

10 Beechworth

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Introduction

Beechworth was selected for inclusion in the 1988 small towns study as an example of a town hosting a number of major government institutions. At that time, Beechworth had the Mayday Hills Psychiatric Hospital, which housed approximately 1,000 patients and employed up to 500 people; the high security prison with 200 inmates and approximately 50 employees; the hospital and home for the elderly; and the shire offices.

Since then, Mayday Hills has been closed down and the prison has changed to a low security facility and shifted to a new

site out of town. The closure of Mayday Hills affected the community culturally, psychologically and economically. Indeed, many residents argued at the time that it would be a devastating blow for Beechworth, a town that was accustomed to near full employment and high levels of disposable income.

According to many people interviewed for this research, the culture of Beechworth prior to the closure of Mayday Hills was very institutionalised with little expression of community vitality. Given the nature of the major institutions (both a form of incarceration)

the town had a sad and gloomy feel and 'only the mad or bad' lived in Beechworth. In fact, Tom O'Toole from the Beechworth Bakery stated:

In the beginning—21 years ago—this was very much a dying town. Everyone thought I was crazy with my plans for the bakery (over capitalising they said). Patients used to walk the footpaths so I put chairs out. Locals didn't want tourists, but they now realise how much they bring to the town.

Figure 4.1 Location of Beechworth



Source: Department of Sustainability and Environment



Beechworth had a more illustrious beginning, however, and the discovery of gold is evident in the magnificent buildings that reflect this wealth-creating period. Beechworth has long been recognised for its beauty and historical architecture. Located 30 kilometres south-west of Wodonga in the Ovens Murray region and 200 kilometres north of Melbourne, Beechworth has since become a high profile destination for weekenders, overseas tourists and lifestyle seekers looking for a quiet life within reach of a major regional centre.

The two major historical sites (Mayday Hills and the prison) located in the heart of town have significant potential to contribute to the ongoing development of Beechworth. Unfortunately, the cost of restoring and maintaining

Mayday Hills is extremely high and very challenging for La Trobe University. And the site of the old prison has recently been sold to an unknown buyer, with little or no community consultation. Both issues will pose ongoing challenges for Beechworth.

In 1988, Beechworth faced the challenge of shifting from being a community with a regular source of employment and income to one that had to find its own way. Today, Beechworth is a 'premier brand' tourist destination with a bright and prosperous future. The culture is one of innovation and openness to new ideas and new people. While the population statistics tend to suggest a

town in decline, there is local evidence that this trend is on the turn. The challenge for Beechworth now is to build on its premier brand while maintaining a strong sense of community and the cultural, environmental and heritage assets that are the foundations of its current success. There is a strong sense of optimism and pride in the community, a far cry from the 'mad and bad' old days.



Beechworth's role, 1987–2005

Beechworth was a community principally involved in public institution in 1988, providing facilities for those with a psychiatric illness, the aged, and prison inmates. It is even reported that Ned Kelly and his mother spent time in Beechworth's prison. The dominance of public institutions, including a public hospital and all the apparatus of local government meant that employment in Beechworth was abundant and secure. According to one long time resident and ex-police sergeant, 'people would think there was something wrong with you if you couldn't get a job in Beechworth back then'.

The nature of public institutions meant that several generations within families had held similar positions. It was a government town where money came in every fortnight, supporting a cross-section of skilled and unskilled labour. A significant amount of money regularly flowed into the community, but according to a local resident, very little was spent or invested in Beechworth in those days because people travelled to Albury–Wodonga for most of their shopping needs.

With the closure of Mayday Hills 12 years ago, many people left town. Some of those who stayed and developed their own businesses are still operating today. Tom O'Toole, for example, started his bakery around the same time Mayday Hills closed. Tom and his bakery are still in the town today. La Trobe University's purchase of the Mayday Hills site five years ago has seen the buildings and grounds partly restored and the facility used for conferences, accommodation and festivities such as the annual Opera on the Green, a major event on the national calendar.

