
**The Government
of South Australia**

**Submission
to**

Productivity Commission

**Inquiry into the Policy Framework and Incentives for
the Conservation of Australia's Historic Built Heritage
Places**

August 2005

1. EXECUTIVE SUMMARY

The South Australian Government is committed to enhancing the community's awareness and engagement with heritage and to providing innovative direction in the integration of heritage, economic development and planning policy.

This submission outlines the South Australian Government's position and responds to the issues raised in the Productivity Commission Inquiry into the Policy Framework and Incentives for the Conservation of Australia's Historic Built Heritage Places.

The conservation of historic heritage places contributes to the economic, social and environmental dimensions of a community at the local, state and national levels. Specific contributions have been identified as:

- Tourism:
- Social capital:
- Potential (option) value:
- Community design value:
- Subjective value to individuals

In addition, attention needs to be paid to commercial and market considerations and the allocation of costs across those that receive the benefits. In practice, however, the public and private shares of benefit are difficult to estimate and a better principle is to determine how to spread limited government funding to best effect across a large conservation task.

The South Australian Government has recently reviewed the policy framework for heritage in South Australia. This review resulted in a discussion paper *Heritage Directions: A Future for Heritage in South Australia*¹ (*Heritage Directions*). (Appendix A). The review identified seven key heritage issues with nine major proposals and multiple strategies in an innovative and contemporary response that integrates heritage, economic development and planning policy. This integrated framework offers a coherent direction for administering a built heritage program in South Australia effectively and promoting a culture that values heritage through the integration of heritage, economic development and planning policy.

The South Australian Government approach can be described as follows.

- Suasion whereby the owners of heritage places are recognised as the custodians of these places and as potential advocates for the value of heritage to the community, and celebration of owners' achievements in conservation through awards and competitions. Other forms of suasion include contributions to the print and electronic media, providing interpretation and information about heritage sites through websites, in-situ signage, publications and public lectures.
- Subsidies provided in the form of grants, revaluation provisions, waiver of referral fees, negotiated agreements with owners of heritage properties.
- Provision of government services, including Heritage Advisory Services, ownership and management of Government-owned heritage assets and heritage education and training.
- Legislation, the *Heritage Act 1993* and the *Development Act 1993*.

¹ *Heritage Directions: A Future for Built Heritage in South Australia*, South Australian Government May 2004. Available at http://www.heritage.sa.gov.au/pdfs/heritage_directions.pdf

It is suggested that the Commonwealth Government should consider the following forms of investment in historic heritage conservation:

- strategic Commonwealth investment in the heritage assets that underpin heritage tourism and social capital throughout Australia, including matching dollar-for-dollar the funding made available to local governments and their constituents for heritage conservation through State Government grants programs;
- implementation of a heritage loan scheme at a national level, to attract economies of scale;
- delivering national TAFE-level heritage conservation skills development training programs;
- introducing taxation-based incentives for private investment in heritage conservation of state and local heritage listed places.

Pursuit of the optimal allocation of resources to the management of heritage assets is a priority for the South Australian Government.

2. INTRODUCTION

The South Australian community values its built heritage, which makes a significant contribution to the South Australian lifestyle and sense of place, and forms part of the State's attraction to visitors from interstate and overseas. In particular, many South Australian cultural and social experiences are enhanced by the heritage locations in which they take place.

The South Australian Government is committed to enhancing the community's awareness and engagement with built heritage and to providing innovative direction in the integration of heritage, economic development and planning policy.

On 6 April 2005, Federal Treasurer Peter Costello announced a Productivity Commission Inquiry into the policy framework and incentives for the conservation of Australia's historic built heritage places.

The scope of the Inquiry is for the Productivity Commission to examine:

1. the main pressures on the conservation of historic heritage places
2. the economic, social and environmental benefits and costs of the conservation of historic heritage places in Australia
3. the current relative roles and contributions to the conservation of historic heritage places of the Commonwealth and the State and Territory Governments, heritage owners (private, corporate and government), community groups and any other relevant stakeholders
4. the positive and/or negative impacts of regulatory, taxation and institutional arrangements on the conservation of historic heritage places, and other impediments and incentives that affect outcomes
5. emerging technological, economic, demographic, environmental and social trends that offer potential new approaches to the conservation of historic heritage places, and
6. possible policy and program approaches for managing the conservation of Australia's historic heritage places and competing objectives and interests.

