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Mr Neil Bryon
Presiding Commissioner
Heritage Inquiry
Productivity Commission
PO Box 80
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Dear Mr Bryon

PRODUCTIVITY COMMISSION - HERITAGE

Thank you for the opportunity to respond to the Productivity Commission Draft Report - Conservation of Australia's Historic Heritage Places December 2005.

It is understood that the focus of the enquiry, in summarised terms, is to answer the following two questions: what is the public benefit of heritage listing, and what are the costs of heritage listing? In answering these questions, the Draft Report surmises that the financial impacts (overwhelmingly considered in the Draft Report to be negative) of heritage listing on private landowners outweigh the public benefit of heritage conservation and as such, the existing statutory conservation framework across Australia should be dismantled and replaced with a voluntary approach to heritage conservation.

I would like to express fundamental concern with this conclusion, in particular the seemingly unbalanced focus on the quantifiable impacts of heritage listing (financial) without equal rigorous consideration of the less quantifiable but equally important social, cultural and environmental impacts. For this reason, I do not support the Draft Report and would like to offer the following comments for consideration in developing final recommendations:

- **Triple bottom line assessment** - A triple bottom line cost benefit analysis is required before a final report of the Productivity Commission is produced.
- (a) **Heritage and the planning system** – The Draft Report recommendations are in direct conflict with State and local planning policy in Victoria. The Victorian *Planning & Environment Act 1987* has an objective, "to conserve and enhance those buildings, areas or other places which are of scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value". Similarly, the Government's planning policy for greater Melbourne, *Melbourne 2030*, identifies the protection of heritage places as a key outcome (Direction 5.4 Protect heritage places and values). These conservation values are reflected in Victoria's municipal planning schemes, which have been prepared by local government in consultation with their communities, reviewed by an independent Planning Panel/advisory committee and endorsed by the State Government. Underpinning each planning scheme is the Municipal Strategic Statement (MSS), which provides a vision for the sustainable use and development of the municipality and sets a policy framework for issues such as heritage. The State Government has acknowledged the hard work invested in the preparation of local

planning schemes and heritage controls and has supported Councils in this work. Overall, statutory heritage controls in Victoria are generally working well and planning schemes, including heritage controls, are regularly monitored and reviewed. A fundamental change to this working system is not warranted.

- **Financial impacts** - The Draft Report surmises that the financial impact of heritage listing on landowners is negative. There is much debate amongst the heritage and property industries as to whether the financial impact of heritage listing are positive or negative, with no conclusive evidence to support either side of the argument. As with all land use and development controls, heritage should be considered on balance with the myriad of other, often competing, issues, with the desired outcome always being a balanced approach to achieving a greater good.
- **Precautionary principle** – This well recognised principle is fundamental to land use management and social responsibility; when in doubt, refrain from actions that cannot be reversed. The Draft Report fails to assess the impacts of the proposed voluntary system on our heritage places; indeed, there is no implementation processes or assessment of scenarios. It is impossible to predict (nor should we try to) what the many thousands of private landowners in Australia will do if presented with the opportunity to irreversibly damage heritage places due for financial benefit. Once gone, heritage places cannot be reinstated - they are gone forever.
- **Intergenerational equity and custodianship** – Heritage places can be considered gifts from past generations to help us form a link with our past. Do we, the current generation, have any right to remove the physical links to our past and in doing so prevent future generations from this same gift? Should we not consider ourselves custodians of our heritage places, just as we are of our environmental assets, with a responsibility to maintain, actively use and then pass on to future generations?
- **Education and promotion** – The Draft Report, as well as comments from the Presiding Commissioner at the public hearing in Melbourne in February 2006, indicate that the current heritage system should change because of landowner anger at potential heritage listing of their property. This seems an extraordinary and extreme reaction to a system which, if not perfect, has many positive attributes. If following this argument logically, then the whole regulatory planning system would need to be dismantled. Would it be more proactive to focus on improving the current system, supporting it and promoting it, rather than dismantling it? Local government experience indicates that private landowners who express shock and anger at the regulatory system of heritage conservation are actually ignorant of that system. This is not a criticism of landowners; rather, an indication that sometimes the planning and other statutory systems are remote from the people they are their to serve and a greater education, promotion and engagement of the public is required. Importantly, planning controls are developed in consultation with the community and reflect broad community values over individual opinion.
- **Implementation of recommendations** – To make an informed decision on the implications of the draft recommendations, a clear implementation process is required. This process should include, but not be limited to, outlining clear roles and responsibilities of all stakeholders and the steps for negotiating, preparing and managing the voluntary agreements (will the process be led by local government? What is the process for contacting landowners? How will agreements be negotiated? Are there timeframes for negotiation? What is required in preparing the voluntary agreements? Will legal advice be required? Who maintains the agreements? Will advice, training and funding be available from Federal and State government to implement and manage the process? Will any new process be accompanied with a federally funded education campaign?).
- **Assessment of recommendations** – Following on from the need for a clear implementation process is the need for a thorough comparison of the “real” resourcing (i.e. dollars and time) requirements of

the proposed voluntary process compared with the existing statutory process. Such an assessment should factor in actual officer time and rate/tax payer money involved in the process, understanding of how many heritage places each municipality has and recognition that the process will need to be repeated each time a heritage place changes ownership.

In making these comments, I recognise the complexity of the Commission's task and encourage an outcome that recognises the existing achievements of the nation's various heritage systems and seeks to respect, support and ultimately protect our heritage places.

Thank you for the opportunity to comment and if you would like to discuss this further, please contact Anita Doilibi, Coordinator Strategic Planning on (03) 9240 1260 or adoilibi@moreland.vic.gov.au

Yours sincerely

SUE VUJCEVIC
Manager Sustainable Development

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