living in the last 10 or 20 years which they hadn't done previously and I think many of these buildings are very readily adapted to residential use. I think perhaps examples of heritage buildings which are being adapted for other uses is going to draw more challenges if you like, and I would think of the former Customs House down in Flinders Street which has been adapted as the Immigration Museum, and I think the key thing here is that in the adaptation, we are able to conserve the heritage values and in particular the term I use, the ability to interpret. So for the average punter to go to that tram depot and understand it as a former tram depot, albeit currently being used for residential use, I think that's really the big challenge.

There are many examples I think both in Melbourne and Sydney that I'm aware of where adaptive reuse has perhaps so denigrated the original function of the place or the apparent function, the ability to interpret that function that we have not been successful in conserving the cultural heritage values. What we've done is preserved sort of an industrial aesthetic that has been popular in the sales brochures and that's about it. So it's been overly sanitised.

MR HINTON: One of the challenges that's been drawn to our attention is often the industrial site has contamination, pollution of sorts that is a challenge for adaptive reuse. Has technology moved on such that some sites that might have been untouchable 10 years ago are now options for adaptive reuse or is that just reading too much into technology?

MR BEESTON: I think as well as that going on, we are more aware of what constitutes industrial hazardous waste now than we were 10 years ago. So it probably balances out, but I think we do have good technology these days which we didn't have 10 years ago, and I think we also have - and I think this is a credit to the cultural heritage management profession as well, we have the ability to have building surveyors looking at the Building Code of Australia and all the relevant Australian standards and say, "I'm prepared to interpret that," as opposed to, "I'm prepared to simply apply that principle in black and white."

So heritage buildings require lateral thinking, and I think it's again a testimony to the quality of the Australian industry that we have these sorts of people out there who perhaps 10 or 20 years ago, if the building surveyor had applied the building regulations of the time literally, it would have meant the demise of that building, its removal.

MR HINTON: So this is the performance-based requirements rather than prescriptive ones.

MR BEESTON: Correct, yes.

DR BYRON: That may lead into my next question which was what is it that makes Australian expertise in conversation architecture such an exportable commodity, and you've given me a hint already, that maybe it is that lateral thinking, that creativity, the ability to interpret widely because on the face of it, I imagine somebody in South-East Asia might have said, "The Japanese, the Europeans, the Americans is where we'll look first for heritage specialists." I wouldn't have thought they'd automatically look to Australia. Maybe that's a cultural cringe already on my part.

MR BEESTON: No. Look, you're absolutely right. Ausheritage was in India, in Delhi, a couple of years ago helping the National Trust to develop their version of the Burra Charter and the first thing the average Indian conservation architect who has usually been trained in York ironically and has a very British sort of approach is, "What on earth have you Australians got to teach us?"

DR BYRON: Exactly.

MR BEESTON: "You've got 150, 200 years of built heritage. We have thousands of years of this stuff. It is everywhere. What have you got to teach us?" and of course as an Australian practitioner having paid for yourself to get there and you're very keen to assist and get back on your front foot, I think the simple answer is that perhaps we have so little that we are therefore very keen to look after the little bit that we have whereas the Indians have so much they just don't know what to do with it. They don't know where to start. But I think the thing that we have is our management techniques, our ability to be lateral and all those regular Australian things relating to any industry sector perhaps.

In particular the Indians were very interested in the fact that our Burra Charter to them at least seemed to encompass the notion of spiritual significance because that's a very big issue for the Indians, and our ability to recognise that as opposed to the Europeans who are perhaps still struggling with that notion really has us standing out head and shoulders, and of course that spiritual significance is of interest all over Asia where the sanctity of the built fabric is perhaps less than the spirituality.

DR BYRON: Just one other thing. Without wanting to put words in your mouth, I imagine that the performance or outcomes-based requirements in the Australian approach is probably a bit different to some of the more rural based or prescriptive approaches in Europe. So the ability to not only think laterally and say what would work rather than what's in the textbook and to work with the materials that are there rather than come in with a pre thought-out solution.

MR BEESTON: Yes, I think that's absolutely right.

DR BYRON: I'm just reflecting on my observation having seen some of these

people in action.

MR BEESTON: I think the term "conservation", there are many different definitions, but for me, what my practice offers is the management of change. That's what it is that we're involved in.

MR HINTON: I've got a follow-up question to Neil's raising this issue of doing business overseas. I commend you on getting on the front foot - your expression a moment ago - but I am a little puzzled by why getting on that front foot requires government assistance. Can you respond to that inflammatory question?

MR BEESTON: The Keating government set Ausheritage up with - I think it was a million dollars which was intended to get it going over three years and that was in response to - I'm not sure if it was a Productivity Commission inquiry, some form of federal government inquiry had been undertaken which had identified, back in 95-96, that indeed there was this viable energetic heritage management sector, and that it was operating at potentially world's best practice and it was an exportable commodity.

Since all that money dried up, we have 45 members who pay $500 each a year to support this organisation. That really pays for our basic administrative costs. As a member of the board, my practice expends many thousands of dollars per year to send me to various board meetings and to various initiatives such as the one I was talking about in India. For a private practitioner to be able to justify that sort of expenditure, I'm obviously looking for a return and I'm highly motivated to get that return by way of hopefully winning some fee-paying work overseas.

To date however through the 10 years of Ausheritage's history, the results have been almost negligible in terms of any fee-paying work whatsoever. However, we've found that we have achieved major things in terms of foreign relations. One of our best supporters is Alexander Downer. He loves us. He loves coming and attending MOU signings with the ASEAN secretary. We tend to get entry into places with ASEAN that maybe he would only dream of otherwise. I'm sort of blowing our trumpet a little bit there.

MR HINTON: Feel free.

MR BEESTON: We are struggling as an organisation and we need aid money to assist us to get pilot projects going in these countries to demonstrate in a practical way Australian expertise. I can't sponsor a conservation management plan exercise on a site in India. I've just expended many thousands of dollars applying to the Getty in California to try and sponsor a pilot program to undertake a conservation management plan for a site in Gujurat in India which was devastated by the earthquake with which to demonstrate the practical application of the famous

Australian Burra Charter.

Without that funding assistance, I can't go and do that. So we've got to this point, we've got this MOU. We've assisted them in developing their own charter, but I am confident that if we were able to do this one pilot project, maybe a couple of pilot projects, the telephone wouldn't stop ringing in terms of other Indian organisations asking us to come and do the same thing and to pay us proper fees to do it.

DR BYRON: You mentioned being eligible for New Zealand official development assistance but not Australian. Is that because AusAID doesn't consider heritage conservation a priority area for Australian development assistance.

MR BEESTON: Correct, and we've held a number of workshops, round table meetings with Austrade and AusAID organisations trying to explore ways that we might better just convince them to put us on their radar, and for example there are many Australian architects working in China at the moment, and whilst most of their activities are related to new urban development and Olympic Games and these sorts of things, cultural heritage is not unheard of in China and indeed you may have heard of the China principles which is another I guess derivation from the Burra Charter. Do you know about the China principles?

DR BYRON: Yes.

MR BEESTON: There was the potential identified of having Australian cultural heritage managers go in with Australian architecture practices and have that add-on component to their bids for their projects and charter, but again we had one member participate in an Austrade mission to China with a bunch of contemporary architects a couple of years ago. I'm afraid not much has come of that.

DR BYRON: Thank you very much for coming, Roger, and thank you for sharing your experience and insights with us.

MR HINTON: Thanks very much, Roger.

DR BYRON: We've just got time for the Organ Historical Trust of Australia.

MR MAIDMENT: My goodness, I can see all our organ heritage in Melbourne in front of my very eyes from here. It's really quite extraordinary. I can hear your lecture on all the organs in Melbourne just from this very great vantage point. Amazing.

MR HINTON: How many do you have in mind?

MR MAIDMENT: I think there'd be about probably 300 organs in Melbourne.

MR HINTON: So there's none to the north?

MR MAIDMENT: Yes, there's plenty there. Plenty in the countryside as well.

MR HINTON: West?

MR MAIDMENT: Yes, in all directions, but certainly some of the great organ monuments of Melbourne are within - I can see them from there. St Ignatius, Richmond, over there for instance. So it's interesting. It's perhaps a part of our heritage that may be disregarded, but it's a part of our heritage which is quite fascinating because the objects actually work, they sound and they were built in Australia probably from 1840 onwards. That's when the first organ was built in Australia, but before that there were organs coming to Australia in ships and things like that, sort of even almost back to the time of the First Fleet
.

We have roughly about 2000 pipe organs in Australia. Now, not all of these are heritage significance at all. I would say that probably roughly a third of these instruments could well be of some significance and there's a smaller percentage of these that are of extraordinary significance. Some of them are indeed of international significance, and we know that because we've actually been approached here in Australia for technical data on organs they've been restoring in Europe because we have some very fine unspoiled examples of pipe organs that have perhaps been destroyed in Europe, and we have been very pleased to assist that.

So the history of organ building in Australia is very interesting. Even within sight of here, George Fincham established an organ factory in 1862 and he became the most prominent organ builder in Australia. He was an English-trained chap, sort of arrived here in 1853 looking for gold, as most people did, but found his gold in organ building rather than digging in the ground. It's interesting that his magnum opus was in fact just across there in a world heritage building actually, and I haven't got PowerPoint handy, but we can just hold up an illustration of the grand organ in the exhibition building.

This is one of the I suppose saddest losses in terms of organs in Australia because if it was still there - here it is here - that would have been one of the most important historical organs in the world. It was the 20th largest in the world at the time it was built, if it had only survived until now, I'm sure it would have been lovingly cherished.

DR BYRON: What happened to it?

MR MAIDMENT: Very sad and sorry story. It was I suppose a question of fashion sometimes. It became deeply unfashionable because of its style. It was rather cumbersome to play perhaps. It didn't have the agency of electrics or pneumatics to play it. It was all purely mechanical. Probably the greatest problem with the organ was just getting enough wind up because it was a huge problem. When you look at organs, originally they weren't blown by turbines or anything like that. The wind had to be mechanically generated, and in this case they had colossal problems because of the amount of wind the organ consumed. It had to have lots and lots of juice to fill the building, as you can well imagine, and they tried with gas engines, they tried with hydraulic engines and even at the opening concert, apparently one of the valves on the hydraulic engines blew up, and the basement was flooded with water, and about 6 or 8 thousand people walked away disappointed. So those were some of the problems that they had.

So quite a fascinating instrument, and this is where it was built actually, in Stawell Street in Richmond; corner of Stawell Street and Bridge Road if everyone can just have a look at that. Really Fincham's work was to be found in many states in Australia - South Australia, Victoria, New South Wales, Tasmania and also as far afield as New Zealand. Of the instruments he built, probably quite a sizeable percentage of them have been greatly altered. There are some very key ones that still survive virtually unaltered, probably the most important of which is - if we could see down that way, I could point to it - St Mary's Star of the Sea in West Melbourne in Victoria Street, and that organ was actually restored about 12 years ago.

In fact it was restored in New Zealand funnily enough, and this may shock people, but in fact that's where we had to go to find the expertise because this particular organ had a pneumatic form of action; that is, the linkages between where the player played the organ and the pipes was actually done through impulses of air running through lead tubes. One of the problems we found here is that a lot of organ builders here were simply getting these sorts of organs and converting them to electric operation. But if a pneumatic instrument is properly restored, it can produce perhaps results that are at least as good as electric.

So at that time, there weren't any organ builders here in Australia who could do this work. The builders in New Zealand - and it was interesting, the previous speaker was talking about lateral thinking skills - were prepared to exercise these and work

out how it could be done, and in fact geared themselves up to do this sort of work and that instrument was restored very, very successfully. The cost of such work of course is quite great because it's all a hand process. There's virtually none of it that can be done by machine at all.

A lot of the work involves refurbishing sort of action components. Things like felt and leather deteriorate with age and wear. It's a bit like sort of trying to have a pair of garden gloves last more than a year or two on a much larger scale. I mean, leather just wears out, and this is especially problematic, say, with the winding of organs. Say with the exhibition organ, apparently by the time the 1920s came around, all of the leather work in the organ had deteriorated and the trustees said, "We're only getting a few hundred pounds in a year for the use of the organ and it's going to cost us two or three times more to repair it. So we won't bother," and eventually that spelt the decline of that instrument.

We're sort of going around in circles a bit here and I apologise for that, but what happened was that the door into the organ was left open during the 1920s. People helped themselves. Organ builders were asked to haul up their horse and dray outside and fill them up with organ pipes, which they did, and during the Second World War, troops were based in the building, which was pretty hazardous for the organ because they got in and sort of vandalised parts of it, and in 1948 the trustees thought, "Aha, we're going to be able to make a bit of money out of this because there's such a shortage of raw materials after the Second World War. Let's sell it all off."

So the organ builders again came in probably with their trucks this time and filled them up, and all that was left was the facade of the organ which survived until 1965, and that was again taken out. But this was all happening at a time when there were not very tight heritage controls at all, nor any great appreciation of this sort of heritage I suspect as well. As I said, if that organ had survived another 20 or 30 years, even if there were parts missing, it would have been technically possible to reconstruct everything and bring it back to first-class order. But that's some of the I suppose bad stories. Even for instance on this very building site we're sitting on was Freemasons Hall and that was an 1888 organ by George Fincham. That's been carved up and that was actually literally on this site designed by John H. Granger, the father of Percy Granger the musician. He designed the Masonic Hall, and that was the Freemasons Hall organ.

But apart from sort of some of the losses, obviously there are some key organ monuments in Australia, chief of which is the Sydney Town Hall organ. Now, this is an absolutely remarkable survival. It survives almost totally in original state; built in England between 1886 and 1889 by Hill and Son who are one of the two or three leading organ builders in Britain, and for a variety of reasons - mainly I think because the Sydney City Council probably didn't have too much money - it was just

allowed to deteriorate, and it got to a stage where it was virtually unplayable. Fortunately the right person at the right time turned up in Roger Pogson, an organ builder in Sydney, who was prepared again to exercise enormous lateral thinking skills and he, over a period of many years, was able to restore that organ to absolutely a hundred per cent mechanical and tonal excellence.

Since then the hall has been refurbished, restored. The facade of the organ has been redecorated and everything and people come here from all round the world to see that organ and it's I suppose one of the perhaps 10 iconic organs of the world. So there are some very, very good stories.

Also in New South Wales in particular over the last 20 or 25 years, the New South Wales heritage body has been very good in providing conservation grants for restoring organs, and this is something that really hasn't happened in a big way elsewhere and this has had a number of advantages not only I suppose that a number of instruments that were really virtually unplayable have been superbly restored, but skills have been enhanced. The organ builders there have really built up their skills and some of their work would represent I suppose world's best practice in terms of organ conservation works. So that's been a marvellous outcome.

I suppose also that young people perhaps have also been trained to being organ builders there and this has been a huge advantage up there I think and it's interesting comparing the situation say with other states in Australia where I think the conservation of organs by some of the organ builders in other states has been regarded as being a bit of a joke. I still find that some organ builders wonder why they're not getting work, and I think it's because they haven't taken this aspect of our heritage too seriously. They think it's easy enough to come in and sort of grab some electromagnets and put them inside an historic organ, but if you run the full mile, sometimes it does require a lot more effort and expertise.

The result is that quite a lot of the conservation work in organs here in Victoria has actually been done interstate or overseas by the south island companies, particularly New Zealand, and there have been one or two cases of organs that have been restored in Britain and certainly in other states. So it's interesting looking at this in broad perspective. But there are enormous challenges in terms of preserving these organs these days because it really comes down to the fact that really churches are in an enormous state of decline. This may be something which has come out in other people's submissions, and it's hugely problematic for pipe organs because many of them are specifically designed for particular buildings, particular acoustics. Some of them have been the focal point of particular buildings.

In a typical, say, Presbyterian Methodist congregation or Baptist situation, the organ really takes the place of the high altar of the church. You look down the building and there's the pipe organ grandly sort of sitting at the end of the building.

So if the instruments are removed, obviously it takes away a very important element of their design.

At the moment we know that there is a huge plethora of church buildings, not only I suppose in suburban areas, but also in country areas. In fact only in the last few days, the Organ Historical Trust made a submission to the Uniting Church about redundancy of churches in Ballarat, and anyone who has been to Ballarat will realise that churches are thick on the ground there, and I think there was something like 12 or 14 Uniting Churches in Ballarat. Not all of them have pipe organs, but I think all bar one were of some architectural distinction or historic importance, and there's going to have to be some fairly hard decisions made about which of the organs remain there.