This submission outlines the current South Australian Government Policy position and responds principally to the issues raised in items 1, 2, 3, 5 and 6 of the scope of Inquiry. The South Australian Government does not have specific comments in relation to items 4, the regulatory, taxation and institutional arrangements, other than is detailed within the responses to other items.

3. RESPONSE TO THE SCOPE OF INQUIRY

3.1. *Item 1 - The main pressures on the conservation of historic heritage places*

In 2003, the South Australian Government undertook extensive consultation with heritage and planning practitioners to determine the Government's proposed future directions for the ongoing management of South Australia's heritage assets. Throughout the consultation a number of key heritage issues emerged.

The seven key issues² identified were:

- **Key Issue 1:** *The roles played by government departments with heritage and planning responsibilities, and their empowering legislation, need reviewing to create a simplified, streamlined system which will effectively protect the State's heritage.*
- **Key Issue 2:** *Local heritage is inadequately protected, with inconsistencies in policies and listing procedures between Councils and limited ability to provide speedy protection in an emergency. These issues have generated considerable public concern and uncertainty, and require an integrated response.*
- **Key Issue 3:** *Understanding and appreciation of the State's heritage need to be enhanced by relevant formal education and training in schools, universities and workplaces and by a range of interpretive, promotional and celebratory initiatives in the wider community.*
- **Key Issue 4:** *The adequacy of funding directed to the protection and conservation of the State's built heritage assets needs reviewing in the context of the outcomes envisaged in Heritage Directions.*
- **Key Issue 5:** *There is a need for a more effective array of incentives to encourage heritage conservation and a better regime to enforce appropriate regulations.*
- **Key Issue 6:** *A review of the best long-term management strategies for State-owned heritage buildings is long overdue. Consideration should be given to placing a number of the more significant Government-owned heritage places under the management of a single organisation.*

² *Heritage Directions: A Future for Built Heritage in South Australia*, South Australian Government May 2004. Available at http://www.heritage.sa.gov.au/pdfs/heritage_directions.pdf

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- **Key Issue 7:** *The State Heritage Register needs reviewing to transfer places entered in the Register under the 1978 Act, and which no longer meet the criteria in the 1993 Act, from State to Local status. It also needs to better represent 20th century heritage. The accuracy and extent of the data it contains also needs upgrading to make it a more useful research tool and resource for students and the community at large.*

The South Australian Government perceives these issues to be the main pressures on the conservation of historic heritage places in its jurisdiction and has responded to them through a range of initiatives that are detailed in the *Heritage Directions* policy framework.

3.2. Item 2 - The economic, social and environmental benefits and costs of the conservation of historic heritage places in Australia

The conservation of historic heritage places contributes to the economic, social and environmental dimensions of a community at the local, state and national levels. Specific contributions have been identified as:

3.2.1. Tourism:

Independent economic analysis undertaken for the South Australian Tourism Commission (SATC) ³ demonstrates that tourism is currently driving 10 per cent of South Australia's economic growth through the 'export' dollars it generates, with long-term growth prospects being strong. Most tourists travel because they desire different experiences from what they can see or do at home. This includes experiencing the environment and lifestyle of the destinations they choose, whether overseas, interstate or within their own State.

Therefore, tourism development that is derived from, or integrates with, the natural and cultural environment will be more enduring. Any tourism development that achieves a sense of being special (different), of continuity (having connections to the past), of belonging (fitting with the fabric of the present community) and of conserving and enhancing (valued local attributes and resources) is likely to have a long life span given the increasing maturity and discernment of the tourism market. This is supported by the results of the National Visitor Survey 1998⁴, a survey of travel by Australian residents that showed that the most popular cultural activity for total visitors to South Australia was visits to history/heritage buildings, sites and monuments.

3.2.2. Social capital:

The benefits of heritage conservation go beyond those with direct financial interest in individual places. Public investment in the conservation of built heritage can benefit people throughout the community. Heritage investment can produce social and economic benefits, such as bringing new vitality, job opportunities and income to communities.

³ Comparative Economic Contribution of Tourism to South Australia, Economic Research Consultants, Oct. 2000

⁴ BTR *National Visitor Survey* 1998 referenced in *Cultural, Heritage & Arts Tourism* South Australian Tourism Commission Research Report February 2000, pp 14-15

There is, however, an urgent need for academic research in Australia to substantiate the anecdotal evidence connecting the building and maintenance of social and human capital with the individual citizen's sense of place and belonging, and creating a connection to the history of the community of which the individual is a part.

