

## **Conservation of Australia's Historic Heritage Places Submission**

### **to the Productivity Commission Heritage Inquiry**

This submission is written by Dr Frank Hurley, President of Mechanics' Institute of Victoria Inc. (MIV) and Secretary of the Ballarat Mechanics' Institute (Part Two) and Jim Lowden, Honorary Secretary, Mechanics' Institutes of Victoria Inc. (Part One), July 2005.

#### **PART ONE**

##### **Origins**

The Mechanics' Institute movement started in Scotland in the early 1800s. The movement spread throughout the British Empire, Europe and the USA under a number of banners Athenaeums, 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 Allan Institute at Buninyong and the Andrew Carnegie Libraries at Northcote and Mildura.

It is estimated that 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.

##### **Mechanics' Institutes of Victoria Inc.**

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 it has had published a history *If the Walls Could Speak: A Social History of the Mechanics' Institutes in Victoria* which documents over four hundred Institutes and lists a further six hundred Institutes. It staged a national conference in 2000 and the first International Conference of Institutes last year. Proceedings from all its meetings have been published.

Membership is an annual fee of \$15 and is open to all and presently comprises around ninety Institutes and a similar amount of individual members from around Australia and abroad.

The Association publishes a newsletter three times a year of which six hundred copies are produced. Most are currently mailed free to Institutes and/or public halls throughout Victoria.

The Association travels two grant funded exhibitions - **Remember the Mechanics?** and **Mechanics'... And Proud of It!** It also coordinates a plaque program of Victorian Institutes.

It conducts the **Big-Mech Database** which contains core material on all known Institutes and contains ownership, management, architectural and historical material.

The Big-Mech currently comprises some 5000 pages of information and 3000 images of building and building plans and this can be accessed at the Prahran Mechanics' Institute's Victorian Local History Library.

Another larger and evergrowing database captures and/or lists all material that comes to the notice of MIV such a photos, minute books, borrowing records, etc. and is the subject of a major campaign to locate Institute related material.

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 or demolition to support or advice for grant applications and engagement with government agencies.

### **Current Institute Building Use**

Today over 400 of Victoria's Institutes exist as community halls in country towns and hamlets throughout Victoria. Here they serve as the meeting place, polling booth, church, exhibition centre and 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 resources.

However Institutes have a diverse range of existing primary uses and several remain as: community libraries, such as Institute run libraries at Ballaarat, Berwick, Footscray, Maldon, Melbourne Athenaeum, Prahran; Council run libraries at Bright, Castlemaine, Queenscliff and Wangaratta; community museums, such as at Beechworth, Benalla, Chiltern and Sorrento; theatres at Camperdown and Lilydale; historical archive centres such as Horsham, Hamilton and Nathalia; educational centres at Sale and Bendigo; or as innovative community centres such as at Ballan and Shepparton. 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, Ballaarat, Mernda and Prahran Institutes.

In a few cases the Institute or building no longer functions as such and only library collections remain, such as at Warrnambool and Bendigo.

The majority of Institute buildings however still exist on Crown Land, with individual Committees of Management such as at Dean, Lancefield, Maldon, Romsey, Sandford, Shepparton, Upper Plenty and Warburton.

Local Councils act as the sole Committee of Management of a number of Institutes such as at Brunswick, Frankston, Kyneton, Mornington and Warburton.

However the majority, have Council as Committee of Management, who delegate authority under Section 86 of the Local Government Act to locally elected Committees of Management. Section 86 Committees of Management are the most effective and proactive in the maintenance of these heritage buildings. Examples can be seen at Amphitheatre, Skipton, Stratford and Tallarook.

In Victoria there is a strange anomaly in the administration of Mechanics' Institutes. Those on Crown Land fall under the purview of the Crown Land (Reserves) Act 1978 administered by Crown Land Management of the Department of Sustainability and Environment, but freehold Institutes and libraries fall within the control of the Local Government Act and Libraries Act.

### **Building Condition and Maintenance**

Aging Committees of Management, increased insurance charges and onerous OH&S requirements have seen a growing number of Institutes being surrendered to Council as 'trustee of last resort' for these community assets. With the amalgamation of Councils in the early 1990s, there can now be regularly more than ten and even up to twenty 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 representing them. Council staff are even more removed from these local interests and generally have no local knowledge. Councils have sought to surrender some of these 'community' assets to Department of Sustainability Crown Land Management. In other cases they have sold Institute property and applied the proceeds to the general revenue account.

