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6160 July 20th 2005

The Productivity Commissioners

PRODUCTIVITY COMMISSION INQUIRY INTO HISTORIC HERITAGE

Thank you for the opportunity to make a submission to this inquiry. I make my submission as a private citizen.

While it is difficult to prove with hard facts, I have no doubt that where we choose to conserve our historic heritage, the economic, environmental and social benefits far outweigh the costs.

Conversely, the lack of care of Australia's historic heritage over the last 40 years has had a disastrous effect on the environment of our central cities, towns and suburbs.

Demolition of historic buildings and streetscapes which gave our cities and towns a high level of amenity has been driven by a taste for the 'shiny and new', and a belief that new buildings were automatically cheaper, more profitable and more efficient. In so many cases however, the demolished structures have been replaced by low-quality modern buildings that are ugly, poorly designed, inhospitable to pedestrians and 'city life' generally, and of poor durability.

Short-term and unimaginative thinking has dominated the investment decisions that have driven this kind of development. It has diminished the *environment* of Australia's cities and towns, and it has also undermined the long term *social and economic* attractiveness of many areas for investment, business-migration and people.

Some may say that this is unimportant, because in reality investment has simply moved elsewhere in the Australian marketplace. Instead of high quality main streets we have high levels of investment in amortizable office space, suburban shopping malls, suburban cinemas, entertainment megaplexes (casinos, convention centres, stadiums, etc), chain stores and so on. Have we traded one benefit for another equal benefit as a matter of choice? I for one don't believe it.

Countless examples could be provided of how Australia's urban areas have gone backwards as a result of neglect of the historic fabric. I have provided a few illustrations from Western Australia, those being:

1. The destruction of the AMP Building in St Georges Terrace;
2. The Forrest Place redevelopment in Wellington Street, Perth;
3. The railway station development in William Street Perth;
4. The demolition gap in Stirling Terrace, Albany;

Three of the examples relate to developments in the 1970s and 1980s, and one is more recent, dating from 2002-05. Two are private developments, one is a government development, and the other is a joint private-government project. The problems lie equally with governments as with corporate activity.

Development of this kind has helped to drain life from our city-centres and townships, and make us poorer citizens. It will continue to do so into the future if the trend isn't halted and reversed.

EXAMPLE I - THE AMP CORNER, 140 ST GEORGES TERRACE, PERTH

The original six storey *AMP Building* was built in 1915 in sandstone, and featured extensive use of jarrah internally, for staircases and interior paneling. It was the anchor building on Perth's most prominent gateway, and was the finest of the group of classical buildings at or near the William Street intersection.

The building was demolished in 1973-74 to make way for a new 125 metre *AMP Tower*. Twelve metres of land previously occupied by the older building at the street frontage were left as vacant space, purportedly as a 'contribution' to the amenity of the city.

The immediately-adjacent buildings were demolished progressively in the 1970s and 1980s to make way for the Commonwealth Bank and the Central Park Tower. The Commonwealth Bank was constructed in 1979 in the 'Brutalist' style and contributes nothing to the human appeal of the Terrace; the Central Park Tower replaced several historic buildings in the late 1980s with an enclosed glass and steel foyer facing St Georges Terrace, plus an uncovered plaza at the rear entrance on William Street.

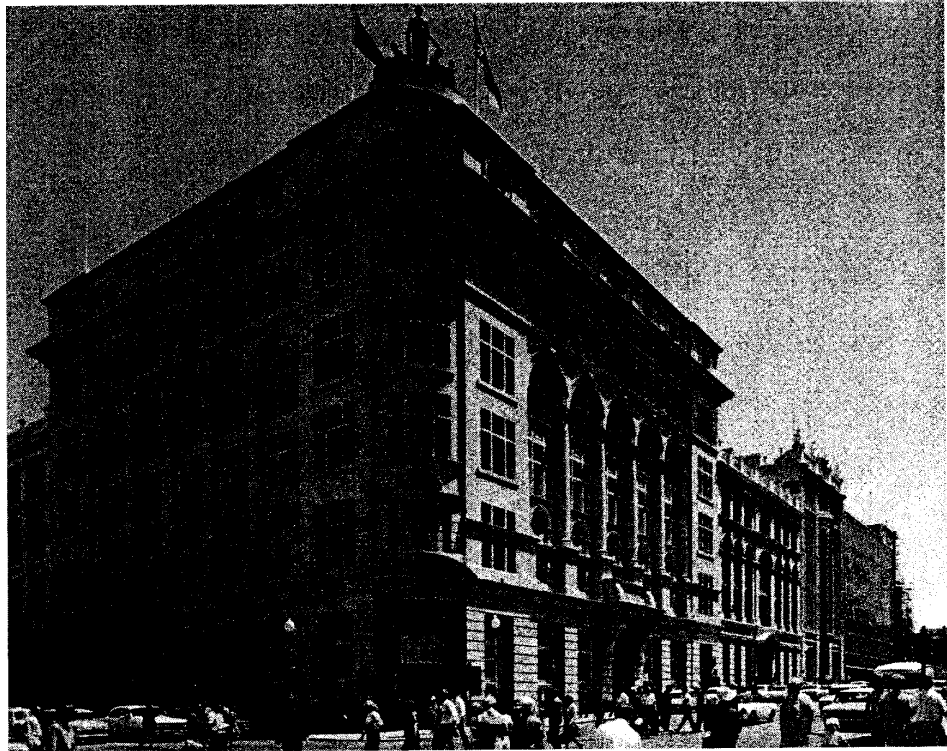
An urbane people-friendly part of the city was thus turned into a wasteland of empty plazas, glass foyers and car ramps. The three new buildings occupy less than half of the four lots they sit on (which total 14,700 square metres in area). No attempt was made to conserve the historic buildings by making optimum use of the space available.