I suppose it comes back to the question what do you preserve, can we preserve everything or how can we selectively preserve some of this heritage? Certainly in some of the country towns around the traps there are instruments that are largely unplayable. I can think of places like Clunes and Daylesford in the Victorian goldfields and while there probably are funds around, it does take a willingness on the part of the people at grassroots level to perhaps apply for grants, sort of get people off the ground, start fundraising and doing things like that, and you can sort of go in there and say, "Look, this is the mechanisms by which you might get a grant," and everything like that. If they're not prepared to put some effort in themselves, the thing is not going to happen.

We are of course looking at congregations in many of the churches that are becoming extremely elderly. It's not uncommon to find churches that basically octogenarians - those that are sitting in the pews these days, and I suspect before too much longer there's going to be a huge number of churches closing. It is problematic of course with the Uniting Church because they are an amalgam of the Presbyterian Methodist congregational churches. So there's obviously a huge surfeit of church property and of course organs. Anglican churches certainly are in a state of contractions. Catholic churches are not really, and in fact some of the organs that have been very successfully relocated from other churches have gone to Catholic churches because a lot of the congregations are still very much thriving ones.

There is certainly potential for recycling of pipe organs. There's been some pretty good examples of that recently at Scotch College for instance here, probably somewhere behind the SAI building I imagine. They have a very large memorial hall there and they were very fortunate to obtain at virtually no cost a very, very large organ that was in the Presbyterian Assembly Hall in Sydney, quite a prominent building there near Wynyard station, and that organ - they had no use for it. It really hadn't been maintained for 20 years and the school actually put a lot of money into having it properly restored. It was actually a combined effort between, dare I say it, the New Zealand people and a Sydney organ builder to do it because of the

magnitude of the project, but it's been

MR MAIDMENT: I think there has to be a total prioritisation process. It's going to be easier in some context than others. I mean, if you find that, say, Fincham built 150 organs, it wouldn't be so difficult to work that out. In a place like New South Wales where the vast preponderance of organs are imported ones, again it may be a bit more difficult because you may say, "Well, look, that is the only example of that builder's work in Australia" or perhaps "We haven't found any examples of that builder's work in Britain." So they may gain status because of that, but what you're saying is quite right. I think there would have to be priorities established, and it just may not be possible to save everything.

DR BYRON: Would one possible criterion for working out which ones to put resources into with those that are likely to be used in future?

MR MAIDMENT: Absolutely, yes.

DR BYRON: It would seem odd to spend a lot of money restoring one that was hardly ever going to be played again.

MR MAIDMENT: Yes. It's a difficult issue. Certainly there are some instruments that are enormously significant that would benefit from very good restoration. I can perhaps name an example at St Joseph's church in Warrnambool down on the south coast and that is the second-largest of Fincham's instruments that remains intact from the 19th century, and that would benefit enormously, but it's a difficult issue. I'm not so sure how often it's played.

It really does depend on having people with the skills to play them, and the difficulty is that organ is not really being taught greatly these days. Certainly children are not exposed to pipe organs all that much I suppose because many of them probably just don't go to churches with organs in them, and those that have them may not use them. Even at tertiary level I guess that there aren't all that many students learning the organ. So it's a bit difficult. It's a bit like having driverless cars or something sitting around. People just can't play them.

So it really is a huge dilemma to know what way to go, and I think there may not be any clear solution to it, but it's good to identify the issues I think, and certainly there may be some paths forward on this. I think the idea of prioritising what is kept and certainly instruments that are being regularly used is probably another important thing. Instruments that are substantially or totally intact is another one.

It sort of rather annoys us sometimes where somebody buys an organ that's perhaps been rebuilt four or five times and decides to move it to another church and change it even more when in fact they would be far better to take something that was in largely pristine state because it really would be much kinder to our heritage to do

something like that, but it does happen and comes down to the fact that organists sometimes are always longing for something bigger and bigger and better and something more powerful. It is an issue sometimes. I think there will need to be a lot of dialogue and thought going into this, and as I say, just this panorama in front of me really sort of highlights the problem.

DR BYRON: You've raised the issues very articulately for us today.

MR MAIDMENT: Good.

DR BYRON: I'm not sure how close we're going to get to finding solutions to all - - -

MR MAIDMENT: We mightn't get a solution immediately, but it's important to identify them because I suppose when you add up all the submissions you've got, some pictures may develop trends and things like that and obviously the government has got some raw data to examine and act upon hopefully.

MR HINTON: Thank you very much, John.

MR MAIDMENT: That's a pleasure. Is any of this stuff of any use to you, sort of like background information? Are you going to sort of collate any things like - I mean, I've got examples of some of our journals and booklets outlining some of the places we've been, organs of significance. Would that be of any assistance to you to put in your package?

DR BYRON: If you can spare it.

MR MAIDMENT: Yes, absolutely.

DR BYRON: I wouldn't want to take your last copy of anything.

MR MAIDMENT: No, it certainly isn't. If I could leave all that with you anyway.

DR BYRON: Thank you. We guarantee to give it a good home.

MR MAIDMENT: Thank you very much for the opportunity and we'll catch up.

MR HINTON: Thank you, John.

DR BYRON: I think we can now break for lunch and resume at 2.00 with Engineering Heritage Victoria.

(Luncheon adjournment)

DR BYRON: Thank you, ladies and gentlemen, if we can resume with the public hearing this afternoon. I think our next speaker is from the Property Owners' Association of Victoria. Thank you very much for coming. If you could just briefly introduce yourself for the transcript and then if you would like to summarise the main points you wanted to make. We've got some documentation from you now. Thank you very much.

MR SPENCER: Thank you, Mr Commissioner. My name is Phil Spencer. I'm the honorary president of the Property Owners' Association of Victoria, and our association Australia-wide has had concerns with this issue for some time. The Victorian association has coordinated quickly after seeing the advertisement last week or two weeks ago and we've put together a small submission. The executive summary, I think you have a copy of. We've given a copy of the disk to you. There's about four pages of summary and five pages of answers to the issues paper. If you've got the summary in large type of - about page 4 to 10 or thereabouts, I think it is. It's in large type. It was basically where I was going to summarise the points as I saw them.

From the point of view of our main submission there should be compensation paid under the constitution. I have a copy here of something that was off the Web so it's not confidential. It's a policy consideration carried by a Liberal Party council, federal council, and it refers to the right to get compensation and it requests that the section 51(31) of the Constitution be amended so that just terms of the provision for compensation include quite clearly reservations of all types. That's where I want to go now to the main point about compensation is that obviously we as property owners receive compensation in cash capital form based on valuations where there's a reservation made for a road widening or for a road.

As such the compensation is paid - and I can get straight into how the compensation is paid and then come back to our political point, if you like - immediately that a road widening order is made, or a road reservation is placed on your land. You simply go through the procedures, you don't have to apply to a court or a tribunal. They are required by law to offer you compensation straightaway. They don't occupy the premises, they pay the compensation on the basis of valuations, and of course you can have your own valuer to determine it. When that is done the compensation is paid and it's just like a caveat on the property. You still own it, you still occupy it without rent or other charges. There are reductions of course in terms of then the valuation is lower on the property and so rates and taxes are lower as well.

But if for any reason the road authority wants to actually buy the property then the compensation has already been paid in full. It's not part compensation, it's full compensation initially when the road widening reservation is made. Obviously it doesn't matter whether time has effluxed or whatever, that compensation is being

made. Now, if you've made improvements you can of course apply for extra compensation but that is a moot point. But if, for instance, the reservation doesn't go ahead, the road authority decides after 30 years to let the reservation lapse - and there is a requirement in some of the legislation for the reservation to lapse - then that compensation is paid back to the authority.

In that way people have surety and complete confidence in the property they're in. They know where they stand. They know that they've got a property which is reserved, that it's been paid for, there's no argument. They know that they're crazy if they do improvements because they may not get the money back and so on. Obviously that is where we believe that the compensation should go with these heritage orders. They are like orders and they are like reservations. There is a further compliance requirement on conservation than there is even on road widening. Obviously on road widening you can just let the property go, you don't have to do any maintenance if you don't want to. There's no requirement for the maintenance to be done, and obviously the road authority only wants the land anyway.

But on a conservation order it is a terrible impost on most people. Most people have to go through with their property knowing that they can't get a capital gain on it, they can't even get the money back in some cases that they paid for it, and they have to do the maintenance all the time. So that's why I'm saying this is even worse than a road reservation. If the legislation for road reservations is there, we see no reason why it shouldn't be enforced. As I said, this resolution which I just happened to see by chance on the Web shows that there is serious thought, particularly from Western Australia where the property rights consultation groups have got together and in some way seen that if they lose too many rights there would be no point whatsoever in private property ownership at all.

This might seem a bit bizarre that you could lose so many rights that the property wouldn't be worth it, but let me explain to you how the loss of private property rights affects you in owning the property. First of all I'll go back if I can to the large print summary and just start. In 1997 it was like a gold rush by conservationists in Victoria. Suddenly the legislation for planning had changed under the Kennett government and properties all over Victoria were suddenly being placed with reservations on them, or at least the threat of them. In many cases it's been that there wasn't even notification given to the owner of the property. There might have been a leaflet or an article in the local newspaper and it might have gone on to further consultation within the council but there was no requirement whatsoever for the individual owner to be notified of anything.

When an owner did get any notification, then all he could do was complain but unless he had the numbers behind him in the actual area, the council would go ahead and put it on. The problem with the heritage order registered on the title is a little different to where - this is what I'm saying that obviously if there was compensation

paid it would be like a caveat on the property. You'd be able to see that there was an order on the property. At present when you go to buy a property there's no indication in most of the planning documentation that you get with the auction or with the sale of land to indicate much about what zone it's in. It doesn't indicate what your rights are as regards to the property. It might indicate that it's in a heritage overlay area.

To the average person that just means, "Well, I'll paint it green," but in actual fact it means much more than that. It means that for any minor work whatsoever an application for a planning permit - and in most cases a building permit - has to be obtained. This isn't free. This costs an enormous amount. The minimum would be about 260. I've forgotten what it is now but it would be about $300. Then there's the time and the paperwork and then on top of the fee of course is the architect's charges, the extra cost from the builders having to comply with it and so on. In other words, the cost is quite significant for the average person just to be able to do something very simple like renewing a carport or a fence.

The cost of this was never explained to people in leaflets. For instance, when they were talking about heritage in the last year about trees in inner suburbs, the conservation of trees - whether it's heritage, I don't know - they had to be above a foot in diameter or something. They didn't explain that there would be application fees involved or paperwork fees. They tried to say, "We'll do it all for you, it won't cost you a penny." But the fact is you still have to do something. When you compare these orders with conservation on farms and things like that, that's where I think you asked a question and we've put a reply there in the answers. It is different to conservation in the country. The main difference of course is the value of the land.

The cost of conserving a tree, for instance, that might be historic in the city could be $100,000 as we've seen in the papers in the last week in Melbourne; whereas the cost of conserving a tree in the country would be practically nothing if the land wasn't of any acreage value obviously. I mean, you might lose at most half an acre of farming land which would be no more than 3 or 4 hundred dollars. It's not anywhere near the hundreds of thousands of dollars that it is in the city. Likewise on a building: the building is conserved in the city on valuable land. We could be talking about $1 million worth of land on just the area of this room here. It's an enormous loss of value. The fact that people didn't jump up and down about it as much as they should have is just a blindness on their part, that's all.

In terms of what has been done in those orders, we have records - and I can produce them later - where children's swings in the front garden weren't allowed under councils in Victoria. There's headlines in local papers of people emotively driven with placards saying, "Save our houses," where they don't even own the houses concerned. "Save our houses" they're saying. I mean, this is just communism. Whilst it might be considered as being an emotive response, on the

other hand it's a bit like workers in a factory saying, "No, it's not your factory, it's our factory." These properties are not public property. There is no absolute right for a council to come and take photographs of inside and outside of the property, yet they have powers to value, to inspect and do that sort of thing. They have taken their powers and gone too far.

Basically in some areas in the inner suburbs, not only have they devalued the properties by over 25 per cent - which typically in 1998 value is $100,000 and that's when Herron Todd did the calculations for about 300 properties - they've also created the problem that in the future this cost will grow. The cost of conserving properties is phenomenal. It's not just a matter of painting the woodwork. You can't get tradesmen who will do the installations of anything like a heritage verandah at a reasonable price. The cost of a verandah would be about $20,000 for a small 20 foot verandah by about 10, 12 foot in heritage-type things - $20,000. That cost, compared to what you could do it for, a couple of thousand dollars under standard building materials, is just out of all proportion - $20,000.

In many cases, people obviously like it because they might have the materials and they say, "Whacko, we've got the old heritage materials," and that verandah is suddenly worth 20,000. But is there any requirement for someone who hasn't got a verandah to have to put out $20,000 to put up that sort of old verandah when in fact half the time the people who pulled them down were those who wanted more light in their rooms like here. "We don't want to pay for extra lighting." The old verandahs were solid and dark inside and they were dangerous - cast iron things that crashed.

Now, the point about conservation is reasonable in our view where it leads to an economic value, an economic benefit. If the only economic benefit is to the architects and the town planners and the real estate agents, we don't consider that to be reasonable, because the total net cost benefit of the thing is negative. It is costing a fortune to conserve old Victorian houses, weatherboards in the country in old goldmining areas where the only reason they built them out of timber and weatherboards like that was because of the economy and perhaps of warmth of the timber compared to mud brick.

But the point is that we're talking about a massive cost in Victoria of maintaining these properties. As time goes by, the old weatherboards and the old small Victorians and Edwardians in inner Melbourne, where there are somewhere of about 10,000 heritage listings, those properties will be wrecked. They will look like an eyesore. Already people have found that they don't want to touch them. Since 1998 to the present of over eight years there's been a total collapse of the old weatherboard property market. There is no value - even though the increase in the houses has gone up in the last eight years, there's been no increase in the value of those properties. You can only get them for land value, that's it.

So if you have a heritage order on the property, you are looking at a total loss of that land because people will only buy it for basically a run-down shack of no value because you're getting it at land value. Now, in property terms - this is something that I've been dealing with all my commercial and professional life. I trained as an engineer with engineering degrees at university. I did extra courses in architecture and acoustics at universities. I did a lot of legal training. I'm a justice of the peace and a bail justice, and I know what happens to properties that get run-down without sufficient funds. They get to be unhealthy, they get vermin. They breed problems with people who live in them. You get undesirables living in them. You get squatters, you get fires and you get all of that.

Now, no council has done anything more than do a little bit of top dressing on perhaps shops where they might be granting them some money to do some of these fancy verandahs because no normal person would want to spend 20,000 on a verandah, so the councils obtain grants for them. I'm not sure where from yet but the problem is that the councils have been allowed to do these conservation zonings and orders in effect willy-nilly of any thought of any compensation. If they had to pay compensation retrospectively or in the future it would stop them from putting conservation orders on things that are totally non-viably possible to conserve. I've got - in my own portfolio I would have some 18 or 20 properties that have conservation orders on them. That's out of only about 25 properties. Now, you can understand that that is not untypical in the inner suburbs.

We had a committee meeting of our association last night. Quite a few members had conservation orders. Most of our members are into commercial-type residential ventures where there's a bit of return on the market. The last thing they want is a conservation order on them, even people that are into doing up their own homes don't want a conservation order on them. I mean, how would you like to be told that you have to wear the same clothes that you're wearing now for the rest of your life. That's what it feels like to a property person. Our buildings are our clothes. It's what we put on. It's our tools of trade. It's our stock in trade. It's our equipment. It's our plant.

When you say to someone, "I'm sorry, you have to use the same plant as you did 20 or 100 years ago," that's Ludditism. It's totally primitive. When I get down to the actual guts of what it is, it's worse than that, it's xenophobia. It's a hatred of something new. Conservation improperly applied is xenophobia. We've got no objection to the conservation of buildings that should be conserved - Como House, Exhibition Buildings, Parliament House, all those public buildings that are now basically public property. Private property that has Victorian heritage listings on them are in the large in the inner suburbs where they are expensive buildings on small blocks of land. They have been done with a cost benefit in mind.

A few of them have been done on private properties built by an architect who

was well known, and the owners have been for years trying to get some relief and some compensation. About eight years ago, a case was in the papers here very strongly about conservation of a rural property - and I've given you a listing of where it is on the Web - and after some seven years finally compensation was paid by the state government, I believe, for the order on that property. We don't know what compensation on what basis it was paid, whether it was ex gratia or what. It was a secret settlement from the state government. But we would think that the rights to conservation are still alive and we refuse, absolutely refuse, to comply with a conservation order in effect that has no compensation. It is unjust. If someone says to you, "You have to wear the same clothes and maintain the same clothes forever and if you buy new ones to replace them get an application and get a permit," then you would object and refuse to do it.

