

'Creative Cities': the role of the Melbourne 2030 strategy in enhancing Melbourne's competitive advantage as one of the world's most creative and liveable cities.

**Speech to the Australian Fabian Society.
2 February 2004.**

INTRODUCTORY REMARKS

I want to first thank Race (Matthews) and the Fabian Society for this opportunity to talk about one of the most important goals of the Bracks Government – making Melbourne not just one of the most liveable but also one of the most creative cities in the world.

I'll be having a bit to say tonight about the ideas of one of the world's leading thinkers on this subject – the American author and academic Richard Florida.

And where better to do so than in front of the Australian Fabian Society, whose membership includes the Australian publisher of Florida's influential book, *The Rise of the Creative Class*. (Evan Thornley, owner of Pluto Press.)

The Fabian Society is the type of organisation Florida's writings tell us we need more of – forums for allowing citizens to put creative ideas into the public arena, challenging the ideas and incorporating them into public policy, adding to the intellectual 'buzz' of a city, attracting more people to come and live here.

THE IDEA OF THE CREATIVE CITY

Around the world today, policy makers are becoming increasingly aware of the importance of the cities and regions to the economic development of nations.

While we've never been more global, cities and regions must have the right ingredient to make things happen – a critical mass of creative people interacting on a face-to-face level.

Richard Florida believes – and I agree – that human creativity is the ultimate economic resource. The ability to come up with new ideas and better ways of doing things is ultimately what raises productivity and in turn living standards.

Places with the brightest futures are creative cities. They're the sort of places, according to Richard Florida, where creative people want to live. Instead of people moving to jobs, companies are increasingly moving to or forming in places that have the skilled innovative thinkers/workers already there.

People like scientists, architects, engineers, teachers and in particular artists in all their forms.

His message is that economically successful cities are those that attract creative people.

The boom towns of the 21st century, he says, possess the three T's – tolerance, talent and technology.

The good news is that all three are in abundance in Melbourne. In fact when he was here last year, Florida described our success as 'truly amazing'.

In the Preface to the most recent edition of *The Rise of the Creative Class*, Florida reports that if Melbourne were in the U.S. it would be the seventh highest ranking city on his 'creativity index', only just behind cities like San Francisco, Seattle and Boston.

Now that's saying something – given that Boston boasts Harvard, M.I.T and several other of the world's best universities.

When people from interstate and overseas comment about Melbourne and Victoria, there's usually a set of recurring themes.

- Great food, wine and style.
- We had the highest vote for the Republic - just as we had the highest vote for Federation
- The lowest vote for Pauline Hanson.
- The most harmonious multicultural relations.
- We can't get a footy team in the AFL Grand Final, or a batsman in the Australian Test Team.
- We're a pack of beret-wearing, over-educated, dangerous intellectuals, addicted to good coffee and cake shops.

The State Government understands the importance of boosting Melbourne's creativity and showcasing it through our events calendar.

Our vision is this: an energised Melbourne powered by its creative, intellectual communities. Note that word in the plural – 'communities'. Creativity isn't just about investing in St Kilda, Fitzroy or the arts precinct. It involves every suburb and every country town.

We are already renowned for being the world's most liveable city – safe, dynamic, well-serviced, multicultural, and open-minded and with world class arts, entertainment and hospitality.

Melbourne now has a great opportunity to drive Australia's growth and to establish a global presence as a leading creative city.

This is our vision for a good reason – it's the best way to create the sort of wealthier, fairer and more inclusive society that Victorians have always believed in.

The things that attract creative people

- a clean environment
- a tolerant society
- high levels of education and skills
- a rich and accessible arts environment

these are the things that attract investment, growth and jobs.

It's a pity our federal counterparts don't get it.

With their promotion of intolerance towards gay people, their attacks on public education, denigration of higher education, their hostility to environmental protection and complete lack of interest in urban development and public transport, they're pursuing the other economic path – the race to the bottom.