Today this town in Victoria's far north-east is a favourite of day trippers and weekenders who appreciate the carefully restored colonial buildings and beautiful countryside. Over the past five years Beechworth has established itself as a provider of 'quality' wine, food, accommodation, and shopping in an environment rich in cultural heritage, restored and maintained in a highly sophisticated way.

It is an excellent stopover between Sydney and Melbourne travelling via the Hume Highway and taking the scenic route between Wodonga and Wangaratta. With towering snow-capped mountains in winter, tree-covered ranges, lakes, wild rivers, and tranquil rural farmlands, the region has become an important tourist destination.

According to a study undertaken by the Beechworth Community Welfare Committee in 2004, people expressed a real sense of pride in and belonging to the community. They felt the town had a very positive image because of the diversity of interests, a high level of community participation (volunteerism), the variety of events, and the vibrancy of the people. Most people in Beechworth acknowledge the benefits of tourism and can see that the lifestyle is attractive to visitors. It is a vastly different community to that of the 1988 study.



Population levels and trends

Population trends throughout rural Australia have dramatically changed over the past five years. The long term forecasts of the late 1990s—of continued population decline and the foreclosure of many small rural communities—are not proving to be the case for some small towns. In the case of Beechworth, for example, there has been a significant change in the way the community sees itself. A once conservative government town is now a vibrant and highly attractive place

to visit and live. According to several people interviewed, the population is stable but showing signs of a steady increase. Interestingly, of all the towns in the Indigo Shire, only the population of Beechworth is recorded as declining (by 0.6 per cent) between 1981 and 2001. The Ovens Murray region, with its regional centre of Albury–Wodonga and its proximity to snow fields, mountains and rivers, is generally experiencing social and economic growth and development.

The closure of Mayday Hills and the loss of 1,000 patients and several hundred staff was a major cause of the population decline during the 1980s and early 1990s. This was reflected in the number of people registered as living in non-private dwellings falling from 885 in 1981 to 390 in 2001.

Table 10.1 Population levels and change in Beechworth and surrounding areas

Locality	Number of residents					Total change in period %			
	1981	1986	1991	1996	2001	1981–91	1986–96	1991–2001	1981–2001
Beechworth	3,154	3,252	3,136	2,953	2,791	-0.1	-1.2	-1.1	-0.6
Chiltern	867	935	1,157	1,080	1,039	2.9	-1.4	-0.8	0.9
Rutherglen	1,454	1,586	1,876	1,904	1,846	2.6	0.3	-0.6	1.2
Barnawatha	82	119	183	438	531	8.3	19.1	3.9	9.8
Yackandandah	461	473	601	592	629	2.7	-0.3	1.2	1.6

Source: Department of Sustainability and Environment, *Towns in Time* data.



Table 10.2 shows a significant decline in the population of 18–34 year olds up to 1991, a moderate increase in the population aged 35–59 years, and a moderate decline in the 60–74 years age group.

While the primary school principal talked about a decline in student numbers in preceding years, the school is now experiencing a steady increase in new students. Parents cited various reasons for enrolling their children at Beechworth’s primary school:

- they were working in the town, and the school was convenient
- they lived in a neighbouring town, but felt that Beechworth had more to offer their children in terms of education
- they were seeking a specific type of education where there were small student numbers and a strong focus on the individual
- new people were moving into the community.

Australia is facing an ageing population, and this is particularly apparent in small rural communities where young people typically leave and very few young families arrive. According to 2001 Census data, there has been very little real change in the number of 5–17 year olds, slightly fewer 18–34 year olds, and significantly more 35–49 year olds living in Beechworth. Given that more people are making lifestyle choices to live in small towns in the hinterlands of major regional centres within commuting distance, data from the next census may reflect a significant change in Beechworth’s population and age structure.