We are property people. We regard property as an important right, the right to own property as one of the cornerstones of our civilisation and of our heritage. If you say to us that you have to comply with a heritage order without any compensation, we deny that right. Thank you.

DR BYRON: Thank you very much. Tony, would you like to lead off on this one?

MR HINTON: Sure. First of all, Phil, thanks very much for showing flexibility and shifting your time of appearance around to fit in with our modified timetable today, so thank you very much for that. Thanks also for your comments this afternoon and your recently arrived submission.

MR SPENCER: Thank you.

MR HINTON: Written submissions are important to us because that provides the basic information that goes on our web site for all to see, including those here and not here, so thank you very much for that. We also welcome the involvement of your association because part of the Productivity Commission's approach is to get interested parties' views, and that means it's good to have views with differences across various interested parties. A debate can occur, exchanges can occur and hopefully that will help us get a proper conclusion to our deliberations.

I had a couple of questions I wanted to explore with you. Some of them I wrote down and you then proceeded to give me the answers in your presentation, but put that to one side. One immediate question was, your approach was essentially one of a listing itself inevitably leads to a reduction in value, and you quoted a particular study. There have been some other studies where listing in fact can increase value for a variety of reasons and particular circumstances to the location and often the precinct. Did you have any reaction to those views or particular statements from some that a heritage listing can in fact increase the value of the building in this case?

MR SPENCER: The heritage listing of the building may increase the value of the building but not the land. That's the first point. The second point is that in nine times out of 10 I would think that it would be involved with a tourist route so there would be an economic input to it. In terms of when it was done is important. If a heritage order was done on a property where it was totally surrounded by new blocks of status flats then in certain circumstances, depending on the land size, yes, it would increase its value. But 90 per cent of the time in the suburbs where there's no tourism, there's no business potential for any tourism or heritage trails or something, no, there's no improvement in values and I would think that the studies are not nearly as senior as the studies that we've had done in Stonnington, an inner suburb in Melbourne, where the foremost valuer - and part of an international chain of valuers - did a very substantial valuation for 300 properties. There was a lot of money involved in the survey.

At that stage they did have a lot of data. Scott Keck had immense data on the properties in that area. I can assure you that as a practising valuer myself I've done the valuations on the properties. They were correct. Normal property people, not people concerned with maintenance and so forth on properties, even people just buying and selling, agents and so forth, knew straightaway that the values were down by 20 per cent.

MR HINTON: This is the Herron Todd valuation?

MR SPENCER: Yes.

MR HINTON: Was that done in 1998, Phil?

MR SPENCER: 1997-98.

MR HINTON: Has that been attached to your submission as supporting material?

MR SPENCER: No, but I can obtain it. Six years ago I did a study. It's in the paper six years ago and I know where it is and I'll be pleased to find it. But from memory it was about a 30-page report. It included numerous tables and summaries on each property of the 300 and an exact valuation.

MR HINTON: Thank you. We'd welcome receipt of that, particularly as it's publicly available. It means we can quote it without compromising commercial confidence or confidentiality. My second set of questions relate to the POA's basic attitude to heritage, or the heritage objective. Your early comments implied by having a compensation approach through local governments that that would act as a disincentive on the local governments to actually heritage list.

MR SPENCER: Unnecessarily.

MR HINTON: Okay, unnecessarily. Therefore this was seen as a market mechanism in some way which intervention by that level of government would be discouraged.

MR SPENCER: It's to force them to do a cost-benefit analysis.

MR HINTON: You then went on to subsequently say that you're not against conservation of heritage buildings - and you've referred to Parliament House and the Exhibition Buildings and some others which were clearly public sector, public-owned buildings, government-owned buildings, and ones that prima facie clearly met your view about acceptable heritage conservation. You then referred to, "But there is a problem with regard to privately-owned properties," and that's what seems to be the main focus of your presentation this afternoon. That took me down a track - a rather lengthy introduction, I apologise - of saying, what about an alternative to a compensation approach to the owner of the property having right of veto as to whether or not it should be listed, so that if they were comfortable about a heritage listing for that house or those commercial premises for that matter, then would that be consistent with the POA's views about how the system should handle heritage objectives?

MR SPENCER: Most certainly. On page 3, "The better market solution would be - - -"

MR HINTON: Sorry, which of the three documents?

MR SPENCER: I'm sorry, it should all run together. It should be the summary pages.

DR BYRON: The top of the third page.

MR HINTON: Thank you. The better market solution - thank you.

MR SPENCER: On the disk the pages are correctly numbered.

MR HINTON: Would you like to tell me what that says?

MR SPENCER: Voluntarily self-registered heritage properties - it would have to go - rather than just say "voluntarily", because there's always going to be widows and so forth who want to for emotional reasons just allow the conservation to go ahead but that's not fair to the neighbours in some cases. So it has to be tempered by commonsense. For instance, the neighbour to a heritage building can't construct something or can't change it or can't paint it or something like that, then clearly that's an impost on the neighbour as well.

If, however, a private owner does wish to have a heritage put on the property, they simply put a caveat or a covenant on their own property and we think that together with that there should be encouragement for people who have got real significant buildings that for some reason point the viewer towards a particular fact of history that's important in our heritage. Then for that reason there should be a reduction in rates and taxes as well for the owner.

DR BYRON: If I could just add on to that. Somebody mentioned this morning the idea of heritage listings being voluntarily negotiated with a mix of carrots and sticks where council or state government might say, "We want a requirement that you can do this but you can't do that," and the owner might say, "Well, what do I get if I were to agree to that?" But it would be a voluntary negotiated commitment that was binding on both sides. Now, some people might be quite willing to have a heritage conservation order on their property and not ask a penny because they get some commercial value if they're operating a B and B or something. Other people might see this as an onerous intrusion into their lives and would want a substantial quid pro quo for agreeing to this and perhaps - I think the point you're making is that that actually puts a discipline on the listing body who ask, "Do we really want to list this place given that we have to pay some money for it?" Now, have I understood you correctly there?

MR SPENCER: I think so. Yes, the procedure though has to be clearly made that the reason for a heritage order isn't simply because the buildings exhibit the heritage of the area. I'm just trying to get off the point. You led me to think about their negotiating. For what reason would they negotiate? Well, because they believe there's something in that property that is clearly important to the history of the place from the point of view of understanding where we are as a community. While a building might have significance in that way, not that Joe Blow lived in - there was a councillor 60 years ago, but that the style of building was - I mean, I wouldn't even want to conserve the style of building that was paramount in the 1900s.

The point is, clearly people have to have a reason to conserve it because there is a public cost on all of this. The cost of conserving buildings is a loss. It's a bit like burning fuel for no reason. If you have to continually clean the gutters and replace the gutters on old buildings, you'd know what I meant. If you had to continually paint the putty on the wooden windows and replace it every five years or 10 years; if you had to continually do those sort of maintenance tasks you would understand the costings. Councils don't care what the costing is on the old buildings. Como House can't even maintain its own property. Como House, which I think you probably hear about - - -

MR HINTON: Yes, we know it.

MR SPENCER: - - - I grew up around the corner from it. I knew it before it was given to the trust. The whole problem with it is purely and simply that the people who are doing it, do not understand how to maintain properties. In other words, I could maintain it better than they could, but they're doing it in such a way that it's so expensive that they can't afford it, despite their vast revenue from all their properties, despite exemptions from rates and taxes, despite never having to pay the bank a cracker for the property. In fact, they've got commercial enterprises and shops in there, charges for entry, and they can't even afford to maintain it.

Now, you put it to me, why would you want to conserve these old buildings if they're not important? It's incredible. It seems to me that there's an industry that's just hoodwinked a lot of people. Originally we just saw it as job creation but now it's got to be almost a religious mania.

MR HINTON: Can I try another hypothetical on you?

MR SPENCER: Sure.

MR HINTON: It's really exploring POA's attitude in more detail to the heritage objective. My hypothetical example is a row of terrace houses built in the early 1900s or late 1800s perhaps. They have been conserved, that is they have been refurbished to the extent that they're now fully functional, safe. They meet all sorts of safety requirements. In fact the interior also meets the current standards of living with bathrooms and lighting and kitchens that we all care to love and have. But the community also thinks there's aesthetic value in that row of terraced houses and the community would argue they would not like to see the loss of those terraced houses. It therefore follows, the community takes action through the local government whereby there is some sort of preservation order in some form or other placed on them.

MR SPENCER: Aesthetic value as distinct from heritage value?

MR HINTON: Heritage being a broad concept that includes the aesthetics of the architecture of the early 1900s, late 1800s in this case. Now, if I understand you correctly - and I don't want to put words in your mouth, seriously - that POA would take the view that that has no basis on which you would seek to have or should appropriately have a conservation order through the planning processes of a local government. Is that correct?

MR SPENCER: I think if you're talking about a row of houses in a commercial area, yes. You can't expect to have the land tied up forever simply because there's a row of houses that's been done up to make them look pretty. Of course, you'd do them up to make them look pretty. We all do that. In terms of you're saying that the current living standards - obviously everyone will dispute that. You couldn't put a

family of eight into a small two-roomed cottage any more. That's what happened. You couldn't and you wouldn't do it. So in other words it's like a living museum with no point to it. When conservation started around the world, after the Second World War, mostly, when there was enormous devastation in Europe, people wanted some old things conserved because there was enormous rebuilding.

Of course there were areas that were well worth it and that's where this conservation thing started. The castles of England and Scotland were basically falling into ruin because of land taxes rather than war damage, but the whole conservation movement drew together and said, "Look, here we can conserve these things that are important to our history as a nation," and it was possible in some cases to conserve some, and others to leave the roofs off and just leave the shells in others. But you wouldn't expect to do that in London, nor did they, on any private property that I'm aware of.

The point that I'm getting to is that if you're trying to do that to Melbourne, you're creating in this vast metropolis, little streets of houses that have no more significance to this state - they might be significant to the local councillor who can put in 10 tenants in there who will always vote for him. That's about it. But I can't see any value whatsoever - and we're opposed to it - absolutely without compensation to the owner on the basis of valuations.

MR HINTON: Can I shift the focus a little and raise with you a concept that the industry - that is the heritage industry - broadly defined, is quite supportive of, and that's adaptive reuse. I'd welcome your comments on this concept and how workable it is, or might not be, with regard to the conservation objective and the development objective; that is a building has particular characteristics seen by some to have heritage value and it can be retained, but at the same time converted - it may be an old church, for example - to an alternative use, no longer needed as a church. But the preservation processes of local government retain the church as a building but with adaptive reuse, it turns into a bed and breakfast, a pub, whatever. What sort of reaction would you have to something that is occurring today that's supported by - - -

MR SPENCER: Well, I can give you a classic example of that. There was a Toorak Methodist church in Stonnington and it was such a building. The council did want to have conservation on it, and on the very day of the auction when it was sold as a church, as a going church where people could buy it for a church and so forth, the National Trust came along and said they had placed a classification, an order or whatever on it, the highest they could. Of course the auction still went ahead on the basis that that's not a government order. An owner bought it and of course the fight went on for eight years. It became a derelict wreck because no owner worth his salt would give up. What happened, it went to panel after panel and argument after argument and headline after headline and the building was demolished in the middle of the night and rails were put up to hold it back up.

People were saying, "It could be used as a cafe, an art gallery. It was such a wonderful site for it." But at the end of the day I just said to the panel, "Look, the building was never finished. I went to the church as a child and I know the records. They ran out of money in 1920 and they couldn't get the nave to the street, as all Methodist churches used it." With that, within a year or something, I don't know what happened, but anyway they demolished the building and got permission to put up five storeys of units which are very beautiful, built by basically a Chinese backed consortium. As far as I can see, compared to what was there, they are a hundred times as good, not just in terms of investment value or land value or anything, but in terms of community value for the people who can live there. In terms of church halls and things that are there, down the road within 300 yards there's public buildings, public libraries that could be used.

MR HINTON: I'm not sure whether it's Stonnington but on Malvern Road, a little bit east of Chapel Street, is an ex-church that's now an auction house, I think.

MR SPENCER: Not doing very good business either.

MR HINTON: Isn't it?

MR SPENCER: No.

MR HINTON: But it's adaptive reuse. Back on Chapel Street is a pub called Bridie O'Neill's or something. That used to be a church as well. That seems to do a very good business.

MR SPENCER: That's Chapel Street, I think you mean. Is that right?

MR HINTON: Yes. I thought I said Chapel Street, around the corner from Malvern Road.

MR SPENCER: Yes, of course. That was converted to a business well before conservation came into being, and the owners wanted it for that because it had that particular style that stood out as a shop. Most shops - the only business in the shopping street of Chapel Street, down that end of Chapel Street, is the actual frontage. People don't want to walk upstairs to a shop in that area. In fact down the road a bit further where there are multi-storey buildings they just leave them empty; no good, not even for housing.

So in terms of that street, yes, that's true, that could be done, but that was done voluntarily in effect by the owner. They could have - as soon as they bought it, before conservation orders were even mooted back in the early 80s - just demolished it. Many did demolish Edwardian houses when they heard about the conservation

orders coming and they made the right decision and there are beautiful houses in their place. If I can just bring you back to the Exhibition Building. The history of the Exhibition Building site is quite interesting. There's pictures on the Web of buildings over the years from the 1850s to the 1860s to the final building, and each one was an improvement on the last. In other words, the one before this one was quite a significant building, and the one before that one was a significant building. In fact we had it. We had it in Footscray, it had been moved.

So the history of buildings in this city is such that if something better can come along commercially, it will. If you're going to demolish a perfectly good building and put up a square block of flats, it won't happen. That church on Chapel Street is probably a living example of where sensible conservation will take place by itself. To get back to the other building you mentioned where they reused an old church as an auction house, why I say it wasn't commercially successful was, it used to work very well in the city with packed rooms and people loved going into the packed little rooms there; the place is too big for them, so in other words they haven't yet found a business to suit it. But my feeling is that an old state school with upstairs and downstairs and timber floors without proper access for goods and services is a waste of a block of land.

DR BYRON: I was going to take up some of the initial points that you made. I'm certainly not a lawyer - and we may need to ask lawyers for clarification of this - but my understanding is that although there's a constitutional requirement for the Commonwealth government to acquire on just terms, there's no such requirement on state governments.

MR SPENCER: I think that could be debated.

DR BYRON: Okay. The last thing I read on this subject a couple of years ago was that the general practice in Australia seems to have been that governments certainly pay when they take property as a whole, such as to put in a freeway or a hospital or something, but they have very rarely paid for diminution of the bundle of rights. So you still own the property, there are just some restrictions on what you can do with it. There doesn't seem to be precedents in Australia for making compensation payments in those terms. That was where the textbook I was reading specifically contrasted it with - I think in the UK where - I think it was the National Trust - if they list a property they do have to actually have a licensed valuation before and after, with or without the listing. If it turns out that the listing was going to reduce the property value by 100,000 pounds they would then have to write out a cheque for that amount and the result of that was that they thought very carefully about which properties were worth listing.

The point of the book I was reading was that - I think the point you made earlier - having to pay puts a certain discipline on the listing group - "Are we sure

that we really, really want another one of those, given that we're going to have to pay for it." If there's no cost to pay then council could - or the state government or the national government, presumably, could go around listing more - - -

MR SPENCER: I just make the point that just flew into my head then. People are like collectors - institutions are like collections. There are obsessions in collection. People start collecting, whatever it is, old teapots. They're not happy collecting five for their mantelpiece, they want to collect 500. It's a bit like that with these conservationists, they're not happy with just one old church in the area, they want them all. They're not happy with some, they want more. Certainly having to pay compensation and a just price would certainly make them stop that sort of obsession - obsessive behaviour.

DR BYRON: I guess many of the people that have appeared before us have argued that councils and state governments haven't been active enough in issuing conservation orders. It may not surprise you if I told you that you're in the minority, not that this is necessarily a popularity contest.

MR SPENCER: Well, with all due respect to them, and I understand their point of view, but I do think that they have to walk in someone's shoes before they understand it, and obviously there's only a small percentage of people who become lessors and serious lessors, rather than just buying an occasional property for retirement income. It's a very great difference between being a Marriner who does up old buildings and someone who just does up their bed and breakfast. So just to come back to your point there, while we're not in the majority in some ways, you could argue that in Nazi Germany.