It might be attractive wedge politics to make matters like gay marriage, border protection and opposing the Kyoto Protocol election issues, but it doesn't do anything to attract people with energy and ideas or promote creativity and innovation.

This type of culture war politics is bad economics and even worse social policy.

A LONG-TERM STRATEGY FOR A FAIRER STATE

Tonight I want to outline for you the long-term strategy we've developed to make Melbourne – and through it, Victoria – an even more creative and prosperous place.

Perhaps the best way to start is to tell you what our strategy isn't.

We're not the first Government in Victoria to understand this concept of the creative city.

Jeff Kennett, for all his many failings, had an inkling of what was needed.

His Government might be remembered for projects like the Exhibition Centre and attracting the Grand Prix. He understood the political advantage of multi-culturalism.

But ultimately, he and his Government were rejected because their vision was all about icons, not people. His government had an "edifice" complex.

At the same time as Denton Corker Marshall buildings were going up in the inner city, schools, train lines and bus routes were closing in the outer suburbs.

Creativity was encouraged, but among the very few, the already privileged.

The city and the state was becoming vastly more unequal.

Remember - Regional Victoria was the State's "toenails" under the Liberals.

This isn't the sort of place or State we're planning for.

Internationally the West is experiencing this inequality – between suburbs and people's incomes. As the income and status of the creative class rises, that of the suburban folk who support them with services and goods stagnates.

It's politically unsustainable. Just the sort of thing destined to create a backlash against creativity and innovation - a grim revival of Howard's attack on the "elites".

I want to quote something Florida's written:

...sooner or later some place will figure out how to more fully tap the creative talents of much broader segments of its people—and it will get a huge competitive edge as a result.

That's what our Melbourne Strategy aims to do. We want to develop a creative city that draws on the talents and increases the prosperity of all our people.

We want to be remembered not just for what we've done within the boundaries of the tram network, but for stopping urban sprawl and injecting life and opportunity back into areas such as Frankston, Footscray and Dandenong - serious integrated urban renewal.

WHY WE NEED MELBOURNE 2030

There's a very good reason why we have to start now if we want to avoid the worst excesses of urban sprawl and build a fairer, more prosperous city. Demographics.

In the next 30 years Melbourne will grow by at least another one million people – the equivalent of adding another third to our population - another Adelaide, three Canberras.

The composition of our population is also undergoing radical change.

By 2030, more than one in four Melbournians will be older than 60.

Almost 90 percent of new households will be made up of just one or two people.

Already in the City of Port Phillip half of the residents live alone.

'Business as usual' clearly won't give us the housing choice people want or protect our internationally renowned livability.

It won't ensure we have adequate water reserves or contribute to lowering greenhouse gas emissions.

Strategically planning to sustainably manage the growth of our cities is one way we can have economic growth and a high quality of life.

We are aiming to:

- Prevent the social polarization that can happen when a city continually grows outwards, with infrastructure and "community" lagging.
- Create jobs for more people.
- Ensure access to high quality services.
- And do all these things in a much more environmentally sustainable way.

It's about striking a sustainable balance between the imperative of growth and the need to protect what we love about our city.

When the Bracks Government came to office in 1999, there was no strategy for managing population growth or our metropolitan region.

So we started with a blank sheet of paper and spent 18 months consulting Melbournians on how they wanted their city to grow.

They told us they wanted:

- A more compact city.
- A greener city.
- A fairer city.
- And a more liveable city.

In other words, a more sustainable city.

Melbourne 2030 was the Government's response to how we would deliver that.

There has been overwhelming support for the strategy, its key Direction and principles.

It's clear evidence that stakeholders want to see regional governments take a greater lead in the way our cities develop.

We're leading the country, with now Sydney and South East Queensland flattering us with imitation.

The OECD have congratulated us on our approach. Others are imitating us.

Take our friends in Sydney. Sure they might beat us at footy sometimes and get more batsmen into the Australian XI, but unlike Melbourne, with Hoddle's grid and our marvelous nineteenth century boulevards, Sydney is an unplanned city.

Last year, the New South Wales Government announced the beginning of a new metropolitan development strategy.

