

CHAPTER 3: HERITAGE AND PLACE

The **conservation** of cultural heritage is closely interwoven with the **planning system** which regulates new development and changes to the places around us.

The character, distinctiveness and quality of existing places impacts on our quality of life and is a starting point for thinking about change and new development. Equally, rundown or poorly maintained places can impact negatively on our quality of life. There is a rich literature around the importance and value of places, how they give meaning to our lives and how understanding the ‘things we know or sense about places but seldom put into words’ can help bring our minds to bear on how our communities, regions and landscapes can change.¹⁶⁷

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Placemaking is a multi-faceted approach to the planning, design and management of public spaces and neighbourhoods and Australia’s first Placemaking Summit was held in Melbourne in 2020.¹⁶⁸ The role of cultural heritage is sometimes overlooked in thinking about placemaking; for example, many of the measures of city competitiveness or regional identity overlook the role of cultural heritage in creating distinctive places.

In contrast, cultural heritage is central to of the notion of Country. Country is the term used by First Nations peoples to describe the land, water and sky to which they are connected. The term contains complex ideas about law, place, custom, language, spiritual belief, cultural practice, material sustenance, family and identity.¹⁶⁹

¹⁶⁷ Tony Hiss, *The Experience of Place: A New Way of Looking at and Dealing With Our Radically Changing Cities and Countryside* (New York: Vintage, 1991).

¹⁶⁸ Expotrade, ‘Creating Better Cities at the Placemaking Summit’, Australian Placemaking Summit, 2022, <https://www.placemakingsummit.com.au/>.

¹⁶⁹ AIATSIS, ‘Welcome to Country’, AIATSIS (Australian Institute of Aboriginal and Torres Strait Islander Studies, 25 May 2022), <https://aiatsis.gov.au/explore/welcome-country>.

In Victoria that critical link between heritage and place is reflected in the continuing location of Heritage Victoria within the State government planning department, despite machinery of government changes over time.

Caring for heritage is one of the two principal aims for the Department of Transport and Planning as a whole – ‘A safe and quality-built environment’ with two linked objectives:

- improved liveability, sustainability and inclusiveness of public spaces and neighbourhoods, and
- effective protection of cultural and natural heritage.¹⁷⁰

The main sources of research into the contribution of cultural heritage to placemaking are economic studies looking at heritage in regeneration and revitalisation, or in tourism and place marketing. For example, PlaceEconomics has undertaken studies in cities across the US looking at neighbourhood revitalisation, affordable housing, and heritage resilience.¹⁷¹

There is also work in the social sciences, environmental research and environmental psychology that explores people’s connection with place and the meanings people attribute to places.¹⁷² The volumes on heritage and society and the economy synthesise many international studies across different disciplines relating to heritage and placemaking.¹⁷³

This chapter explores the role of heritage in three aspects of place – distinctiveness, regeneration and place attachment. As ever, placemaking overlaps with other themes so there is additional evidence for the role of heritage and regeneration in the section on creative industries in Chapter 4 whilst Chapter 5 includes data on heritage and property prices.

¹⁷⁰ PlaceEconomics, ‘Publications’, accessed 27 July 2023, <https://www.placeeconomics.com/resource/>.

¹⁷¹ PlaceEconomics, ‘PlaceEconomics - Specialists in the Analysis of Historic Preservation’s Impacts’, PlaceEconomics, accessed 25 July 2023, <https://www.placeeconomics.com/>.

¹⁷² Kiandra Rajala, Michael G. Sorice, and Valerie A. Thomas, ‘The Meaning(s) of Place: Identifying the Structure of Sense of Place across a Social–Ecological Landscape’, ed. Erle C. Ellis, *People and Nature* 2, no. 3 (September 2020): 718–33, <https://doi.org/10.1002/pan3.10112>.

¹⁷³ Historic England, ‘Heritage and the Economy’; Historic England, ‘Heritage and Society’; also see Annex 4 and 5.

Heritage and Distinctiveness

Cultural heritage contributes directly to the quality, distinctiveness and identity of places. Whilst local people often value the distinctive nature of a place, those qualities can also help a place achieve its aspirations to grow and prosper, socially and economically. A stronger understanding of local heritage is important not just in marketing a place but it can help ensure what is considered important is considered by those who influence how a place develops.¹⁷⁴

City performance, brand image and reputation are often key elements to the competitiveness of cities, looking to attract investment. Although most of the measures used to track competitiveness focus on issues such innovation, reputation and sustainability it is notable that the key image used in Melbourne place branding involves pictures of two iconic heritage assets - Flinders St Station and a historic tram.¹⁷⁵

Cultural heritage is also used to market regional areas of Victoria. For example, Victoria's gold rush plays a key role in marketing and describing the goldfields region, distinguishing it from the beaches, lakes and mountains for example of Gippsland.¹⁷⁶ Similarly, Regional Living Victoria markets the benefits of moving to regional areas, often in terms of their heritage.¹⁷⁷

*In their report on the Value of Heritage to Ballarat, SKM explore **THE COMPETITIVE ADVANTAGE OF HERITAGE TO BALLARAT**. They note the difficulty of estimating how important heritage is in attracting people to a region. In a survey of residents on what attracted them to Ballarat, one third of respondents noted that Ballarat's heritage was the main or important reason for living in Ballarat with only 12% indicating that they had no interest in heritage. 6% cited heritage as the reason for moving to Ballarat, 25% said it was an important part of the decision. 57% said they enjoyed the city's heritage character*

¹⁷⁴ The RSA, 'Seven Themes from the Heritage Index 2015', The RSA, 22 September 2015, <https://www.thersa.org/reports/seven-themes-from-the-heritage-index>.

¹⁷⁵ Visit Victoria, 'Victoria's Regions', Visit Victoria, accessed 25 July 2023, <https://www.visitvictoria.com/Regions>.

¹⁷⁶ Visit Victoria, 'Victoria's Regions', Visit Victoria, accessed 25 July 2023, <https://www.visitvictoria.com/Regions>.

¹⁷⁷ Department of Jobs, Skills, Industry and Regions, 'Explore Regional Victoria', text, Delivering for Rural and Regional Victoria, Victoria, accessed 26 July 2023, <https://regionalliving.vic.gov.au>.

but said was not a determinant of why they live in Ballarat and only 12% said it was of no interest to them.

Identity, place branding and heritage are central to determining the future social and economic outcomes of local places whilst also providing authenticity and credibility in place brands. Ideas for making the most of local heritage include supporting festivals, reviving forgotten heritage, promoting heritage trails, regenerating assets and working with local heritage groups.¹⁷⁸

For example, the Pyrenees Futures project took a place-based approach to the strategic planning of towns, working with the community to understand what makes each town its own special place, and then creating framework plans to ensure future development complements and enhances the feel of the towns (HCV 2020:20).

Heritage and Regeneration

Heritage also plays a vital role in the renewal and regeneration of rural and urban places (see also heritage and creative industries in Chapter 4).

One of the key activities to improve the economic and social performance of town and cities are programs of revitalisation and renewal. Poorly maintained and run down places can have negative impacts on people's wellbeing, health, sense of belonging and indeed economic prosperity. Equally, repairing and renewing buildings and infrastructure can have a positive impact on places and people's attachment to them.

Regeneration is about breathing new life and vitality into an ailing community, industry and areas bringing sustainable long-term improvements to local quality of life including economic, social and environmental needs. Culture and cultural heritage can be a catalyst for regeneration.



FIGURE 16 - HERITAGE IS KEY TO THE COMPETITIVE ADVANTAGE OF BALLARAT

¹⁷⁸ Historic England, 'Using Heritage in Place Branding' (Historic England, 2017), <https://historicengland.org.uk/images-books/publications/using-heritage-in-place-branding/heritage-place-branding/>.

Much of the funding for cultural heritage in Australia and elsewhere has been devoted to the regeneration and rehabilitation of run down urban (and rural) areas, buildings and sites, which in turn contributes to the quality and performance of places including economic and social outcomes.

*For example, **THE FORMER HERITAGE VICTORIA LIVING HERITAGE PROGRAM** (2006-2023) funded repair and conservation works to historic buildings and objects on the VHR which in turn contributed to the condition and appearance of places. Many of these projects addressed urgent works, such as St Marks Anglican Church (Fitzroy) where work repaired cracked brickwork and rusted out roof sheets.*

Similarly in the 1990s English Heritage repositioned itself as a regeneration agency, supporting major initiatives to regeneration townscapes and contribute to the wider government agenda on social inclusion and in creating places where businesses would want to locate and invest.

Although evaluations of heritage grant programs in Victoria and elsewhere have identified some of the economic and social benefits of funding conservation, there is less empirical research into the difference that investing in heritage conservation can make to economic and social outcomes.

The Heritage Fund is the largest funder of heritage in the UK and has been supporting regeneration programmes for more than 20 years. The Fund has undertaken a systematic approach to evaluating the impact of that funding, including following up on the investment in Townscape Heritage Initiatives projects over many years.

The 2022 study draws together the lessons from many years of funding such projects. Whilst they note there is no single definition of what place-based working means, they identify some key factors including adopting a long-term community led approach,

partnerships, holistic approaches and embracing the full breadth of heritage.¹⁷⁹

Heritage and Place Attachment

One of the key concepts in understanding the link between cultural heritage and placemaking is the idea of 'place attachment'.

The idea of place attachment originated in gerontology and is about the way people create meaning and personal identity through their attachment to place.¹⁸⁰ 'Place' has been described as, 'what gives spaces meaning' – a concept that has very clear links to the way heritage practice looks at what makes places special through concepts of cultural value. In the study of ageing, continuity in the physical environment and the routines of daily life can lead to stronger place attachment.¹⁸¹

Cultural heritage activities can include cultural mapping and engaging with communities to understand those meanings – in other words what is important to them about places, objects or collections, or in Tony Hiss's words, 'the things we know or sense about places but seldom put into words' (see above).¹⁸²

THE MIGRANT HERITAGE PROJECT *is an example of the kind of project that sets out to map people's connections to place. This collaboration with the former Migrant Heritage Centre (MHC) in NSW and the Immigration Museum set out to explore migration in Victoria from the 1940s to the present, to uncover the places, objects and collections associated with people who participated in this period of major change. The project worked with the City of Darebin and migrant communities to identify places that mattered to them. The focus was on migration as lived experience rather than migration as heritage.*¹⁸³

¹⁷⁹ Andy Parkinson et al., 'Heritage and Place Research Report' (Wavehill, 2022), <https://www.heritagefund.org.uk/sites/default/files/media/attachments/Heritage-Place-Report-Wavehil-DC-Research.pdf>.

¹⁸⁰ E. C. Relph, *Place and Placelessness* (Pion, 1976).

¹⁸¹ Robert I. Rubinstein and Patricia A. Parmelee, 'Attachment to Place and the Representation of the Life Course by the Elderly', in *Place Attachment*, ed. Irwin Altman and Setha M. Low, *Human Behavior and Environment* (Boston, MA: Springer US, 1992), 139–63, https://doi.org/10.1007/978-1-4684-8753-4_7.

¹⁸² Hiss, *The Experience of Place*.

¹⁸³ Context, 'Victoria's Post 1940s Migration Heritage - Darebin Pilot - Volume 3A Pilot Project - Project Report'.

There is a correlation between people's attachment to their local area and their wellbeing. A survey of 1328 people across regions with different history confirmed people had stronger attachment with place and were more engaged in civic activity when local neighbourhood ties are stronger and when those individuals were more interested in their own roots.¹⁸⁴

There is some systematic research into how funding for heritage can change people's attitudes to place. The Heritage Lottery Fund has funded heritage regeneration programs over many years. The Fund surveyed 4300 people across 12 different locations where the fund had invested money over the past 20 years. The survey showed that that investment had changed local people's perceptions of places, contributed to their pride in a local area and to social cohesion.¹⁸⁵

People are emotionally connected to places and want to share those meaning with others. A UK National Trust study combined Functional MRI scanning with qualitative and quantitative interviews of 2000 people to understand emotional connections with special places. Key areas of emotional processing in the brain are activated by a place deemed to be special by an individual, supporting feelings of a deep connection.¹⁸⁶

There is also some evidence that a strong sense of place is linked to aspects of social capital, such as civic engagement (see Chapter 1). Multiple academic studies show links between place attachment and environmentally responsible behaviours across age groups and that stronger levels of place attachment are also associated with higher life satisfaction and are a predictor of wellbeing.¹⁸⁷

Those studies are about places in general rather than protected heritage areas, and indeed a 2009 review of the literature on whether it is possible to identify relationships between heritage, a sense of place and social capital found no major studies that linked all three

¹⁸⁴ Maria Lewicka, 'Ways to Make People Active: The Role of Place Attachment, Cultural Capital, and Neighborhood Ties', *Journal of Environmental Psychology* 25, no. 4 (December 2005): 381–95, <https://doi.org/10.1016/j.jenvp.2005.10.004>.

¹⁸⁵ Historic England, 'Heritage and Society'.

¹⁸⁶ National Museum Directors' Council, 'Interviewing the Amygdala: National Trust Uses MRI Machine for Research', National Museum Directors' Council, 2017, <https://www.nationalmuseums.org.uk/news/interviewing-amygdala-national-trust-uses-mri-machine-research/>.

¹⁸⁷ Historic England, 'Heritage and Society'.

but did find links between heritage and a sense of place, and between a sense of place and social capital.¹⁸⁸

As we get to know a place better and endow it with value, perhaps through activities such as cultural mapping, the strength of place attachment increases. There is also evidence that living in 'more historic' built environments (assessed in terms of density of listed buildings present) is correlated to a stronger sense of place, even after factoring in socio-economic factors that impact on sense of place.¹⁸⁹



FIGURE 17 - CULTURAL HERITAGE CAN PLAY A KEY ROLE IN HELPING TO REBUILD AFTER DISASTERS

Heritage and Disaster Recovery

As historian Peter Read notes, the loss of places whether through disaster or other can have a devastating effect on people.¹⁹⁰ Engaging with cultural heritage, through the stories of places, can play an important role in the disaster recovery process.

The 2019-20 Bushfire Recovery Framework for Victoria sets out core principles for disaster recovery that start with understanding the local context, recognising complexity and using community led approaches.¹⁹¹ There is rightly an emphasis on Aboriginal culture in the long-term outcomes including the importance of cultural safety, trauma and participation. However, understanding the cultural heritage of places as a whole, and stories and feelings of everyone affected by such disasters is equally important.

In the wake of the disastrous 2009 bushfires, several projects used creative approaches and oral histories to help communities come to terms with the impact of the bushfires and their aftermath often through cultural heritage. Creative Victoria funded 42 creative recovery projects through its Arts Recovery Quick Response fund.¹⁹²

¹⁸⁸ Graham, H., Mason, R. and Newman, A., Literature Review: Historic Environment, Sense of Place, and Social Capital. International Centre for Cultural and Heritage Studies (ICCHS), Newcastle University, 2009.

¹⁸⁹ Historic England, 'Heritage and Society'.

¹⁹⁰ Peter Read, *Returning to Nothing: The Meaning of Lost Places* (Cambridge ; Melbourne: Cambridge University Press, 1996).

¹⁹¹ State Government of Victoria, 'Bushfire Recovery Framework', VIC.GOV.AU, 2019, <http://www.vic.gov.au/bushfire-recovery-framework>.

¹⁹² Kate Elisabeth Whitley Douglas, '(Re)Creating after the "Black Saturday" Bushfires: Examining the Role of Creative Disaster Recovery Projects in Strathewen, Victoria, Australia' (Melbourne, University of Melbourne, 2021), <http://hdl.handle.net/11343/295937>.