It doesn't exonerate the change. We believe that a heritage of rights is far more important than a heritage of places, and to get people to understand that is going to take time, that's all. Most things have a pendulum and it will swing back, but in the meantime we'll have a wreck of properties and advantages for the market to play around with heritage orders and planners and things like that, when it's going to be very bad for inner suburbs.

MR HINTON: I think I know the answer to this question, but I'll try it anyway. There are professional associations out there that have a particular interest in tranches of perceived heritage, whether they be engineers or architects, and in circumstances where in your industry you deal with architects a lot, I thought I'd seek your views on that particular tranche. For example, the Institute of Architects would argue that it's important for Australia's heritage that buildings should be retained that represent a particular style of architecture. A good example is the Cameron Offices in Canberra, Belconnen, which is seen by the architects as a prime example of the late brutalist period of architecture and therefore have fought very strongly to have it listed. That has been a set of offices. It's no longer uses as offices but now there's a

proposal around to in fact convert them to apartments but retain the basic structure that pertains to the late brutalist period of architecture. Did you have any reaction to that?

MR SPENCER: It's abominable. If you've got a whole streetscape of the whole thing and it fits in and it's like Bath in England or something like that, then you can afford that sort of conservation or that sort of feeling, but even so you'd still have to pay the owners off to make them agree to it.

MR HINTON: They think they might develop it, sell it as a development.

MR SPENCER: Yes, but it's an industry for architects and, as I said, the heritage industry has got too much say on it because they're so close to the councils and the Department of Planning, and if they had to sit down and actually do the work themselves, they'd change their minds. They're architects, they're pencil-pushers and that's it.

MR HINTON: I keep exploring with you, or wanting to explore with you, different categories, not very successfully, but you've been responding, so thank you. One commercial type of building that has a strong push for heritage conservation is a sort of arcade. There's one in Adelaide which joins Rundle Street Mall with the street back from it. It's a significant piece of the sort of nature of Adelaide in the centre of the CBD in Adelaide. It is listed, it is conserved. It operates commercially under some competitive disadvantage relative to new arcades because of upkeep expenses alone - more expensive. Do you have any reaction to the need or otherwise to retain that sort of building - commercial, operating commercial, but an inherent part of the history of Adelaide, for example?

MR SPENCER: I can't recollect it. I've been through many of the malls of Adelaide, but obviously everyone knows the malls, the famous malls, of Melbourne better, and I wouldn't even know if there are conservation orders on the famous ones off Collins Street. But even if there weren't, you should have no worries about them because they can be reconstructed. You said the cost of maintaining them is more. The cost of reconstructing them is not that great.

I mean, we're not talking about Disneyland reconstruction, we're talking about physically just taking the buildings and putting them somewhere else. So if it's a disadvantage for the owner of the land, it's clearly up to the person that wants to conserve them, if the owner says no, to take them somewhere else. They can buy the buildings and take them. It's not impossible to reconstruct an arcade in the style that you want, and it's been done in Cheshire and in Londonderry, I think from memory, and certainly in London they've reconstructed quite a few after the bombings. to reconstruct a

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DR BYRON: Digital perhaps.

MR BARTLETT: - - - so that future generations can again get to live the experience that these pioneers of engineering and architecture and any one of a number of other professions that leave behind monuments of one sort or another. I believe it's terribly important, and in fact the rest of my talk will hinge around some of those issues that I think are open. Point number 8 is to do with storage and dissemination. I'll move through this as quickly as I can. Life is fast and leisure time at the moment is very precious. Technology is changing rapidly and giving us unprecedented ways in which to store images and disseminate information easily and cheaply via the Internet.

The gathering of information is undergoing a gigantic upheaval. From little more than a modest trickle a year ago, the use of MP3 files - that's audio files - and portable audio players has absolutely exploded. There are no signs of it slowing. I have just, purely by accident a couple of days ago, uncovered on the Internet a vicar in England who had been putting his sermons in an audio file - - -

DR BYRON: Podcasting.

MR BARTLETT: We'll be there in a moment, sir. In the space of one hour, 2000 people downloaded one of his files and in fact it was that popular they had to close down the server and start it up on another one, they just couldn't handle it. Who would pray for an audience like that. Audio on hand is a notable opportunity to disseminate information to the mobile community, particularly to target people's personal interests during their spare time, ie, in the train, in the gym, running, cycling, walking, driving, even out touring in a car. This type of time is particularly suited to the use of audio. It's hands-free. You can drive the car and you can listen.

Podcasting - and I was there - is a term generally used to describe the publication of audio files on the Internet. The list of organisations providing regular audio feeds has gone from a trickle of a few hundred this time last year to tens of thousands as we speak and it's growing at a staggering rate. I have been keeping an eye on it, I have been interested in it for 18 months and I am amazed at what has happened in the last two months. If it goes at even half that rate for the next 12 months, goodness only knows where we'll be.

It may well see the greatest challenge to traditional broadcasting since the 1930s. Our ABC and the BBC have released quite a lot of their programs via podcasting and I believe have been absolutely swept away with the response. Several of these feeds feature normal radio shows about culture and history but heritage isn't there yet. At least when I checked yesterday there was no generally acceptable podcasting for heritage. In essence, any ordinary person with a computer

and an Internet link, a quiet room and some basic equipment can produce good quality audio programs, importantly, very cheaply, very efficiently and it's something that at this stage the media moguls haven't got on top of either and I can't quite see how they're going to achieve it. It is an interesting concept.

Basically audio files are placed on web sites in the form of a feed, harvesters are software programs that scan the Web looking for newly published or updated files fitting certain criteria. You can personalise them and of course put the files then onto an iPod all done automatically by your computer, in my case while I sleep because that's a cheap download time. The potential to use podcasting to target discrete sectors of the community is enormous. At Engineering Heritage Victoria we're presently conducting limited trials with experimental formats. We hope to launch a fully-fledged podcasting service shortly. It is up and running at the moment but we're keeping a bit quiet about it because we certainly couldn't handle a rush, but more importantly the quality of the presentation is not quite what we want yet.

Point number 9, virtual heritage: in most cases, the value of heritage and heritage sites is diminished if no-one knows where they are or what they mean. Imagine the power of a combination of readily available technology like the GPS and the sound system in your car. I'll give you an example. If you're travelling up the highway from Melbourne to Bendigo, as you pass Diggers Rest, your car radio may announce that across the paddocks to your left, about a kilometre, is a cairn marking the place where the first powered flight took place in Australia. Harry Houdini was the pilot credited with it. I understand some members of the Duigan family might disagree but we'll not go down that path.

Your GPS may offer to take you across there if you want to go and if you elect that option I presume your audio system would then start to give you the story behind that flight and the significance of it - living history to me. It's there, it's available, it can be used instantly now, and most importantly, young people are using it. I've had an iPod myself for some time. I recently bought a very small unit which is about half the size of this pen. I timed this talk at 16 minutes but regrettably I think I've overrun it.

I think that talk would fit on my little half-pen sized MP3 player 183 times, staggering the amount of material that you can fit on those things. So we're certainly into it. We believe it is a very, very distinct option to get the message across to young people in a novel way, to get the message across to anyone else that wishes to look for it, but most importantly to try and bridge the gap between young engineers and those of us that are interested in heritage. That concludes my talk, thank you.

DR BYRON: Thank you very much. You've left me almost speechless and you would be surprised how unusual that is.

MR HINTON: It's even worse, I don't have many questions either. Don, that's a perspective, before today started, I wasn't really expecting. So, thank you, that surprised me.

MR BARTLETT: I hope it's of some use, or a challenge, one of the two.

MR HINTON: A bit of both. You heard, I think if you were here, my question about other professional bodies, such as engineers and architects.

MR BARTLETT: Yes, I did.

MR HINTON: I'm glad I chose architects instead of engineers now. That particular set of comments does give us the engineering perspective that really we've touched on with regard to some of the industrial sites which engineers I know are particularly interested in. But this is not a variation on that, that's another perspective again, so I think it is valuable. Nothing emerges from your presentation that has sort of led me to raise a question. Maybe Neill has got some now.

DR BYRON: One of the things that we've been grappling with adaptive use, particularly of what Tony sometimes calls "the uglies", industrial workplace-type sites - the freezer works, the abattoir, the gasometer, the Spotswood sewerage pumping station et cetera - things which are not charismatic, beautiful, old, grand sandstone mansions, for example, and yet may be incredibly important in the history of Australia's development and economy and society. I guess that's where groups like yours - Engineering Heritage Victoria - are still coming to the challenge that there is redundant, not important technology that we inherited as a legacy. Some of it is very, very expensive to maintain in working order, some less so because it was very solidly built at the beginning. How many options are there for both retaining and presenting to the public the story of this heritage technology? I mean, you mentioned the Scoresby steam museum.

MR BARTLETT: Yes, the National Steam Centre at Scoresby.

DR BYRON: Is there room for one of them in each state but perhaps not one in every local government area? It's a fairly niche area.

MR BARTLETT: Yes.

DR BYRON: Likewise with people who restore Tiger Moths or whatever, they're preserving an important part of Australia's heritage.

MR BARTLETT: We would say engineering heritage, yes. The attractiveness that I see out at Scoresby and also at Winton is the fact that for younger people they can see in many instances - they can get a glimpse of the context in which the machinery

was used. For instance, a steam engine that was used to pull logs out of the forest, it's difficult to envisage what the conditions must have been like in those days, unless you are physically doing that task, but at least to be able to see the steam engine operating. You can get some appreciation of how the task was done and how difficult it was.

I would jump ahead a little bit and say, "Well, it won't be long before MP3 players are given away in the Kellogg's packets," and they might even come pre-programmed with items of interest for whatever the market perceives to be useful. But you could combine the two - and I suspect in many other displays as well - to give people a lot more presentation of the context of these things. It's all very well - out at Dight's Mill, which I'm a little disorientated here but it's on a bend in the Yarra River just over there somewhere. A lot of money was spent restoring the old machinery, such as it was and such as was left after it had been buried under the Eastern Freeway I think for quite a number of years. A lot of money was spent restoring what was left.

There was a lot of debate at the time: should it be restored and put back in situ, or would it be better if it was taken to a place and protected, because all that's happened now is it is just a great mess, it has been a waste of money. The machinery is now rusting away because nobody pumps the well out any more. The well is half full of rubbish. The channels that bring the water into the mill and away from the mill, took it away, have ceased to function properly - at least the last time I was there. They might have fixed them up yesterday for all I know. The context within which all of that operated was shown on plaques. The plaques were placed on pedestals and the vandals ripped them off. So to the majority of people, they go down and they see some bricks, some bluestone, a channel, a bit of material. They can envisage a bit of the story but most of it is missing.

I don't offer a suggestion as to how that particular case can be fixed other than better maintenance. If you're going to restore something it needs to have maintenance built into the long-term plan, otherwise what's the point in restoring it. The stuff would be better off in a shed at the museum somewhere where one of these days its contribution to heritage may become so significant because of its age that it then gets the treatment it deserves. It certainly doesn't deserve what's happening to it now.

MR HINTON: Don, what I find interesting is that you're here as representing Engineering Heritage Victoria - EHV - not Engineers Australia Victoria, that is, this is clearly an indication that Engineers Australia Victoria have designated a special interest group called EHV with a particular focus on engineering heritage.

MR BARTLETT: Correct.

MR HINTON: That in itself is of interest to me that there is interest within your professional association and in Victoria that has designated this as a special interest group.

MR BARTLETT: For the record, the Institution of Engineers (Australia) has a trading name of Engineers Australia. The Victorian division is Engineers Australia Victoria Division. We are a special interest group of that division.

MR HINTON: Thank you.

MR BARTLETT: Otherwise I will get into trouble with my peers who are at great pains to point out that my traditional use of the term "Institution of Engineers" is now very old hat.

MR HINTON: Thank you. I was trying to quote your submission but clearly I didn't do it accurately. Are there many other "special interest groups" within your organisation?

MR BARTLETT: Yes, there are. Obviously structural and civil, electrical, mechanical, chemical, environmental. They're a level above us. We're a special interest group, I suppose, because in engineering circles, heritage isn't a profession from which you can earn a living, whereas I dare say in some other - certainly civil engineers and structural engineers earn a living from theirs, so they have more of a learned society approach. Of the special interest groups there's a military society and I'm sure there are others. I just can't recall them.

MR HINTON: Thanks very much.

DR BYRON: Well, all I can say is thank you very much for sharing all that with us. I think you've disproved your own assertion that you're a heritage item by your very modernity with iPods. Thanks very much, Don. I think we can break for about five minutes for a cup of tea. Thank you.

MR BARTLETT: Thank you.

DR BYRON: We will resume, ladies and gentlemen. John, if you and Roz could just introduce yourselves for the transcript and the highlights from your excellent and very detailed submission. Thank you very much for that and thanks for coming today.

MR PRESTON: Thank you for having us. John Preston is my name. I'm the manager and property officer of the Synod of Victoria and Tasmania and representing the Uniting Church in Australia. All of the synods we decided to combine to make our presentation. Roz Hansen is our heritage consultant and she will make mention of those features.

MS HANSEN: I'm managing director of Hansen Partnership which is a planning urban design and landscape architecture firm. I'm also a former chair of the Historic Buildings Council of Victoria. I chaired it for six years. I'm also a centenary medallist for services to conservation in Australia.

DR BYRON: Thank you.

MR PRESTON: We just wanted to say that the Uniting Church was actually created in 1977 and it brings together the three major traditions - the Congregational Union of Australia, the Methodist Church and the Presbyterian Church. But behind that there were earlier unions which brought together the Wesleyan Methodist Conference, the Bible Christians, the primitive Methodists and then the Presbyterians, the Church of Scotland, Free Presbyterian Church and the United Presbyterian Church. So in some communities we actually have a representation of all of those denominational buildings which is a major problem.

Why we put this submission in is because at church union, or just following that, I was invited back to work within the Uniting Church, having worked with the former Presbyterian Church of Victoria, and particularly had to address the question about how many churches should we retain within a community. In some cases we had one of each of the denomination or buildings actually in the same street, so that was a major concern. In that period of time I worked on decision-making relating to property and got to see virtually the largest number of buildings within Victoria. So I was dealing on a one-by-one, about 170 churches a year with specific consultation and advice.

Then in 1998 when I was appointed the manager property board, I went back out into the field to develop a closer relationship and saw to my horror the further deterioration of the buildings. Not only that, we appointed Dr Elizabeth Hastings, who had been the equal opportunity Commissioner in the Equal Opportunity Board, and she was determined to allow members with disability to take full participation, both in worship and in actual leading of worship. So that meant we had to provide access to sanctuary spaces for wheelchairs without having to actually push people in.

Now, that creates an immediate problem, both from the point of view of structure and compliance with a lot of people who would rather keep the sanctuary as it was originally created. Each denomination had a different sanctuary model to be followed.

We saw the establishment of the Synod of Victoria and Tasmania. In some cases it was the inability of the Tasmanian community within the Uniting Church to cope with the costs and also the maintenance of significant buildings because we've got lots more heritage-listed buildings in Tasmania than we have in any other state. We really have tried to take seriously the whole question of involving other denominations dealing with this issue with government. So we initiated through the Uniting Church and the Victorian Council of Churches, a heritage advisory committee which would really take seriously the whole issue and start a promotional program to draw to the attention of government the fact that we all, as denominations, had significant problems with heritage buildings. They were sort of seen as sacred sites and we're on, as far as our denomination is concerned, about providing living places of worship rather than museums.

That requires us to be able to provide those facilities for all impairment - sight, hearing, physical - within our facilities. So we set sail on a fairly arduous course to develop that whole background and understanding about how we were going to operate as the Uniting Church in Australia. So we then followed through and we've actually been able to, as it were, promote within our congregations the fact that we're on about spreading the word of God and caring for people. Our core business is about being faithful disciples to Christ rather than being managers of buildings. Buildings support us in our outreach and programs but they're not the end product for us.

That's, as it were, a quick overview about the journey we've taken particularly in the last, say, 10 years trying to address this major problem. We have set as part of our business plan or our business operation a risk management program and we're trying to address that whole matter and we've now incorporated in our national regulations that if our buildings are deemed to be unsafe they will be closed.

