Growth of the Creative Economy in Small Regional Cities: A Case Study of Bendigo

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Abstract: With the importance of innovation and knowledge receiving increased recognition by governments in Australia, many cities have developed strategies and implemented programs to improve their ‘innovative milieus’ and to attract ‘creative people’ in order to aid the restructuring and growth of their economies, especially in the context of metropolitan development.

This paper extends the current research and policy inquiry to small regional cities, using Bendigo, Victoria as a case study. The research examines the factors effecting the attraction and retention of creative people and creative businesses in Bendigo, based on analysis of data collected from ABS statistics, government reports, and key informant interviews.

The findings reveal that the attraction of creative people and creative businesses is a complex process. Affordability and liveability stood out as the primary drivers of attraction, supported by specific qualities of community and place. Small regional cities exhibit unique inherent characteristics that can attract creative people. It is a key task for the governments to leverage such characteristics in their policy planning.

1. Introduction

Knowledge has become a key commodity in the contemporary development of cities and regions (Anderson, 1993, in Murphy & Watson, 1995). This is especially the case in post-industrial societies where creativity has emerged as the basis for competitive advantage (Landry, 2011). In Australia and elsewhere, there have been increasing efforts to attract creative people and businesses by municipal and regional governments (Gibson & Klocker, 2005), using concepts such as ‘learning region’ and ‘creative class’ (Florida, 1995; 2002). Despite the theoretical and policy enthusiasm, in application there is a lack of empirical evidence to support Florida’s ‘creative class’ approach (Hansen & Niedomysl, 2009; Storper & Scott, 2009; Niedomysl & Hansen, 2010). For example, the availability of jobs rather than amenities appears to have attracted creative people in some circumstances (Niedomysl and Hansen, 2010).

Whilst large metropolitan cities have typically been a focus of research, there is now an emerging body of literature that examines the growth of creative economies in small cities. Research to date suggests that in some circumstances the environment for business is more important than the people climate (Andersen et al, 2010). It also appears that creative people seeking to locate in small cities find different amenity and qualities of place attractive compared to those wanting to locate in the inner suburbs of large metropolitan cities (Lorenzen & Andersen, 2011; Verdich, 2010). There are suggestions (Gordach, 2011; Lorenzen & Andersen, 2011; Verdich, 2010) that governments need to pay closer attention to the local context rather than adopting a ‘one-size-fits-all’ approach, as has been done in the past. Several studies have been conducted examining small cities in Australia including Waitt and Gibson’s (2009) study on Wollongong, New South Wales, and Verdich’s (2010) study on Launceston, Tasmania. However, there is still a large gap in the knowledge regarding the factors and processes that affect the growth of creative economies in small cities. There has been a call for more qualitative studies to expand the knowledge (Denis-Jacob, 2012; Andersen et al, 2010; Verdich, 2010; Waitt & Gibson, 2009).
This paper adds to the literature on the growth of creative economies in small regional cities in Australia. It aims to explore how and why a creative economy may grow and prosper in a small regional city. A case study of Bendigo, Victoria, was chosen – a city whose local government identifies the importance of creative industries in its Economic Development Strategy (SGS Economics and Planning, 2008), has invested significantly in its arts and cultural infrastructure, and visibly shows evidence of creative industries.

The paper is presented in eight sections: introduction, literature review, methods, changes in Bendigo’s creative economy, people climate, business climate, discussion and conclusion.

2. Literature Review

The growth of a knowledge or creative economy can be explained by its business climate and its people climate. By using the ‘learning region’ concept to conceptualize the knowledge economy, Florida (1995) argues that the basis of competitiveness of these economies is sustainable advantage in the ability to create knowledge. The business climate which underpins this competitiveness includes a manufacturing infrastructure of interconnected vendors and suppliers; a human infrastructure that can produce knowledge workers and facilitates continuous improvement of human resources, and continuous education and training; a physical and communication infrastructure that is globally oriented, and facilitates the movement of goods, people and information on a just-in-time basis; and an industrial governance system that adopts the characteristics of knowledge-intensive firms such as co-dependency, decentralized decision-making, and a customer focus.