There was also support for Aboriginal culture and healing, including support for Aboriginal cultural heritage across Country.¹⁹³

STRATHEWEN on the Country of the Wurundjeri Woi-Wurrung people, 40km north of Melbourne, was devastated by fire on 7th February 2009 in Victoria.¹⁹⁴ The ensuing loss of life and property was unimaginable. Story-telling was a vital part of the recovery process. The Big Stories, Small Towns initiative worked with the community to record stories and histories.¹⁹⁵ In another initiative, every week in the aftermath, people came together through the Letterbox project to share stories and listen to others. The letterboxes are sacred to Strathewen as a reminder of Black Saturday but also representing hope and renewal.¹⁹⁶ Academics Margaret Fraser, Kate Douglas and Elisabeth Whitley have also written about working with communities to collect oral histories as part of the project.¹⁹⁷



FIGURE 18 - IRON KETTLE, STRATHEWEN
7 FEB 2009 © MUSEUMS VICTORIA

The former Cockatoo kindergarten is an example of a property added to the Victorian Heritage Register VHR H2303 in commemoration of its role as a place of refuge for the community during the 1983 Ash Wednesday bushfires.

There is clearly more to learn about the role of cultural heritage in recovery, through practices such as oral history and storytelling, but also understanding the stories of place that have been lost, and how those stories might shape the future design of places. Cultural heritage is also relevant to future resilience – ensuring that the design and location of new buildings and facilities learns from past knowledge.

¹⁹³ State Government of Victoria, 'Bushfire Grants To Support Aboriginal Culture And Healing', Premier of Victoria, 2020, <http://www.premier.vic.gov.au/bushfire-grants-support-aboriginal-culture-and-healing>.

¹⁹⁴ Strathewen Connect, 'The Letterbox Project', Strathewen Connect, accessed 26 July 2023, <http://www.strathewen.com.au/strathewen-story/the-mosaic-letterbox-project/>.

¹⁹⁵ Big Stories Co., 'Big Stories', Big Stories, Small Towns, accessed 26 July 2023, <http://bigstories.com.au/story/recovery>.

¹⁹⁶ Strathewen Connect, 'The Letterbox Project'.

¹⁹⁷ Margaret Eleanor Fraser, 'Strathewen: Oral History after Black Saturday' (thesis, Monash University, 2017), <https://doi.org/10.4225/03/58ace6cee2e32>.

CHAPTER 4: HERITAGE AND THE ARTS



FIGURE 19 - CULTURAL HERITAGE IS CENTRAL TO AUSTRALIA'S CULTURAL POLICY

Caring for heritage can also have **cultural value** through the role that heritage can play in the **arts, culture and creativity** including architecture and new design.

This section explores the role of heritage in the arts through three topics – storytelling, inspiring creative practice and the creative industries. Whilst the contribution to creativity might be one of the social benefits of cultural heritage assets and activities, we have added a separate chapter on the role of heritage in the arts, because heritage is so often implicit rather than explicit in policies for arts and culture.

‘Revive’, Australia’s new National Cultural Policy, sets policy for the creative and cultural industries. The policy explicitly considers cultural heritage in part by the emphasis it places on key aspects of cultural heritage - place and storytelling. Priority is rightly given to First Nations stories but there is also space for wider cultural heritage and infrastructure and a recognition that arts and culture are both generative (creating new works and supporting artists) and preservative (protecting heritage and conserving cultural memory).¹⁹⁸

The role of cultural heritage is less obvious in Creative State Strategy 2025, the Victorian Creative Industries strategy designed to, ‘create jobs and skills, and to maintain Victoria’s reputation as a global cultural destination and a bold creative leader’.¹⁹⁹ It aims to support 60,000 creative artists over the next four years and position the creative industries as a driver for the State’s future economic

¹⁹⁸ Department of Infrastructure, Transport, Regional Development, Communications and the Arts, ‘National Cultural Policy - Revive: A Place for Every Story, a Story for Every Place’ (Canberra: Commonwealth of Australia, 2023), <https://www.arts.gov.au/sites/default/files/documents/national-culturalpolicy-8february2023.pdf>.

¹⁹⁹ Creative Victoria, ‘Creative State Strategy 2025’ (Melbourne, 2022).

prosperity and social wellbeing. Although the strategy emphasises the role of Aboriginal culture and notes the unique and collective cultures of diverse communities, the phrase 'cultural heritage' is not used.

We have not yet identified systematic research relating to heritage and the arts, apart from the significant body of research for England on the link between heritage buildings and creative industries (see below), so this section mainly relies on data, case studies and illustrative examples that show how heritage can contribute to creative and arts policy objectives. Other chapters show how heritage can contribute to wider creative policy outcomes including learning (Chapter 1) and the workforce (Chapter 5).

Heritage and Storytelling

The first, most important, and often overlooked role of heritage in culture and creativity is the role of heritage in storytelling – a topic that is central to Australia's new cultural policy. Stories connect us with the world and help us make sense of it. Storytelling is one of the oldest traditions in the world; it also has a powerful impact on how people see themselves. Story telling can also play a role in healing.

Storytelling is central to cultural heritage. Heritage places and objects are sources of stories, through narratives embedded in their physical fabric including untold stories, and stories that might not be reflected in written or historical accounts. In addition heritage activities, such as engaging with heritage through research, public programming, interpretation and involving communities, are often all about generating stories that help us make sense of the world.

The Victorian Collections site mentioned in Chapter 1, tells some of the rich cultural heritage stories for Victoria based on the thousands of objects in heritage museums and archives.

Archaeology is one of the key techniques for unlocking the creative or storytelling value of heritage, by enabling us to read the stories embedded in the fabric of buildings, places and landscapes. The heritage permit system often results in the loss of archaeological deposits to facilitate new development, but one of the ways of

mitigating that loss is through recording, analysing and telling the stories embedded in those remains.

HERITAGE IN RUINS - MELBOURNE'S BURIED BLOCKS

An excavation of Little Lonsdale Street in Melbourne in 2017, on the lands of the Wurundjeri Woi-Wurrung people, unearthed material from below the streets of Melbourne that revealed how, in the 1850s, the City of Melbourne raised the street levels to deal with the urban challenges of flooding and sanitation. This shed light on a major civic works program that was largely forgotten.²⁰⁰ It is worth noting that projects such as this also have the potential to help us understand current and future urban challenges, particularly in relation to climate change.



FIGURE 20 - ARCHAEOLOGY IS A POWERFUL SOURCE OF STORYTELLING
© LEO MARTIN 2023

The power and role of storytelling is also central to Aboriginal and Torres Strait Islander people. Yarning and yarning circles (dialogue circles) have been used by Indigenous communities around the world for centuries to learn from a group, to build respectful relationships and to preserve and pass on cultural knowledge.²⁰¹

²⁰⁰ Alliance Archaeology, 'Heritage in Ruins: An Investigation into Melbourne's "Buried Blocks"', 2019, <https://heritagecouncil.vic.gov.au/wp-content/uploads/2021/12/PR180502-HeritageInRuinsFinalReport-PartA-1-4-compressed.pdf>.

²⁰¹ Indigenous Consultancy Services, 'What Is Yarning', Yarning, accessed 26 July 2023, <https://www.yarning.com.au/what-is-yarning>.

Yarning is important in health contexts. For example, Yarning Safe 'n Strong is a free and confidential service provided by the Victorian Aboriginal Health Service to people who need to have a yarn about their wellbeing. They offer social and emotional wellbeing, financial wellbeing and medical support.²⁰²

Yarning is emerging as an important part of heritage practice. The 'Our Knowledge, Our Way' guidelines published by CSIRO note that researchers and policy makers tasked with solving major environmental problems, are noticing the benefits of Indigenous people applying their knowledge and cultural practices to environmental issues. Our Knowledge Our Way gives voice to Indigenous land and sea managers who have found good ways to strengthen their knowledge and build partnerships in caring for Country.²⁰³ The guide notes that:

'listening and talking to and with Country is an important part of our caring for Country.... Deep listening, also called dadirri, a word from the Ngan'gikurunggurr and Ngen'giwumirri languages of people of the Daly River region is an important part of that. Slowing down and listening to Country is part and parcel of finding ways to work with Country'.

Whilst there are many benefits to protecting and engaging with cultural heritage, cultural heritage can be contested, and difficult. Decisions about what to protect and how to protect can be affected by our own cultural values, including the stories that we choose not to see or not to tell. The recent protests around statues of notable figures with connections to, for example, slavery or colonial settlement, and the pressure to return objects to communities of origin have highlighted the contested and conflicting nature of heritage.

However, the role of heritage in story telling also has the power to create spaces for reconciliation and acknowledgement. The recent Difficult Conversations project conducted by the University of Canberra in collaboration with the Ulster University in Belfast,

²⁰² Victorian Aboriginal Health Service, 'Welcome to Yarning SafenStrong', Victorian Aboriginal Health Service, accessed 26 July 2023, <https://www.vahs.org.au/yarning-safenstrong/>.

²⁰³ Woodard et al., 'Our Knowledge Our Way in Caring for Country'.

brought together artists and heritage practitioners and drew on Aboriginal experiences and storytelling to explore the ways in which creative practices and storytelling could help to address concepts of reconciliation and healing following difficult historical events.²⁰⁴

In Victoria an interpretation project at the Abbotsford Convent (see below) was developed to acknowledge the stories and experiences of the poor and marginalised women and girls who stayed there.

Heritage and Creative Practice

Many artists are inspired by their culture and heritage, as a core part of their creative practice. This includes the role of cultural heritage in new design and the role of cultural heritage in other creative practice including sculpture, painting and performance.

This is perhaps most apparent in architecture. The 2022 Victorian Architecture awards honour architects whose creative designs. These include the firms KTA and BVN for their work on Queen and Collins, a historic bank complex, and the award to Object 07 by Prior Barraclough, a creative engagement with elements of a historic building.²⁰⁵

Architects and urban planners are increasingly embracing the principles of Designing for Country, that embed Aboriginal cultural thinking and philosophy into the design of new places.²⁰⁶

At the Victorian architects' awards, the regional prize was awarded to Noxon Giffen architects for their new campsites on the Grampians trail, shaped by close working with Aboriginal groups to understand the relationship between place, design and Country.

The National Trust of Australia (Victoria) have historically run an annual heritage award programme that has recognised excellence in the adaptive reuse of heritage, heritage innovations and new works at historic places. These have recognised the work of owners, architects and others.

²⁰⁴ University of Canberra, Ulster University and the British Council., 'Difficult Conversations', accessed 26 July 2023, <https://adifficultconversation.com/>.

²⁰⁵ Australian Institute of Architects, '2022 Victorian Architecture Awards Winners', Australian Institute of Architects, 2022, <https://www.architecture.com.au/awards/2022-awards/2022-victorian-architecture-awards-winners>.

²⁰⁶ Government Architect New South Wales, 'Designing with Country' (Government Architect New South Wales, 2020).

The artist and businessman Mark Wang (see chapter 3) also talks about the role of creativity and arts practice in the Museum of Chinese Australian history. He described a contemporary exhibition of works by Chinese, Chinese Australian and Australian artists, taking historical aspects of Chinatown as part of how they interpreted the relationship between China and Australia. The exhibition attracted a very different audience to the usual museum exhibition. Speaking about cultural heritage and art, Wang notes that,

*'arts actually provided a way of engaging people in an enquiring way. Whereas sometimes heritage doesn't ask the question, it states the answer...whereas arts are a more creative way of looking at heritage. That's what's quite refreshing when you get an exhibition looking at cultural heritage that's also an arts exhibition.'*²⁰⁷

The link between cultural heritage and art practice is also clearly articulated by leading Victorian Aboriginal artists.

Indigenous master weaver Glenda Nichols's major work *Miwi Milloo* or *Good Spirit of the Murray River* was placed in the main hall of the National Gallery of Victoria as part of its triennial exhibition. The huge white net was created drawing on intangible heritage traditions of feather craft and traditional weaving that Nichols learned from her mother and grandmother. Through her art, Nicholls seeks to preserve those cultural practices.²⁰⁸ Senior Curator Maree Clarke, a Mutti Mutti/Yorta Yorta and Boon Wurrung/Wemba Wemba woman from northeast Victoria is both a leading promoter of Aboriginal arts, and an artist in her own right, who has researched the links between cultural heritage, place and identity. She works with Elders and other groups to rediscover traditional practices, but also uses those practices and knowledge to create contemporary art works. As the Birrarung Gallery website notes,

*'the capacity for art to enable people to reconnect with their cultural heritage and to assist their recovery remains central to Maree's philosophy concerning the power of art to heal and inspire people to positively identify with their Aboriginality.'*²⁰⁹

²⁰⁷ Williams, Damien and Reeves, Keir, 'Dragon Tails'.

²⁰⁸ Salvo, "'I Just Kept Weaving': The Huge Artwork That Was Only Made Possible by Lockdown', ABC News, 16 April 2021, <https://www.abc.net.au/news/2021-04-17/master-weaver-glenda-nicholls-preserving-indigenous-culture/100074988>.

²⁰⁹ Bunjilaka - Aboriginal Cultural Centre, 'Maree Clarke', Bunjilaka - Aboriginal Cultural Centre, accessed 26 July 2023, <https://museums victoria.com.au/bunjilaka/about-us/birrarung-gallery/maree-clarke/>.

Cultural heritage assets can also create spaces for contemporary art works and exhibitions, and often provide support to artists. The team from Working Heritage and Monash Design and Architecture worked with the local community to pilot an artist residence, studio and accommodation of the site, as the basis for an artist-in-residence program.²¹⁰

THE ROYAL EXHIBITION BUILDING *in Melbourne is the world's oldest remaining Great Exhibition hall, and is now a UNESCO World Heritage site. Built for the 1880 Melbourne International Exhibition, it brought cultures, technology and ideas from around the world to Melbourne. It has continued to host programs, events, festivals and exhibitions since then, as well as to service as makeshift hospital and morgue, migrant reception centre. Today it continues to host cultural and creative events, such as, the Melbourne Fashion Festival.*

Apart from case studies and examples, this review has not so far identified any systematic studies or research into the links between creative practice and cultural heritage. However, one example from England is the evaluation of the Young Musicians for Heritage Project which used music and creativity as a way to explore the cultural heritage of Crewe. The researchers explored the role of the project in enhancing wellbeing outcomes for young people as part of wider thinking about the role of creativity.

There is also a huge body of research on the value of culture and the arts more generally, much of which is gathered on the websites noted in Annex 5.

Heritage and The Creative Industries

There is empirical evidence for that connects historic sites and buildings with the performance of creative industries. In their review of Victorian heritage grants, SKM noted the link between creativity and economic development, citing Richard Florida's work on the

²¹⁰ Working Heritage, 'Reactivating Warracknabeal Courthouse', Working Heritage, 11 January 2023, <https://workingheritage.com.au/news/reactivating-warracknabeal-courthouse>.

creative industries.²¹¹ Creative people are a key element in attracting and retaining businesses, and on this basis, cities and regions needed to attract creative businesses.²¹²

The term 'creative industries' emerged in the late 1990s with government policies linked to regenerating run-down places. In England, local governments sought to support 'creative clusters' which brought together cultural producers.²¹³

In Australia, the creative industries (including heritage) contributed \$115.2 billion to the economy in 2017-18. This represents around 6.3% of Australia's GDP – a 34% increase over the previous decade.²¹⁴

Creative State Strategy 2025 is the Victorian government's four-year creative industries strategy designed to grow jobs and skills, and maintain Victoria's reputation as a global cultural destination and bold creative leader.²¹⁵ Although the current Victorian Creative Industries strategy does not specifically mention heritage, it does make the link between investing in cultural infrastructure projects as part of the Victorian Visitor Economy Recovery and Reform Plan.²¹⁶ That plan includes dedicated funding for First Peoples projects and investing in 'creative neighbourhoods'. The plan includes investment in cultural heritage facilities such as the Castlemaine Goods Shed, in new museum exhibitions and programs and in providing arts and cultural experiences to schools.²¹⁷

Victoria has four UNESCO Creative cities - Ballarat, Bendigo, Geelong and Melbourne – all places with significant cultural heritage. The UNESCO Creative Cities network (UCCN) was created in 2004 to improve cooperation with and among cities that have

²¹¹ SKM (Sinclair Knight Merz), 'Heritage Grants Review: Report for Heritage Victoria'.

²¹² SKM (Sinclair Knight Merz).