3.2.3. Potential (option) value:

The full value of irreplaceable heritage places may not be recognised until some time in the future. The government and the community has a duty to hold places that have architectural merit or historical significance in trust for future generations, even if these qualities are not widely recognised or valued at the time. The awakening of interest in heritage in the 1970s in Australia was in response to the low value placed on heritage places (and resulting demolitions) in the 1960s. The 'green bans', for instance, were the high point of the community recognising this option value, which was subsequently proved to be very large, to the extent that buildings targeted for demolition at that time have accrued great commercial or social value (eg. the Queen Victoria Building in Sydney or Edmund Wright House in Adelaide).

3.2.4. Community design value:

Outstanding examples of built form from different eras inspire and inform current and future urban design.

3.2.5. Subjective value to individuals

The conservation of heritage places is also important for subjective values. That is, there is strong public support for the conservation of heritage places because of the aesthetic, associative and other personal values held by the individual citizen. This may create a market price premium for heritage places.

3.2.6. Commercial and Market Considerations

Of the values listed above, the only ones likely to be recognised in commercial or market transactions are:

- Tourism value; and
- Subjective value to the individual owners of heritage assets.

The events of the 1960s and numerous demolitions since have shown that the non-market values associated with human and social capital, community design and options for the future are very large. Thus, the community values the preservation of many buildings that the market would demolish. This constitutes a market failure. In many cases government intervention will be required to ensure a socially optimal level of investment in heritage conservation.

3.2.7. Allocation of costs to benefits

An ideal arrangement would be that government pays for the public share of the benefits from heritage conservation, leaving the private share to be funded by private beneficiaries (in the main, the owner or lessee of heritage places). In practice, however, the public and private shares of benefit are difficult to estimate and a better principle is to determine how to spread government funding to best effect across a large conservation task.

South Australia is fortunate to have a large and dedicated group of volunteer heritage conservators. As a result, government intervention has occurred largely through building on the volunteer effort of the National Trust of South Australia and other similar community-based groups.

As a consequence, South Australia has achieved much heritage conservation for a relatively small public investment. Nevertheless, numerous places are degrading, more from a lack of funding and heritage expertise than from lack of community enthusiasm to retain them. The South Australian Government has responded by increasing its investment in both direct and indirect forms of support through the *Heritage Directions* policy framework.

The Commonwealth has justified its recent decision to narrow the focus of its heritage funding to nationally significant places from the vantage point of each jurisdiction focusing on the appropriately ranked places. The potential to provide growth for the nation's tourist industry is sufficient reason for the Commonwealth to consider a strategic Commonwealth investment in the heritage assets that underpin heritage tourism and social capital throughout Australia.

3.3. Item 3 - The current relative roles and contributions to the conservation of historic heritage places of the Commonwealth and the State and Territory Governments, heritage owners (private, corporate and government), community groups and any other relevant stakeholders

3.3.1. South Australian historical background

State Government intervention in the conservation of historic heritage in South Australia began in the early twentieth century, with the acquisition of homes of notable individuals, such as the homes of the poet Adam Lindsay Gordon (Dingley Dell, Port MacDonnell) and Sir George Strickland Kingston (Kingston House, Kingston Park). It was only after the formation in 1955 of the National Trust of South Australia by Act of Parliament, however, that a more considered approach to the protection and conservation of historic heritage began.

In 1961 the National Trust of South Australia formed an Early Buildings Committee and began compiling a Register of Historic Buildings. The Register had no legislative backing but listing did assist in deterring demolition. Public demand for government intervention in the conservation of built heritage grew during the 1970s and resulted in the *South Australian Heritage Act 1978*, which established a Register of State Heritage Items, a State Heritage Fund and the South Australian Heritage Committee to advise the Minister.

The 1990s saw the introduction of new State and local heritage legislation, including, for the first time, significant protection for locally significant places. At the same time, the Commonwealth developed a new focus on nationally significant places that has resulted over time in a reduction of Commonwealth funding for places of state and local significance.

The South Australia's *Heritage Act 1993* retained the State Heritage Fund, and replaced the previous advisory committee with a State Heritage Authority with power to add and remove entries from a (renamed) State Heritage Register. In July 2005, Royal assent was given to a Bill to amend this Act. The proposed *Heritage Places Act 1993* will replace the State Heritage Authority with the South Australian Heritage Council.

3.3.2. Community Heritage Organisations

A strong level of public support for heritage conservation in South Australia is demonstrated by the number of people involved in some way in heritage organisations. For example, the National Trust of South Australia Annual Report 2003-04⁵ lists 45 Branches around the State and a membership of 4,500, of which over 800 are involved actively as volunteers in the management and operation of more than 100 historic buildings. The total number of visits to National Trust of South Australia properties is approximately 203,000 per annum, with a significant proportion of these to recognised heritage tourist destinations such as Burra or the Riverland.