However the *AMP Tower* had lost its appeal in Perth's office market by the early 2000s: the amount of floorspace vacant or subject to lease-expiry was projected by the owners to be 92% by the end of 2004. Rehabilitation of the building required a major investment of \$40 million by the AMP company over 2 years from May 2003, with the project including construction of a glass canopy over the vacant space. The project managers reported in 2004 that this was the largest refurbishment project in Perth's history, although it was not the first major refurbishment that had been required to keep the building marketable. ⁽¹⁾

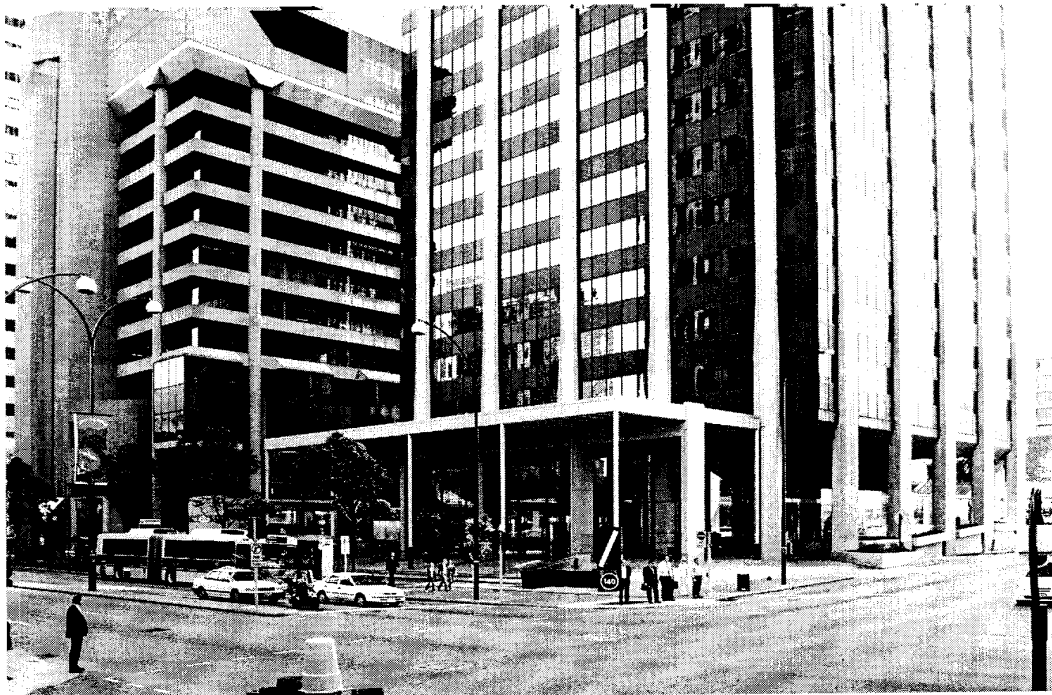
This kind of story has been repeated on most of the commercial sites in St Georges Terrace. 'Western Australia's main street' has been stripped of almost all its fine legacy of historic commercial buildings. Only three sites have taken advantage of Perth's deep lots and conserved the historic buildings at the street frontage: Mt Newman House behind The Cloisters, the stock exchange tower behind the Weld Club, and the Bankwest Tower behind the *Palace Hotel*. They demonstrated what could be achieved if the will was there: both retention of historic fabric and new office space, rather than either-or.