²¹³ Graeme Evans and Phyllida Shaw, 'The Contribution of Culture to Regeneration in the UK: A Review of Evidence' (London Metropolitan University, 1 January 2004), 3.

²¹⁴ Transport Department of Infrastructure, 'The Economic Value of Cultural and Creative Activity', Department of Infrastructure, Transport, Regional Development, Communications and the Arts (Department of Infrastructure, Transport, Regional Development, Communications and the Arts, 22 September 2021), <https://www.infrastructure.gov.au/departments/media/news/economic-value-cultural-and-creative-activity-0>.

²¹⁵ Creative Victoria, 'Creative State Strategy 2025'.

²¹⁶ Department of Jobs, 'Visitor Economy Recovery and Reform Plan', text, Department of Jobs, Skills, Industry and Regions, 18 June 2023, Victoria, <https://djsir.vic.gov.au/priorities-and-initiatives/visitor-economy-recovery-and-reform-plan>.

²¹⁷ Department of Jobs.

identified creativity as a strategic factor for sustainable urban development. They share the common objective of placing creativity and cultural industries at the heart of development plans at a local level.²¹⁸

There are many examples of creative industries in historic buildings and sites in Victoria.

ABBOTSFORD CONVENT *on the land of the Wurundjeri Woiwurrung people of the Kulin Nation, was established in 1863. It was both a place for shelter food and education for girls and women, but also a place of hardship and ordeal. The precinct is inscribed on the National Heritage List. A local community campaign, objecting to a proposal for 289 apartments on the site, the site was gifted to the community and since then the foundation and its partners have been restoring and conserving the buildings and sharing the sites social history.*²¹⁹ *Today it is Australia's largest multi-arts precinct which provides events, spaces for artists, exhibitions, markets and festivals. Despite the impact of the pandemic the 2021 annual report notes that they welcomed 427,714 visitors, 52% of pre-pandemic levels and supported 127 independent artists, as well as creating a new venue. 3000 people attended markets and fairs and 1901 children attended convent kids programs. There was a growth in corporate events and new monthly donors and 96% tenant occupancy.*²²⁰

*As well as the Abbotsford Convent site mentioned above, one of the most successful projects in terms of encouraging creative industries is **Collingwood Yards** on the land of the Wurundjeri Woiwurrung people - a not for profit creative precinct and home to hundreds of artists and creative workers, including 50 organisations and artists' studios. Based at the former Collingwood Technical School Campus with a long Aboriginal history, the site also includes historic buildings that were previously a courthouse (1853), Council Chambers (1860 and a school of design (1871). The buildings are now managed by Contemporary Arts Precincts in Trust for the people of Victoria.*²²¹

²¹⁸ UNESCO, 'Creative Cities | Creative Cities Network', United Nations Educational, Scientific and Cultural Organization, accessed 26 July 2023, <https://en.unesco.org/creative-cities/>.

²¹⁹ Abbotsford Convent, 'History', Abbotsford Convent, accessed 26 July 2023, <https://abbotsfordconvent.com.au/about/history/>.

²²⁰ Abbotsford Convent Foundation, 'Annual Report 21/22' (Abbotsford Convent Foundation, 2021).

²²¹ Collingwood Yards, 'Home', Collingwood Yards, accessed 26 July 2023, <https://collingwoodyards.org/>.



FIGURE 21 - COLLINGWOOD YARDS © WIKIMEDIA COMMONS

Over the past decade, there has been a lot of research interest in links between heritage, placemaking, creativity and economic performance, mainly in England. The aim has been to understand more about the profile and nature of creative industries in historic areas, and the various factors behind their success (or not). It includes work to understand the drivers and motivations for creative businesses. Given the importance of creative industries to Victoria, this might be an area to explore locally.

For example, there is evidence that places with strong historic character also tend to be places where independent business, particularly in leisure, retail and cultural industries, prefer to locate.

The 2013 'New Ideas need Old Buildings' report looked at business occupation of historic buildings. The report estimated that the 130,000 businesses in listed premises in England contribute around £47billion to UK GDP and employ around 1.4m people. They estimate that there is a heritage premium and additional GVA of £13,000 (4.4%) above average per business in a historic building.²²²

A 2016 Case review on the role of culture and sport on place shaping focussed on links between culture, sport and heritage assets and investment, local economic performance and more specifically creative industries.²²³

Frontier Economics looked at the role of heritage and arts in economic productivity in England. Although it was difficult to find a direct connection, there is evidence that historic buildings stimulate productivity in the creative industries and, to a lesser extent, the wider economy. In a rapid evidence assessment of the drivers of productivity in the arts, heritage and museums sector (including a critical review of 50 research papers and stakeholder interviews) they found a lack of evidence of the drivers of productivity within heritage arts and museums, possibly because of the difficulty of measuring efficiency, but did find evidence to suggest that these sectors stimulate productivity drivers in the creative industries and to a lesser extent the wider economy.²²⁴

A 2018 survey of commercial operations in listed buildings in 55 English towns identified c.142,000 town centre-type commercial operations in listed buildings in England.²²⁵ Comparing the use of listed and non-listed buildings, the study found that:

- independent non branded operations form a larger proportion of retail and food and beverage buildings occupying listed buildings,

²²² Heritage Lottery Fund, 'New Ideas Need Old Buildings' (Heritage Lottery Fund, 2013), https://www.heritagefund.org.uk/sites/default/files/media/research/new_ideas_old_buildings_2013.pdf.

²²³ TBR et al 2016

²²⁴ Frontier Economics, 'Productivity and the Arts, Heritage and Museums Sectors: A Report for DCMS', 2020, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/918258/Productivity_and_the_Arts_Heritage_and_Museum_Sectors.pdf.

²²⁵ Historic England, 'Heritage Counts: The Past Is the Foundation of Our Future: Heritage in Commercial Use', Heritage Counts 2018 (Historic England, 2018).

- comparison retailers (largely independent) form a much higher proportion of operations in places with a high heritage density, particularly shops selling fashion,
- a fashion boutique is almost twice as likely to be in a listed building than in a non-listed building in central London,
- places with groups of listed buildings attract specialist shops, typically co-existing with places to eat and drink,
- heritage environments nurture leisure quarters – places to eat and drink from a much larger proportion of occupiers of listed buildings than non-listed buildings in the centres of the main regional cities, in smaller towns and outlying parts of London,
- creative industries are more likely to locate in listed buildings in the main regional cities and towns, and
- non-professional services have a much lower propensity to occupy listed buildings.

They also looked at the relationship between creative businesses and conservation areas by using data on the top 300 creative industries, data on the 9500 conservation areas in England and on listed buildings in commercial use.²²⁶ Around 26% of all companies involved in creative industries were in conservation areas, comprising 67,000 companies with around half a million people working in them and a GVA of \$22-25 billion. Creative industries cluster in conservation areas; 75% of all companies in the creative industries are in the 20% of conservation areas that form the greatest clusters of creative industries. They also found that businesses of similar type cluster in conservation areas.

More detailed studies looked at whether creative clusters were the result of market forces or whether the public sector play an active role. They found that in London at least, the public sector did play a key role by preventing the demolition of historic buildings and investment in the public realm through campaigning by activities in the 70s and 80s.

²²⁶ Historic England.

The research casts light on the drivers for creative industries. For example, large creative industry clusters can also be the result of the work of determined entrepreneurs who realise the potential of former industrial or warehouse buildings e.g. Custard factory in Birmingham and Tobacco factory in Bristol. Rent is not necessarily the issue for creative industries. Instead, many companies are young and ambitious and want high quality workspace with comfortable conditions and superfast broadband. They like to be close to city centres and transport hubs. They often choose space in historic buildings restored with panache because it fits their self-image and the image they wish to project to customers and staff.

In terms of the lessons of that work for the heritage sector, Historic England concluded that creative industries were an important economic sector with the potential to underpin regeneration work in historic townscapes, because creative industries both valued the physical aspects of historic buildings as well as their ambience and cultural and historical stories.²²⁷

The cost of bringing older buildings into use was likely to require subsidy, but the significant reduction of public sector funding made this difficult. Despite grant assistance, developers were not always willing to take on difficult buildings.

The challenge was also not so much about using historic buildings but creating an entire environment that was conducive to the individuals and organisations in creative industries. They concluded that whilst it was rare for historic buildings or areas to be subject to wholesale development, that the emergence of buzzing, new, mixed-use creative hubs was at risk from monocultural residential or retail developments driven by higher returns, which reflected the increasing dominance of private rather than public investment. It concluded that,

*‘prioritising short-term economic development over the conservation of historic environments can be a costly mistake, resulting in the loss of potential long-term economic assets as well as irreplaceable historic assets’.*²²⁸

²²⁷ Historic England.

²²⁸ Historic England.

CHAPTER 5: HERITAGE AND PROSPERITY

This chapter reviews the evidence from recent studies for the role of cultural heritage **assets** and **activities** in **economic prosperity**.

This chapter touches on some of the more strategic modelling for the Total Economic Value (TEV) of heritage in Victoria or Australia and evidence from international studies for the value of the sector.²²⁹ It notes the findings from studies on the relationship between heritage listing and property sale prices in Victoria as this is a concern that arises in panel reports, particularly in relation to Heritage Overlays. The chapter briefly explores the Victorian concept of ‘reasonable or economic use’ in heritage permits and how it is assessed because this is an important tool for reconciling economic and heritage issues. This chapter also reviews evidence for the role of cultural heritage in tourism or the visitor economy in the state, and what we know about the heritage sector as an employer.

economic research methods can be used to express the social, environmental or even cultural value of heritage in monetary terms.

Note that other chapters of this report also refer to economic research. For example, chapter 2 mentions the monetary value of reducing carbon emissions through retrofitting, and Annex 4 includes data on Australians’ willingness to pay for stronger heritage protection. The research on the creative industries in chapter 4 also draws on economic approaches. This is because economic research methods can be used to express the social, environmental or even cultural value of heritage in monetary terms.

²²⁹ State Government of Victoria, ‘Stage 1: Business Case’, Department of Treasury and Finance (Department of Treasury and Finance), accessed 26 July 2023, <https://www.dtf.vic.gov.au/investment-lifecycle-and-high-value-high-risk-guidelines/stage-1-business-case>.

BACKGROUND

This section notes previous studies on the economics of cultural heritage in Australia and internationally. It refers the reader to other studies that explain the application of economic research concepts and methods in heritage practice.



FIGURE 22 - HERITAGE AND THE ECONOMY © HISTORIC ENGLAND 2019

There has been a long-standing interest in economic aspects of cultural heritage amongst Australian heritage policymakers. In 1982 the Centre for Resource and Environmental Studies published an evaluation of economic incentives for heritage conservation in Australia (Chisolm and Reynolds 1982).²³⁰ Australia's first conference on heritage economics was held in 2000 (AHC 2000) whilst the 30th Annual Conference of the ANZRSIAI in 2006 focused on heritage and regional development.²³¹ In 2006 the Productivity Commission explored the case for government intervention in cultural heritage in Australia in economic terms.²³² Since then, many more studies have used econometric methods such as choice modelling or direct benefit studies to express the wider value of cultural heritage, including social, cultural and environmental values in dollar terms.

*A recent summary of some of the most relevant studies for Victoria can be found in the **2018 SGS ECONOMICS & PLANNING REPORT**, 'Valuing Victoria's Heritage' and in the earlier 2007 review by SKM.²³³ The SKM project included a literature review and two up-to-date choice modelling studies including one based on asset types (see Annex 4). SGS have also provided a recent review of the economic value of heritage to the City of Adelaide.²³⁴*

²³⁰ Chisholm, A. and Reynolds, I. 'Heritage Conservation in Australia: An Evaluation of Economic Incentives'. (Canberra: Centre for Resource and Environmental Studies, Australian National University, 1982)

²³¹ John Martin, 'Heritage and Regional Development: Refereed Proceedings of the 30th Conference of the Australian and New Zealand Regional Science Association International' (Melbourne: La Trobe University Centre for Sustainable Regional Communities, 2006).

²³² Should read: Productivity Commission, 'Conservation of Australia's Historic Heritage Places - Productivity Commission Inquiry Report' (Canberra, 2006), <https://www.pc.gov.au/inquiries/completed/heritage/report/heritage.pdf>

²³³ It is also important to be aware that there is considerable debate amongst economists around each of the research methods, particularly in light of the stated aim of providing statistically valid dollar valuations for heritage assets or activities that can be compared with other goods and services. See SKM (Sinclair Knight Merz), 'Analysis of the Value of Heritage to the City of Ballarat' (SKM (Sinclair Knight Merz), 2007); Fujiwara, Kudrna, and Dolan, 'Quantifying and Valuing the Wellbeing Impacts of Culture and Sport'; Simmetrica Jacobs, 'DCMS Rapid Evidence Assessment: Culture and Heritage Valuation Studies – Technical Report', Commissioned report (Department for Culture, Media & Sport, 2020).

²³⁴ SGS Economics, 'The Economic Value of Built Heritage in the City of Adelaide' (SGS Economics and Planning Pty Ltd, 2018).

Further studies and literature reviews for Australia are set out in Annex 4. The Annex flags some of the international research, including a meta-review of 184 economic valuation studies for heritage by Simmetrica Jacobs. That and other studies around the economic value of heritage have been part of an important Cultural and Heritage Capital project led by DCMS. The Culture and Heritage Capital project is seeking to explore the models of natural capital accounting currently being applied in Australia and elsewhere to natural heritage to cultural heritage. We return to this issue in the Epilogue.

Historic England have also published a recent summary of research on heritage and the economy for England that also refers to work on property values, the total economic value of the sector and tourism (see Annex 5).

Note that we are heritage specialists and not economists and so not qualified to comment on the robustness of the evidence cited in this chapter, or the choice and validity of research methods. We would refer to the SKM 2018 report which includes a useful overview of the application of different economic research approaches to cultural heritage, an introduction to the concepts of use and non-use values, and an overview of the variety of methods that have been used for cultural heritage, including choice modelling and hedonic pricing.²³⁵ That report also includes an informed critique of some of the limitations of that work, which is particularly helpful for non-specialists.

David Throsby also provides useful introductions to economic methods for cultural heritage.²³⁶ Annex A of the Place Economics Calgary study also includes a recent Background and Best Practices review for heritage valuations focussed on commercial streets conducted by North American municipalities which includes a wider range of economic valuation approaches.²³⁷

²³⁵ SGS Economics, 'The Value of Heritage: Summary Report'.

²³⁶ David Throsby, *Economics and Culture* (Cambridge: Cambridge University Press, 2000), <https://doi.org/10.1017/CBO9781107590106>.

²³⁷ PlaceEconomics, 'Heritage Value Analysis & Conservation Tool Development Focused on Commercial Streets - Phase 1 Report' (Calgary, 2022), <https://www.placeeconomics.com/resources/calgary-heritage-value-analysis-focused-on-commercial-streets/>.

Heritage and Property Sale Prices

This section reviews evidence for the impact of heritage protection on property sale prices.

One aspect of the economic value of heritage is the economic benefit (or not) of a heritage listed property. The question of the impact of a heritage protection on the potential sale price of commercial or residential property prices has been raised repeatedly in Australia and internationally, often by owners or potential investors.

As noted above, in Victoria there are often objections to heritage overlays on economic grounds. This is confirmed in the Victorian Local Heritage Study where workshop participants felt that some members of the public,

‘saw the HO in a negative light, believing it to prevent development or changes to a property, reduce property value and add unnecessary expense, both in applying for a planning permit and increased insurance premiums’.²³⁸

As well as not being clear that these are simply the first step of a two-step process, those objections are often based on assumptions about a potential future impact on price, rather than empirical evidence. The fact that such concerns are long standing and pervasive may be one reason why there have been so many studies looking at the relationship heritage protection and property price in Victoria, for Australia and internationally.

It is not the remit of this study to undertake new primary research and nor are we qualified to do so. Therefore we have simply identified some of the recent studies on the relationship between heritage protection and property valuation and note the conclusions of others.

Those studies include commercial and residential properties and use a range of different research methods including:

- attitudinal surveys of real estate agents or homeowners,

²³⁸ Heritage Council of Victoria, ‘State of Heritage Review - Local Heritage’ (Heritage Council of Victoria, 2020).