A few enlightened Councils have settled annual grants on Institute Committees of Management. Others acting on cost pressures have resorted to issuing rate notices to the freehold Institutes. In recent times a few have also attracted Land Tax notices, but these have since been withdrawn.

The main potential sources of funding lay with the Department for Victorian Communities, Department of Education and Training, Arts Victoria and Community Support Fund. It is 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 council.

The growing awareness of Institutes and their potential widespread community benefit has seen a greater fundraising effort from within the communities. One even did a doorknock to pay the hall public risk insurance premium. The amount of work in kind is very substantial with an example given by Maldon as for every \$1 in cash raised \$8 could be given in kind by local tradesmen and volunteers.

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, generally then at substantial cost.

## **PART TWO**

### **Intrinsic and instrumental value of historic heritage places** Historic

heritage places have both **intrinsic** and **instrumental** value.

The **intrinsic** (non-economic) value is manifest in the 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. 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 an historic heritage place's continuing original functional use ( e. g. Victoria's Parliament House, some schools, hospitals, hotels etc.) 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 location and particular building circumstances are propitious (e.g. the QVB in Sydney). However, most historic heritage places past their original function use-by dates have less marketable attributes. Sometimes this may be a failure in "marketing" where those with stewardship of the building or place, usually volunteers, do not have the marketing skills/imagination/time or the access to essential capital for re-development 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 heritage places whether for their intrinsic value, their instrumental value or a combination of both values.

### **Benefits and costs to the community**

(Discussion Paper p.10)

#### Benefits

In the case of not-for-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 wrings 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

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Management, maintenance and operations of Ballarat Mechanics' Institute (BMI), the historic heritage place and organisation with which he is associated. These hours

are contributed by people using skills that in their paid employment attract (or attracted) \$25-\$100 per hour. Monetarily valued at an average of, say, \$30 per hour, this is a contribution of \$180,000 worth of labour. It would cease immediately if the BMI volunteers gave up the work and building and, as 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 BMI 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, educational, recreational - as well as the satisfaction of seeing a much-loved building and institution conserved.

#### 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 historic heritage place cases, private sector involvement will not occur for heritage conservation purposes. Sometimes it is a fair bet that private sector involvement will follow government involvement by, for example, leasing space for business activity in a heritage building conserved and/or re-developed in some way with government funding.

#### Tourism infrastructure

Tourism can benefit significantly from heritage conservation of an historic heritage place in some contexts. 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&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 Mechanics' Institute, Athenaeum and (in NSW) School of Arts buildings in large and small towns and suburbs around Australia. There are countless examples of such historic heritage places functioning as focal or rallying point for community action and community renewal, often led by and serving as an integrating mechanism for newcomers to 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/re-development.

#### **Non-government organisation owned and Government owned places**

(Discussion Paper p.16, p.24)

#### Non-government organisations (NGOs)

As noted above, NGOs contribute significantly to the conservation of historic heritage places by voluntarism. Quite apart from whatever value is put on the "social

*Prod. Comm. Inquiry MIV/BMI* P.3

capital" generated, there would be an immense cost to governments in replacing this voluntary work-force with a 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; ageing of the pool of volunteers; dealing with new and frustrating burdens such as costs of public liability and changing OH&S requirements.

#### Government owned historic heritage places

Governments are the proper owners and managers of historic heritage properties utilised in the provision of a public service (e.g. courthouses, railway stations, schools, hospitals and town halls). They are often conspicuously poor managers of such places where the building has been de-commissioned from its founding or a replacement public service use.

For both NGO and government owned/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**

(Discussion Paper p.25)

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 resourced and structured departments and agencies.

The idea of identifying a particular source of revenue, such as gambling-derived revenue, for expenditure in whole or specified part for heritage conservation purposes has merit. This has been done 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 proportion of this revenue to heritage conservation funding may have the dual benefit of providing ongoing funding for broadly-valued heritage conservation purposes and partially addressing concerns, at least on the expenditure side, about this socially-contested source of government revenue.

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28 July 2005