Does the story of the *AMP Building* represent the most productive and rational approach to Perth's commercial development and town planning, when viewed in the longer term perspective? It is hard to conclude that it is.

⁽¹⁾ Details of the refurbishment project were reported in "140 St Georges Terrace, Refurbishment Lessons", a presentation by the Clifton Coney Group at the 2004 Property Council of Australia Conference, 25 February 2004, Perth Western Australia.



The AMP Building, cnr St Georges Tce & William St, 1970



The new *AMP Tower* and adjacent *Commonwealth Bank*, 2005



The William Street side of the AMP Building and its neighbours, 1970



The same view in 2005

EXAMPLE 2 - THE FORREST PLACE REDEVELOPMENT IN WELLINGTON STREET, PERTH

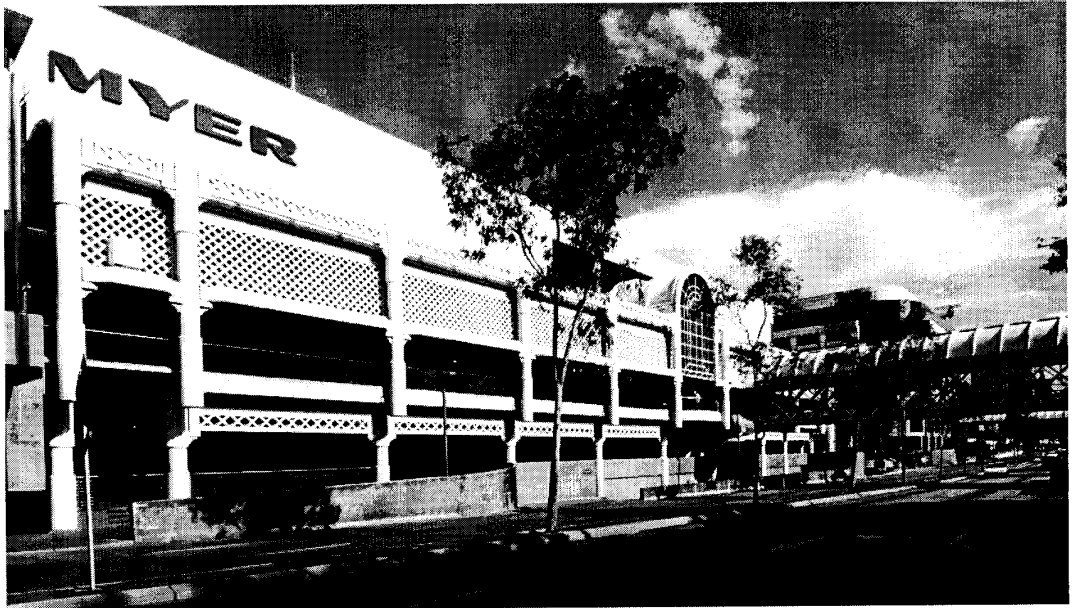
This area was an important civic space in Perth throughout most of the 20th century. The Railway Station, Boans Building, GPO, Commonwealth Bank and the uncluttered space of Forrest Place worked well as a 'multi-function' meeting place, and people enjoyed being there.

In 1986 the *Boans Building*, *Padbury Buildings* and former *Australia Hotel* were demolished to make way for a new Myer department store. Other associated development included a new government office building (Albert Facey House), a 5 storey carpark, vehicular off-ramps, and pedestrian overpasses on Wellington Street.