- reviews of actual sales data,
- more sophisticated hedonic price modelling that refines sales data by looking at characteristics (such as land size, number of bedrooms etc), and
- 'difference in difference' modelling that, for example, compares prices of the same property before and after listing.

The studies look at data for listed and unlisted properties, properties in historic and non-historic districts, and properties that are near listed buildings.

The key literature reviews for the state of Victoria are summarised in Annex 4. These include a 2001 review of data Heritage Listing and Property Valuations in Victoria and the 2007 SKM review of property price studies as part of a review of grants.²³⁹ It also includes Appendix C of the 2018 SGS study on the value of built heritage to Victoria reviews studies that apply economic methods to valuing heritage, including references to some of the key Australian property price studies.²⁴⁰ For Australia, Urban Consulting Group reviewed prices studies in 1995, whilst the 2006 Productivity Commission review included Australian price studies.²⁴¹ In 2007 Isles systematically reviewed 33 Australian studies.²⁴² Armitage and Irons reviewed key domestic and international studies in 2005 and 2013.²⁴³

The key individual property price studies for Victoria include a study of the prices of all properties on the VHR by the Victorian Valuer-General; a study of properties in Maldon by Countrywide Valuers in 1992, a study of properties in Geelong and a study of properties in

²³⁹ Peter Abelson and Colin Dominy, 'The Economics of Heritage Listings' (Sydney: NSW Heritage Office, 2001); SKM (Sinclair Knight Merz), 'Heritage Grants Review: Report for Heritage Victoria'.

²⁴⁰ SGS Economics, 'The Value of Heritage: Summary Report'.

²⁴¹ Urban Consulting Group, 'Economic Effects of Heritage Listing' (North Melbourne, 1995); Productivity Commission, 'Conservation of Australia's Historic Heritage Places - Productivity Commission Inquiry Report' (Canberra, 2006), <https://www.pc.gov.au/inquiries/completed/heritage/report/heritage.pdf>.

²⁴² W Isles, 'Heritage Legislation – Does It Decrease or Increase the Value of Property?' (University of Melbourne, 2007).

²⁴³ Lynne Armitage and J. Irons, 'Managing Cultural Heritage: Heritage Listing and Property Value' (Annual European Real Estate Society Conference, Dublin, 2005), 3–20; Lynne Armitage and Janine Irons, 'The Values of Built Heritage', *Property Management* 31, no. 3 (June 2013): 246–59, <https://doi.org/10.1108/02637471311321487>.

the cities of Stonnington and Monash.²⁴⁴ The 2006 SKM review of the value of heritage for the City of Ballarat included a price study.²⁴⁵ More recent Victorian studies include Shehata 2020.²⁴⁶

Empirical studies for other States include Allen 2006, Penfold 1994 and Jefferies 2012 for NSW.²⁴⁷ SGS reviewed the values of listed and non-listed buildings in Adelaide in 2017 as part of a wider value of heritage study and NSW Heritage have recently commissioned work.²⁴⁸

The 2001 HCV review concluded that myriad factors affect property prices and it can be difficult to separate the influence of heritage controls from other factors.²⁴⁹ Buildings on the VHR were often of a high quality for which people were prepared to pay a premium. They found that generally, heritage registration did not affect property values for residential buildings. However, there could be a diminution of value due to uncertainty about the outcome of listing, of wider factors around the property market and potentially where the value of a property relates to the land value alone, or where people have purchased a property with the intent of developing it and subsequent heritage controls limit that potential. They did note at the time however that heritage listing did affect non-residential buildings.²⁵⁰

²⁴⁴ J Alan D'Arcy, 'The Preservation of Historic Buildings and Sites and the Cost Implications', Unpublished report (Victoria, 1991); Countrywide Valuers and Trevor Budge & Associates, *Heritage and Property Valuations in the Shire of Maldon: A Study of the Effects of Planning and Heritage Controls on Property Valuation* (Melbourne: Countrywide Valuers in association with Trevor Budge & Associates, 1992); Kevin Krastins, 'The Implications of Heritage Listing on Property Valuations: A Case Study of Residential Development in Geelong' (Deakin University, 1997); Scott Keck and Todd White, 'Heritage Controls and Property Values - A Review at Local Government Level', Unpublished report (Victoria, 1999).

²⁴⁵ SKM (Sinclair Knight Merz), 'Analysis of the Value of Heritage to the City of Ballarat'.

²⁴⁶ Waled Shehata et al., 'From Hard Bed to Luxury Home: Impacts of Reusing HM Prison Pentridge on Property Values', *Journal of Housing and the Built Environment* 36, no. 2 (1 June 2021): 627–43, <https://doi.org/10.1007/s10901-020-09766-0>.

²⁴⁷ Allen Consulting Group, 'Valuing the Priceless: The Value of Historic Heritage in Australia: Research Report 2 - Prepared for the Heritage Chairs of Australia and New Zealand'; V Penfold, 'Heritage Controls and Property Values: A Study of Four Sydney Conservation Areas' (University of New South Wales, 1994); William Jeffries, 'Does Heritage Listing Have an Effect on Property Prices in Australia? Evidence from Mosman, Sydney' (Honours thesis, University of Sydney, 2012).

²⁴⁸ SGS Economics, 'The Economic Value of Built Heritage in the City of Adelaide'.

²⁴⁹ Heritage Council of Victoria, 'Heritage Listing and Property Valuations in Victoria' (Heritage Council of Victoria, 2001).

²⁵⁰ Heritage Council of Victoria.

In a summary of the 2006 City of Ballarat work, David Cottrell of SKM noted that listed residential buildings are not unduly affected by heritage protection and many in Ballarat are positively affected.²⁵¹ However, he also notes that the studies on commercial properties have been more equivocal. However, the key differences are that:

*‘where properties are owned for residential purposes only any financial return on investment will be observed as capital appreciation over time. Commercial property owners however are required to gain maximum use of their land and buildings in order to generate not just capital returns but other income streams as well....in these circumstances heritage listing may affect the owner’s ability to gain full economic from the building and land.’*²⁵²

In their 2007 review of Victorian grant schemes, SKM also looked at the property price studies, noting that heritage listing does not usually affect property values with residential properties often commanding a premium, and that properties that are part of a precinct are likely to be valued more highly than similar stand-alone properties.²⁵³

Australian academics Armitage and Irons reviewed the evidence again in 2013 and concluded that,

*‘On the whole, and rebutting the common perception provided by the media, the residential and commercial studies have demonstrated that property values have not been negatively affected by listing (i.e. the impact has been neutral or positive).’*²⁵⁴

Since then, more local and international studies have sought to refine the methods to provide more accurate comparisons.

One of leading consultancies in this field is PlaceEconomics led by property specialist Don Rypkema. The firm undertakes a wide range of different types of economic studies including price studies. For example, a recent report looked at the impact of landmarking on

²⁵¹ David Cotterill, ‘Value of Heritage to the City of Ballarat - Case Study’ (SKM (Sinclair Knight Merz), 2006).

²⁵² Cotterill.

²⁵³ SKM (Sinclair Knight Merz), ‘Heritage Grants Review: Report for Heritage Victoria’.

²⁵⁴ Armitage and Irons, ‘The Values of Built Heritage’, iv.

property prices in Palm Beach, Florida, USA. The report concludes that:

*The historic landmarked properties of Palm Beach set a high standard for beauty, quality, character, design, and stewardship. This study was commissioned by the Preservation Foundation of Palm Beach primarily to determine if landmarking has an adverse impact on property values. The big news is that this analysis found that landmarking had no negative impact on property values, either in current values, value change over time, value change following designation, or when accounting for differences in age, condition, size, water access, or location. Not only does landmarking not reduce property values, but landmarked properties also experience greater rates of value increase than do non-landmarked properties.*²⁵⁵

Not all studies are positive. The SGS review of listed and unlisted buildings for the City of Adelaide between 2000 and 2017 did not provide conclusive evidence of either positive or negative impacts.²⁵⁶ However, this is a complex field of research with many methodological challenges. In NSW Jefferies notes that many studies do not compare the same property before and after listing (difference in difference approaches) or sufficiently correct for location, and studies don't always look at the impact on neighbouring properties.²⁵⁷

A recent study of redevelopment of the former Pentridge Prison illustrates the challenges finding a simple correlation between heritage listing and subsequent property prices.

*Waled Shehata et al used statistical analysis to understand the impact of proximity to old prisons on property prices, using the redevelopment of **HM PRISON PENTRIDGE** in Coburg as a case study. They were interested in whether proximity to 'dark' or contested heritage sites with a difficult history might impact negatively on property prices. Many prisons around the world, including for*

²⁵⁵ PlaceEconomics, 'Property Value & Landmarking in Palm Beach: A Study of the Impacts of Landmark on Property Values in Palm Beach' (Palm Beach, 2021), <https://www.placeeconomics.com/resources/property-values-and-landmarking-in-palm-beach/>.

²⁵⁶ SGS Economics, 'The Economic Value of Built Heritage in the City of Adelaide'.

²⁵⁷ Jeffries, 'Does Heritage Listing Have an Effect on Property Prices in Australia? Evidence from Mosman, Sydney'.

example Oxford Prison, have been redeveloped for housing, retail, hotel or other uses. Pentridge is now a mixed-use precinct with retail and housing. Many of the complex's historic buildings have been altered, while new built form of significant scale has also been developed on the site. The study looked at sales between 2015 and 2019 (after the gaol had been decommissioned) – a sample of 490 houses and 359 units within 1400m of the boundary. Shehata found that in fact there was not a simple correlation – both units and houses close to the former prison achieved lower prices than the average for the area but properties between 400 and 1400m achieved a positive price effect.²⁵⁸

The conclusion is that on the whole, property prices are not negatively affected by heritage listing, and some studies find that there is a heritage premium. Overall, listed properties attract higher prices than unlisted properties, and houses in heritage districts achieve higher prices than non-heritage districts, but if that data is refined to consider other factors such as the impact of location, then the difference may be smaller or negligible.

THE COST OF NEGLECT

This section notes that the quality of an area, including whether buildings are run down – can impact on property prices.

Although heritage registration may not have a significant impact on property prices, property prices may be affected by the quality of the area including whether buildings are in a state of disrepair.

This is one of the reasons behind local bylaws to ensure people maintain their buildings. For example, in Victoria, Bylaw 13 of the Geelong Neighbourhood Local Amenity Law requires owners to take reasonable steps to prevent properties falling into disrepair and imposes ongoing monthly fines for breaches.²⁵⁹ This recognises that any building that falls into disrepair can impact on the amenity of others in the area, not simply heritage buildings.

²⁵⁸ Shehata et al., 'From Hard Bed to Luxury Home'.

²⁵⁹ David Scott, 'Preventing Demolition by Neglect – Guidance on Planning and Environment Act 1987 Section 6B and Local Laws.' (Online, 2022).

This is not just a heritage issue. Run down, neglected or badly maintained structures can fall into disrepair, reduce neighbouring property values, encourage unauthorised occupation, attract anti-social or criminal behaviour, and reduce community perceptions of amenity and safety. As Chapter 3 notes, poorly maintained and run down places can also impact on people's sense of pride and civic engagement.

Choice modelling studies, such as the work by SGS/Survey engine for Victoria have shown that the condition of a property affects people's willingness to pay to conserve it; people were willing to pay more to conserve properties in good condition than properties in poor condition.²⁶⁰

This is also reflected in property price studies. Studies that look at the link between heritage protection and property values have noted that whilst there may be a premium on properties in historic areas, that premium falls if the conservation area is deemed to be 'at risk'. In the UK there is a 9% premium on properties in conservation areas but this advantage falls by 4-5% in conservation areas that are classified by local authorities as being 'at risk'. This evidence is based on a hedonic model analysing over 1m house sales between 1995 and 2010 controlling for location, property features and other factors.²⁶¹

Rundown or uncared for places can also impact on the sense of place attachment noted in Chapter 3. The three things British people consider most important in making a local area beautiful are less litter, less vandalism, reduced graffiti and crime and fewer run-down buildings.²⁶²

²⁶⁰ 'What Is Choice Modelling? - SurveyEngine GmbH', accessed 26 July 2023, <https://surveyengine.com/corporate/what-is-choice-modelling-and-what-are-choice-experiments/>.

²⁶¹ Historic England, 'Heritage and the Economy', 18.

²⁶² Historic England.

Reasonable or Economic Use

Applicants regularly make economic arguments for the demolition of, or major alterations to, heritage listed places. While, under the provisions of the Planning Scheme, the economic impact of a permit decision is not a relevant heritage consideration in Victoria, at a state level the *Heritage Act 2017* does require the Executive Director, Heritage Victoria to consider the impact of refusal on the 'reasonable or economic use' of a place.

Impact on reasonable economic use has been a factor in several permit appeals that have come before the Heritage Council's permits committee²⁶³. In the decision on the Windsor Hotel, analyses of the impact of refusal (in this case a condition reducing the size of the development) on the economic viability of the project were provided by both Heritage Victoria and the appellant (Hotel Windsor, P15781, 2010). The key question was whether the impact of refusal (in this case a condition) on reasonable economic use outweighed the negative impact of the proposal on cultural significance. In conclusion the Committee did not feel that the net adverse effect on cultural heritage significance was outweighed or balanced by factors relating to reasonable economic use.²⁶⁴

Since then Heritage Victoria has provided guidance on reasonable or economic use, as a factor in the refusal of heritage permits. The guidance identifies some principles and key considerations but does not provide guidance on methodologies.²⁶⁵

The policy identifies 'reasonable' and 'economic' use as two distinct concepts.

²⁶³ Hotel Windsor P15781 [2010] VHerCI 14 (8 November 2010)

²⁶⁴ Heritage Council Victoria, 'Hotel Windsor (H0764) - Permit Appeal Number P15781', 2010.

²⁶⁵ Whilst not of direct relevance, the closest equivalent might be the Historic England guidance on enabling development (development that would not otherwise be approved apart from the fact that it proposes to conserve a heritage asset) provides guidance on modelling including calculation of reasonable developer's profit.

Pursuant to the policy:

Reasonable use is a use that can continue for the medium to long-term, mitigating the possibility of continual changes. This recognises that the historic use of a property may be obsolete (such as a redundant industrial complex) and so it may be appropriate to upgrade the property to accommodate a new use.

Economic use is an additional (or alternative) consideration. Economic use is broadly concerned with the ongoing economic functioning of the property. Proposed works should help the place to be economically sustainable. An economic use should generate the income necessary to cover the cost of conservation and maintenance, rates and land tax, and capital improvements to allow continued use (including reasonable debt repayment and interest costs).

If the permit applicant contends that future economic use would be affected by refusal, the applicant may be required by the Executive Director to provide relevant information to support the contention, which can include evidence of forecasted economic impact and modelling.

There are examples in practice of the use of forecasted economic impact and modelling to help inform heritage approvals. The approach involves modelling the likely costs and commercial returns on different design options for the future of a building, taking into account the anticipated costs of conservation and upgrading.

The issues of whether a potentially adverse effect on cultural significance might be outweighed by economic considerations is not a new issue. The Historic England guidance on Enabling Development addresses a similar issue. Enabling development is development that would be unacceptable in planning terms but for the fact that it would bring heritage benefits sufficient to justify it being carried out. The question here is whether heritage benefits outweigh planning disbenefits. The guidance describes the key issues to be addressed in the development appraisal including a

justification that the amount of additional development is the minimum needed to meet the conservation deficit.²⁶⁶

In conclusion, the heritage permit process often involves balancing or reconciling issues of cultural significance and questions of economic viability. However much of the modelling that underpins such cases may be deemed 'commercial in confidence' so is hard to access. The Victorian guidance on reasonable or economic use sets some important policy principles, but this review has not identified more systematic research or guidance on how 'economic use' in particular might be modelled in Victoria and this may be a research gap to consider in future (see Chapter 6).

Heritage and the Visitor Economy

This section reviews some of the published evidence for the role of heritage in the Victorian visitor economy.