Table 10.2 Age structure of the Beechworth population 1981–2001

Age (years)	1981		1986		1991		1996		2001		Change 1981–2001	
	No.	%	No.	%	No.	%	No.	%	No.	%.	%	
0–17	724	23	837	25.7	853	27.2	829	28.1	690	24.7	–0.4	
18–34	773	24.6	742	22.8	605	19.3	518	17.6	474	16.9	–38.6	
35–59	873	27.7	902	27.7	888	28.3	954	32.3	976	34.9	1.2	
60–74	487	25.5	474	14.6	479	15.3	402	13.6	369	13.2	–2.4	
75+	295	9.4	297	9.1	312	9.9	251	8.5	282	10.1	–0.4	

Source: Department of Sustainability and Environment, Towns in Time data.



Industry and employment patterns

Labour force and employment overview

Closure of the Mayday Hills hospital had a major impact on the Beechworth community. Not only did it result in the loss of several hundred jobs and the loss of population, it also had a significant impact on the psyche of the community. Most people interviewed believed the closure was a primary cause of town decline during the late 1980s and early 1990s. Despite this loss, the other important institutions—namely the prison, the public hospital, aged care facilities, and the extended apparatus of local government through amalgamations—continued to exist and to provide employment.

The community was already working toward fostering a tourism industry in 1988, recognising the need to find new sources of income and employment. Closure of the hospital is now seen as an important catalyst in shifting community attitudes, providing the impetus for major changes. According to census data, unemployment was low during the early 1980s; a dramatic increase in unemployment during the early 1990s reflected the closure of the hospital, but it also reflected a national employment issue at that time. The unemployment rate had begun to fall by 2001, and the participation rate had significantly increased.

Table 10.3 Labour force status of the Beechworth resident labour force, 1981–2001

Labour force	1981	1986	1991	1996	2001
Employed (no.)	1,041	1,073	1,101	1,032	1,158
Unemployed (no.)	49	58	122	126	82
Unemployment rate (%)	4.5	5.1	10.0	10.9	6.6
Participation rate (%)	43.0	44.0	50.9	52.7	55.4

Source: Department of Sustainability and Environment, *Towns in Time* data.

Major changes that have occurred in recent years are evident in the changing nature of employment. The dominant industry in 1981 was health and community services; by 2001, however, this sector had almost halved and the accommodation, cafés and restaurants sector had doubled. So too had manufacturing, despite predictions in 1988 that this sector would experience major employment losses. Employment in retail trade, education, and property and business services also increased significantly by 2001. These trends have possibly accelerated over the past 3–4 years in line with a flourishing tourism sector and the shifts in population trends as retirees (and others) seek new lifestyle opportunities.

According to the owner of a Beechworth bed and breakfast (B&B) establishment, there were only three B&Bs operating 10 years ago. There are now more than 60 such establishments offering a variety of short-stay accommodation options,

but because a significant proportion of B&Bs are houses owned by local or distant landlords, the availability of rental accommodation is potentially restricted.

There is also a growing number of nationally and internationally renowned artists living in Beechworth. Given that there is no specific category for the arts sector in census data, it is difficult to comment on their contribution to the local economy. The 5.8 per cent increase in employment in the ‘culture and recreational services’ category may reflect the emergence of this sector in Beechworth.



Table 10.4 Major employment categories of Beechworth residents, 1981–2001

Industry	1981		2001		change 1981–2001
	No. employed	%	No. employed	%	%
Health/community services	518	49.7	288	24.9	-44.4
Retail trade	81	7.8	164	14.1	10.2
Education	65	6.3	113	9.8	7.3
Agriculture	62	6.0	51	4.4	-1.7
Accommodation, cafes & restaurants	52	5.0	104	9.0	50.0
Manufacturing	50	4.8	121	10.4	58.7
Government administration	49	4.7	59	5.1	1.7
Construction	40	3.8	58	5.0	3.1
Personal & other services	38	3.6	45	3.9	1.6
Transport & storage	17	1.6	28	2.4	3.9
Communication	17	1.6	14	1.2	-1.8
Finance & insurance	17	1.6	7	0.6	-5.9
Property & business	17	1.6	56	4.9	7.0
Culture & recreation	10	1.0	24	2.0	5.8
Wholesale trade	8	0.7	20	1.8	6.0
Electricity, gas & water	3	0.3	7	0.6	5.7

Source: Department of Sustainability and Environment, Towns in Time data.