On the other hand, the people climate refers to the stimulating environments of opportunity, amenity and openness to diversity, which attracts creative people. In Florida’s words, there is an emerging ‘creative class’ which includes a ‘core creative class’, “whose economic function is to create ideas, new technology and/or new creative content” and a wider group of ‘creative professionals’ who “engage in complex problem solving” (Florida 2002, p8). The ‘core creative class’ has become the catalyst for economic growth, with the people climate the decisive source of competitive advantage through its ability to attract and retain creative talent.

Storper and Scott (2009) summarise that Florida’s theory is essentially that the ‘creative class’ will congregate in places of diversity and tolerance, and that through the interaction of this high level of human capital, creativity and innovation will abound, leading to regional economic prosperity through job growth and rising per capita income. They criticise the theory in that it does not provide any meaningful description of the processes by which the interaction that is critical for the creativity and innovation will be fostered. Comunian (2011) identifies that the theory is focussed on the provision of local assets such as cultural amenities, café culture and cultural diversity to attract creative people, but does not explain how the creative class interacts or creates value from these assets.

Despite a shift in the focus of government policy and regional planning away from attracting businesses through favourable production settings to that of attracting and retaining skilled labour (Niedomysl & Hansen, 2010), several authors (Hansen & Niedomysl, 2009; Storper & Scott, 2009) have cited the lack of empirical evidence for Florida’s theory of economic growth through attraction of the ‘creative class’, and that supporting claims have been based on a correlation between attraction and existence of amenity rather than proof of causation. Niedomysl and Hansen (2010) highlight that there is a debate within the literature over whether investments in amenity bring jobs, or investment in jobs bring talent – i.e. whether it is more important to invest in the people climate or the business climate.

Niedomysl and Hansen’s (2010) study of migrants in Sweden found that job opportunities rather than amenities were most important to skilled workers. However, their findings suggested that other factors being equal (e.g. jobs and affordable housing) highly skilled people may have a preference for the place that is richer in amenities. Their research also suggested that what people deem to be a
favourable ‘people climate’ differs and changes according to life stage. This is in accordance with the findings of Niedomysl (2008) and Andersen et al (2010). Research by Murphy and Redmond (2009) found that creative workers were attracted to Dublin by employment availability, family and birthplace rather than the city’s amenity.

Whilst there may be positive economic benefits from attracting the creative class, there is an increasing body of literature identifying negative externalities. Morrison (2011) identified that the concentration of knowledge and creative workers and associated wealth in the central city area of a metropolitan region may steepen the housing rent gradient, leading to the displacement and denial of benefit to those not engaged in knowledge or creative industries.

In the context of small cities, Polese (2012) found that the attraction of artists did not necessarily lead to stimulation of the city’s wider economic growth. Research by Lorenzen & Andersen (2011) suggests that in smaller Danish cities creative people are attracted by affordability, specialised employment offers, work/life balance, and authenticity and sense of community. In Norway, Andersen et al (2010) found that the people climate was secondary to the business climate in explaining the location of creative workers.

Within Australia, research by Waitt & Gibson (2009) suggests that different factors of place, such as place identity (class and industrial legacy), city size and proximity to a large metropolitan city may affect the attraction and retention of creative workers in a small city. Verdich (2010) identified in the case of Launceston, Tasmania, that the ‘creative class’ were attracted by its small-town/rural characteristics of outdoor amenity, more relaxed and slower-paced lifestyle, increased family time, proximity to nature, and strong sense of community. Cultural amenity only factored into the equation in helping to retain creative migrants, once they had already arrived.

There has been a call for more studies, especially qualitative, to examine the processes of attraction and role of creative workers in the economic growth of small cities (Andersen et al, 2010; Denis-Jacob, 2012; Waitt & Gibson, 2009), in regional contexts (Verdich, 2010).