MS HANSEN: I might just continue on, if I may, Neill and Tony. I mean, obviously we're talking about a non-profit, non-government organisation here. So therefore in the context of heritage, the opportunities to create what we call cultural capital out of these assets are somewhat limited. One would say perhaps the battles have been fought and won in regard to Australian society's commitment to heritage, generally speaking. There will always be individual cases where there will be individual fights. But we think the attitude has changed and that heritage is now seen as part of the public good. The issue is who pays, and often the public enjoys the amenity of heritage without necessarily looking at the bank balance and the dollars that need to just do basic repair and maintenance. That's the dilemma that the

Uniting Church in Australia is at.

There is, I think, a growing opposition to adaptive use of many of the church owned buildings, that certainly in terms of the interior these buildings increasingly that's becoming an issue. Even on the basis of liturgical changes within the way you worship, there are congregations who are opposing those changes. So we are seeing a shift in direction from not only the external controls and concerns about heritage places owned by the church, but also the interiors and that's causing great angst and concern.

We are also facing a problem in having to close churches down because, as John said, we have so many of them through the union that we simply cannot sustain all of the churches as individual buildings and viable congregations. So we're faced with having to close them down. Now, you can imagine that that creates a fair amount of community divisiveness and outrage when they see the place of God deserting them or being sold off by the very place that they worship in terms of mainstream Christianity. The cost of conserving heritage I think shouldn't be underestimated, particularly for church buildings, because many of the church buildings are very old, they're not in the best of condition, so they are showing the test of time in terms of wear and tear.

We believe there is an acute shortage of artisan skills, certainly many of the churches are stone, and so therefore being able to find the resources, both the raw materials and also the skills becomes very expensive. There are escalations in building costs, even very simple repair and maintenance activities. Works on churches, historic churches, are very expensive outlays for those congregations. Also, as John said, the compliance with occupational health and safety and building regulations is adding cost, as well as the prohibitive insurance cost, because these are places of worship, they are places of assembly, they are workplaces. So they get caught with pretty hefty insurance premiums just to keep the doors open, without looking at the costs of actually other repair and maintain requirements.

The actual financial returns are low for the Uniting Church in Australia. The annual bank balances for many of these congregations are very small and they're getting smaller because the congregations are shrinking. So as they shrink then obviously the donations and the ability to generate funds is reduced, and in conjunction with that even voluntary services are shrinking. We've got an ageing community and less and less people are actually doing voluntary work to assist in just general repair and maintenance and upkeep of these properties.

In regards to the social and demographic trends we've gone through those, but it's quite clear that there are many alternative faiths now available to communities that mainstream Christianity is probably going through a very tough time in terms of getting people through the door and getting donations in the bowl, and they are very

clear factors to the Uniting Church in Australia that that has reduced the amount of revenue available just for basic conservation works and repair and maintenance. There is an attitude that the church is rich, and what we say is that the church might be rich in assets but in actual fact those assets are costing a lot of money and that those assets are increasingly becoming a liability just in terms of basic maintenance and conservation.

The adaptive use issue: we believe that there is a growing opposition to adaptive use, particularly of church buildings. Church buildings aren't that easy to adapt to alternative uses because of their specific purpose-built design, layout, window formats et cetera. So there are problems there in terms of adaptive use and those inherent problems obviously reduce the amount of options for new uses, to keep those buildings as living places when they're no longer used as places of worship.

The benefits of heritage places: what we would say is that unlike many other heritage places that you can really put a dollar value in terms of their tourist attraction or their tourist appeal, churches are places that people visit. They're often free in terms of admission, often the donations made by visitors are pretty minimal. They're not normally places that attract repeat business in terms of the clientele coming back again and again to see the same place. It's very much a one-off experience for tourism. So if you want to put them in the bracket of say tourist attractions from the point of view of cultural heritage, their ability to generate capital is very small, very minimal, and that is a dilemma for them.

So many of the benefits that we would associate with the churches owned by the Uniting Church in Australia are the intangible benefits. They are ones of the sense of belonging, the spiritual and social values, the aesthetic values, particularly the environmental values in terms of the contribution that they make to the streetscape or the townscape. We say that those tangible costs really for them are more in line with the repair and maintenance, the upkeep, than the actual revenue that is generated by owning that particular asset and that is causing problems.

In regards to financial assistance, if you just have a look at the Victorian Heritage Program here in this state, in the two-year period from 2002 to 2003, because the public sector and local government, as well as state government, can actually submit for those funds, some 50 per cent of those funds in the first round were allocated to government agencies. Now, we would say that's a pretty hard competitive environment for non-profit, non-government agencies to work within. So whilst the philosophy of having grants and loans available through state government agencies might seem on the surface to be quite a generous offer, the reality is that much of that funding, at least in this state, is being allocated to public agencies, who already have direct and indirect taxes as revenue streams, whereas the church doesn't quite have those benefits.

The issues of tax incentives - we don't get any tax incentives at the moment. The only tax incentives available are to the National Trust in terms of tax deductibility. We would ask the question why, given that we are also a not-for-profit non-government agency, with probably one of the largest portfolios of heritage buildings in this country, when you put all of the buildings together as a result of the union of churches back in 1977. So we get no tax deductibility. We get municipal rate exemptions, but if we actually own vacant property on separate title we get rated for them. If we use the manse often for commercial purposes, we get rated on that, and we also get hit with ancillary service charges by local government. So, whilst some people might say, "You don't pay rates," the reality is they hit us in the pocket with all of these other things.

So I guess we've indicated some realities there. All we'd say is we're looking for fiscal reform, we're looking for tax incentives, we're looking for low-interest loans, we're looking for revolving fund mechanisms, any way that we can actually try and get some money into the system to be able to then, through a strategic approach, allocate it on the basis of those church buildings that are high priorities that need immediate repair and maintenance works. So we're really looking at the fiscal side here to try and review and revisit some of the past tax incentive schemes that have now been abandoned, certainly at the federal level. It might be an opportunity to review them, revisit them and say, "Look, where did we go wrong? Why didn't they work? How can we actually make them work, particularly for these sorts of organisations?"

On the regulatory side, we believe that local government is getting tougher and tougher on heritage buildings, particularly the fact that there are now many, many church buildings and heritage overlays in planning schemes throughout this state and certainly in other states and territories, and we're finding that that's the situation - that not only are we increasing our number of registered buildings but that the controls are getting tougher, the regulation is getting tougher, and that in fact we need some concessional and discretionary approaches to the regulatory system to help us along. The legislative reform would follow those fiscal and regulatory reforms in terms of ensuring that it has some sort of statute.

DR BYRON: Thank you very much for that. In some ways I guess the Uniting Church may have experienced this phenomenal more so than other denominations because of the union, but to a certain extent this is a problem that's common to all denominations - declining congregations, particularly in rural areas.

MR PRESTON: Yes. Many of the churches that were developed in the early days were what I call a village church model. Whereas some of our sister churches, like the Roman Catholic Church, may have had a systemic education model with school, cathedral, we've tended to be in a smaller community based operation. So then you

find this whole proliferation of buildings that came with it right up until the 50s, but it was always following that village model. Gradually after say the 60s they started to be cooperative arrangements, to try and avoid the number of places we were setting up.

DR BYRON: I'm trying to sort of step back a bit. There's a certain level of generality of abstraction. The problem is actually not that different from many other organisations that we've heard from, with declining stable revenues, rapidly rising costs, something that is not seen to be core business, and what do you? It's very hard to retain the asset but it's also very hard to dispose of it. I guess it's no consolation to say that others are in similar predicament.

The point that you made about the Victorian heritage grants in the submission interested me, so I asked this morning someone else who was here why it was that state government and local agencies were allowed to compete and take such a large amount of the money that was available. You might want to check the transcript, but from memory what was said was, "Originally that fund was intended only for state agencies," and then gradually not-for-profits were allowed and community organisations were allowed to come in. But, as you point out in the submission, it's not quite the level playing field in competing for that grant money.

Having listened to both Engineering Heritage Victoria and, just before lunch, the Historic Organs Trust, a point that occurs to me when grants are made for the restoration of some physical asset, whether it's a piece of machinery, a pipe organ or another piece of machinery, is that if you're trying to prioritise about what to spend money on restoring and retaining, the questions one might ask are: will it continue to be used after it's been restored - there doesn't seem to be a lot of point in spending millions of dollars in doing up something which is then going to have to be disposed of a few years later - and is there a mechanism for its continued good maintenance after it's been restored? We heard the example of the Dwights Falls machinery. A lot of money went into fixing it up and now it's just sitting there degrading again. One of the things that we're trying to ensure is that the money that's already available for heritage conservation is being efficiently used and not wasted before we start thinking about the magnitude of the additional funding that might go in.

That was a long introduction. There is a point. If the Uniting Church has these physical assets which are in need of restoration - backlogs of repair and maintenance - what criteria do you use to decide which ones are worth investing in to keep going as opposed to letting go, apart from the fact that obviously the ones that are structurally unsafe will go?

MR PRESTON: One of the goals, one of the funding needs we have at the moment, is to do a very careful analysis of all of our buildings. At our Synod meeting which will be held in September we're proposing that we start a process of

analysis to determine which are the significant buildings that ought to be retained long-term, so that what money is being spent would be spent wisely on those facilities.

DR BYRON: But then the question of what you mean by "significant" arises. Is it because of their historical interest or because it's a large, dynamic and growing congregation that will continue to use it as a place of worship irrespective of its historical merit?

MS HANSEN: Neil, this is something I've been saying to the Uniting Church - we first need to do an audit of what we've got and start rationalising what we can keep, what we need and what we don't need, what condition the buildings are in for basic repair and maintenance. For every building the fundamental is it's got to be waterproof. That is just a basic. There is no point in restoring the interior if the building is going to leak or if it's got stability problems. So there are, if you like, things that relate to, from the point of view of the congregations, do we need this building any longer in terms of what the congregation needs? What are our options?

The second point is, how significant historically is this building in the context of the range of buildings from national, state, regional, local, if you wanted to look at three or four tiers of significance, and how many have we got of the same building? We have a lot of buildings of the same period and we have to make some decisions there. We're not saying we're going to demolish them. All we're trying to do is to get some finer grain into what we've got to understand are our assets, and then I think to decide where we're going to put the money. But we've got a number of audits here to do based on our needs, based on the nature of the buildings themselves and their significance in cultural heritage terms and based on their repair and maintenance needs, from urgent to less urgent to least urgent, if you like.

DR BYRON: But there will be trade-offs amongst those three groups of criteria?

MS HANSEN: Absolutely.

DR BYRON: The ones where need is greatest might not be the ones which are of the greatest historical significance.

MS HANSEN: Yes, that's exactly right.

MR HINTON: I was going to throw in another criterion and use that as an introduction to some questions about adaptive reuse; that is, if you've got the requirement - asset-rich, cash flow-poor - to sell some assets, one criterion might be those products that actually you might get a higher price for, that is, there might be a demand for it, and then adaptive reuse becomes a significant input into that judgment. Am I being too commercial in my question?

MS HANSEN: No, not at all, and in fact that's a process that we've been going through. I've been working with the Uniting Church in Australia simply looking at how we can get highest and best value on some of the properties which are location, location, location.

MR HINTON: Precisely, the real estate factor.

MS HANSEN: Exactly, and that's what we've been trying to build into the equation, to be quite commercial about this so that we can, from those sales, generate moneys, and I have been saying to the church, "Put a proportion of that back into a fund for repair and maintenance of buildings, and the remainder then is to be distributed according to your social programs and your other services that you provide."

MR HINTON: Core activity.

MS HANSEN: Exactly. Now, we are working towards that but realistically, Tony, we just don't think we're going to touch the edges of the problem in terms of the fact at national level we've got so many of these buildings. It's going to be a very long and arduous process to work through that, but we have started.

MR HINTON: Not adaptive reuse, though. Both in your written paper here and in your comments this afternoon you referred to opposition to adaptive use, and I interpreted that to be from the community, not from within the church administration - or is that an overstatement?

MR PRESTON: We generally find there's a greater concern from the community that are not contributing members. They just don't want to see it changed.

MR HINTON: That suggests to me that that's an educational issue to the realities of life about the asset-rich cash flow-poor circumstance, with significant demands on maintaining that portfolio of properties, and that when they see the realities the way parishioners do and the way the administrators do, you might have less opposition to the adaptive reuse model.

MS HANSEN: Yes. I think one of the other things, too, is that municipal councils are employing heritage advisers, and we have indicated in our appendix 7 our concerns with the way heritage advisers at the local level have been quite constraining on issues of adaptive use in terms of internal changes to bring buildings up into modern standards to then be a marketable commodity out in the marketplace. So we are finding that, even at the municipal level, there is some resistance to change.

We have a case down in rural, regional Victoria at the moment where we want to change the way of worship inside one of the churches. It's a very difficult format. The church is very restrictive because of the shape of the building and the way it's been designed, and we have got real opposition from a section within the community, some of whom are congregationalists, others who are lapsed but have a passion for the building, and they are really fighting hard to make the building inside work better for the congregation. So even on basic liturgical reasons we are having great difficulty convincing some people in the community of the necessity to do that, and this is a building we want to keep as a place of worship.

DR BYRON: Yes, I understand the frustration when heritage controls actually inhibit the ability to use the building for the purpose for which it was intended. I did have another question but - - -

MR HINTON: Well, I'm happy to go.

DR BYRON: Yes, I've forgotten.

MR HINTON: I had a question on the tax deductibility issue which you put forward as one of your fiscal reforms and drew a parallel with the National Trust, who do have a capacity to get donations that are tax deductible. I've stopped the trust leaving. I don't want you to miss your plane, please. I'll stop drawing the parallel. My question really relates to the factors at work, about how the church could get that sort of treatment under the tax system, in the sense that you're up against the fact that there are perceptions that the church has assets, therefore why should the taxpayer generally help you; (b) some perceptions that the church is in fact quite wealthy. Rightly or wrongly, they are perceptions that certainly come into play with public policy more generally.

There is also an issue of accountability. Once you've moved to a tax system providing incentives in a manner that the general taxpayer is funding certain activities, then there's a process of how those funds are used and what sort of transparency is there about their use and what sort of accountability systems apply in the actual process of getting deductions. Have you thought through those sorts of issues, the perception issues and the sort of accountability issues?

MR PRESTON: We believe we can manage that quite creatively and carefully and transparently in terms of the process, because we already have the responsibility at law to manage bequests and estates and trusts. So the property trusts in each of the states can actually deliver the standards that they have to deliver in terms of accountability, transparency and so forth. In conversations with the National Trust, they were saying that they find it difficult to manage. It's another accounting procedure which they have to ensure: that those congregations that are using the tax deductibility trail through them - that that's another cost to them as an organisation.

We're saying if we could demonstrate to government a standard of transparency and accountability, then we believe we can manage that, because we do it on a whole range of things already. We have to be accountable to the Commonwealth government for any grants or funds that come in for delivery of programs, services, whatever it might be - hospitals, community care programs. All of those issues have got to be met.

MS HANSEN: Tony, can I just answer on the community perception, about this perception of being asset-rich. The reality is that, yes, we have a number of churches. If we sell them, because of the nature of the building, we aren't necessarily getting the value of the building. We're probably getting the value of the land, to be honest, rather than the building itself. But putting that to one side, sooner or later you sell off and you've got nothing really to sell. That's the conundrum here. We could have a fire sale, we could be selling off our churches, to pay for things now and in the future, but that really isn't a sustainable situation.

DR BYRON: It's called selling the family silver, isn't it?

MS HANSEN: Absolutely - nor does the church want to do that, because the church believes that those buildings add to the collection of the traditional buildings in towns, certainly in rural and regional Australia, and they don't want to do that.

DR BYRON: On the subject of rationalisation and location, location, location, I would have thought that the grounds, the areas of land, that the church owns, which are of very high real estate value, might be some of these icon buildings in Collins Street, which would be by far the most difficult and contentious to dispose of.

MS HANSEN: You see, I would disagree. They're the ones that are in the public eye because they're probably the most well known. If we were looking at the Uniting Church complex in Lonsdale Street - it's a bluestone church with a number of buildings on the site - that's almost an iconic site for this congregation Australia-wide because it's such an early church. So, whilst the real estate might be of value, in actual fact many of those churches, certainly in central locations, are the ones that the public treasure and defend the most, in my experience.

DR BYRON: That's what I thought I was trying to say: you can't actually sell off the most valuable ones first, because the most valuable real estate is also the most valuable to the members, and there might be other more modern churches somewhere else that might be less painful to let go.