The number of community-based heritage organisations in South Australia grew from approximately 20 in 1960 to approximately 300 in 1995⁶; representing an estimated 25,000 individual members. A peak professional body, the History Council of South Australia, was formed in 2003 and already has 50 organisational members and 30 individual members.

3.3.3. Current South Australian Context

At 30 June 2005, there were 2,195 registered places and six provisional places on the State Heritage Register. Of these, 40.9 per cent (901) are in private ownership. Of the 40.9 per cent in private ownership, it is estimated that approximately 67 per cent of these are residences, while the remainder are commercial properties including Bed & Breakfast accommodation; hotels; former government-owned buildings; agricultural places such as tanks, threshing floors, shearing sheds; ruins; landscape areas; mine sites and utilities.

The South Australian Government owns 306 (13.9 per cent) of the items on the State Heritage Register of which approximately 66 per cent are in valued use. At present, 42 government-owned places are managed by the National Trust of South Australia through a service agreement, for which the Trust will receive \$200,000 per annum over five years. There are an estimated 4,500 places on Local Heritage Registers, however this number is expected to grow steadily.

The South Australian Government invests annually in the conservation of historic heritage places as follows:

- Department for Environment and Heritage (DEH): 2004-05 estimated result net cost of Heritage Conservation Program \$2.82 million; and
- Department of Administration and Information Services (DAIS) Heritage Unit: \$1.3 million invested in capital works maintenance and development of government-owned heritage buildings.

⁵ National Trust of South Australia 2003-04 Annual Report, published in *Heritage Living* Summer 2004-05

⁶ DEH Heritage Branch research paper published in *Heritage South Australia Newsletter No. 23*, July 2003

3.4. Item 5 – Emerging technological, economic, demographic, environmental and social trends that offer potential new approaches to the conservation of historic heritage places.

The South Australian Government has recently reviewed the policy framework for heritage in South Australia. This review resulted in a discussion paper *Heritage Directions: A Future for Heritage in South Australia*⁷. (*Heritage Directions*) (Appendix A).

The review identified seven key heritage issues (referred to in item 1) with nine major proposals and multiple strategies in an innovative and contemporary response that integrates heritage, economic development and planning policy.

The nine major proposals encompass:

- Establishing a new legislative and policy framework for the delivery of the State's Heritage program
- Establishing a single, comprehensive Register of the State's Heritage
- Refocussing resources to support the Heritage program
- Developing new mechanisms to fund desired heritage directions
- Reviewing management, use and ownership of State-owned heritage places
- Enhancing conservation and capacity-building activities
- Enhancing Heritage Education and Training
- Appreciating, celebrating and promoting heritage
- Promoting sustainability benefits of heritage conservation

This integrated framework offers a coherent direction for administering a built heritage program in South Australia effectively and promoting a culture that values heritage through the integration of heritage, economic development and planning policy.

In May 2004, the South Australian Government endorsed and provided resources to implement *Heritage Directions*. In particular, an additional \$2.9 million is provided over four years from 2004-05 and on-going additional funding of close to \$1 million per annum thereafter. The four year funding package includes \$2 million for the conservation and management of local heritage; an extra \$650,000 over five years to the National Trust of South Australia, to review and rationalise the management of the 42 State-owned heritage buildings it currently cares for; and \$500,000 for new heritage information and interpretation programs.

⁷ *Heritage Directions: A Future for Built Heritage in South Australia*, South Australian Government May 2004. Available at http://www.heritage.sa.gov.au/pdfs/heritage_directions.pdf

Proposals were also endorsed to:

- strengthen both the Heritage and Development legislation;
- create a single Heritage Register for buildings of State and local significance;
- establish a more strategically focussed South Australian Heritage Council to replace the State Heritage Authority;
- establish new provisions for minimum maintenance standards for heritage buildings;
- review penalties for offences under the Heritage Act; and
- require mandatory listing of local heritage buildings and the creation of Local Heritage Zones to protect neighbourhood character and streetscapes.

In July 2005, Parliament passed the Heritage (Heritage Directions) Amendment Bill 2005. The amended Act will: introduce civil penalties and increase the size of penalties for breaches; replace the State Heritage Authority with the South Australian Heritage Council, which will have a strategic role in heritage conservation and protection; protect movable objects; and expand the scope of the Act to speleological places.