Perth is now holding a dialogue with its people about their metropolitan future.

And the Beattie Government also has a strategy for the planned growth of South East Queensland, including Brisbane.

THE MAIN ELEMENTS OF THE STRATEGY

So what are the main elements of our strategy? There are four to highlight here.

The first is an urban growth boundary to limit outward expansion and assist the better planning of the city.

This is an important starting point, particularly when you consider Melbourne's very low population density compared to other world cities.

Take Paris – it has double our population and is half our size.

No one wants Melbourne to end up looking like Los Angeles. I think given the choice, most Victorians would prefer if their capital and its surrounding regions resembled cities like Vancouver, London and Portland, Oregon, where they are consolidating urban development, reducing traffic congestion and creating more centres of activity.

In Portland, Oregon, where these strategies are already well under way, public transport patronage has climbed to 50 per cent of all trips.

The second element is the historic legislative protection for Melbourne's Green Wedges – the areas that contain some of the state's most valuable land for tourism, agriculture and the environment and indeed key economic infrastructure - Melbourne Airport and vital water catchments.

Urban expansion eats up land of high environmental, tourist and agricultural value, like the many wineries scattered around Melbourne in the Yarra Valley and on the Mornington Peninsula.

I mentioned Paris just now. Can you imagine Parisians allowing housing subdivisions to replace vineyards? There'd be a second French Revolution.

The third element is the designation of five growth corridors and establishment of five Smart Growth Committees to advise government on the development of our new growth areas. To ensure that we create liveable communities not just subdivisions. Places and people that are connected - where women are safe and children might even walk to school!

The direction of growth, the sequencing of land release, rezoning, public and private infrastructure investment are key decisions for government.

The fourth element is urban regeneration.

Our population is ageing and changing – and with it our housing needs.

We need to acknowledge and manage these changes and provide housing choice in local communities.

We recognise though that a one-size-fits-all approach will never work.

We recognise the importance of developing local solutions to local issues within the framework provided by Melbourne 2030.

Integral to this process is supporting local government to develop plans to encourage more housing choice around existing 'activity centres' like shopping strips and business precincts close to public transport.

Dandenong and Frankston are good examples of urban renewal.

These are both parts of Melbourne that at various times have missed out on the benefits of prosperity. Unless we act, they're unlikely to benefit economically in the same way that a place like Footscray has and will, through gentrification and proximity to the CBD.

Melbourne 2030 seeks to transform places like Dandenong and Frankston into vital places that can attract new people and new businesses through our 'Transit Cities' program, which is creating well-designed, well-located and well-connected communities around important transport hubs.

We're fostering a \$250 million redevelopment of the Dandenong Saleyards.

This is urban renewal on a grand scale.

1400 dwellings, eventually housing up to 3,500 people, will cover 28 hectares of land, where no one will live more than 800 metres from public transport. All on the doorstep of a revitalized Dandenong Central Activities District, drawing new development and jobs to the region.

And critically the role of the arts in attracting businesses to an area. The Bracks Government has invested \$5 million in the Dandenong Cultural Centre.

A similar story can be told about Frankston. What could have more potential than a bayside town like Frankston with safe beaches and excellent transport and social infrastructure already in place?

We're going to make a big difference through modernising and upgrading the shopping precinct of Wells Street and building a new high density living precinct along the currently underutilized Kananook Creek.

All up, in thirteen Transit City locations across Melbourne and the regions \$1 billion of private investment has been leveraged.

A WHOLE OF STATE APPROACH

This isn't just about Melbourne, it's about the developing the whole state.

The capital may be the place through which our goods and services are exported to the world but it's not the place where all the wealth is created.

Victoria has a number of cities with populations of between 50,000 and 200,000 spread across a broad arc around the metropolitan urban area. Their economy, transport and social infrastructure has to be linked to Melbourne if we're all to benefit.

There will be no Kennett-style neglect of regional Victoria as we plan for the future of Melbourne.