MR HINTON: I was wanting to continue with the National Trust parallel in the sense that their particular set of assets are not being sold off, although some are. But they don't have a surplus supply of non-core available products; they actually have this pursuit of heritage conservation. In your case, though, there's an issue that there

could be a perception that taxpayers' funds, through tax deductions, could be used to upgrade buildings that then go on the market for sale at a higher price than it otherwise would be, but that doesn't address the issue of heritage conservation. What it does is address the return on your asset sales. I haven't thought that fully through in terms of whether that's a good or bad thing, but prima facie it suggests to me there may be at least a perception issue about the accountability aspects of that deduction for tax purposes. Do you have any reaction to that particular difference between the National Trust and, say, the church?

MR PRESTON: There have been occasions in the life of the churches where we've received government funding, and the condition of the government funding is that if the program ceases the government funding, capital funding, would be repaid. So there is a sense in which there is an ongoing release. So if government requires the closure of a certain type of program, which may be conducted like a pre-school or a child care centre, or one of those - particularly kindergartens is the one that comes to mind - if the government initiates the change, then that's a different story from the church initiating the change, and if the church initiated the change, then the capital component was repaid. So I think there are ways in which one would be able to address that.

In Tasmania there's been a policy in that former synod that where there was a heritage building sold there was a percentage of those funds held specifically to maintain other buildings which needed care and repair. We've followed that protocol and we're introducing that back through our own combined synod now. So there is some protection in terms of what's been achieved and how we can actually maintain a significant facility.

MS HANSEN: Tony, just on that, there might be a great urgency actually to do the works to that building and then it does get sold but, as John said, if there is an arrangement, a leverage here, that actually says that you've got to commit a certain amount of the sale - let's say the sale occurred within three years from when the works were completed: then a certain percentage of that money should go back into a capital fund held by the church to then reinvest back into repair and maintenance of other churches, in other words, trying to at least get a link of revenue, a flow-on effect, to other properties. It's a matter of detail. I don't see it as insurmountable.

MR HINTON: Thanks for that, Roz.

DR BYRON: But I think it's fair to say that most governments have shown a preference for a system of contestable grants where, if someone could put up a good enough case, they got the money for an explicit agreed set of works, rather than having income tax measures, for example, which may take on the character of a blank cheque, and where there isn't actually a mechanism in place for monitoring either whether the work was worth doing or whether it was done well or done at all.

One of the reason why I think there's been this trend towards having a fund to which private individuals or not-for-profit institutions might apply, because presumably with clear rules about criteria and so on, it's very easy then to be accountable for what's being achieved for the expenditure of taxpayers' dollars. But in what form additional government support should be supplied is very much a third or fourth order question for us in terms of working out how the overall system works.

MS HANSEN: There have been schemes in the past that have been abandoned. Obviously there are lessons to be learnt from those, why they did or didn't work, and it's just unfortunate they no longer operate as an avenue for fundraising.

DR BYRON: One of the intriguing issues for me that I guess I hadn't appreciated before was the extent to which churches in general, and the Uniting Church in particular, have been sort of caught in a heritage treadmill that wasn't actually intended for that purpose. The consequences of that - heritage legislation was intended to stop people who wanted to bulldoze houses to put up high-rise office buildings or something: you weren't actually the target but you were caught in the net anyway.

MR PRESTON: That's right.

MS HANSEN: And now with heritage overlays covering vast suburbs of Melbourne, rather than streets or individual sites, the implications are immense.

DR BYRON: I don't have any questions and I don't know at this stage what the answer might be, but I really do thank you for bringing it so clearly and articulately to our attention, because it does seem to be an area where the current framework and system isn't quite working the way it was intended to.

MS HANSEN: Thank you. Thank you very much for your time.

MR PRESTON: Thank you for the opportunity. It's appreciated.

DR BYRON: The Mechanics Institutes of Victoria - thanks very much for coming, Jim. Whenever you're settled and comfortable, sorted out there, if you could just introduce yourself for the transcript.

MR LOWDEN: My name is Jim Lowden. I grew up around mechanics institutes from a very young lad in rural Victoria, and I had the privilege of doing a world tour of mechanics institute-related operations in 2003. We looked at the charity commissioner's work in England, and the Heritage Lottery Fund. The mechanics institute movement started in Scotland in the early 1800s and the movement spread throughout the British Empire, Europe and the USA under a number of banners - athenaeum, lyceums, lycees, schools of arts or simply institute or hall. A typical institute comprised a library, newspaper reading room and lecture hall. They were generally built by public subscription with little or no government funding. Some were privately endowed, such as the Robert Allen Institute at Buninyong and the Andrew Carnegie libraries at Northcote and Mildura. It is estimated there were around 10,000 institutes worldwide. Australia had around 2500, of which some 1100 were in Victoria. Perhaps 550 of these buildings remain today.

The Mechanics Institutes of Victoria: this association was formed from a state meeting held at Kilmore, the home of the institute without walls, in 1998. The Kilmore institute hall was demolished in 1978. Since then MIV has had published a very significant volume, If the Walls Could Speak: A Social History of the Mechanics Institutes of Victoria. I'd be glad to pass that over, Mr Chairman, if you want to keep it.

DR BYRON: Thank you very much.

MR LOWDEN: It documents over 400 institutes and lists a further 600 institutes. MIV staged a national conference in 2000 and the first international conference of mechanics institutes just last year, and the proceedings of all our conferences have been published, including last year's one.

Membership is an annual fee of $15 and is open to all, and presently comprises around 90 institutes, mostly in Victoria, and a similar amount of individual members from around Australia and abroad. The association publishes a newsletter of which 600 copies are produced, and most of these are currently mailed free to institutes and/or public halls throughout Victoria. Some even find it very difficult to raise the $15 to pay the subscription.

The association travels to grant-funded exhibitions, one from the Public Record Office and the other one from Museums Australia - Remember the Mechanics and Mechanics and Proud of It. It also coordinates a plaque program for Victorian institutes. The travelling exhibition features panels relating to good news stories of particular institutes that have come back from the dead or have reinvented

themselves. They have been to 30 venues so far, and wherever they go they get a momentum going locally to focus attention on the local mechanics hall. It conducts the Big Mech database which contains core material on all known institutes in Victoria and contains ownership, management, architectural and historical material.

The Big Mech currently comprises some 5000 pages of information and 3000 images of building pictures and building plans. We have access to the building plans from the Building Commission in Melbourne who made a substantial collection of their plans together on public halls dating from the early 1900s, so we have those on the database. This can be accessed at the Prahran Mechanics Institutes' Victorian local history library. Another larger and ever growing database captures and/or lists all material that comes to the notice of MIV, such as photos, minute books, borrowing records et cetera. This is the subject of a major campaign at present to locate institute material state-wide.

A lot of the institutes cease to exist as a result of the Pitman library report and the libraries were passed over to councils and that was the downfall of a lot of Mechanics Institutes because that was their core activity, the provision of a local library service. Those institutes now have perhaps been closed for 50 years and those records are getting less and less, so we thought we'd have a major drive to collect those. Administration of the association is voluntary. Last year a libraries group was formed within the association membership and they meet to exchange information. Issues relating to individual institutes are fielded from institutes Victoria-wide, and range from council interference in building management, sale and/or demolition of these local halls. We also help to support or give advice on grant applications and the engagement with government agencies.

Current institute building news: today over 400 of Victoria's institutes exist as community halls. In most cases they were the first building in the town and probably in a lot of the country towns and hamlets in Victoria they're going to be the last public building. Here they serve as the meeting place, polling booth, church, exhibition centre, funeral home and even social hub and are generally resourced with seating, crockery and catering facilities. Such halls proved of immense benefit as mustering points and command centres in the disastrous bushfires in northern Victoria early last year, and highlight the need for and benefit of these strategic community resources.

Our institutes have a diverse range of existing primary uses and several remain as community libraries, such as the institute-run libraries at Ballarat, Berwick, Footscray, Maldon, the Melbourne Athenaeum, Prahran; council-run libraries at Bright, Castlemaine, Queenscliff and Wangaratta; community museums, such as Beechworth, Benalla, Chiltern and Sorrento; theatres at Camperdown and Lilydale; historical archive centres, such as Horsham, Hamilton and Nathalia; educational centres, such as the Sale Technical College and the Bendigo Regional Institute of

Technical Education; or as innovative community centres, such as at Ballan, Shepparton - Shepparton is the registered office of 20 local community groups. Institute buildings have been relocated to Sovereign Hill, Ballarat, and old Gippstown at Moe. Others still exist today under private ownership as shops, furniture stores, farm, hay or shearing sheds or even dwellings.

Ownership and management: current ownership of the remaining operating institutes is varied. Some institutes still exist as freehold, such as the Melbourne Athenaeum, Ballarat, Mernda and Prahran institutes. In a few cases the institute or building no longer functions as such and only the library collections remain in trust, such as at Warrnambool and Bendigo. The majority of institute buildings, however, still exist on crown land. There's an interesting situation itself. Land grants were given to churches and schools and all sorts of other community-type purposes, but the institute grants have all been clawed back. So they don't own the land any more, the land is held by the crown under the Crown Lands (Reserves) Act in Victoria and they generally have individual committees of management.

Where these committees of management are operating on their own, they operate at Dean, Lancefield, Maldon, Romsey, Sandford, Shepparton, Upper Plenty and Warburton. They're well-run institutes and operate well as community halls. Local councils act as the sole committee of management for a number of institutes, such as at Brunswick, Frankston, Kyneton, Mornington and Warburton. In some cases they run them well, and in other cases disastrously so. However, the majority have a council as the committee of management who delegate authority under section 86 of the Local Government Act to locally elected committees of management. Section 86 committee managed are the most effective and proactive in the maintenance of these heritage buildings.

Examples can be seen at amphitheatres - Skipton, Stratford and Tallarook. Under the section 86 committees, they are able to take advantage of council's discounted insurance and contract rates on electricity and gas and this results in considerable savings. Where the hall is its own committee of management without the council assistance, they have to pay minimum charges for water, gas and electricity and generally there's a premium for the insurance as well. In Victoria there is a strange anomaly in the administration of Mechanics Institutes. Those on crown land fall under the purview of the Crown Lands (Reserves) Act 1978, administered by the crown land management of the Department of Sustainability and Environment. But freehold institutes and libraries fall under the control of the Local Government Act and the Libraries Act.

Building condition and maintenance: ageing committees of management in a lot of cases - they're generally over 70, a lot of them; increased insurance charges, and onerous OH and S requirements have seen a growing number of institutes being surrendered to council as a trustee of last resort for these community assets. With the

amalgamation of councils in the early 1990s, there can now be regularly more than 10 or even up to 20 of these institutes in the new super shires. This has caused a massive dilemma for the small communities who now generally have only one councillor of perhaps nine councillors, and that one councillor might have to speak up for them.

Council staff are even more removed from these local assets and generally have no local knowledge. Councils have sought to surrender some of these community assets back to the Department of Sustainability - crown land management. In other cases they have sold institute property and applied the proceeds to the general revenue account. There's one in the eastern suburbs of Melbourne where almost a million dollars was raised. The land had been given by a local orchardist and the money was subscribed wholly by the community. The council became trustee of last resort of that and sold it off and put it in a general account. We thought it would have been great to have that money as a seeding fund to assist institutes throughout Victoria that might have a leaking roof or something that might have kept their hall open.

A few enlightened councils, however, have settled on annual grants on the institute committees of management. Others acting on cost pressures have resorted to issuing rate notices to the freehold institutes. It's not funny, it really happens. In recent times, a few have attracted land tax notices but where we've got onto these, things have since been withdrawn. The main potential sources of funding lay with the government, the Department of Victorian Communities, the Department of Education and Training, Arts Victoria and the Community Support Fund. It's difficult to quantify the amount of grants to institutes in the past financial year, but an estimate could be $400,000 directly from the government and a similar amount from local government or council.

The growing awareness of institutes and their potential widespread community benefit has seen a greater fundraising effort within the communities. At Milawa recently they had a doorknock to pay the increased public hall risk insurance, and it was successful. They raised $1100 from the local community by doorknocking. The amount of work in kind is very substantial with an example being by Maldon as for every dollar in cash raised, $8 could be given in kind by local tradesmen and volunteers to help them with their work. It would be fair to say that either under council or community management, buildings are not subject to a periodic maintenance program. Consequently small problems generally need to become larger before they are repaired and then only at substantial cost.

Intrinsic and instrumental value of historic heritage places: historic heritage places are of both intrinsic and instrumental value. The intrinsic non-economic value is manifest in a consistently expressed view of at least a very large section of the community. That retention and conservation of heritage buildings for a range of

non-economic reasons is a good thing in its own right. This is a legitimate valuing of an historic heritage place or building for its characteristics, associations and meanings, just as public art galleries, publicly-funded opera and ballet companies, state and national libraries and the ABC, for example, are valued by large sections of the community.

Every Mechanics Institute has a story. They range from Sir Henry Parkes at the Tenterfield School of Arts in New South Wales giving his Federation speech; or the Australian Natives Association in Kyneton calling the natives Australia-wide to call a meeting at Corowa in 1893 to get the Federation movement going again because it had stalled; Henry Parkes was getting old. There is a widely held view that the nation would be diminished if such valued places and activities were not supported by local, state and national governments. The instrumental or economic value may be in historic heritage places continuing original functional use, eg, Victoria's Parliament House, some schools, hospitals, hotels et cetera, or where this has ceased in the scope to exploit its past for the benefit of the present.

The market can pick this up where the location and particular building circumstances are propitious, eg, the Queen Victoria building in Sydney. However, the most historic heritage places past their original function use-by dates have less marketable attributes. Sometimes this may be a failure in the marketing where those with stewardship of the building or place, usually volunteers, do not have the marketing skills, imagination, time or access to essential capital for redevelopment of the building to exploit commercially its heritage attributes. This submission contends that it is proper for governments to direct public funds in transparent ways to conserve historic places, whether for their intrinsic value, their instrumental value, or a combination of both values.

Benefits and costs to the community: benefits - in the case of non-profit, non-government organisations, the personal benefits accruing to those managing the organisation's historic heritage place are purely psychic. These people are usually strong believers in the intrinsic value of conserving the place. This motivation brings an enormous voluntary contribution from the community; a contribution not recognised in the national accounts. For example, the writer estimates that around 6000 volunteer hours per year are contributed to the management, maintenance and operations of the Ballarat Mechanics Institute, the historic heritage place, an organisation with which it is associated. There's 399 other Mechanics Institute buildings perhaps not taking 6000 hours but a lot of voluntary hours.

These hours are contributed by people using skills that in their paid employment attract or attracted 25 to 100 dollars per hour. Monetarily valued at an average of, say, $30 per hour, this contribution at Ballarat is $180,000 worth of labour. It could cease immediately if the VMI volunteers gave up the work and building, and has been the experience elsewhere. A derelict heritage building would

be left to sap community morale and blight CBD property values over a period of years. Several state and Commonwealth heritage grants to the VMI in recent years have been investments in preventing those outcomes and in creating possibilities for increasing the instrumental value, as well as preserving the intrinsic value of this historic heritage place.

In this case, as in many others, the community also receives a range of services - cultural, recreational, educational - as well as the satisfaction of seeing a much loved building and institution conserved. By way of example, Ballarat started to give public lectures three years ago and they run them in a series of six. They're on Friday nights at 6 o'clock with a glass of wine, and the lecture starts at quarter to 7. The attendance of the first series was about 20 and now they're up to almost 80, and they run three of these series each year.

Costs: governments in their respective spheres are the authoritative allocators of values. They are also the most efficient, fair and accountable gatherers and dispensers of money to serve these values. In most historical heritage place cases, private sector involvement will not occur for heritage conservation purposes. Sometimes it is a fair bet that the private sector involvement will follow government involvement by, for example, leasing space for business activity in a heritage building conserved and/or redeveloped in some way with government funding.

Tourism infrastructure: tourism can benefit significantly from heritage conservation of an historic heritage place in some context. In the case of the Ballarat Mechanics Institute, for example, located in a region with an unchallengeable hold on a large segment of Australian history, conservation works for OH and S and access purposes are needed to bring to market the whole of an 1859 building and its print and artefact holdings. This is also true of the mechanics institute athenaeum, and in New South Wales the schools of arts buildings in the large and small towns and suburbs around Australia. There are countless examples of such historic heritage places functioning as focal or a rallying point for community action and community renewal, often led by and serving as an integrating mechanism for newcomers for a district. The catalyst is often the desire to preserve a place felt to have intrinsic value and the opportunity to seek central government funding for its restoration or redevelopment.

Non-government organisation owned and government-owned places - non-government organisations: as noted above, NGOs contribute significantly to the conservation of heritage places for volunteerism, quite apart from whatever value is put on the social capital generated. There would be an immense cost to governments in replacing this voluntary work force with paid public service management of historic heritage places. In most cases it is far better social and economic policy to use public funding to support and facilitate voluntary NGO management rather than for governments to take over, or be forced to take over, ownership and management.