3.5. Item 6 - Possible policy and program approaches for managing the conservation of Australia's historic heritage places and competing objectives and interests.

To determine the appropriate form and level of its intervention to address heritage-related market failures, the South Australian Government has adopted principles consistent with those articulated in the Council of Australian Governments (COAG) Competition Principles Agreement (1995). The overarching principle has been to use the minimal intervention or suite of interventions required to achieve the desired conservation results.

Using the COAG's hierarchy of intervention forms, and starting with the least regulatory impact, the South Australian Government approach can be described as follows.

3.5.1. Suasion

The owners of the 2,200 places entered in the State Heritage Register, together with a further 2,400 owners of places in State Heritage Areas, are recognised as the custodians of these places and as potential advocates for the value of heritage to the community. While State Heritage places are protected by legislation, the South Australian Government recognises that the owners' attitudes and knowledge about what is involved in caring for a heritage place are central to the conservation of these places for the future. As a result, the South Australian Government promotes and celebrates owners' achievements in conservation in a number of ways. These include the annual Edmund Wright Heritage Awards and the Department for Environment and Heritage (SA) Schools Heritage Competition. Other forms of suasion include contributions to the print and electronic media, providing

interpretation and information about heritage sites through websites, in-situ signage, publications and public lectures.

3.5.2. Taxes and subsidies

Grants: Grants are the most common form of financial assistance provided by governments.

The South Australian Government currently provides, through the State Heritage Fund, grants approximating \$250,000 per annum. This provides funding support for about 50 State heritage places each year based on an average grant of \$5,000. The South Australian Government also provides \$50,000 per annum for a Heritage Cemeteries Fund.

The State Heritage Grants Program operates under two categories: the 'State Heritage Places' category to assist in the care and conservation of places entered in the State Heritage Register or located within State Heritage Areas; and the 'Heritage Cemeteries' category to assist in the maintenance and management of small historic cemeteries or individual graves. It is proposed to expand the Cemeteries grants program to include memorials. Typically, grants are offered on a dollar-for-dollar basis and are fully allocated.

The City of Adelaide also operates a Heritage Incentives Scheme that provides grants to assist in the conservation of privately owned local heritage or State heritage places within the Council area. It is annually funded by the City of Adelaide to the value of approximately \$1 million. Other local Councils operate smaller incentive schemes principally to assist owners of local heritage places.

In an environment of limited resources, a number of property owners will not be successful in obtaining a grant each year. Owners of local heritage places and properties within Historic (Conservation) Zones receive financial assistance only if their particular council operates a grant scheme. Such schemes are not consistently available in all South Australian local councils, however, resulting in inequitable access for funding.

The Commonwealth Government should consider matching the funding made available to local governments and their constituents for heritage conservation through State Government grants programs.

Revaluation provisions: In the past, owners of State heritage places in South Australia have been eligible for reduced valuations where heritage listing has been determined to reduce the practical value of that place. The *Heritage (Heritage Directions) Amendment Bill 2005* provides for this provision to be extended to owners of local heritage properties via an amendment to the *Valuation of Land Act 1971*. The effect of this change is that all expenses related to property values, such as water rates, council rates, and land tax, will be reduced for affected owners.

Referral fees: Under Schedule 6.1 (5) of the Development Act 1993 Regulations the current referral fee collected by the relevant planning authority in respect to a Development Application is \$66.50. Under Schedule 7.2(b) of the Regulations, 60 per cent of the referral fee is due to the referral agency. This includes fees on applications relating to State Heritage Places & Historic Shipwrecks. Since 1996, referral fees for applications affecting State Heritage Places have been waived, pursuant to Schedule 6.1(5). This decision supports owners of State Heritage Places, as they are required to obtain Development Approval for many categories of work for which unlisted places do not need approval.

Negotiated agreements with owners of heritage properties: Under Section 33(e) of the *Heritage Act 1993*, the Minister can enter into heritage agreements with the owners of land constituting a registered place or State Heritage Area. These agreements can provide for financial, technical or other professional advice or assistance and under Section 33(f) they can provide for the remission of rates. Only a small number of these have been executed and there are currently only four in place.

3.5.3. Provision of government services

Heritage Advisory Services: DEH administers the Heritage Advisory Scheme through which heritage specialists provide services to local Councils and their constituents. Government funds are matched normally 2:1 by local government. The service has been operating since 1987. Following the Government's commitment in May 2004 to fund the *Heritage Directions* strategy, DEH began discussions with a number of Councils, aiming for a rapid growth of the service over the next five years. The 2004-05 allocation to the service was \$372,000.