The Government is encouraging new urban development outside metropolitan Melbourne, particularly in Ballarat, Bendigo, Geelong, the townships of the Latrobe Valley and in key towns along the transport corridors to these cities.

The focus is on promoting the growth of regional cities and key towns on regional transport corridors as part of a networked cities model.

As settlements in this broad region become increasingly interdependent, there will be a far wider choice of places in which to live, set up business and find a job. This will help Victoria compete effectively in national and international markets.

THE ARTS AND CREATIVITY

Before I finish I want to come back to the topic I started with and one close to my heart – the importance of creativity and the arts to developing Melbourne and Victoria.

The things that will drive economic growth in the cities of the future – creativity, imagination, experimentation and appreciation of difference – can all be found in the arts, making funding the arts is one of the best investments possible.

The creative industries make an enormous contribution to Victoria's knowledge economy – contributing over \$8 billion to the economy.

More than 113,000 Victorians are directly employed in cultural activities as their main job, with almost the same number again employed in arts-related jobs and many more involved in the arts in a volunteer capacity.

These industries model creative thinking, stimulate imagination and create a dynamic environment that is attractive to business, residents and tourists.

The Bracks Government has made a major investment in Victoria's intellectual, creative and cultural infrastructure at all levels – from small to medium arts companies through to the high tech Docklands Film and Television Studios.

Few other cities are currently enjoying Melbourne's recent level of investment and activity in innovation and creativity. We are certainly leading Australia in this area.

The Government is completing nearly a billion dollars of major investments in Victoria's creative and cultural infrastructure.

In the last 5 years we've completed the biggest build of cultural capital assets since Marvellous Melbourne and the 1850s.

- The Federation Square precinct – home of the Australian Centre for the Moving Image, the only institution of its kind in the world, and the Ian Potter Centre: NGV Australia. ACMI has a new CEO, Tony Sweeney, who is a global knowledge worker.

- The Melbourne Museum, the Australia Centre for Contemporary Art, and the expanded National Gallery of Victoria on St Kilda Road and State Library of Victoria.
- The new Film and Television studios at the Docklands.
- And work proceeds on new home of the Melbourne Theatre Company and a new Recital Hall to complete the Southbank precinct.

It's a similar story in other sectors that drive an innovative economy, such as science and technology, biotech, venture capital, design and major events.

We have invested over \$900 million for science, technology and innovation initiatives since 2000 – easily the largest such investment by any Australian, including:

- The Australian Synchrotron at Clayton – the nation's biggest piece of R&D infrastructure in decades.
- The Bio21 precinct in Parkville – to help make us one of the 5 top global biotech hubs by 2010.
- And a range of other major initiatives including Neurosciences Victoria, Clinical Trials Victoria, and the Center for Innovation and Technology Commercialisation.

So making our cities better able to attract creative people is just the first step.

Arts and Ideas, Science and Technology and Events - are a recipe for a Renaissance.

Capitalising on creativity requires improvements in export development and improving our business skills – other big priorities of the Bracks Government.

CONCLUSION

As you can tell, Melbourne 2030 is more than just a planning document.

It's about more than just what we do with our streetscapes.

It's part of a whole of government approach designed to make not just Melbourne but Victoria a more creative, wealthier and fairer place. It's central to our community building in the State.

Look around you. We're in the middle of an economic boom in this country. We've never been wealthier in pure dollar terms.

But something else is happening. Not all parts of the nation or State are growing at the same rate.

There is a widening gap between the Haves and the Haves "Less". There is now an information poverty line.

This is not something that sits easily with a Labor Government.

The modern political challenge is to finding new ways of ensuring that every community benefits from the increase in the state's wealth.

That as we grow as a state, we don't grow further apart as a people.

I'm proud of Melbourne 2030, proud of forging the political will to legislate for an Urban Growth Boundary and Green Wedge protection.

I'm proud of kick starting serious urban renewal in some of our depressed areas of Melbourne where too many have too few opportunities.

I'm proud of easier access to the arts across the city and State - wherever you live, whatever you earn our cultural venues have something to offer.