3. Methods

A single intensive case study of Bendigo was chosen for the research design to allow an explanatory investigation of the complex social phenomena at play. Bendigo is Victoria’s third largest urban centre, with an estimated population of 107,378 persons in 2012 (id, 2012). It is the major regional centre in north central Victoria (see Figure 1), being approximately 150 kilometres north-west of Melbourne. It was chosen due to:

- It having a population of approximately 100,000 people, fitting the description of a small city;
- Anecdotal evidence (Cornish, 2012) and quantitative data (DPCD, 2008) suggesting it had grown its creative industries; and
- Its local government having been pro-active in promoting the city as a ‘thinking city’, focussing on innovation and creativity in its Economic Development Strategy (SGS Economics and Planning, 2008), and on public space and cultural infrastructure upgrades.

The spatial unit of analysis was the City of Greater Bendigo Local Government Area. The temporal unit of analysis for the qualitative component was twenty years from 1991 to 2011, as it was a period in which preliminary research suggested that social, economic, spatial and physical change occurred. For analysis of industry employment data, the timeframe chosen was 10 years from 2001 to 2011, due to limitations in accessing detailed digital data from the Australian Bureau of Statistics (ABS).
Figure 1. Map of Victoria showing location of City of Greater Bendigo, and Map of City of Greater Bendigo. (Adapted from DSE, 2013)

Data were collected from ABS and semi-structured interviews. Using CCI’s classification of industries (Higgs, Cunningham, & Pagan, 2007)¹, ANZIC06 and ANZSIC93 four digit level industry of employment data was sourced and aggregated from ABS Census data for 2001, 2006 and 2011. The semi-structured interviews included a stratified sample of 19 key informants, chosen from creative industries (7), the general business community (3), City of Greater Bendigo (6), State Government of Victoria (1) and La Trobe University (2). Sixteen (16) participants worked in Bendigo, two (2) in Castlemaine and one (1) in Melbourne. Up to eight questions were discussed in each interview, on topics ranging from changes in the local creative economy, characteristics of Bendigo as a place, resources available to creative businesses, and the effect of proximity to Melbourne. The length of each interview was approximately one hour.

Data analysis involved descriptive statistics and verbal analysis of transcribed interviews. Memes were written to describe the relationship between the concepts to gradually build up the theory into a plausible explanation.

¹ For use in Australia, the ARC Centre of Excellence for Creative Industries and Innovation (CCI) has defined the following creative segments as aggregates of associated creative industries (Higgs et al 2007): Music and Performing Arts; Film, Television and Radio; Advertising and Marketing; Software and Interactive Content; Publishing; Architecture, Design and Visual Arts
4. Changes in Bendigo’s Creative Economy

4.1 Statistics of Bendigo’s Creative Economy

Analysis revealed that 849 persons living in the Greater Bendigo Local Government Area were employed in creative industries at the time of the 2011 Census (ABS, 2011). This was a 21% growth over the 5 years from 2005, and a 25% growth over ten years from 2001 (see Table 1). Architecture, Design and Visual Arts was the largest creative industry segment of employment in 2011, at 245 persons - accounting for 29% of employment in creative industries. This was followed by Software and Interactive Content segment at 233 persons (27%), which also achieved the largest growth over the 10 years from 2001 to 2006, with an 88% increase in persons employed. The Architecture, Design & Visual Arts segment achieved substantial growth, as did the Advertising and Marketing segment (see Figure 2). However, the Film, TV and Radio segment, and the Publishing and Performing Arts segment both, remained static over the ten years, whilst Music and Performing Arts declined by 83%.

Figure 2. Changes in employment by creative industry segment for Greater Bendigo Local Government Area, 2001 to 2011. (Based on ABS data)

4.2 Changes through the eyes of informants

Overall, key informants described that there had been a steady growth in the number of people employed in creative industries. It is specifically noted that there had been growth in the number employed in advertising and marketing, graphic design, and visual arts and music.