One of the ways in which cultural heritage can contribute to the economy is through the role of heritage activities and assets in tourism, or the 'visitor economy'. This section notes the policy context for tourism in Victoria and highlights some of the existing data for the role of heritage in this sector.

SGS note that the use of heritage assets can generate direct economic benefits including increased tourism.²⁶⁷ The tourism sector plays a key role in the economy contributing to both GDP and employment. For 2021-22 tourism gross domestic product (GDP rose 26.4% to \$35.1 billion, representing 1.6% of economy GDP. Tourism accounts for 3.5% of the filled jobs in the whole economy.²⁶⁸ In 2006 the Australian Productivity Commission concluded that cultural and heritage tourism in Australia was the fastest growing and

²⁶⁶ Historic England, 'Enabling Development and Heritage Assets: Historic Environment Goods Practice Advice in Planning' (Historic England, 2020), <https://historicengland.org.uk/images-books/publications/gpa4-enabling-development-heritage-assets/heag294-gpa4-enabling-development-and-heritage-assets/>.

²⁶⁷ SGS Economics, 'The Value of Heritage: Summary Report'.

²⁶⁸ Australian Bureau of Statistics, 'Australian National Accounts: Tourism Satellite Account, 2021-22 Financial Year', Australian Bureau of Statistics, 12 August 2022, <https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-tourism-satellite-account/latest-release>.

highest yield sector of the tourism economy.²⁶⁹ Whilst Covid-19 may have dented progress, cultural and heritage tourism remains one of the most visible ways in which caring for cultural heritage can contribute to the economy.

Cultural heritage contributes to tourism as a driver for visitation; cultural and heritage organisations employ people and deliver services; culture and heritage can play a role in destination branding and attractiveness, and culture and heritage are often central to events which are an important tourism driver.

Australia's tourism website highlights Australia's historical and cultural experiences as part of the visitor offer.²⁷⁰ The most recent Tourism Research Australia report on the state of the tourism industry for 2021 quotes the Booking.com 2022 Sustainable Travel Report that finds that people are,

*'seeking authentic cultural experiences that bolster and add value back into local communities, while actively avoiding over visited destination'*²⁷¹

The importance of culture and heritage as a driver for tourism in Victoria is reflected in the Victorian Visitor Economy Master Plan. 'Storied culture' is one of the three brand pillars and – the idea that Victoria is Australia's capital of culture with a rich tapestry of stories.²⁷² The draft plan notes that cultural heritage is key to this:

*"Victorian arts and culture can be found in surprising places from the laneways of Melbourne to the silos of northwest Victoria. The seven strategic directions for tourism investment include Melbourne, arts and culture and First peoples."*²⁷³

²⁶⁹ Productivity Commission, 'Conservation of Australia's Historic Heritage Places - Productivity Commission Inquiry Report'.

²⁷⁰ Tourism Australia, 'Australia's Historical and Cultural Attractions - Tourism Australia', Australia, 23 May 2023, <https://www.australia.com/en/things-to-do/arts-and-culture/australias-historical-and-cultural-experiences.html>.

²⁷¹ Tourism Research Australia, 'State of the Industry: Australia's Tourism Sector in 2022' (Canberra: Tourism Research Australia, 2023).

²⁷² State Government of Victoria, 'Victoria's Visitor Economy Master Plan', Engage Victoria, 8 May 2022, <https://engage.vic.gov.au/victorias-visitor-economy-master-plan>.

²⁷³ State Government of Victoria.

Empirical evidence for the contribution of culture and heritage to the visitor economy and tourism in Victoria can be found in (or extrapolated from) research conducted by Tourism Research Australia into visitor satisfaction and drivers, or culture and heritage visitors. There are relatively few specific studies into heritage tourism or visitation, with the noted exception of a study of visitors to Maldon as part of a wider study that looked at heritage tourism in three Australian mining towns.²⁷⁴

In 2008 Heritage Victoria worked with the Tourism Research Victoria to create a snapshot of the role of cultural heritage in tourism at the time. We have quoted that analysis in full here to illustrate some of the evidence for the role of heritage in tourism, but as noted below, we have not been able to update that snapshot to the present day.

SNAPSHOT OF HERITAGE & TOURISM IN VICTORIA IN 2008²⁷⁵

In the year ending September 2008, Victoria's historic or heritage buildings, sites and monuments were visited by over 1.9 million visitors, comprising:

- 826,000 international visitors,
- 592,000 domestic overnight visitors, and
- 529,000 domestic day visitors.

That number of international visitors is c. 56 per cent of all international visitors for that year. The 2010 Melbourne and Victoria Brand Health survey also indicated that 16 per cent of Australians considered Victoria to be the one Australian state or territory offering the opportunity to discover unique history and heritage – equal second to New South Wales.

Tourists visiting Victorian historic or heritage buildings, sites and monuments spent approximately \$2.4 billion in 2008 (15% of total tourist expenditure in Victoria). Heritage is thus a significant part of Victoria's tourism industry, which provided a Gross Value-Added amount of \$14.0 billion to Victoria's economy and 184,800 jobs in 2007-08.

²⁷⁴ 'Economic Value of Tourism to Places of Cultural Heritage Significance: A Case Study of Three Towns with Mining Heritage' (Canberra: Australian Heritage Commission, 2001).

²⁷⁵ Tourism Research Australia, 'Snapshots 2008 - Cultural and Heritage Tourism in Australia' (Canberra: Tourism Research Australia, 2008).

Heritage is also a particularly important drawcard for visitors to regional Victoria. The year ending September 2008 saw 251,000 international visitors and 429,000 domestic overnight visitors to historic or heritage places in regional Victoria. Surveys have indicated that large numbers of visitors' expectation in visiting regional Victoria include a chance to experience Australia's history – as many as 78% in the Swan Hill region. These surveys also showed that these visitors experienced very high levels of satisfaction – with between 94 and 99 per cent indicating that their expectations were met or exceeded.

POST 2008 DATA ON HERITAGE AND TOURISM IN VICTORIA

It has not been possible to update this 2008 snapshot with more recent data for Victoria, so this section simply highlights more recent general data on heritage and tourism in Australia.

In 2010 Tourism Research Australia released a snapshot of the profile of domestic and international visitors who participated in cultural and heritage activities in Australia during 2009.²⁷⁶ They defined cultural and heritage visitor as one who participated in at least one of the following activities during their trip:

- attending theatre, concerts or other performing arts,
- visit museums or art galleries,
- visit art, craft workshops or studios,
- attend festivals, fairs or cultural events,
- experience Aboriginal art, craft and cultural displays,
- visit an Aboriginal site or community,
- visit historical/heritage buildings sites or monuments.

It noted that half of all international visitors to Australia (51%) were cultural and heritage visitors. International cultural and heritage visitors spent \$16 billion on trips to Australia in 2009. On average international cultural and heritage visitors spent \$6280 per trip compared to other international visitors who spent on average \$3832. The higher spend was most likely due to their longer average length of stay. Domestic overnight culture and heritage visitor spent \$9.6 billion in 2009 – \$188 per night which was higher than those not participating in culture and heritage activities Domestic culture and heritage visitors spent \$1.3billion. New South Wales, Queensland

²⁷⁶ Tourism Research Australia, 'Snapshots 2009 - Cultural and Heritage Tourism in Australia'.

and Victoria were the most popular states for domestic and international cultural and heritage visitors although proportionally participating in cultural and heritage activities was higher in the Northern Territory, the ACT and Tasmania.

As part of the Destination Visitor Program (DVS) Tourism Research Australia (TRA) profiles local visitors in partnership with local councils to assist with decision making and investment. Visitor Profile and Satisfaction (VPS) data is benchmarked. VPS benchmarks suggest that 35% of visitors expect to have experiences around arts and culture, and 48% around experiencing Australia's history. However, that is not always an important driver. For example, a 2012 survey of 253 visitors to Marysville and Eildon in Victoria found that visitors were less likely to have expectations around arts and culture or history, but many were visiting to provide support after the bushfires.²⁷⁷

Tourism Research Australia notes the importance of events as a driver for regional tourism. A 2014 survey of 2401 Australian respondents who had attended a regional event in the last two years found that for 25% of visitors to regional events, history and heritage were a reason for going to the destination, and arts and cultural attractions inspired 12% of visitors.²⁷⁸ Of those, 6% had attended a regional sporting event or art exhibition, 5% an agricultural event or cultural event or festival and 4% a heritage event. Visiting with children and family, and the desire to experience new things were greater drivers for historical events. Cultural events were seen as those with broad mainstream appeal driving overnight trips, whilst historical events were more likely to drive day trips.

In their latest snapshot of domestic arts and cultural visitors, TRA notes Australians took almost 15 million day trips to participate in arts and cultural activities, spending \$1.9billion.²⁷⁹ Around 13% of domestic overnight visitors participated in arts and cultural activities, including visiting heritage buildings or sites. This was higher for those aged 55 years or over, friends and relatives travelling without

²⁷⁷ Tourism Research Australia, 'Marysville and Eildon Visitor Profile and Satisfaction Report: Summary and Discussion of Results' (Tourism Research Australia, 2012).

²⁷⁸ Tourism Research Australia, 'Events: Drivers of Regional Tourism - Summary' (Canberra: Tourism Research Australia, 2014).

²⁷⁹ Tourism Research Australia, 'Arts and Culture - Headline Stats for 2019' (Canberra: Tourism Research Australia, 2019).

children, people on holiday trips and interstate visitors. Trips were evenly split across capital city and regional destinations. 51% of cultural visitors attended museums and art galleries and 39% of cultural visitors attended history or heritage events and the largest spend category was food and drink with a spend of \$4.7 billion.²⁸⁰

In 2019 the TRA also looked at youth travellers. In 2019 around 15% of young travellers in Australia enjoyed arts and heritage activities. Youth travellers made 27.3million trips, spending \$13 billion in 2019. They mainly travelled to visit friends and relatives and on holiday. The most popular activities were eating out (60%), visiting friends and relatives (49%) and sightseeing (23%). Popular outdoor activities included going to the beach and visiting national parks (13%) whilst arts and heritage accounted for 15% of trips.²⁸¹

In conclusion, culture and heritage still seems to be a factor in both domestic and international visitation in Australia, but in the absence of a post-2008 dedicated heritage snapshot broken down by state it is difficult to be more specific about the role of heritage in Victorian tourism.

Employment in the Heritage Sector

This section explores evidence for the role of heritage in supporting jobs, as another element in understanding the contribution of heritage to prosperity.

This section discusses some of the evidence for the role of heritage in supporting jobs in Victoria. This is not straightforward as employment in heritage is spread across different economic sectors including arts and culture, construction, tourism and other areas.

Annex 1 notes that in 2019-20 around 292,000 people worked in the creative industries in Victoria – around 8.6% of the workforce.

It is not easy to identify the heritage workforce within this figure. Australian Bureau of Statistics (ABS) arts and culture data includes employment in areas such as architecture, museums and archives, libraries, nature reserves and parks but not necessarily the repair and

²⁸⁰ Tourism Research Australia.

²⁸¹ Tourism Research Australia, 'Youth Travellers - Aged 15 to 29'.

refurbishment of older buildings or areas such as tourism. There is also a significant volunteer component who are not identified in these numbers.

In Victoria previous evaluations of heritage grant schemes set out to identify the impact on creating new jobs or retaining existing jobs. For example, the SKM review of the \$16m government heritage restoration programme undertaken by Victorian government from 1994 looked at 160 structures across Victoria owned by 30 individual departments and agencies. The benefits of that funding included supporting repairs that would not otherwise have been done, preventing further deterioration, acting as a catalyst for additional funding, retaining buildings in use and improved asset management. More than 30% of funded projects result in direct job generation.²⁸²

There is also evidence that investing in the refurbishment and repair of existing buildings – including heritage buildings – can create more jobs than investing in new build. In Victoria for example, alterations and refurbishment of existing residential buildings represent around 16% of construction activity.²⁸³ In Europe, every EU\$1million invested in retrofitting existing buildings creates an average of 18 jobs. This is roughly equivalent to the number of new jobs created in innovation sectors such as biotechnology, medical equipment engineering, and high-tech manufacturing.²⁸⁴

In the US, Don Rypkema has undertaken a series of studies that compare the creation of jobs in heritage preservation with job creation in other US industries. The basis of his argument lies in understanding the ratio between materials and labour costs in building projects. For a heritage property, the labour: material ratio is around 70:30 compared to around 50:50 for normal construction. In terms of cost, 60-70% of a refurbishment project cost is labour compared to around 50% for new construction.²⁸⁵

²⁸² International Society for Ecological Economics and Australian Heritage Commission, eds., *Heritage Economics: Challenges for Heritage Conservation and Sustainable Development in the 21st Century*, 4 July 2000, Australian National University, Canberra: Conference Proceedings (Canberra: Australian Heritage Commission, 2001).

²⁸³ Australian Bureau of Statistics, 'Building and Construction', Australian Bureau of Statistics, 12 July 2023, <https://www.abs.gov.au/statistics/industry/building-and-construction>.

²⁸⁴ Faye Wade, 'Retrofitting Buildings to Support the Recovery', *Buildings and Cities* (blog), 8 July 2020, <https://www.buildingsandcities.org/insights/commentaries/retrofit-buildings-recovery.html>.

²⁸⁵ Donovan D. Rypkema, *The Economics of Historic Preservation: A Community Leader's Guide*, 2 edition (Washington, D.C: National Trust for Historic Preservation, 2005).

As the largest funder of cultural heritage in the UK, the National Heritage Lottery Fund (NHLF) has also set out to capture the number of jobs created and retained through funding heritage. An economic impact study of 90 projects completed between 2003 and 2008 found that funding for heritage projects increases visitor related spend and creates local jobs. Across all projects HLF funding led to a 96% increase in visit related spend in local economies and created 3491 new local jobs. Together these 90 places generate nearly £130m spending for local businesses and support over 4800 local jobs.²⁸⁶

In the UK VAT (Value Added Tax) is currently charged on repairs to buildings and not on new construction, creating a disincentive for repair and refurbishment. There has been a long campaign from the heritage sector to reverse that, supported by the Federation of Master Builders who have argued that reducing VAT on repairs could generate £15 billion in new taxes, create 95,000 jobs and unlock a £1 billion green revolution. They also argue that we will need to invest in new skills to support that green revolution.

THE ECONOMIC IMPACT OF HERITAGE SKILLS

As part of the discussion on the role of heritage in supporting jobs, this section notes the potential economic impact of heritage skills.

In Australia, as elsewhere, there has been a long-standing concern about the decline in cultural heritage skills. Built environment cultural heritage skills include traditional building trades such as brickwork, carpentry, plastering and masonry, as well as the conservation of large and small technology, collections and materials. Although there have been several Australian reports around the shortage of traditional craft skills in heritage, such as the 2010 HCOANZ report (which includes a review of previous Australian studies), none of this work expresses the argument for those skills in economic terms.²⁸⁷

²⁸⁶ J. P. C. Wong and D. Sivaraman, 'HCOANZ Sustainability and Heritage Project – Residential – Final Report' (Melbourne: Heritage Council of Victoria, 2011).

²⁸⁷ J. P. C. Wong and D. Sivaraman, 'HCOANZ Sustainability and Heritage Project – Residential – Final Report' (Melbourne: Heritage Council of Victoria, 2011).

Interestingly the fight against climate change has given new impetus to recognise the economic contribution of traditional skills. In the UK, a new report highlights the vital contribution historic buildings can make to the fight against climate change and focuses on the scale of the opportunity to address the skills gap to meet this challenge. More than 105,000 new workers including plumbers, electricians, carpenters and scaffolders will be needed to work on decarbonising the UK's historic buildings every year for the next three decades for the UK to meet its 2050 net zero target. Covid-19, Brexit and an ageing construction force have contributed to a skills shortage. Around 100,000 people currently work on historic buildings – up to 105,000 new workers will be needed to focus solely on upgrading buildings before 1919.²⁸⁸

Historic England commissioned CEBR to analyse the scale and impact of the heritage sector in the UK which defined the subsectors of heritage within libraries archives and museums, in architecture and engineering, in public administration and in construction. They concluded that in the UK, the heritage sector is an important economic sector with a total GVA of £36.6 billion, providing over 563,509 jobs in 2019. That sector grew by 24% between 2011 and 2019 – outstripping the rest of the UK economy.²⁸⁹

In conclusion, it is difficult to develop a comprehensive picture of the role of heritage assets or activities in supporting jobs in Victoria, in part because the sector is spread across different ABS areas including arts and culture, and construction. However, studies from the US and England suggests that it is possible to model the role of the sector in supporting jobs, either through comparing heritage to other industries, or through a more detailed review of the subsectors in heritage. And where that research has been done, the sector can be shown to play a significant economic role. Again, this may be a topic for future research.