But there is much more to be done.

Melbourne/Victoria is internationally attractive and increasingly competitive. The test will be how fair we are.

So I thank you once again for inviting me here tonight, and welcome any suggestions or questions you may have.

APPENDIX

Arts Victoria Funding Overview

Arts in Victoria

Funding Overview Arts in Victoria

FACTS & FIGURES

- Victoria's arts and cultural industries contributed \$7.8 billion to the Victorian economy in 2001/02
- 70% of Victorians aged 15+ attended an arts venue in 2002
 - 55% attended one or more live performances: 2M visitors, 10.5M visits
 - 56% attended a cultural/heritage institution: 2.1M visitors, 30.2M visits
- Over 113,000 Victorians are employed in cultural activities as their main job – almost double the number in 1996
- 11% of Victoria's population aged 15+ work as volunteers in the arts and cultural sector
- As at 30 June 2004 the value of the State's cultural assets (including land, buildings and collections) was \$3.9 billion

Arts for all Victorians

BRACKS GOVERNMENT FUNDING COMMITTED (2000/01 – 2004/05)

Additional \$504M comprising:

- \$73M for Arts and Cultural Activities
- \$300M for Arts Agency Sustainability
- \$131M for Capital Projects

Annual operational arts budget almost doubled from \$153M in 1998/99 to \$280M in 2004/05

BRACKS GOVERNMENT FUNDING COMMITTED (2000/01 – 2004/05)

\$73M for Arts and Cultural Activities, includes:

- **\$11.3M** for small to medium companies and programs
- **\$13M** for the Melbourne International Arts Festival
- **\$7.1M** for major performing arts companies (MSO, Playbox, MTC etc)
- **\$4.2M** for new spaces at Heide and Ngargee

- **\$2M** for regional arts infrastructure
- **\$10M** for building upgrade at the VCA
- **\$25.4** for the delivery of Creative Capacity + election commitments

2004-05 STATE BUDGET:

Additional \$52.1M arts funding – recurrent and capital:

- **\$7.7M** for Cultural and Heritage Patronage Program
- **\$6.1M** for development of exhibition programs at MV campuses
- **\$15.7M** over three years to provide a stable operating basis for ACMI
- **\$12.4M** over four years for the Melbourne International Arts Festival
- **\$1.6M** for Film Victoria relocation to the Docklands
- **\$5M** for Asset Management Fund (eg disability access, IT, OHS)
- **\$3.6M** to the Arts Centre for asset upgrades

Other cultural funding:

- **\$1.9M** for Eureka 150 Celebrations & Eureka Stockade Precinct
- **\$4.5M** for Living Libraries
- **\$4M** for Public Libraries Growth Fund

CREATIVE CAPACITY +, ARTS FOR ALL VICTORIANS

- Launched in May 2003
- **\$25.4M** over four years
- **19 new funding programs** created to strengthen arts sector and increase access to the arts for all Victorians, including:
 - Artists in Community
 - Creative Community Partnerships
 - Arts Innovation
 - Community Liaison Officers and Professionals in Residence
- **\$5.8M** worth of programs delivered to date
- Recipients of new CC+ funding include: Courthouse Youth Arts Centre, Somebody's Daughter, Ilbijerri, Back to Back, Strange Fruit

ARTS AGENCIES HIGHLIGHTS:

- **NGV:** Re-opening of NGV International in Dec 2003. 1.69M visitors in 2003/04
- **Museum Victoria:** ticket prices reduced - 27% increase in Museum visits, 30% of Victorian schoolchildren have visited a Museum campus. Over 1.18M visitors in 2003/04
- **SLV:** Opening of Latrobe Reading Room, Cowen Gallery and Experimedia. Over 783,000 visitors in 2003/4 (+ 2M online visitors)
- **ACMI:** Almost 1M visitors in 2003/04. Additional \$34M for the period 2003/04 to 2007/08. Annual operating funding now \$15.7M
- **Film Victoria:** Additional \$31.6M over four years in 2001/02; \$2.4M boost over 4 years to expand production of film and TV in Victoria in 2003/04. 157 new film, television and new media productions created in 2003/04, 17 more than previous year.