Changes in the Arts employment There were mixed views on the amount of growth in people employed in the visual arts in Bendigo. Several informants noted that there was a well-established professional visual arts community in Bendigo, but that it was not as strong or “vibrant and fresh” as in Castlemaine. Many fine arts graduates held non-creative jobs to supplement their art practice as there was not a strong enough commercial demand for art in Bendigo. As being a visual artist was often a

2 This figure may be subject to a degree of error given the randomisation of small sample sizes carried out by the ABS to protect privacy.
Table 1. Change in employment by creative industry segment for Greater Bendigo Local Government Area, 2001 to 2011. (Based on ABS data)

<table>
<thead>
<tr>
<th>Creative segment or sector</th>
<th>2001</th>
<th>Prop. of total employed</th>
<th>2006</th>
<th>Prop. of total employed</th>
<th>2011</th>
<th>Prop. of total employed</th>
<th>Change in persons employed 2001-2006</th>
<th>Change in persons employed 2006-2011</th>
<th>Change in persons employed 2001-2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising &amp; Marketing</td>
<td>61</td>
<td>9%</td>
<td>78</td>
<td>11%</td>
<td>83</td>
<td>10%</td>
<td>28%</td>
<td>6%</td>
<td>36%</td>
</tr>
<tr>
<td>Architecture, Design &amp; Visual Arts</td>
<td>176</td>
<td>26%</td>
<td>194</td>
<td>28%</td>
<td>245</td>
<td>29%</td>
<td>10%</td>
<td>26%</td>
<td>39%</td>
</tr>
<tr>
<td>Film, TV &amp; Radio</td>
<td>119</td>
<td>18%</td>
<td>91</td>
<td>13%</td>
<td>120</td>
<td>14%</td>
<td>-24%</td>
<td>32%</td>
<td>1%</td>
</tr>
<tr>
<td>Music &amp; Performing Arts</td>
<td>35</td>
<td>5%</td>
<td>9</td>
<td>1%</td>
<td>6</td>
<td>1%</td>
<td>-74%</td>
<td>-33%</td>
<td>-83%</td>
</tr>
<tr>
<td>Publishing</td>
<td>163</td>
<td>24%</td>
<td>171</td>
<td>24%</td>
<td>162</td>
<td>19%</td>
<td>5%</td>
<td>-5%</td>
<td>-1%</td>
</tr>
<tr>
<td>Software &amp; Interactive Content</td>
<td>124</td>
<td>18%</td>
<td>161</td>
<td>23%</td>
<td>233</td>
<td>27%</td>
<td>30%</td>
<td>45%</td>
<td>88%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>678</strong></td>
<td><strong>100%</strong></td>
<td><strong>704</strong></td>
<td><strong>100%</strong></td>
<td><strong>849</strong></td>
<td><strong>100%</strong></td>
<td><strong>4%</strong></td>
<td><strong>21%</strong></td>
<td><strong>25%</strong></td>
</tr>
</tbody>
</table>
secondary occupation, there was a challenge in accurately measuring the number of people working as artists. Several informants remarked that some artists were living outside of Bendigo (i.e. in Castlemaine), but coming to the city to work or engage with clients.

**Changes in creative businesses and activities** Key informants perceived an increase in number of creative businesses in Bendigo. It was observed that some Melbourne architecture firms had opened offices in Bendigo, such as Williams Boags Architects. The number of firms increased also because the trend of larger architectural firms splintering into multiple smaller firms\(^3\). The addition of private art galleries (such as Bob Gallery), investment in public arts infrastructure (such as the Bendigo Art Gallery and the Sandhurst Community Theatre), and instigation of music festivals (including the Bendigo Blues and Roots Music Festival, and the planned Bendigo International Festival of Exploratory Music), was noted as a sign of growth in the creative economy\(^4\). Creative clustering was evident in Eaglehawk and View Street, but the scale was much smaller than those in Castlemaine or Fitzroy in Melbourne.

**Changes in capability of local creative industries** It was remarked that the quality of graphic design had improved substantially over the past ten years. Related to this change was that Bendigo businesses were now utilising local creative services rather than turning straight to Melbourne as they did in the past. The rejuvenation and expansion of the Bendigo Art Gallery and its hosting of blockbuster events\(^5\) has raised its profile and created national and international opportunities for Bendigo in the exhibition of art. The growth in population was seen to have resulted in an increased demand for creative services\(^6\).

5. **People Climate**

There was a general consensus amongst key informants that liveability and affordability were the key drivers attracting creative people to Bendigo. This was expressed as a comparison to both the quality of life available in Australia’s metropolitan cities and that available in smaller towns located in regional areas of the country. Informants identified a number of factors as contributing to the liveability and affordability of Bendigo, which are discussed below.