The strengths and weaknesses of NGO management revolve around the numbers and skills of volunteers available: leadership skills, energy, continuity, recruitment, aging of the pool of volunteers, dealing with new and frustrating burdens such as cost of public liability and changing OH and S requirements.

Government-owned heritage places: governments are proper owners and managers of historic heritage built properties, utilised in the provision of a public service, eg courthouses, railway stations, schools, hospitals and town halls. They are often conspicuously poor managers of such places where the building has been decommissioned from its founding or replacement public service use. For both NGO and government-owned and managed historic heritage places, the Commonwealth, state and local governments should adopt the same policy as for aged care: keep them in their houses as long as possible, with assistance payments to the carers if necessary.

Funding conservation of historic heritage places: funding for conservation of historic heritage places should be allocated by governments in their normal budget processes. It should be distributed and accounted for through appropriately resources and structured departments and agencies. The idea of identifying a particular source of revenue, such as gambling-derived revenue, for the expenditure in whole or specified part for heritage conservation purposes has merit. This has been to some extent in Western Australia and in the United Kingdom. In several Australian states revenue from gambling is a significant and sometimes contentious source of revenue. Allocation of all or a declared portion of this revenue to heritage conservation funding may have the dual benefit of providing ongoing funding for broadly valued heritage conservation purposes and partly addressing concerns, at least on the expenditure side, about the socially contested source of government revenue. Thank you.

DR BYRON: Thank you very much, Jim. I think that covers the field very well. I think you were here during the previous discussion with the Uniting Church, and you must have thought there was a certain bit in common when they were talking about the amalgamation of shires and so on - that you end up with a lot more buildings in one local government than they may actually need, or with out-migration from little towns and so on, that the user base to maintain these places is declining.

MR LOWDEN: Yes. In some cases you might get six or eight families maintaining a hall in their area, and they'll maintain it fairly well because they've got a legacy of family history. It's not unusual to find a mechanics institute where great-grandfather was the trustee and aunt is still on the committee and her niece is as well. These form a sense of community. They can have a "back to" there. I went to one two year ago at Newham. Newham has a population of 40 people. It's just beyond Hanging Rock hear Kyneton, about 60 kilometres north-west of Melbourne. They had 500 people come back to their "back to", and the 15 founding families of

the institute planted a tree along the front of the building to signify their presence that day. They had a massive working bee to fix that place up. It's going to be spick and span for the next 20 years because they had this thing coming off. A similar one happened down in Gippsland just recently, where they had almost a thousand people, and the seven families that normally support the hall down there.

So whilst local government writes these things off as not being a part of the social capital, they're very important to areas, and where churches are being either closed or abandoned, the local hall is the rallying point now for these communities. They feel marginalised to a certain extent. They've only got one councillor representing them on council, and they're battling against the other eight councils to get money allocated to their areas, so they're going to have to do something, and it's self-help all over again. Where people ring up and say, "Look, we've got a problem. The water is coming in badly, "we put them onto the heritage volunteer, the conservation volunteers or something like that, and they can get some money together and they go up and paint their hall and put some new boards on and get some electrical wiring sorted out. It does marvels for those communities.

DR BYRON: Is there a bit of a problem in terms of fundraising from governments that because the halls are the community centre - there's an educational role and all these other things and their probably usually is heritage in most of these halls - it doesn't fall neatly with any one government department so it's not clear who's responsible for looking after it?

MR LOWDEN: Yes. You look at the Melbourne Theatre Co getting $73 million, we could have done a lot with 3 million - the mechanics institute movement - because when you get that going again in the community it's like a roller coaster. Next month we've got a series of pilot lectures going around mechanics institutes in country Victoria, and we're calling it Science of the Country. We're utilising a top high-flier, and he will be speaking on the Australian synchrotron. Already the institutes are saying, "Look, we've got a follow-up lecture coming," and then there's the theatre program that's under study at present, but we can't get funding to run around these community halls.

MR HINTON: Jim, in your presentation you articulated in some detail the sorts of challenges you've got with regard to your assets and constraints on funding associated with the nature of your membership, the age of your properties and whatever. What I didn't get from you was a good feel as to what sort of strategy has emerged from your membership to try and come to grips with what I think is a very significant problem. My reading was that perhaps it is a little case by case; that is, each of those halls, for example, has its own particular membership with its own particular local interest, and as problems emerge you tackle that problem. Is that an oversimplification as to what the strategy is?

MR LOWDEN: The strategy is really self-help. They've got to help themselves, and with our newsletter we have a buff white page at the back with all the agencies that can possibly can help them. They're not alone out there. There are 400 other institutes around Victoria, and they can go and look at them, they can talk to them. Prior to the 1998 conference nobody would ever talk to one another because we all had our own problems, and since then there's been a lot of talking going on. They get together regionally and have a chat - it mightn't be formally but informally, over a barbecue or something, half a dozen institutes - and they'll thrash out a strategy to deal with their shire, particularly the ones that have been rating them, because they're trying to get over that. I think the rates are illegal, frankly, because they're cultural organisations, but the councils seem to be getting away with it. Whilst we take these things to local government, we don't have a big voice because it's all voluntary, so we don't get heard well.

MR HINTON: Do you think that the institutes' interests could be placed within the portfolio that looks after local government in Victoria? I'm responding to Neil's query about the natural home for these sorts of policy issues. Which portfolio do you think it might belong to?

MR LOWDEN: At present they should lie within I think the local government area, because that can be more beneficial. In fact, Prahran has an interesting situation where they own a very large freehold in Prahran, one of those CBD sort of types. They gave the Prahran Technical College to the government for a shilling a year rent for 50 years. Now they need more space back in their building and they're trying to do something with the minister for education, who was subsequently at Swinburne University. The deal was that it was for technical education, and Swinburne University in the building doesn't really fulfil that purpose. So the minister has passed it over, and they can't get the minister to negotiate with Swinburne for them to have some of their building back.

Prahran is an interesting case, and it formed a niche market about 25 years ago. A chap from South Africa, Don Schauder, came out, and he perceived a great need for collecting local history. He recommended it become a local history library. They had significant funding from a rented premises in High Street, so they put all this money into buying local history books, and over 25 years they've amassed the second-best collection outside the State Library in Victoria. Now through their inter-library loans you can go into any library in Victoria and borrow a book from their library. They are also building up - their membership was 40 about seven years ago, and now it's over 500. The Cinema and Historical Society - theatres and cinemas are great users of mechanics institutes throughout Victoria. They've located their archives there. So that's another resource that's been built up there alongside the Big Mech databases and the other databases that we've got there, where people can access them.

MR HINTON: Is your membership ageing?

MR LOWDEN: Interestingly enough, the mechanics institutes that are really firing around the country are staffed by committees of generally under 50. It's fantastic to see - - -

MR HINTON: Indeed - the exception rather than the rule for organisations of that kind.

MR LOWDEN: Yes. It was interesting - one of the ones in New South Wales, Comleroy Road out in Kurrajong Heights in the Blue Mountains outside Sydney, the average committee age there was 80, and a lass went along one night because her great-grandfather had been involved and she was subsequently elected president. She brought all her friends in, and instead of being run by old farts it's now being run by young tarts.

MR HINTON: That's a quotable quote for our transcript.

MR LOWDEN: Sorry - expletives deleted.

DR BYRON: No, it's a good quote. I found the presentation and the book especially fascinating. I guess it had never occurred to me to think about all the schools of arts and the mechanics institute halls that I've driven past - hundreds of them around the country. I've always noticed them, but I've never actually thought about who does it and how is it funded and how is it used and the contribution it makes to local communities.

MR LOWDEN: Local communities.

DR BYRON: Yes. I know exactly what you mean when you talk about them being critical meeting places when there's bushfires and so on. I've seen that myself lots of times. It's been extremely informative and educational.

MR HINTON: Is there anything else we haven't covered or you haven't covered that you think you'd like to draw our attention to, Jim?

MR LOWDEN: Perhaps with your permission I'd just like to quote some of the experiences with the charity commissioners in the heritage lottery fund. Perhaps a good case in point where an institute was really down was in Belfast. It's right in the middle of Belfast, the Linen Hall Library which for every other intents and purposes is a Mechanics Institute. Their membership dropped from 4000 to 400 because the armoured cars were outside every day and the Ulster - they were wearing flak jackets and that sort of thing. They were going to close it. It had the greatest collection of material that would have been outside public institutions in Northern Island,

particularly local history records - sorry, am I holding - - -

DR BYRON: No, it's all right, a few minutes.

MR LOWDEN: The mayor of Belfast called a public meeting with a view of closing this institution down which was formed in 1798. There were two people there who put a proposition to reverse the motion to not close it down but to crank it up; instead of winding it up, they thought they would crank it up. They put a million pound redevelopment proposal. They got an architect and they went to the heritage lottery people and they said, "This is an important part of redevelopment." The EEC also decided to chip in some money under the basis of - they had a big Bangladeshi and there was another ethnic component in town. So they brought the EEC money in basically to support that. They did the million pound rework-over of the building.

Three years after that, membership had climbed back up to 3000. They've got a community theatre there. Most of the public companies in Belfast use this theatre now as their annual meeting place. It's all resourced with whiz-bang technology and catering and all that sort of thing. They've got a big publishing program up reproducing material from their collections. In a lot of cases it was only surviving copies of some manuscripts, and they're reproducing those. They get quite a generous income from that. They also took a strategic place in assembling material from the IRA and from the Ulster group to all the posters and that were on the poles around town and buttons and banners that they could get their hands on, they collected.

This now forms the greatest collection of this material anywhere, because the government couldn't collect it because they were seen to be supporting one way or another, so it was too hot for them to handle. They subsequently took this off as a touring exhibition around the world. It's gone through most of the major countries in the world, this material from both sides, with dramatic photos, press photos. They also did it on CD. That's one of the really good news stories that's happened.

DR BYRON: It shows what is possible.

MR LOWDEN: Yes. But there has to be some funding and imagination.

DR BYRON: Yes, imagination too.

MR LOWDEN: In the case of Maldon - Maldon in Victoria - the building was derelict basically. Two smart ladies moved into town. They had a vision for a community centre and the first grant they got was $8000. They spun that out to $100,000 leaning on local tradesmen and that and they got further grants to take it up. Now their community library is opened four days a week. They've just opened a new children's library, they have storytelling there every Thursday night. They've got a lecture program going and they're away, and that's what can happen with some

initiative and self-help.

DR BYRON: Well, thank you very much for telling us about that.

MR LOWDEN: Thank you very much for your patience.

DR BYRON: That's been fascinating.

MR HINTON: Social capital.

DR BYRON: Yes, social capital, exactly.

DR BYRON: Ms Riddett from Lovell Chen. Thank you very much for waiting so patiently.

MS RIDDETT: Thank you for having me. I couldn't come this morning because I had to give evidence at VCAT and I was supposed to be on yesterday afternoon but I didn't get on so I had to go this morning. At the outset I'd just like to say that this is a very appropriate place to have this hearing because if you look out the window you can see a great array of Melbourne's top heritage buildings, from the Exhibition Building over there, right around through Fitzroy, East Melbourne, whole suburbs of heritage buildings, St Patrick's, right round to Government House, and the lunatic asylum over there Willsmere, and the Myer Music Bowl. So in that sense you probably get the bird's eye view of heritage and hopefully that augurs well.

DR BYRON: When I came to Melbourne to work here, this was my office in this corner. I spent most of the first few months holding up a Melway and picking out all those beautiful buildings that you talk about and orienting myself as a newcomer.

MS RIDDETT: Hopefully you're very familiar with it now, and I live just down there in one of those heritage suburbs. But, anyway, I didn't come here to say that, what I came here to say - and I might just say at the outset - I was here at lunchtime to hear some of the presentations. I think one benefit of heritage that I haven't really heard anybody discuss yet is property values and heritage. If you look at East Melbourne, just over there, a survey came out in the Herald-Sun I think last week and property values over there - it's a whole suburbs with heritage controls, just over near the Freemason's and the Mercy Hospital - the mean price is over $1 million.

Parkville, that's just near Melbourne University, I think that was about $700,000 for the mean price. Fitzroy, just over behind St Patrick's there, the mean price is over half a million and there's been a 4.1 increase in values. Carlton, just over there, the mean price is over $600,000. So in many instances you'll hear from communities that heritage controls devalue properties and do all these sorts of things. However, I think if you look at the heritage suburbs, the prices have been going up, sometimes more than the other suburbs, not necessarily because of heritage but because heritage provides amenity and that's what people like. They like the comfortable suburbs, the nice old buildings, the trees.

If you go out to Melbourne's east where there are large heritage precincts, that's a whole belt of the top range of suburbs. If you haven't seen that survey, I'm sure you've got access to that sort of information. It's probably worthwhile correlating some of that information with heritage areas. You'll find that often they're the most pricey areas.

Turning to what I came to really say this afternoon, I don't want to go over what Mr Lovell said this morning - and I've got his notes and his submission. Would

you like me to hand those up to you now?

DR BYRON: Thank you.

MS RIDDETT: I did email the submission but apparently nobody got it. This is the response - and I'll take you to a couple of pages in that thicker document, since I understand you didn't have the benefit of having read it this morning. I'll try not to duplicate anything that's been discussed in some depth this morning, but if I take you to page 4 to the second dot point where it says that the Natural Heritage Lobby has been more successful than the Historical Heritage Lobby, ie, the National Cultural Heritage Forum - I was an inaugural member of that forum which started about 10 years ago, I think - which has led to a perception that cultural heritage matters less and is somehow a poor cousin to the natural heritage.

Australia's heritage is equally the natural, the indigenous environment, the cultural landscape and the built form created post contact. I suppose that's why we're here today. I think the previous speaker talked about museums and art galleries and Mechanics Institutes. But if he marketed heritage as the arts, I'm sure we'd be all very keen about it because we collect old paintings and old sculptures, but somehow or other we don't seem to translate that to our old buildings. We like our beautiful forests but we don't seem to translate that to the heritage landscape, and I'm not sure why.

Moving on to the next page at the last dot point. Government needs to address the moral cost of not conserving historical heritage places for future generations. Communities constantly bemoan past inactivity, lack of sympathy and even hostility to the conservation of historical heritage places by state and local governments. This particularly arises where heritage controls are proposed to conserve what is left which may not have been the most important. In undertaking a number of municipal heritage studies, particularly in rural areas, we have done the survey, identified the places et cetera, but when you look back, many of them will say, "Well, look, remember the lovely old post office," or remember this or that or whatever it was, and what we're conserving is really the lessor echelon of what that community had because that's all they've got left. I think that's a very sad indictment in some way, the way heritage is managed.

That probably takes us on to the last dot point on that page about regulatory barriers where it says the issue is also often the application or lack thereof of regulations which in the long term may unwittingly facilitate the virtual or actual destruction of the heritage place. Continual permits which allow a dilution of heritage fabric, government calling in political decision-making, don't assist in heritage conservation. I won't mention the municipality but I've had several episodes there in introducing heritage controls and the last episode, the council looked at the list of places we nominated and said, "Anyone who objects shouldn't be included,"

and I'm sure you might have heard that from Ms Stegley this morning in Bayside. I'm talking about another municipality.

I pointed out that one of these places was on the register of the National Estate, "No, you don't have to be included." One place went to a panel, it was owned by a local water authority, the panel supported its inclusion in the heritage overlay but the local councillor - because he didn't want to fall out of favour with the constituents - encouraged the council to go against the panel and not include it in the heritage overlay. That particular municipality is well known for taking decisions politically based rather than doing their statutory duty which is in the Planning and Environment Act in introducing heritage controls. You may hear that in other parts of Australia on your tour. I'd like to take you to page 15 where there is one typing mistake which is quite an important one. The last dot point says:

> Federal government incentive schemes in the past have been so cumbersome that they have not -

delete the word "not" -

> to a degree discouraged private applications.

Having applied for that tax incentive scheme myself that was going for heritage conservation some years ago, it was so cumbersome, so invasive into privacy, so convoluted that in the end I got the grant but I gave up because it was too difficult. I wasn't trying to cheat the system but it was more complicated than filling in a tax return. So I think you need to make grants user-friendly.