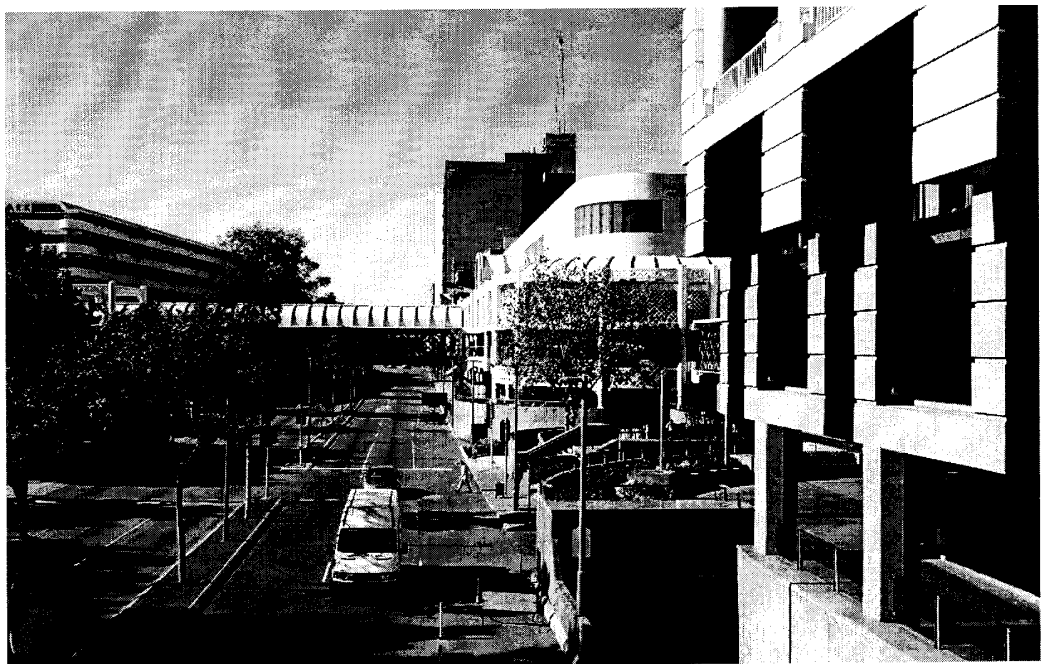
The well-proportioned layout and architecture of the precinct was replaced by considerable visual clutter, disrupted views, and an almost complete loss the pedestrian environment along Wellington Street's south side. The ugliness of the area is not adequately conveyed by photographs, but it is very apparent to the city's users and visitors, particularly those who remember how attractive it once was.



1954 - *Boans* and the adjoining *Blues Building*



The same place in 2005



EXAMPLE 3: WILLIAM STREET AND THE PERTH UNDERGROUND STATION

The group of buildings on William Street between Murray and Wellington Streets were constructed mostly in the classical style in the 1890s or the 1920s. The street served as a popular shopping and entertainment area for much of the 20th century.

By the 1980s the eastern side of the street had declined economically and was occupied by lowrent tenancies, but the buildings survived and were still in mostly sound condition in 2004. The buildings offered strong potential for integration within the revitalisation of the area as part of the new Southern Suburbs Railway being carried into the CBD.

The *Railway (Jandakot to Perth) Bill 2002* passed through Parliament in November 2002, authorising the State Government to commence design and construction.

Project planning for the rail alignment including a new underground station rested with the Perth Transport Authority and the State Planning Commission. An in-house decision was made that most of the buildings between Wellington and Murray Streets should be demolished to facilitate the cheapest cut and fill option for construction of a new underground station. One of the commissioners commented that 'buildings more suited to the modern era' would be preferred on the site.

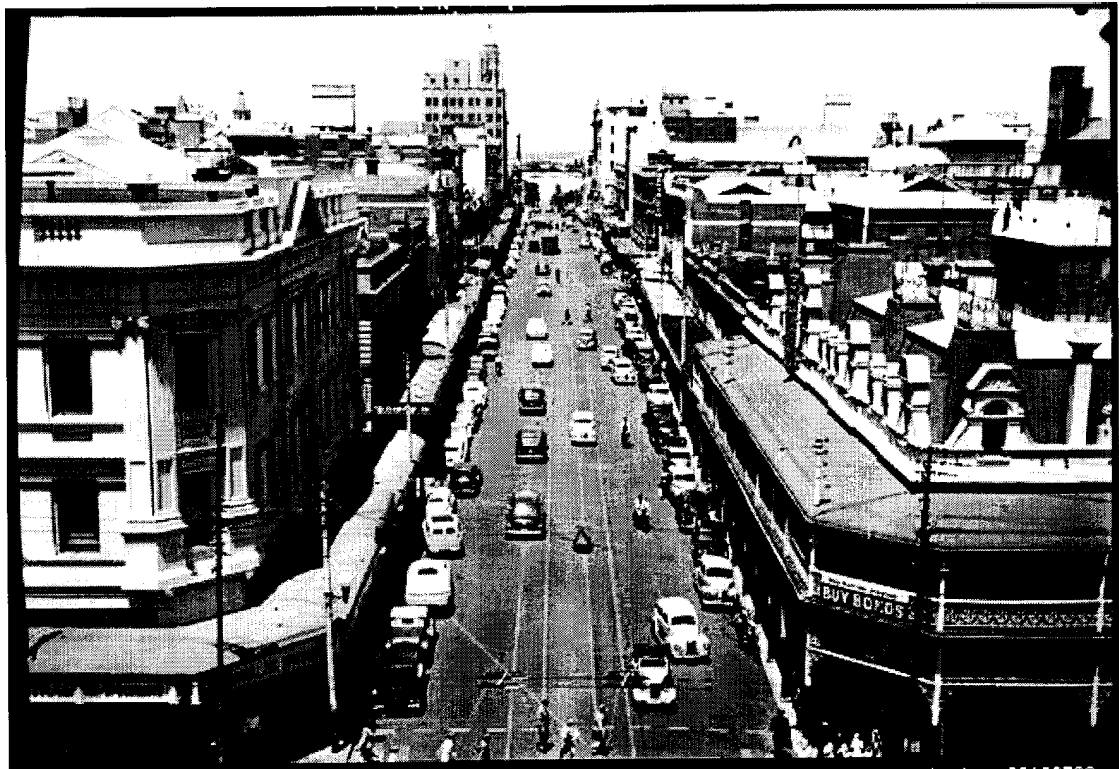
The Heritage Council conducted its own assessment and concluded that the buildings merited state registration, both individually and as a group, and this occurred in 2003/04. The Heritage Council recommended their retention, but the advice was ignored. Demolition commenced in 2004 in line with the original conclusions reached by the PTA and State Planning Commission 2 years before.