The Economic Impact Of Covid-19

This section notes the potential impact of Covid-19 on heritage in Victoria as an area for future research.

²⁸⁸ Matthew O'Connell, 'Heritage and Carbon: Addressing the Skills Gap', 2023.

²⁸⁹ Historic England, 'Heritage and the Economy', 6.

One of the specific questions for this study was around the economic impact of Covid-19 on heritage. The Covid-19 pandemic has had a significant impact on the economic viability of several heritage organisations and businesses in Victoria.

The Victorian creative industries report notes that creative industries were some of the worst affected by the impact of Covid-19. Restrictions on visiting sites and public places meant that almost one in four people in the arts and recreation sectors lost their job, with younger people and women most affected. This shone a light between culture and tourism and highlighted the vulnerability of a sector dependent on audiences and visitors.

For Australia overall, tourism GDP in 2021-2 remains below the 2018-19 peak of \$61.9b and 3.1% of GDP.²⁹⁰ The most recent Tourism Research Australia report on the state of the industry for 2021 notes that due to Covid-19, jobs in cultural services were down by 20% (2500 jobs) and in sport and recreation services by 12% (4300 jobs). Attendance at festivals/fairs or cultural events was down by 65% in 2021 compared to 2019. The report identifies high spending visitors but does not disaggregate culture and heritage visitors.²⁹¹

*Some idea of the impact of Covid-19 on the sector can be found in individual annual report for 2021-2. Victorian Heritage Registered **PUFFING BILLY** generated \$29.19 in revenue from 487,543 visitors and contributed significantly to the townships around its stations. However, in 2021-2 it lost a total of 112 days to Covid-19 lockdowns placing a significant strain on the railway's financial sustainability and workforce.²⁹² Other sites including Sovereign Hill and Abbotsford Convent also note the impact of the pandemic on revenue and visitor numbers.*

²⁹⁰ Australian Bureau of Statistics, 'Australian National Accounts'.

²⁹¹ Tourism Research Australia, 'State of the Industry: Australia's Tourism Sector in 2022', 23, 30.

²⁹² Puffing Billy Railway, 'Puffing Billy Railway - Annual Report 2021-2022', 2022, <https://puffingbilly.com.au/wp-content/uploads/PUFFING-BILLY-RAILWAY-ANNUAL-REPORT-2022.pdf>.



FIGURE 23 - PUFFING BILLY © ADOBE STOCK

Covid-19 is also likely to have had other impacts on arts and culture, but this is not always easy to quantify. For example, the ABS census data reveals a decline of 19% in people who have contributed to volunteer work between 2016 and 2021 which is likely to be reflected in culture and heritage volunteering.

This data suggests that there was a decline in cultural heritage volunteering in Australia because of Covid-19. Museums Victoria for example has seen volunteering hours decline from over 43,000 in 2018-19 to just over 10,000 hours in 2020-1.²⁹³ Figures for the UK suggest that prior to Covid-19, cultural heritage volunteering was increasing. The 2014/15 Taking Part survey stated that 24% of respondents had volunteered their time within the last 12 months, with 7% volunteering in the heritage, museum or library sectors. This equates to approximately 3.7 million people. National Trust volunteer numbers in England, Wales and Northern Ireland have nearly doubled since 2002, increasing from 34,380 in 2002/03 to over 62,000.²⁹⁴

²⁹³ Museums Board of Victoria, 'Annual Report 2021-22'.

²⁹⁴ 'Heritage - Taking Part Survey 2019/20', GOV.UK, accessed 4 August 2023, <https://www.gov.uk/government/statistics/taking-part-201920-heritage/heritage-taking-part-survey-201920>.

Covid-19 has had a disproportionately large economic impact on digital, cultural, media and sport sectors in the UK, causing a sharp decline in revenues in part through cancelled events. Tourism and construction are a significant element of heritage output and are the industries most in jeopardy.²⁹⁵ Historic England used scenario planning models to explore the potential future impact of Covid-19 on the sector. Key factors included restrictions on travel, social distancing and households curtailing spending.²⁹⁶ A fiscal package was put in place.

In conclusion, Covid-19 has clearly had an impact on both tourism and wellbeing in Victoria, and on the viability of cultural heritage organisations. It would be useful to undertake a more systematic review of the evidence for this, in order to understand the wider social and economic impact of restricting access to heritage in Victoria.

The Total Economic Value of Heritage

This section reviews some studies that have attempted to capture the total economic contribution of heritage, noting that there are different approaches.

In economics, the concept of Total Economic Value (TEV) refers the value derived from people from a resource, including heritage. It is calculated using a combination of direct use values, non-use values and other values (e.g. option and existence values).²⁹⁷ This section notes some of these studies, although each uses different approaches.

In their review of the value of Victoria's heritage, SGS estimated the value of the services provided by cultural heritage assets to the Victorian economy at \$1.1 billion. This calculation was based on an asset-specific willingness-to-pay study that looked at how much Victorians were willing to pay to conserve a range of different types of cultural heritage assets, including residential, commercial, and civic places, landscapes and historic objects. At a yield of 4% this generates a flow of \$40m in benefits to the community. This

²⁹⁵ Historic England, 'Heritage and the Economy', 7.

²⁹⁶ Historic England, 18.

²⁹⁷ For an explanation of these different kinds of values and an overview of TEV, see SGS Economics, 'The Value of Heritage: Summary Report', 11.

compares with a Heritage Victoria budget of \$4.2m including staff costs, or \$500,000 for the Heritage Council of Victoria.²⁹⁸

However, they stress that this figure is based only on the willingness to pay for cultural and educational services and excludes the value of heritage to tourism and the visitor economy (see above) or for example the environmental benefits of preserving heritage (see Chapter 2). Therefore, this figure can be seen as an underestimate.

In a project for the City of Adelaide, SGS also included data on the economic impact of heritage grants in Adelaide. For Victoria, there have been several evaluations of the economic impact of heritage grant programs not all of which are still available.²⁹⁹ In their 2007 review of the Victorian heritage grants, SKM note that in 2004, Macropian found that every dollar committed by Heritage Victoria generated \$3.40 of financial benefit to the community. SKM suggested that in some cases heritage funding was a component of a larger project that might have gone ahead anyway, but even correcting for that they suggest that programs potentially leveraged restoration funding of \$2.40 for every dollar invested.³⁰⁰

The SGS valuation does not put a dollar value on the embodied energy component of existing buildings. As Chapter 2 notes, conserving existing sites and buildings can contribute to addressing climate change, and the benefits of addressing climate change can be monetised. Alternatively, there is an economic cost of doing nothing to address climate breakdown. Deloitte Access economics has estimated that the Australian economy will lose around \$3.4trillion by 2070 by not addressing climate breakdown, whereas if Australia acts with the world to limit warming, then the economy could gain \$680 billion by 2070.³⁰¹

Historic England have undertaken project to study the monetary value of carbon in pre-1919 residential buildings. The aim was to understand the total carbon emissions associated with traditional

²⁹⁸ SGS Economics, 42.

²⁹⁹ SKM (Sinclair Knight Merz), 'Heritage Grants Review: Report for Heritage Victoria'.

³⁰⁰ SKM (Sinclair Knight Merz), 'Heritage Grants Review: Report for Heritage Victoria', 41.

³⁰¹ Deloitte Access Economics, 'A New Choice: Australia's Climate for Growth' (Deloitte Access Economics, 2020), <https://www.deloitte.com/content/dam/assets-zone1/au/en/docs/services/economics/deloitte-au-dae-new-choice-climate-growth-051120.pdf?nc=1>.

buildings and how their refurbishment could contribute to meeting the UK's 2050 target. To do this they compared the carbon emissions of pre-1919 residential buildings in England, and their consequent monetary value in terms of carbon – under a range of scenarios. If existing buildings are refurbished at 1% a year over 25 years this could save 15.5m tonnes of CO₂ emissions. This could result in GBP2.5 billion of savings in offsetting climate change.³⁰²

PlaceEconomics have undertaken a study for the City of Calgary in Canada that includes those environmental values. The team looked at four heritage commercial areas in Calgary and calculated an economic value (base value + heritage premium), a social value (based on Willingness to pay to maintain the heritage character and quality) and an environmental value (which puts a dollar value on the embodied energy in existing and replacement buildings). This approach recognised the financial, social and environmental value of the four areas at more than \$900m - \$231m more than just the base economic value.³⁰³

Other aspects of cultural heritage can also be monetised, such as the value of intangible cultural heritage. In 2019 the Centre for Aboriginal Economic Policy research with the ANU provided a report on an approach to the potential market valuation of Indigenous Knowledge (IK) including traditional knowledge and cultural expressions for IP (intellectual property) in Australia.³⁰⁴ The aim was to identify the current and future potential market value that could be created through legislated protection measures such as patent and trademark law or design legislation (rather than copyright). The aim was to provide better protection for Indigenous knowledge and products that are not protected by copyright. One of the case studies centres on heritage protection through the Indigenous Protected Areas and associated ranger programs. The study cites work by Allen Consulting to forecast a contribution of Australian IPAs to GDP of between \$275 and \$512m.³⁰⁵

³⁰² Brenda Dorpalen, 'Valuing Carbon in Pre-1919 Residential Buildings' (Historic England, 2020).

³⁰³ PlaceEconomics, 'Heritage Value Analysis & Conservation Tool Development Focused on Commercial Streets - Phase 1 Report' vi.

³⁰⁴ Same as below

³⁰⁵ Dr Boyd Blackwell et al., 'Methods for Estimating the Market Value of Indigenous Knowledge', Report commissioned by IP Australia (Canberra: Centre for Aboriginal Economic Policy Research, 2019).

Some of the evidence for the economic benefits of heritage comes from the studies on the creative industries noted in Chapter 4. One of the core economic questions is the role of culture and heritage in economic productivity. When the UK government looked at the link between heritage and productivity, they were unable to find a direct connection between cultural heritage and productivity, but they did find evidence that being in historic buildings stimulated productivity in the creative industries, and to a lesser extent the wider economy.

In conclusion, capturing the total economic value of the heritage sector remains problematic, in part because there are so many different aspects to heritage – including the contribution to tourism, construction, decarbonisation, education, creativity, place-making and knowledge as well as the direct economic value of a heritage property. SGS have taken one approach for Victoria; the PlaceEconomics triple bottom line study for Calgary (economic+ social+ environmental) is another approach.³⁰⁶ Given the challenges of understanding that wider impact, DCMS in the UK have been working towards a culture and heritage capital model, that seeks to take a more systematic approach to valuing cultural heritage, drawing on the lessons of natural capital accounting.³⁰⁷ This is discussed in more detail the epilogue and could be an area for further research in Australia.

³⁰⁶ PlaceEconomics, 'Heritage Value Analysis & Conservation Tool Development Focused on Commercial Streets - Phase 1 Report'.

³⁰⁷ DCMS in the UK have been working towards a culture and heritage capital model, that seeks to take a more systematic approach to valuing cultural heritage, drawing on the lessons of natural capital accounting.

CHAPTER 6: GAPS IN THE EVIDENCE

This section identifies some **heritage policy research gaps** for Victoria and for the sector in Australia.

This review identifies some immediate priorities for HCV, and some topics that might benefit from a collective approach with other State heritage agencies. The Epilogue identifies four strategic underpinning heritage policy research questions that may need a collaborative approach working with universities and other government partners.

As the list of potential research questions is huge, we have focussed on public policy issues where heritage activities and assets can contribute to achieving those policy outcomes, but where that potential contribution is not well understood.

The process of refining this list has inevitably raised much bigger questions around the role of heritage in climate change, the economy and wellbeing, that may be better addressed through wider collaborations.

In developing this list, we have drawn on suggestions for further research in previous reviews, such as HCV 2014, which called for more work on then economic and social benefits of heritage, the sense of place and distinctiveness, attitudes to heritage and comprehensive cultural heritage and data.³⁰⁸ Many of the international studies noted here have also identified future research needs (see Annex 4).

The process of refining this list has inevitably raised much bigger questions around the role of heritage in climate change, the economy and wellbeing, that may be better addressed through wider collaborations. These are set out in the Epilogue.

³⁰⁸ Heritage Council of Victoria, ‘The Community’s Perceptions of Heritage: Literature Review’.

Note that this list does not claim to be definitive – it simply provides some initial suggestions designed to inspire further discussion in Victoria and perhaps more widely.

Priorities for Victoria

This section identifies some immediate research gaps for Victoria. There may be overlaps with the next section that identifies topics that could benefit from collaboration with other heritage agencies.

SOCIAL AND HEALTH IMPACTS

Apart from work with Indigenous communities there is a significant lack of research into the social impacts of heritage activities and assets.

Can we measure the health impact of engaging with cultural heritage?

Planners, urban designers and others are increasingly using cortisol measurements to capture the impact of engaging with nature or gardening on health and wellbeing. In Australia in the cultural heritage field, this approach has also been pioneered for engaging with art at the National Gallery. There is also work underway on art and dementia.³⁰⁹ There is huge potential to apply these approaches to taking part in cultural heritage activities.

Who is takes part in heritage activities? Mapping the Victorian heritage ecosystem.

One factor behind the significant lack of research on the social impacts of heritage in Victoria is a lack of awareness of just how many people take part in heritage activities whether in their working life, as volunteers or in their personal life.

It would be helpful to map the Victorian cultural heritage ecosystem in more detail to build a greater understanding of the sector and as a foundation for future research into the economic and social benefits of heritage.³¹⁰

³⁰⁹ <https://www.abc.net.au/news/olivia-di-iorio/13872838>, 'Olwyn Finally Finds a Dementia Program She Enjoys', ABC News, 7 July 2022, <https://www.abc.net.au/news/2022-07-07/dementia-pilot-program-uses-art-music/101209262>.

³¹⁰ An ecosystem approach was recently used to map the heritage sector in Tasmania.

How does heritage volunteering contribute to social capital in Victoria?

Social capital is a consistent theme in Victorian policy making and there is international evidence for the role of cultural activities in developing social capital, including networks and connections. The stocktake (in Annex 1) shows the different ways in which people engage with heritage in Victoria including an active network of volunteers in areas such as technological heritage, but we know very little about how engaging with heritage impacts on their lives. As well as mapping the ways in which people engage with heritage in Victoria, it would be useful to understand more about their needs, interests and motivations. A study of heritage volunteering in Victoria, perhaps using the technological heritage sector, might help provide a better understanding of the social impacts of heritage activities.

ENVIRONMENTAL IMPACTS

How can we maximise the contribution of existing buildings to reducing carbon emissions from construction?

Reducing carbon emissions from buildings is an important policy ambition for Victoria. Despite evidence for the environmental and economic benefits of repairing and retrofitting existing buildings, many energy efficiency initiatives fail to give weight to embodied energy in existing buildings. This runs the risk of unintended policy consequences that might increase carbon emissions by incentivising the demolition of existing buildings in favour of supposedly more energy efficient new ones. There is an urgent need to review the evidence for Victoria, including both the scientific and economic research, and analyse the policy barriers and opportunities for making the most of our existing building stock.

Cultural heritage, biodiversity and ecosystem resilience

We have not included biodiversity in this report but it is a significant gap in our understanding of the environmental impacts of cultural heritage. There is a growing awareness of the importance of Aboriginal cultural heritage expertise in achieving wider natural

environmental outcomes but are there environmental benefits that emerge from other cultural heritage activities or assets?