Government-owned Heritage Assets: In South Australia, redundant State-owned heritage listed places are being reviewed to assess the appropriateness for leasing or sale to private interests (as with the former Treasury Building), with suitable heritage agreements in place, so that, where appropriate, revenues can be reinvested in heritage conservation of other heritage places. This provides a self-funding model, although it may have limited application given that many suitable buildings are already in valued use by government agencies.

Heritage Education and Training: *Heritage Directions* recognised the gap in accredited post-secondary and post-graduate education and training opportunities for heritage and conservation within South Australia. Strategies are being developed to address this issue including consideration of an apprenticeship training scheme, additional teaching time within the tertiary sector and providing regular training programs for heritage industry practitioners.

The Commonwealth Government should consider investment in TAFE-level national skills development training programs to ensure continuity of the body of heritage conservation skills and knowledge and to develop an adequately trained workforce to meet community needs now and in the future.

3.5.4. Legislation

Built heritage legislation in South Australia is provided through the *Heritage Act 1993* (which repealed the *South Australian Heritage Act 1978*) and the *Development Act 1993*.

As stated previously, the South Australian Parliament has recently passed the *Heritage (Heritage Directions) Amendment Bill 2005*. Debate on complementary legislation, the *Development (Sustainable Development) Amendment Bill 2005*, is expected to resume in September 2005. Together, these Bills are intended to address the listing and development control processes impacting upon state and local heritage places, and to consolidate land use controls into a single process.

In addition, Planning SA, through its Better Development Plan project, is in the process of developing standardised Development Plan modules on a variety of topics, including Heritage Conservation. This will assist Councils to include planning policies in their Development Plans to conserve heritage places without the need to prepare their individual Heritage Plan Amendment Reports and policies from scratch. It will also provide greater consistency for heritage planning provisions throughout the State.

3.5.5. National Agenda

Through its membership of the Environment Protection & Heritage Council (EPHC), the South Australian Government has endorsed the Report *Making Heritage Happen: Incentives and Policy Tools for Conserving our Historic Heritage*.⁸

This Report noted that the principal elements of international best practice in incentives and other innovative policy tools for historic heritage conservation encompass measures that provide effective support for owners of heritage places, provided either by the Commonwealth or States independently, or in partnership with Local Government, and include:

- Tax deductions for donations to approved funds;
- Tax concessions for owners who enter into Heritage Agreements or other conservation covenants; and
- Tax rebates for qualifying private expenditure.

With regard to tax deductibility of private investment in heritage conservation, there is growing evidence that there is a premium in the Australian marketplace for well-restored heritage places.

For example, a recent academic study showed that heritage-listed houses in the New South Wales local council area of Ku-ring-gai commanded on average a premium of 12 per cent⁹. A system of tax relief would deliver benefits to owners in exchange for their investment in the conservation of their heritage asset, from which they can reap the financial benefit in due course, while delivering immediate community values.

As income taxation is a responsibility of the Commonwealth Government, there is a role for the Commonwealth Government to provide for taxation based concessions, deductions and rebates for heritage investments. The Commonwealth Government would also reap benefits from an investment in historic heritage including:

- Tax receipts from boosted heritage tourism; and
- The social capital accruing from interstate heritage tourism.

⁸ *Making Heritage Happen: incentives and policy tools for conserving our historic heritage*, National Incentives Taskforce for the EPHC, February 2004

⁹ *Does the housing market value heritage? Some empirical evidence*, Vinita Deodhar, Macquarie University 2004

4. CONCLUSION

The South Australian Government has underpinned its commitment to the management of South Australia's Heritage assets through the strategies and resourcing of its *Heritage Directions* policy framework. This recognises the economic, social and environmental value of the conservation of historic heritage places in South Australia. South Australia utilises a range of policy and program approaches for managing the conservation of Australia's historic heritage places.

Heritage conservation however is not only a State responsibility and it is suggested that the Commonwealth Government should consider the following forms of investment in historic heritage:

- strategic Commonwealth investment in the heritage assets that underpin heritage tourism and social capital throughout Australia, including matching dollar-for-dollar the funding made available to local governments and their constituents for heritage conservation through State Government grants programs;
- considering implementation of a heritage loan scheme at a national level, to attract economies of scale;
- delivering national TAFE-level heritage conservation skills development training programs; and
- introducing taxation-based incentives for private investment in heritage conservation of state and local heritage listed places.