Table 10.5 Employment of Beechworth residents in new growth industries

Industry	1981		2001		Change 1981–2001
	No.	%	No.	%	%
Retail trade	81	7.8	164	14.1	10.2
Education	65	6.3	113	9.8	7.3
Accommodation, cafes & restaurants	52	5.0	104	9.0	50.0
Manufacturing	50	4.8	121	10.4	58.7
Property & business	17	1.6	56	4.9	7.0

Source: Department of Sustainability and Environment, Towns in Time data.



Employment issues

Because Beechworth is close to Albury–Wodonga, a significant number of people commute to work. In fact, people are travelling in several directions, from Albury–Wodonga to Beechworth, and between Beechworth and other communities in the region. The prison, La Trobe University, the shire offices and the hospital and health care services provide significant employment opportunities for professional people, not all of whom live in Beechworth. The accommodation, cafés and restaurants sector is providing opportunities for casual employment. Creating and maintaining the ‘premier brand’, which is successfully attracting tourists, requires highly skilled and competent staff. La Trobe University (locally and at Wodonga and Mt Buller) has responded to this need by providing courses in tourism and hospitality, but there is an ongoing need for greater connection between training and the potential labour force in this sector. Again many people employed in this sector may not live in Beechworth, instead commuting from outside the town.

Services and facilities

Beechworth is not noted for being an important service centre because of its proximity to Albury–Wodonga, where most services are within an hour’s drive. Indeed, the chief executive officer of Indigo Shire stated that ‘our whole shire is very much a dormitory of Albury–Wodonga’.

Education

Beechworth has two primary schools (state and Catholic) and a secondary school. According to the principal of the state primary school, all the schools have experienced difficult times but have now turned a corner and are seen as providing quality education. Parents are apparently making conscious choices about their children’s education and choice of school, and some are choosing to move to town on the basis of the education provided. The secondary school has a fairly high intake for 2006. An important issue that should be noted is that some of the children have a father in prison and their families are struggling. People are generally unaware that some children are attending school without breakfast or food for the day, and more than half of the children have needed some social intervention to help them cope.

Given the regional location of La Trobe University in Wodonga (Beechworth campus does not offer courses), access to tertiary education is excellent. It is also highly valued by the community because children can attend university while continuing to live at home, providing a significant cost saving.

Recreation facilities

Beechworth is apparently not a ‘sporting’ town. While cricket struggles to get numbers, netball has four teams and hockey is very strong. Roller hockey ceased with the sale of the prison because teams used to play there, and

squash was active until the coach left and the courts closed. A new gym facility has just been built. Small groups of different sports travel some distance to play due to the lack of numbers and the lack of facilities in the local area.

Cultural facilities

Beechworth was described as being ‘arty’ with a ‘hippy’ history and bohemian culture. The new premier brand tourism focus however means that the image of Beechworth is anything but bohemian, and the cultural face of Beechworth is becoming more sophisticated. Several international artists now reside in the community and a centre of music excellence is being developed in collaboration with La Trobe University. The annual Opera on the Green is part of this developing vision and culture.

Unlike many small towns, Beechworth has a highly active arts council, which aims to develop, foster and promote all types of artistic expression. It also has a theatre company that puts on local performances and is claiming to have a growing regular audience, some of which are tourists seeking a local experience.

Key infrastructure

The community of Beechworth is subject to blackouts, particularly in stormy weather, but this issue is being addressed. The water supply and quality in Beechworth is very high—the rainfall and location of Beechworth (being at



the top of a catchment with no towns up-stream) has meant an abundance of water even though there were some concerns expressed about the reality of the situation in light of expanding developments. A new water plant was completed 12 months ago and waste water is based on a gravity system. According to the chief executive officer of the Indigo Shire, telecommunications in Beechworth are a 'pain in the neck'. The community has explored many avenues including satellite links, but the cost is the real issue for businesses. This issue is far from resolved.