CREATIVE IMPACTS

Heritage and the creative industries in Victoria

Studies by Historic England and DCMS show the importance of understanding the role of historic places and buildings in supporting the creative industries. Not only does this help to understand the economic impact of heritage assets, it also helps heritage policy makers to understand the needs and interests of this sector (see below).

PLANNING AND PLACE IMPACTS

We have not suggested specific research priorities for Victoria under this heading as there are possibly more immediate priorities. Also the recommendation for further work on reasonable economic use is a planning issue, as is the recommendation for research into heritage and the creative industries (see below). The role of heritage in disaster management and resilience might possibly be better addressed in collaboration with other heritage agencies (see below).

ECONOMIC IMPACTS

Update the 2008 culture and heritage tourism snapshot for Victoria (including the impact of Covid-19)

It would be useful to have a more up to date post-Covid-19 snapshot of culture and heritage visitors to Victoria, to understand more about motivations and priorities. As noted in Chapter 5, it is not easy to isolate the role of cultural heritage in the Victorian visitor economy from more general data on Australian tourism.

As part of this work, it would also be useful to model the impact of Covid-19 on cultural heritage. The pandemic provides a case study in what happens if people are no longer able to visit heritage sites or take part in heritage activities, and thus a way of capturing that economic and social impact.

Modelling the long-term economic benefits of conservation

HCV has asked us to identify examples of sites or object that had been protected – often in the face of objections – which have then gone on to deliver long term benefits that had perhaps not been envisaged at the time. Examples from NSW include the Pyrmont Bridge which is now a thriving pedestrian and bike thoroughfare.

A systematic study of one key Victorian cultural heritage asset and how it has evolved over time, that sets out to perhaps monetise the longer-term impacts of conserving the site, using a triple bottom line approach could provide a methodology for anticipating future benefit in development decisions.

Heritage protection and property prices

This is perhaps the single most researched heritage policy topic in Australia over the past thirty years or so. Despite a relatively large literature from Australia, the US and elsewhere on the impact of heritage listing on property prices, it continues to be raised, particularly in the context of objections to Heritage Overlays.

Drawing on data from planning panel reports, we suggest that some of the concerns might arise from communication failures – especially around the understanding of how economic issues are addressed in planning and heritage permits. Some of the concerns also arise from perceptions of risk rather than the actual data.

Nevertheless, further hedonic pricing studies might be useful. Whilst one option might be for HCV to replicate an earlier study to develop trend data, it could be more useful to refine the key questions, in light of more recent studies.³¹¹ These should focus on the issues arising from the permitting system, and should involve discussions with property professionals, local councils and Heritage Victoria. For example

- can poor neighbouring developments affect the sale price of listed buildings (and can heritage protection actually create benefits for neighbouring properties)?

³¹¹ D’Arcy, ‘The Preservation of Historic Buildings and Sites and the Cost Implications’.

- Is there a case for heritage character-based approaches that apply to larger areas where heritage controls apply to all properties, rather than individual sites or objects?
- Do we understand enough about the impact of heritage controls on commercial properties?

Economic modelling for heritage permits

Under section 101 (2) (b) of the 2017 Heritage Act, Heritage Victoria needs to take economic considerations into account in heritage permits. Local councils also need to take economic and social issues into account in proposing planning scheme amendments, such as the introduction of built form controls.

There may be scope to explore these issues further to provide more clarity for developers and decision makers such as:

- developing methodologies for calculating 'reasonable economic use' in heritage permits. Heritage Victoria has provided guidance on reasonable economic use, and there are emerging methodologies for testing this in reviewing permit applications. Is this approach well enough understood, and do we need further guidance on methodologies?
- capturing the social and economic effects of planning amendments - local councils in Victoria need to consider the social and economic effects of planning amendments, which requires them to balance cultural heritage considerations with wider social and economic considerations. There is an urgent need for guidance on how best to do this including a methodology. And, given the lack of resources for most councils, what existing data can they use?

Understanding commercial and owners' perspectives on heritage
It is vital to understand the perspectives of both owners, and commercial businesses who occupy heritage buildings or sites. As Annex 2 notes, there is a considerable degree of confusion about heritage issues in the planning system. Gaps include:

- learning more about the experience of commercial businesses in heritage listed properties – for example, do creative businesses in Victoria experience the same 'heritage advantages' as those in England? What motivates them to take on historic buildings and what are some of their experiences?

- understanding more about the perspectives of property owners – for example, is there a link in changes in land valuation for heritage assets and permit pressures?

MAINTAINING THE HERITAGE STOCKTAKE

Updating the stocktake

It has been complex and time consuming to develop an initial heritage stocktake for non-Aboriginal cultural heritage assets and activities Victoria, and this clearly requires further work. This is in part because although there is an important review of the state of Aboriginal cultural heritage in Victoria, other cultural heritage is not consistently reported on in state level State of the Environment Reporting, or in in ABS data. However, having a heritage stocktake is critical to addressing future research gaps as it helps specialist researchers from other disciplines to understand the scope and range of heritage assets and activities in Victoria. The authors of this report strongly recommend that HCV initiate and maintain a more comprehensive heritage stocktake for Victoria, complementing the work of the VACH.

Sector-Wide Priorities

This section identifies gaps in the research that might benefit from working in collaboration with other heritage agencies.

The focus of this report has been on research priorities for Victoria. However, in compiling this list we have identified some topics where it might be useful to have Australia-wide data, such as working with the ABS to better understand the macro-economic contribution of the heritage sector. There are also research gaps that require innovative thinking or novel approaches, that might benefit from a collective approach and shared resources, rather than individual state agencies commissioning their own studies.

SOCIAL AND HEALTH IMPACTS

There is a considerable interest in the social impact of heritage and a dearth of general Australian research on the social impact of heritage activities and assts, or on the role of cultural heritage in physical and

mental health (with the notable exception of research relating to Indigenous communities).

This is a huge subject that merges into the wider issue of heritage and wellbeing. This is a topic that could be addressed collectively by heritage agencies, but it might also benefit from working in partnership with universities and across other areas of government (see below).

Heritage participation data

As a basis for starting to understand the social impact of heritage, it would be useful to have a better longitudinal understanding of heritage activities across Australia, including issues such as volunteering. Heritage agencies could usefully work more closely with the ABS to identify ways to gather more systematic data for heritage participation in Australia through for example, the heritage questions in the ABS social survey.

As noted, data on Australian attitudes to heritage, including the willingness to pay for benefits to others, can be found in the Deakin studies and in subsequent work such as the SGS study for Victoria. It would be useful to keep this data up to date with regular periodic surveys to track changing attitudes and issues.

ENVIRONMENTAL IMPACTS

How can traditional building knowledge avoid maladaptation and benefit the green economy?

The push for a 'green economy' creates an opportunity to create incentives to advocate for the development of traditional craft skills and knowledge. Traditional knowledge includes traditional buildings craft skills, skills in repair and maintenance, and of course traditional knowledge about the environment and land management – particularly that held by Aboriginal communities. The experience of poor retrofits or inappropriate burning techniques, suggests that traditional cultural knowledge has a role to play in addressing key issues around adapting to climate change. Although there is a renewed interest in Aboriginal land management practices, and a revived interest in mending and repairing, that has not extended to include other heritage craft skills, many of which are endangered in Australia.

Research into the potential role of traditional cultural knowledge in the green economy might help to address this.

PLACE BASED IMPACTS

Heritage and resilience

Areas of Victoria – and Australia as a whole – have been devastated by recent floods and bushfires and with climate breakdown that will inevitably get worse. As well as the impact of the event itself, the loss of treasured places and objects can have a devastating and long term impact on individuals and communities. There is also often huge pressure to build back and build back quickly – raising complex issues around how best to do that. Understanding the value of what was there, what is there and what might be there is key to finding a way through a difficult process. How can heritage practices such as storytelling, cultural mapping, and working with communities play a role in the process? And what role should cultural heritage play in policies on resilience and recovery across Australia?

ECONOMIC IMPACTS

The macroeconomic contribution of the cultural heritage sector in Australia

There is an urgent need to understand the macroeconomic contribution of the cultural heritage sector to the economy in Australia.

SGS have calculated the contribution of heritage to the Victorian economy each year but note that omits key issues including environmental impacts and contributions to tourism. Is it possible to update that valuation to encompass those wider benefits? It would be important to work with a specialist firm to understand the feasibility of doing this, what additional data would be required to do that.

One barrier may be that ABS data on the economic impact of the cultural heritage sector in Australia is spread across the three domains of arts & culture, construction and tourism, as well as the environment, whilst cultural heritage assets and activities are often

omitted from periodic reporting on statistics. It may be possible to adapt the research methodology used to address a similar issue in England, where CEBR analysed the scale and impact of the heritage sector across the subsectors of libraries archives and museums, in architecture and engineering, in public administration and in construction.³¹²

Paying the right price – how can we reduce heritage uncertainties for developers?

One of the biggest challenges for heritage protection is when the price paid for a property is based on an unrealistic expectation of future returns either through use or additional development. At the same time developers and investors need a degree of certainty prior to purchase. Further research on ways to provide greater certainty would be useful. For example, Historic England guidance on enabling development (development that might not be compliant with planning controls, but which enable the future conservation of a heritage assets) addresses issues such as reasonable level of development, reasonable profit and securing outcomes.³¹³

Understanding the disincentives for heritage conservation

One of the underlying questions is whether Australia incentivises the destruction of cultural heritage, as an inadvertent consequence of policies designed to deliver other benefits (such as growth or resource extraction). This is not unusual: the UK for example, incentivises new build over refurbishment by charging VAT on repairs to buildings and not on new construction.³¹⁴ There has been a long debate in the Australian heritage economic literature around the need for incentives for heritage conservation but relatively little on the disincentives including issues such as taxation, building codes, insurance regimes and accounting practices.

³¹² Historic England, 'Heritage and the Economy'.

³¹³ Historic England, 'Enabling Development and Heritage Assets: Historic Environment Goods Practice Advice in Planning'.

³¹⁴ There has been a long campaign from the heritage sector to reverse that, supported by the Federation of Master Builders who have argued that reducing VAT on repairs could generate £15bn in new taxes, create 95000 jobs and unlock a £1bn green revolution.

The economic value of heritage trades and skills

The increasing need for skills in retrofitting existing buildings, and indeed other traditional skills such as Indigenous approaches to land management and burning, or skills in repairing, reusing and maintaining equipment and even clothing. There has long been a concern about the loss of heritage skills in Australia and elsewhere, but little success in halting that. It may be useful to explore the economic case for those skills in relation to wider issues such as decarbonisation and climate change.

THE CULTURAL HERITAGE POLICY RESEARCH ENVIRONMENT

Whilst commissioning additional research is important, it is also vital to address some critical strategic issues around the cultural heritage policy research environment. As this issue is not specific to Victoria, it might benefit from a shared approach across Australian heritage agencies.

Publishing sector research

One of the biggest challenges in compiling this report has been finding 'grey' literature – previous research studies commissioned by local, state or federal heritage or arts bodies in Australia. Several key research reports for Victoria and Australia that were available online during a prior study in 2011 were no longer available. Although some material is found on Pandora (Trove) many studies were only tracked down by word of mouth.

There is an urgent need to find and put online older studies including programme and policy evaluations, whether on government, academic or consultant websites. Three examples of good practice are public sector organisations in England (such as DCMS, Historic England and the Heritage Fund); the Manchester University Cultural Value website which guides non-specialist readers to a range of useful literature, and the private sector PlaceEconomics website from the US. It is also important that going forward new research studies are put online.

A heritage observatory

Victoria, in common with other Australian states, lacks comprehensive data on cultural heritage assets and activities or easy access to the latest academic or public policy research on the value of heritage.

This issue is not new. The 2006 Productivity Commission inquiry into heritage identified gaps in the data on the number quality and composition of heritage, on sources of expenditure and the effectiveness of that spending, and therefore felt unable to make recommendations about the adequacy or efficiency of current levels of spending.³¹⁵ This was then identified as a priority project for the EPHC in 2006, with Heritage Victoria leading on data standards.

Proposals were developed for a comprehensive project that included not just data on the number, type and condition of heritage, but the economic, social and environmental impact of heritage programs including regular state of our heritage reporting, national baseline data, new frameworks for valuing heritage and addressing the role of heritage in climate change. It argued for better economic and social metrics for heritage, that would include and investment framework to help agencies prioritise resources, led by key academics in the field. The bid was not successful.

The need for such an observatory was raised previously in the work around the productivity commission and again in the Heritage Victoria 2014 Community Attitudes study.³¹⁶

The need for both systematic data collection, and regular research reviews on the social, economic and environmental impacts of cultural heritage investments from the relevant academic disciplines (e.g. environmental psychology, deliberative governance, education, research into the cultural determinants of health, and in particular the role of heritage in equity) remains as pressing as ever.

In England, similar concerns about the lack of data on heritage led to the establishment of Heritage Counts in 2002 – an annual program

³¹⁵ Productivity Commission, 'Conservation of Australia's Historic Heritage Places - Productivity Commission Inquiry Report'.

³¹⁶ Heritage Council of Victoria, 'The Community's Perceptions of Heritage: Literature Review'.

of both systematic data collection, and regular reviews of economic, social and environmental research that is of relevance to cultural heritage. Now led by the Heritage Forum, this initiative provides policy makers and practitioners with access to a wide range of reliable data, such as the recent comprehensive reviews of social, economic and carbon-related heritage research. The inclusion of heritage questions in regular social surveys that make it possible to track participation over time. However, issues remain in Scotland, Wales and Northern Ireland.³¹⁷

³¹⁷ BEFS, ‘A Heritage Observatory?’, Built Environment Forum Scotland (blog), 28 September 2021, <https://www.befs.org.uk/latest/a-heritage-observatory/>.

EPILOGUE: FOUR STRATEGIC HERITAGE POLICY RESEARCH CHALLENGES

This chapter goes beyond individual research questions to identify four strategic research challenges for heritage **policymakers** in Australia that might **benefit** from working in **partnership with universities and across government**.

As this report has shown, the potential economic, social and environmental benefits of heritage assets and activities is a huge field of research, extending across multiple research disciplines from economics and psychology to physics and health.

At the same time, the question of the impact of cultural heritage lies at the heart of wider public policy questions about the economy, sustainability, climate change and wellbeing. Without understanding these issues, it is difficult to give greater weight to cultural heritage in wider public policy.

It is beyond the capacity of public sector heritage agencies in Australia, with their increasingly constrained resources, to address these challenges. Instead, they require a collaborative approach, working in partnership with Indigenous leaders, universities, other government departments, the private sector and communities.

Heritage and Wellbeing

Wellbeing is fast emerging as an important public policy driver that replaces economic models of 'growth' but the role of cultural heritage in wellbeing is not always clear.

Questions about the social impact of heritage activities and assets rapidly merge into the bigger issue of the role of heritage in wellbeing.

Wellbeing is about the ability of present and future generations to live lives that they have reason to value, in balance with the natural environment. Wellbeing approaches tend to be holistic, to think long term and to focus on the future.³¹⁸ There are similarities between wellbeing and sustainability in that sustainability focuses on the ability of future generations to meet their needs, and takes an integrated approach across social, economic, environmental and (sometimes) cultural issues. However, wellbeing builds on this to place more emphasis on social and often health outcomes.

In the future cultural heritage policy makers in Australia will need to show how cultural heritage can contribute to wider wellbeing goals. The Australian government has long argued that wellbeing should be the guiding purpose of government. This issue was on the ABS radar in 2001³¹⁹ and the Australian Government published a framework in 2012.³²⁰ There was a consultation on measuring what matters in 2022³²¹ and in 2023 Australia published its first wellbeing framework, 'Measuring What Matters'.³²²

³¹⁸ Centre for Policy Development, 'Redefining Progress: Global Lessons for an Australian Approach to Wellbeing' (Centre for Policy Development, 2022), <https://cpd.org.au/wp-content/uploads/2022/08/CPD-Redefining-Progress-FINAL.pdf>; Commonwealth of Australia, 'Measuring What Matters: Australia's First Wellbeing Framework'.