REGIONAL HIGHLIGHTS:

- **Regional Arts Victoria** - \$3.79M since 2000, including annual operating funding of \$500,000 pa, 2000-2005
- **Regional Arts Infrastructure Fund** – \$21M since April 2000. Highlights include:
 - New Performing Arts Centres at Shepparton, Echuca Sale and Benalla
 - New Art Galleries at Ballarat and Morwell
 - Major improvements to arts facilities at Swan Hill, Traralgon Geelong and Warragul
 - More than \$300,000 for small projects at local museums.
- **Touring** - \$545,000 for 14 regional performing arts centres in 2004/05 to host professional touring productions; \$430,350 for 30 projects to tour throughout regional Victoria since launch of CC+; Guarantee Against Loss Scheme grants of \$301,476 have supported 441 performances.
- **Regional and Outer Metro Public Galleries** – Over \$1.3M annual funding for 17 galleries in 2004/05, including additional \$300,000 pa announced in 2003
- **New Community Based Funding Programs** - \$2.3M announced to date under Community Liaison Officers and Professionals in Residence, Artists in Community and Creative Community Partnerships

MULTICULTURAL HIGHLIGHTS:

- **Multicultural Arts Victoria** – annual funding of \$105,000, including \$10,000 increase for 2005
- **Ethnic Specific Projects** - almost \$1.85m funding since 2000
- **Major Festivals Program** - supports and promotes cultural diversity at festivals including MIAF, Fringe, Next Wave and Comedy Festivals
- **Local Festivals** - eg Vietnamese Moon Lantern Festival, Hume Multicultural Refugee Week & Reconciliation Planting Festival, Festa Primavera in Carlton, Brunswick Music Festival, Hepburn Springs Swiss Italian Festa
- **Major Cultural Agencies programs** – eg Immigration Museum, ACMI – Digital Story Telling Program, Memory Grid Exhibition, SLV – extensive LOTE collection materials, online resources
- **Creative Companies** – eg Footscray Community Arts Centre, Jewish Museum of Australia, Chinese Museum, Geelong Ethnic Communities Council
- **Artists in Schools** – encourages projects that support cultural diversity
- **Artists in Community & Creative Community Partnerships**

VISUAL ARTS HIGHLIGHTS:

- **Visual Arts & Craft Strategy (Myer)** - additional \$10.5M over 4 years, \$6M from State Govt, \$4.5M leveraged from Commonwealth
- Recipients of additional VACS funding to date include:
 - ACCA
 - Centre for Contemporary Photography
 - Melbourne Art Fair
 - Victorian Tapestry Workshop
 - Experimenta
 - Craft Victoria
 - Regional Art Galleries
 - Artist-run initiatives
- **Victorian Foundation for Living Australian Artists** - \$5M
- **Design** - Whole of Government design initiative, including the Victorian Design Showcase at Melbourne Museum
- **International Program** - Over \$800K to visual arts, craft and design sector since 2000, including support for Victorian artists to represent Australia at the Venice Biennale: Lyndal Jones 2001, Patricia Piccinini 2003, and Ricky Swallow 2005.

MUSIC HIGHLIGHTS:

- \$1.8M over 4 years for contemporary music – 1999 Election Commitment
- Over \$1.69M distributed over 9 grant rounds
- One further round of \$150,000 - March 05
- 267 grant recipients so far, success stories include:
 - Funded artists Ross McLennan, Clare Bowditch, Dan Kelly, Arts of Fighting and New Buffalo each had Triple J feature albums, and reached Top 10 in independent charts
 - Two funded artists nominated for a total of 7 ARIA Awards in 2004: The Cat Empire and Dan Kelly.
 - The Cat Empire reached Top 20 in mainstream charts, platinum sales (over 70,000)
 - Funded artist Joe Chindamo won the 2004 Mo Award for Instrumental Jazz Performer of the Year.