In that regard I'd like to just turn to perhaps the main point that I want to make about leadership and encouraging the community - establishing a vision for heritage which I don't think in the built environment has been established, notwithstanding considerable effort, and I'm not entirely sure why those efforts have not succeeded. I looked up the Australian Heritage Council web site and it starts off by saying:

> The Australian Heritage Council is the principal adviser to the Australian government on heritage matters. The council assesses nominations for the national list, the Commonwealth list and the register of the National Estate.

It's not at all friendly. There's nothing about why heritage is important. It sounds as if it's a bureaucratic government department assessing heritage and there's no enthusiasm, nothing there that tells you anything exciting about heritage. There are no attractive links that lead you on. Whereas if you go to the English Heritage web site it starts off saying the same sort of thing, "English Heritage is the national body." Then it says:

> English Heritage's principal aims are to secure the conservation of England's historic sites -

et cetera -

> to promote people's access to an enjoyment of this shared heritage; to raise the understanding and awareness of heritage and thereby increase commitment to its protection.

So right at the beginning you know what they're doing. They're not just assessing buildings, you know why they're doing it. When you click on the first link in English Heritage it leads you very quickly to public policy which says:

> The historic environment is relevant to many government policies, including sustainable development, climate change, civil renewal, rural affairs, transport, tourism and for school reform. English Heritage engages with a wide range of policy issues to draw attention to the public value of an historic environment and the contribution it can make to the quality of life -

and some of those topics are what you're considering in this round of discussion. It's got some people there supposedly enjoying heritage, but it draws you in.

It then goes on and talks about heritage protection, and very quickly you get to two really important reports. Don't be frightened, I'm not going to read it out to you, but the salient points are - and I can leave this or you can print it off the web site - in February 2000 English Heritage was asked to undertake a survey as to what people thought about heritage, and this letter by Sir Neil Cussons, who was the chairman of the steering group - he's I think the chairman of English Heritage and he was out here recently giving some very interesting talks on world heritage listing and Liverpool, et cetera. He said there are five main messages:

> Most people place a high value on the value of the historic environment. 87 per cent think it is right that there should be public funding to preserve it.

It goes on. I'll just read the salient points:

> The historic environment is seen by most people as a totality. They value places, not just a series of individual sites and buildings. What people care about is the whole of their environment. This has implications for the way we identify and evaluate significance. Everyone has a part to play in caring for the historic environment. Central and local

> government are critical. So too are amenity societies, community groups, owners, developers, professionals in the field, schools and universities.

The very first picture is of the Electric Avenue in Brixton industrial heritage, which I think you were talking about this morning. I could probably comment a little bit more on that later, but the very first thing is called Power of the Place, and it talks about three pithy comments. "The power of the place is about the future of England's historic environment." We might say the power of the place is about the future of Australia's historic environment - it's role in people's lives and its contribution to the cultural and economic wellbeing of the nation. The historic environment is what generations of people have made of the places in which they lived. It is all about us. We are the trustees of that inheritance. It is in every sense a Commonwealth.

In our submission we talked about government looking at the moral responsibility of not conserving heritage for future generations. So it's not all about dollars. Yes, dollars are relevant, but it's also about that moral duty that we have as custodians of heritage at this point in time to pass it onto future generations. The way we pass on the Rembrandts and the picture in the art gallery, we should pass on our built and natural environment, and indigenous heritage as well.

> For most people the historic environment represents the place in which they live. They value it for the quality of life it can afford them -

and I think talking about the suburbs as I did at the outset is just another demonstration of that. They go on. This document is a very positive document. It talks about how we need leadership. We're only up to page 5 and already we're talking about leadership:

> Local authorities and government agencies will be working in partnership with well-informed owners, developers and local people. There will be financial and other support for owners to complement a new statutory duty of care.

I won't go through the whole document. The headings talk about conservation-led renewal, unlocking the value, and it goes on and sets out there how conservation and preservation of heritage has economic benefits as well as community benefits. One other point:

> But the effective reuse of existing fabric will not always be market led. In the short term new build may be easier and cheaper. Intervention may be needed to ensure that the external long-term costs and benefits are taken into account.

It then addresses the issue of VAT and GST. There was a comment here that

said I think, if I've got it right, there was rebate on VAT on materials but not on labour, or the other way round, and they've said here:

> What would make sense is equalising VAT on all new building repairs and maintenance -

so that you get a tax rebate on your materials or your labour. So if you read GST instead of VAT - and in another document further on it was proposed to only charge VAT at 5 per cent - so whether you then recharge GST at 5 per cent as some sort of government funding for conservation of heritage. A lot of examples they give in here are industrial buildings. On this page it said:

> This had been left empty for a number of years. A private developer assisted through public grants is now involved in an economically regeneration project which will include retail units, offices, art gallery, conference centre, residential. More funds are needed.

This is the Ditherington flax mill, a very important heritage building. They talk about reinvestment, the benefits of old and new, creating a heritage for the future and:

> Good new design will create a rich heritage environment for the future. Some of the most important new architecture and landscapes have been produced in response to the constraints of a difficult site or a demanding brief.

You can only look out at St Patrick's Cathedral there to see that, or the Gothic bank on the corner of Collins and Queen Streets. That was a very demanding brief. I won't go into the details of that. You look at the things that Brunel and the great engineers designed, Bazalgette and the embankments around the Thames or the equivalents in Melbourne. They weren't all easy, and those are the things we value from the past, so we need to create those now to hand on to the next generation.

They talk about prevention, not cure - "commonsense makes economic sense" - and I think you've heard enough this morning about how a lot of building dilapidation is due to poor maintenance over a long period of time. They make the point very clearly that if there's funding available to maintain the buildings, then that cost is not going to be such a great cost when the building is in such a state of disrepair if you undertake normal maintenance.

That leads me to another point. There is a perception that repair and restoration of heritage buildings is somehow more expensive than ordinary buildings, but if I paint my building with paint, I'll go and get some Dulux paint, and it's the same on my building as it is on some other building. If I fix the tin on the roof, it's

the same tin on the roof that anybody else is paying for, if I rewire it, it's the same rewiring. So it isn't necessarily the case that repairs of heritage buildings are more costly. They can be on occasions. They can be because of the size of the building. The cost of the restoration of the Exhibition Building, which our firm did, was quite expensive. It was paid for by the trustees; it was not government funded. The money all came from the hire of the hall and the carpark, which is where the museum is now. So the trustees paid for everything in that building. It was more expensive because it's a big building, so that has a bearing on it as well.

This document also talks about sustainable tourism, and we all know that when we go overseas we like to go to heritage areas or heritage buildings and look at them, and tourism is an outcome of good heritage conservation. The other document on that web site is called A Force for Our Future, and they're talking about heritage as a force for our future. This is a very positive document as well. I won't read it out; I'll just read two things. On the very first page it sets out:

> How the historic environment holds environment they key to an inspiring education resource.

They're using words that enthuse people about heritage, and I think one of the problems with the lack of appreciate of the historic heritage environment is the lack of teaching history in school. When I went to school, the first two schools I went to were in heritage buildings, and one of them was knocked down as the new school building emerged. We used to sit there looking out the window and feel quite sorry that this building was being knocked down, and that might be why I'm interested in heritage buildings.

The next one is "more attractive towns and cities". By conserving heritage you can have more attractive towns and cities. "A prosperous and sustainable countryside, world-class tourist attractions and new jobs" - just in the introduction to this document, which is a government document. The introduction is by the secretary of state for culture, media and sport and the secretary of state for transport, local government and the regions, and these two government departments have formed a partnership to, as it were, look after heritage. At the very end of their introduction to this document it says, "Our vision is ambitious," and I think that's what the Commonwealth government needs to have - an ambitious vision:

> We have set out an agenda which can over time deliver more attractive towns and cities, a prosperous and sustainable countryside, world-class tourist attractions, new jobs and learning vibrant and self-confident communities. This is what we believe the historic environment can contribute to contemporary life. That is why we must continue to protect and sustain it both for our benefit and that of future generations.

I think in a nutshell that's really why the government should be supporting heritage conservation, putting in funding, establishing partnerships with other government departments, other community groups, like Landcare does. A lot of things have gone on in the rural environment, possibly because of the political persuasion of the National Party and the connection with farmers, but I think the historic environment is now missing out. I think in the days of the Australian Heritage Commission there was a lot more government enthusiasm and government support for heritage conservation, and I think that's now changed to the national list, the Commonwealth list and the World Heritage List. I think that is a retrograde step, and that was really the issue that the very first Cultural Heritage Forum addressed with Senators Alston and Hill. I'm not entirely sure that we've moved on from that discussion.

So I think if anything the vision that we had for heritage in the 1970s and 80s, partly inspired by heritage being a fashion at the time - and I think that's a dangerous way to market it - the success of the bicentenary celebrations - and in Melbourne at that stage I was chairman of Heritage Week or the Heritage Festival and we had this big open day in Collins Street. We had 80,000 people there enjoying heritage buildings open, the Federation Ride, horsemen, all the rest of it. So I think we've moved away from that now. I think that is sad and I think we've got to really recover lost ground. So I'll give you a summary of the points in those reports. The web site is listed on the top there, so if you want to go through those reports you can do so quite easily off the Internet. I would encourage you, because they are really inspiring documents and they do address a lot of the issues that were in your brief that we responded to.

There was one other thing that I did want to do. Just wearing my other hat with Australian ICOMOS, I'm the secretary of the International Scientific Committee on Risk Preparedness from ICOMOS, and I've just formed the first Australian blue shield committee, which is to do with risk preparedness and cultural heritage. In January I was invited by UNESCO to go to Kyoto and Kobe on the 10th anniversary of the earthquake to present on cultural heritage and disasters risk preparedness. As you will recall, that was just after the tsunami.

I'll give you the Kyoto declaration which we prepared, and the very first statement says:

> Cultural properties and historic areas are irreplaceable cultural and social resources and a yet underutilised resource for sustainable development for the benefit of mankind which should be handed down to future generations.

The very important point that was made is:

> In accord with article 5 of the UNESCO World Heritage Convention there is a need to integrate the protection of cultural heritage into national comprehensive planning programs.

Now, I attend a lot of things by Emergency Management Australia, and they're very interested in saving human life and animals in rural areas, et cetera. They have no perception of cultural heritage at all. I have done a lot of research, with a grant, from them, looking at municipal disaster plans, and there are no municipal disaster plans that I can find that even recognise cultural heritage. So if a plane missed Tullamarine and landed out there in Fitzroy or East Melbourne, that municipality, along with many others, does not have anything in its disaster plan to deal with cultural heritage.

We also made recommendations to the big Kobe ISDR conference, the world conference on disaster reduction, and the two salient points - and I'll hand these up to you - are:

> Most of the speakers, moreover, stressed how cultural heritage constitutes an essential resource to provide comminutes affected by a disaster with a much-needed sense of continuity and identity, and later on with a precious resource for a sustainable social and economic development.

Those comments were very much talking about the tsunami affected areas but also more broadly.

> It is crucial therefore that a concern for cultural heritage be integrated into the general framework of development and planning as well as into disaster management policies and mechanisms.

Now, also on the English Heritage web site, almost on the home page, there is a database on fire research of heritage buildings. A lot of publications by English Heritage or by the Society For Protection of Ancient Buildings, et cetera, talk about disasters, fires et cetera. That information is much more available - in Japan they're very conscious of fire because of earthquakes, and fire is a consequence of earthquake. They're much more prepared than we are. Certain areas that are more disaster prone in the world, like Mexico, where there's a lot of earthquakes, really are a lot more aware, more prepared than we are. I would hope this Commission - whilst probably no-one else has brought up this preparedness and probably won't, it is also a vital part of heritage management and I hope you might recognise that and make some recommendations. I'll hand up the Kyoto declaration and the recommendations to the Kobe conference, all of which were adopted in Japan. Thank you. At that point I'll conclude.

DR BYRON: Well, your points on this preparedness - you may have been the first or second person who mentioned it but I think there's a very salient point there. Thank you for the documentation and the background on that. I guess the significance of heritage assets to society is something that's frequently overlooked in the aftermath, things like tsunami when there's so much concern with human health and food and drinking water. But I think you're right, the longer-term health of the community also requires the restoration of the cultural unity and sense of place and of belonging. It's not all over once the electricity has been reconnected or the food supply has been stabilised, so thank you for that point.

MS RIDDETT: It's very much a psychological trigger to rehabilitation, because if people see that it's all gone then there's nothing there to spur them on, nothing there to live for. It's just a memory which fades with that generation.

DR BYRON: I can understand that trauma.

MS RIDDETT: That came out at the conference. Two people in our group - one person from Sri Lanka and one person from Indonesia where there was quite severe devastation as you know, and these points were made very much by then as well as the rest of the group.

MR HINTON: Robyn, I think it was in the Adelaide hearings - I don't recall, I'll have to check our records - someone appearing did flag with us the need for the fire authorities to have records of particular characteristics of heritage buildings so that if they do catch fire, if the fire authorities seek to fix that up, fight the fire, then they would be alerted to the particular nature of the building and its contents, such that it might be sensitive to the heritage objective. I think it was Adelaide - Neil might - - -

DR BYRON: There might be low-pressure hoses, for example.

MS RIDDETT: Yes, that's very important. In Japan a lot of the temples and heritage buildings are timber. One point that they were making is they only turn the sprinklers on sufficient to put the fire out rather than deluge the building which then can cause even more damage. But the other side of that is, there's a site in the Netherlands that I visited where the curators train with the fire brigade once a year, and the fire brigade have a manual which is a burglar's delight, because it tells you, "In room 22 is the Mona Lisa," or whatever it is. "To get it off the wall you need a hammer, a screwdriver and a ladder," or whatever the story is. Basically, "If you have five minutes this is the one thing you save; if you've got 10 minutes, well, go for those two; if you've got more that's what you do."

In England the heritage mansion that burnt down and the public were there and the public all grabbed things and carted it all out on the lawn to save things, and the mansion has been rebuilt - the name of it will come back to me. It's a National Trust

property. Anyway, suffice to say, we're not as advanced as other places overseas and we really need to address that.

MR HINTON: Thank you very much, Robyn.

DR BYRON: Thank you.

DR BYRON: I said at the beginning of the hearings yesterday morning that we always try and leave time at the end for anybody else in the room who wants to add something to the transcript. There is an opportunity. Now is the time. Sir, step forward. Would you mind identifying yourself for the purpose of the transcript. It means that they will record you by name. If you could say who you are then that would be useful for others.

MR SHEPHARD: I'm Peter Shephard.

DR BYRON: Thanks, Peter.

MR SHEPHARD: I'm also a member of the Brighton Residents For Urban Protection and I'm a member of the National Trust. I just want to pick up on what Robyn said about the value of heritage places because there's a lot of things said about estimates of what properties are worth and this was a contentious issue in Bayside a couple of years ago. So they went back through real estate sales. The council did this and they got properties that were listed with heritage - had heritage protection - and they equated those with properties in the same area of the same size but didn't have heritage protection. They collated all these figures and they actually found that the properties with heritage - the historic properties - brought slightly higher prices, something like 10 per cent. So that was like a factual survey, not an estimate of values.

The only other thing I wish to say that there was mention earlier about the composition of the Bayside Council because in the early days there were a lot of problems in Bayside with heritage issues. But the composition of the council changed, people got more involved in the elections and realised they didn't want a council on political lines, they would rather elect independents, and we've got a very well balanced council now. They are more sympathetic to heritage and they have moved forward and they have got a lot of their heritage properties in places that have been recommended by Robyn's firm Alan Lovell in a previous survey. It recommended it, it all come forward and it's gone to the panel hearing, and the panel virtually said, "Yes, that's okay, let's all move forward." So some of these properties have got permanent protection and the others have got interim protection, but it's only a formality, it goes to the minister.

But we find now that properties are under threat by developers, not to demolish but to knock a wing off or knock all the back off or knock holes in the walls, and the council say, "Well, you can't do that, this property is listed," so they don't approve the development. Then it goes to VCAT and we find we're off to VCAT and we're battling to try and prevent this happening to heritage-listed properties which has taken six or eight years or more to get it all into place and they're still under threat at VCAT. From VCAT - it's not a tribunal, you usually only get one person at the hearing and it's still a battle. It can go either way and then you virtually have no

recourse unless you go to the Supreme Court which is out of the question.

DR BYRON: Thank you very much.

MR SHEPHARD: Thank you very much.

DR BYRON: That's very helpful too. In that case I think we can adjourn the public hearings and we will resume in Hobart City Hall on Friday morning. Thank you, ladies and gentlemen.

AT 5.30 PM THE INQUIRY WAS ADJOURNED UNTIL
FRIDAY, 12 AUGUST 2005

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