³¹⁹ Dennis Trewin, 'Measuring Wellbeing: Frameworks for Australian Social Statistics' (Canberra: Australian Bureau of Statistics, 2001), [https://www.ausstats.abs.gov.au/ausstats/free.nsf/0/D609B8E54F0EDCA8CA256AE30004282D/\\$File/41600_2001.pdf](https://www.ausstats.abs.gov.au/ausstats/free.nsf/0/D609B8E54F0EDCA8CA256AE30004282D/$File/41600_2001.pdf).

³²⁰ Stephanie Gorecki and James Kelly, 'Treasury's Wellbeing Framework', Australian Government - The Treasury, 2012, <https://treasury.gov.au/publication/economic-roundup-issue-3-2012-2/economic-roundup-issue-3-2012/treasury-s-wellbeing-framework>.

³²¹ Commonwealth of Australia, 'Measuring What Matters: Australia's First Wellbeing Framework'.

³²² Commonwealth of Australia.

The ACT Government already has a wellbeing framework in place whilst in Victoria, VicHealth has been leading on new thinking about the role of wellbeing in policy in Victoria.³²³

This Australian thinking aligns with wider global initiatives around wellbeing. Countries are adopting new models of progress defined in terms of greater equality, sustainable societies, and environments and, improved quality of life.

The Wellbeing Economy Governments Partnership, brings together countries such as Scotland, New Zealand, Iceland, Finland, Canada and Wales. For example, Scotland has appointed a cabinet minister with responsibility for wellbeing and developed a wellbeing economy approach and toolkit that supports place-based economic development.³²⁴

One of the biggest challenges for cultural heritage is the role of heritage in wellbeing goals. The new Australian framework mentions diversity, culture and belonging but is not explicit about cultural heritage. There can be a lack of clarity around the role that culture – and cultural heritage – can play in addressing wellbeing.

Aboriginal leaders in Victoria have taken the lead in addressing this. Culture is at the centre of the Balit Murrup: Aboriginal Social and Emotional Wellbeing Framework - part of the Victorian Government's commitment to providing a long-term vision to improve the social and emotional wellbeing and mental health outcomes for Aboriginal communities. The framework has been developed with the shared knowledge and wisdom of leaders and experts in Aboriginal social and emotional wellbeing and Aboriginal community-controlled organisations.³²⁵

³²³ Alexandra Jones and Chelsea Hunnisett, 'A Toolkit to Progress Wellbeing Economy Approaches in Australia' (Melbourne: Victorian Health Promotion Foundation, 2022).

³²⁴ Scottish Government, 'Wellbeing Economy Toolkit: Supporting Place-Based Economic Strategy and Policy Development' (Edinburgh, 2022).
<https://www.gov.scot/publications/wellbeing-economy-toolkit-supporting-place-based-economic-strategy-policy-development/pages/3/>; The Scottish Parliament, 'What Is a "Wellbeing Economy"?', SPICe Spotlight | Solas air SPICe, 26 April 2023, <https://spice-spotlight.scot/2023/04/26/what-is-a-wellbeing-economy/>.

³²⁵ Department of Health and Human Services, 'Balit Murrup: Aboriginal Social and Emotional Wellbeing Framework 2017-2027'.

New Zealand has also been developing wellbeing approaches that incorporate culture into wellbeing. This quadruple bottom line of cultural, economic, social and environmental wellbeing is one of two core responsibilities for local government. Cultural wellbeing encompasses, 'values, shared beliefs, customs, behaviours and identity' and includes:

arts creative and cultural activities, language film and broadcasting, history and heritage, sport and recreation, sense of place, and balancing integrating and innovating.³²⁶

Culture is also central to wellbeing in Wales. The 2015 Wellbeing of Future Generations Act (Wales) identifies well-being as a purpose for public bodies. The Welsh approach includes seven well-being goals one of which – 'A vibrant Welsh culture and a thriving Welsh language' focuses on culture.³²⁷

As well as setting wellbeing goals, there is one other very important aspect of the Welsh approach to wellbeing that has relevance to cultural heritage practice. This is the 'five ways of working'. These are:

- thinking for the long-term – considering how decisions impact on the future,
- prevention – avoiding detrimental long term effects,
- integration – ensuring actions in one area complement rather than undermine others,
- collaboration – working with others inside and outside the organisation, and
- involvement – involving as wide a range of people in shaping decisions that affect their lives.³²⁸

'Integration' for example should ensure that goals in one area (such as economic goals) do not undermine goals in other areas (e.g. culture and heritage). As an example of this integrated approach, the recent Welsh transport strategy includes cultural heritage goals.³²⁹

³²⁶ Ministry for Culture and Heritage, 'Cultural Well-Being - What Is It? Linking Local and Central Government to Promote Cultural Wellbeing', n.d., <https://mch.govt.nz/files/437441-CWB%20-%20What%20is%20CWB.pdf>.

³²⁷ Welsh Government, 'Well-Being of Future Generations (Wales) Act 2015' (Welsh Government, 2015), <https://www.futuregenerations.wales/wp-content/uploads/2017/02/150623-guide-to-the-fg-act-en.pdf>.

³²⁸ Lisa Strelein et al., 'AIATSIS Submission: Inquiry into the Destruction of 46,000 Year Old Caves at the Juukan Gorge in the Pilbara Region of Western Australia', 2020, <https://aiatsis.gov.au/sites/default/files/2021-06/sub-057aiatsispublishedinquiry-destruction-46000-year-old-caves-juukan-gorge.pdf>.

³²⁹ Welsh Government, 'Llwybr Newydd - The Wales Transport Strategy 2021', 2021.

Further work on cultural heritage and wellbeing has been done by Historic England. Their report on heritage and wellbeing sets out a framework that suggests that caring for cultural heritage can deliver wellbeing in several ways – as a process, as participation, as a mechanism that brings people together, as a source of healing, for its contribution to sense of place and as part of the natural environment.

In terms of empirical research for heritage and wellbeing, the DCMS CASE review of the social and economic impacts of culture and heritage assets on places used a definition of placemaking based on wellbeing outcomes. However, the main focus of the review was on the correlations between investing in cultural and heritage infrastructure and competitiveness. Later work by Fujiwara et al has used an economic wellbeing methodology that expresses the value of culture or heritage to people in terms of the additional income that it is worth.³³⁰

Following their systematic review of the primary evidence on heritage and wellbeing, mainly from UK sources, the What Works scoping report made four recommendations for future research on heritage and wellbeing:

1. Develop an empirically based conceptual framework for understanding community wellbeing in the context of heritage and use this framework to underpin future research.
2. Meaningfully empower communities to help shape the nature of heritage policies and interventions.
3. View the impacts of heritage places and assets through an inequalities lens that focusses attention on positive and negative impacts and the distribution of impacts within and across population groups.
4. Develop a systematic and coordinated approach to raising the methodological quality of the evidence-base over time and involving all stakeholders.³³¹

³³⁰ Daniel Fujiwara, 'A General Method for Valuing Non-Market Goods Using Wellbeing Data: Three-Stage Wellbeing Valuation', Discussion Paper (Centre for Economic Performance, 2013).

³³¹ 'Heritage and Wellbeing: The Impact of Historic Places and Assets on Community Wellbeing - A Scoping Review', Technical Report (What Works Wellbeing, 2019).

It is suggested that Australia could adapt this approach to consider the role of cultural heritage in wellbeing in Australia, taking into account the importance of embedding Indigenous thinking and self-determination, drawing on some of the New Zealand experiences.

Cultural Heritage and Climate Change

Addressing climate breakdown is fast becoming one of the biggest reasons to care for cultural heritage.

Climate change is one of the most urgent policy drivers for our time. Despite evidence for the role of cultural heritage in decarbonisation, reducing waste and ecosystem resilience/ biodiversity, the role of cultural heritage is often overlooked in key policies which prevents the benefits of caring for cultural heritage from being realised. It also leads to a risk of 'maladaptation' as policies designed to deliver wider benefits fail to do so, because for example traditional knowledge has been lost or ignored.



FIGURE 24 - CONSERVING WHAT WE HAVE NOW CAN HELP ADDRESS CLIMATE CHANGE
© ADOBE STOCK

This is a significant research topic that needs a collaborative approach to identify the work currently taking place across universities in the natural and built environment sectors, and to make the connection between that and cultural heritage initiatives.

It also involves moving the debate from a narrow focus on how to retrofit listed heritage items to the bigger question of how doing more to conserve, repair, mend and adapt what we have now (whether protected or not) can contribute to addressing climate breakdown.

Culture and Heritage Capital

This section explores the potential to use culture and heritage capital accounting models to give greater weight to cultural heritage in public policy decisions.

Australia has been exploring econometric approaches to the valuation of natural heritage assets through what is known as Natural Capital Accounting. This uses an ecosystem services model that considers the benefits to people and society provided by the natural world, including habitats and species, and natural processes such as the atmosphere and the water cycle. The model involves two things – defining the ‘services’ provided by those resources, and then monetizing those resources. The aim is then to be able to use those dollar values in benefit-cost appraisals.

In their response to the Juukan Gorge inquiry, AIATSIS argued that the failure to understand the economic benefits of Aboriginal cultural heritage was one of the factors behind the lack of consideration.³³² Terri Janke has also been exploring monetary values for Aboriginal cultural knowledge as a way of helping to ensure that it is appropriately recognised in economic thinking. The long history of research into the relationship between historic heritage and property prices suggests that this is an area of continuing concern.³³³

This issue is not new. In 2008 the Office of Best Practice Regulation made the case for greater use of cost-benefit analysis to address the lack of data to inform the government case for regulation or investing in heritage put forward by the 2006 Australian Productivity Commission report.³³⁴

³³² Strelein et al., ‘AIATSIS Submission: Inquiry into the Destruction of 46,000 Year Old Caves at the Juukan Gorge in the Pilbara Region of Western Australia’.

³³³ Terri Janke, *True Tracks: Respecting Indigenous Knowledge and Culture* (Sydney, NSW: NewSouth Publishing, 2021); Terri Janke and Annabelle Burgess, ‘Discussion Paper: Indigenous Cultural and Intellectual Property’ (Adelaide: Indigenous Land and Sea Corporation, 2022), <https://www.ilsc.gov.au/wp-content/uploads/2022/05/Indigenous-Cultural-and-Intellectual-Property-Discussion-Paper.pdf>.

³³⁴ Rod Bogaards, ‘Cost Benefit Analysis and Historic Heritage Regulation: Working Papers in Cost-Benefit Analysis’ (Department of Finance and Deregulation, 2008), https://oia.pmc.gov.au/sites/default/files/2021-06/wp3_rbogaards_historic_heritage.pdf.

They argued that:

*delivering net benefit to the community (taking into account economic, social and environmental impacts) should be one of the criteria for evaluating historic heritage conservation efforts. However, in practice there are significant challenges, mainly because there are inherent challenges in measuring benefits and costs in dollar terms.*³³⁵

To address similar challenges, the UK government has been exploring the application of Natural Capital models to valuing culture and heritage capital.³³⁶ The aim is to transform the approach to assessing value for money through robust appraisal and evaluation. DCMS is publishing research, data, guidance and tools to help organisations make a stronger case for investment in culture and heritage assets, consistent with the HM Treasury Greenbook principles on assessing value for money in public expenditure. The project has involved extensive literature reviews of valuation studies and will involve further work on understanding the wider services provided by cultural heritage assets. The leading Australian cultural economist Professor David Throsby has advised on the programme.³³⁷

The Surveyengine study conducted as part of the SGS work for Victoria attached monetised values to individual types of heritage assets for Victoria in a methodology that factored in condition, distance, and other factors.³³⁸

A more systematic approach to understanding monetary values for cultural heritage assets including intangible assets such as language and traditional knowledge will be vital to giving greater weight to cultural heritage in strategic decision making.

It is strongly suggested that the HCV works with other bodies either at a State or Australia wide level, to begin to explore the potential role of culture and heritage capital in wider economic modelling.

³³⁵ Bogaards.

³³⁶ Department of Culture, Media and Sport, 'Guidance: Culture and Heritage Capital Portal', GOV.UK, 2021, <https://www.gov.uk/guidance/culture-and-heritage-capital-portal>.

³³⁷ Simmetrica Jacobs, 'DCMS Rapid Evidence Assessment: Culture and Heritage Valuation Studies – Technical Report'.

³³⁸ SGS Economics, 'The Value of Heritage: Summary Report'.

Learning From Indigenous Approaches

Finally, this report ends where it perhaps should have started, with a call for a greater understanding of Indigenous knowledge and teachings around the role of cultural heritage in the world around us.

As noted, Aboriginal policy makers in Victoria have been at the forefront of thinking about the link between cultural heritage and wellbeing in Australia. Indigenous thinkers in the cultural heritage space are also leading on more holistic approaches to cultural heritage and place that moves away from individual listings towards a recognition of the value of Country as a whole and the important role of people and communities in managing cultural heritage.³³⁹

The primary focus in Australian cultural heritage policy is currently enabling a stronger voice and frameworks for self-determination for Aboriginal and Torres Strait Islander people in heritage through frameworks such as Dharuwa Ngilan, and reforming legislative structures and decision making and reporting on Aboriginal Cultural Heritage. This is essential to address underrepresentation and inequality in the heritage space.³⁴⁰

Although Australia currently operates a (largely) twin-track approach to Indigenous and non-Indigenous cultural heritage, there is clearly potential to learn from Indigenous thinking and apply those lessons to wider cultural heritage in Australia. Key concepts such as deep listening, yarning, respect, self-determination and holistic approaches to the value of place that are of potential relevance to all heritage.³⁴¹ New Zealand has already taken this approach, embedding Maori approaches to cultural heritage across heritage policy in general.³⁴²

Some of the most innovative thinking in relation to the wider economic, social and environmental benefits of cultural heritage is also coming from Indigenous leaders, academics and policy makers.

³³⁹ Ministry for Culture and Heritage, 'Tiaki Taonga – the Care, Preservation, and Protection of Iwi Taongā and Heritage', Ministry for Culture and Heritage, accessed 4 August 2023, <https://mch.govt.nz/tiaki-taonga> Victorian Aboriginal Heritage Council, 'Victorian Aboriginal Heritage Council Annual Report 2011' (Melbourne, 2012).

³⁴⁰ Department of Climate Change, Energy, the Environment and Water, 'Dharuwa Ngilan: A Vision for Aboriginal and Torres Strait Islander Heritage in Australia.

³⁴¹ Woodard et al., 'Our Knowledge Our Way in Caring for Country'.

³⁴² Ministry for Culture and Heritage, 'Tiaki Taonga – the Care, Preservation, and Protection of Iwi Taongā and Heritage', Ministry for Culture and Heritage, accessed 4 August 2023, <https://mch.govt.nz/tiaki-taonga>.

This includes work on cultural heritage and health noted in Chapter 3, on wellbeing (see above), in land management (we have not been able to include the environmental benefits of Aboriginal cultural heritage and knowledge in this report) and the economy (such as Professor Terri Janke's work on the economic value of Indigenous knowledge).³⁴³

Again, New Zealand demonstrates the potential to embed cultural knowledge and approaches into wider public policy. As noted, Manatu Taonga, the Ministry for Culture & Heritage brings together Tiaki Taonga – the care, preservation and protection of iwi taonga and heritage into one place.³⁴⁴

An Indigenous lens will be vital to taking a uniquely Australian perspective on any of the three big questions raised above – the role of cultural heritage and climate change, the role or heritage in the economy and the role of cultural heritage in wellbeing.

A project that explores the relationship between cultural heritage and wider outcomes for society from an Indigenous perspective, drawing on published research, policy making and Indigenous lore and knowledge, could be a starting point for helping to address the bigger question of why cultural heritage matters.

³⁴³ Janke and Burgess, 'Discussion Paper: Indigenous Cultural and Intellectual Property'.

³⁴⁴ Ministry for Culture and Heritage, 'Tiaki Taonga – the Care, Preservation, and Protection of Iwi Taongā and Heritage'.