As a token gesture, the Wellington Building on the corner, and the facade of the 1912 Mitchells Building (located midway between Wellington and Murray Streets) were to be retained. However the project planners later decided to remove the Mitchell's Building facade in pieces and store it offsite for reconstruction at some future time.

In announcing the relocation, the Planning Minister Alannah MacTiernan presented it as a positive heritage conservation initiative and stated "heritage has been a big priority in the revitalization [of the site]", (Minister's media release dated 14th March 2005).



William Street in June 2005, viewed from the Murray Street corner



National Library of Australia

William Street, looking south from the Horseshoe Bridge, 1960 (all the buildings on the left were still there in 2004, save for the turreted corner building on the left side of the street, pictured below).



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The turreted building on the Murray Street corner which survived until around 1970: it was replaced by a big-box retail outlet with a metal facade and no windows above the ground floor.

EXAMPLE 4: STIRLING TERRACE, ALBANY

Stirling Terrace in Albany remains one of the best historic streets in regional Western Australia.

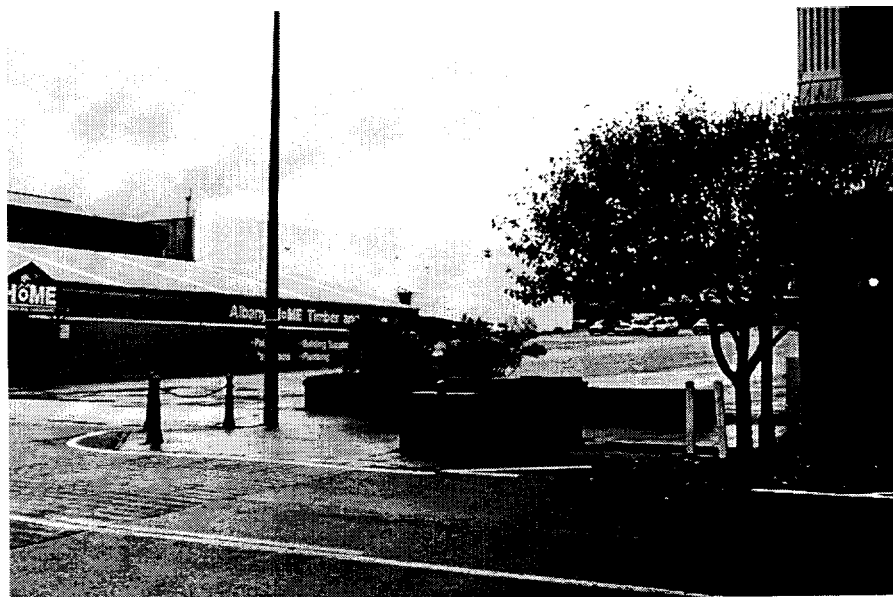
However it suffered a major loss in 1972 when the *Freemason's Hotel* (1868-1910) and *Devonshire House* (1908) were demolished by the "Tom the Cheap" company. The proposed redevelopment never happened, and the gap in the street remains to this day.

Tom the Cheap's liquidators attempted to demolish another building in the street in 1978, the *Albany Light Opera Company Building*, but the Albany Town Council prevented it. Today that building is 'Dylan's on the Terrace', a highly successful restaurant and coffee shop business.

Stirling Terrace remains an important tourism asset for Albany, and it evolves new uses as time goes on. The University of Western Australia has converted the former *Albany Post Office* for regional education.



Stirling Terrace in 1971: the *Freemasons Hotel* and *Devonshire House* are still there in the centre and right of picture



Stirling Terrace in 2004: the vacant site of the former *Freemasons Hotel* and *Devonshire House*.