Community services and organisations

Beechworth has a full array of community services and organisations. Some of particular interest that may distinguish Beechworth from similar towns include:

- the Beechworth Arts Council, which aims to develop, foster, maintain, coordinate, promote and provide facilities for all types of artistic expression. Activities include life drawing, cafe concert series, outdoor artists expositions and working artists open studios
- the Business and Professional Women's Club of Beechworth, an active group for women who are, intend to be, or have been in the workforce
- the Beechworth Chamber of Commerce, which aims to promote and develop business, industry and tourism to maximise long term economic benefits for Beechworth and surrounding districts
- the Beechworth Theatre Company Inc., a group that welcomes all ages and levels of creative, production and administration skills
- the Beechworth Health Service's Planned Activity Group, which provides care and friendship, and gives carers' some respite. The program is available to adults living in the communities of Beechworth, Stanley and Wooragee who have an age-related frailness or disability and who meet HACC eligibility criteria.



Key changes, 1987–2005

In 1988, the Beechworth community was concerned that:

- the local economy and community were too heavily dependent on public institutions. The economy and the community had significantly changed by the time of this follow-up study, and Beechworth could no longer be described as a ‘government town’, even though it continues to host a number of government institutions
- the deinstitutionalisation of Mayday Hills patients would pose problems for the community. By 2005, the handful of ex-patients still living in the community are well known and cared for by the community
- the town lacked a tourism development strategy. The Indigo Shire Council, in collaboration with the community, has since developed a detailed and coherent tourism strategy. Its effective implementation and the engagement of local people is readily observable
- businesses in Beechworth were under severe competitive pressure from regional centres. There is still concern that local people continue to take a large proportion of their shopping and service needs to Albury–Wodonga. While the retail services in Beechworth are highly sophisticated to meet the wealthy tourist trade, there is concern that it does not reflect the needs of local people. The aim of creating a ‘premier’ quality brand for Beechworth, however, has been very effective in attracting visitors and giving it a competitive advantage in the regional tourism stakes
- regional planning controls were counterproductive to the development needs of Beechworth. The recent sale by the State Government of the historic Beechworth prison site to an unknown person is causing concern for its development and the development process.
- there was a lack of employment and education opportunities for young people, which contributed to their continued exodus. La Trobe and Charles Sturt Universities have established within the region since 1988, increasing access to tertiary education, but according to a study undertaken by the Beechworth Community Welfare Committee in 2004, ‘young people saw living in Beechworth as a liability because of the perceptions of other young people in the region, who associated Beechworth with drug and alcohol issues’. Young people also felt that the focus on tourism and the historic environment occurred to the exclusion of their broader needs. The report concluded that ‘young people of Beechworth have demonstrated they are sophisticated social commentators with a keen understanding of the fundamental tenets that underlie their feelings of connection to the community. Their need to be heard should be placed firmly on the agenda for all sectors of the community’.



Current key issues

Local retail could be stronger if people shopped locally. One retailer pointed out that only 15 per cent of his business is local and another 55 per cent comes from visitors, which he felt wasn't a healthy position. By responding to such demand, are retailers providing for local needs or are they more focused on the tourist trade?

The declining availability of long term rental accommodation due to an increase in the purchase of properties as B&Bs, often by distant landlords, is recognised as a significant issue for Beechworth.

Beechworth is home to a group of people who are socially and economically challenged, which does not balance with the feeling of prosperity and progress in the town.

There is a need to balance growth with the maintenance of the local environment, lifestyle and identity as the community changes and the demand for more affordable housing increases.

Maintaining the 'premier' quality brand is very costly for both council and businesses. At this stage there is no question concerning the continuation of the current development strategy, but the balancing act is well understood by both council and businesses.

Beechworth must continue to make more of its cultural assets. The community has been transformed and continues to change as new people arrive, new businesses begin and the region develops. The growing community of artists and the 'creative class' could be further explored in Beechworth's development planning.