**Housing costs** The affordability of housing in Bendigo compared to Melbourne, was cited as one of the over-arching factors attracting creative people to Bendigo. The median house price in the City of Greater Bendigo for the September Quarter 2012 was $301,000 compared to $530,000 for metropolitan Melbourne (REIV, 2012). However there is a short supply of rental accommodation.

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\(^3\) It was also noted that some creative firms were opening offices in Melbourne to expand their markets and create more work for their employees in Bendigo.

\(^4\) However, a decline in live music in pubs was also noted, although the same trend occurred across Melbourne.

\(^5\) The Bendigo Art Gallery has attracted three international blockbusters *The Golden Age of Couture* in 2008/09, *The White Wedding Dress* in 2011, and *Grace Kelly: Style Icon* in 2012. All three were organised in partnership with the Victoria & Albert Museum, London, with the last also organised in partnership with the Grimaldi Forum, Monaco. Annual attendances for the Bendigo Art Gallery have risen from 111,263 visitors in 2007/08 to 306,209 visitors in 2010/11 – of which 152,700 visited in just three months to see the *Grace Kelly: Style Icon* exhibition, generating an estimated $15 million in economic activity for the Bendigo region (CGB, 2012).

\(^6\) A trend of young artists leaving Bendigo was noted. Young artists were pulled away from Bendigo by the increased opportunities to work with artists and get experience elsewhere, or, to work in established regional creative clusters such as Castlemaine.
Amenity Informants viewed that a strong driver of Bendigo's attraction was that it possessed richness in amenity that was comparable to a large metropolitan city such as Melbourne. As one key informant commented, it had “everything you would want and need in a city to be challenged, to be happy, to be satisfied”. These include strong educational institutions and healthcare, attractive sporting facilities, a diversity of places to eat and get a good cup of coffee, and retail. It has good accessibility to natural and rural amenity, especially the uniqueness of being a ‘city in a forest’7. The mix of heritage buildings and contemporary architecture was seen as creating an interesting place, with aesthetic beauty and a sense of history8. However, one informant was of the opinion that Bendigo was lacking in leisure amenity for young adults, especially diversity in night life.

Lifestyle The overall quality of life that Bendigo offered was perceived by key informants to be a major attraction to creative people: “… people have more time, it’s a more relaxed lifestyle, it’s a healthier lifestyle: less pollution, less noise, less traffic, less congestion: it’s just a GOOD lifestyle”. To many, “Bendigo is my metropolitan city” as it offers a range of services and activities yet on a more familiar scale than Melbourne, and proximity to family and friends in their home town or farm. The Bendigo Art Gallery, accessibility of creative communities in the wider region (such as Castlemaine, Maldon and Daylesford) and opportunity to participate locally was an attractive feature. The Bendigo's child-friendly nature9 led to a trend of people who had grown up in Bendigo returning to raise their family in the city.

Place identity Bendigo was considered as having a deep-rooted conservatism that stemmed from its “history” and “old money”. Whilst there was a “fear of change” amongst some residents, Bendigo was beginning to accept its newfound identity and “second wave of prosperity” as a cultural destination: “…It’s naff to say, but it’s a renaissance that Bendigo’s having”. The growth and success of the Bendigo Art Gallery and Bendigo Bank were important signifiers of a happening city. However, with a more “cosmopolitan outlook” and a “strong urban identity”, Bendigo retained its “country charm”.

6. Business Climate

Human capital The schools, TAFE and La Trobe University were effective in fostering creativity and providing a base of suitably skilled labour. It was noted that this good education and supply of skilled creative labour was influential in deciding to locate a business in Bendigo.

Local jobs Bendigo’s size of approximately 100,000 people was described as being optimal. The Bendigo Bank had created approximately 1,000 white-collar jobs in Bendigo over the past 17 years, and was a significant consumer of local creative services. The New Bendigo Hospital, a $630 million project due for completion in 2016 (Department of Health, 2011), would create new long-term jobs and stimulate economic and population growth.

Access to external markets The inter-city passenger transport infrastructure allowed Bendigo businesses to connect with and/or have a presence in Melbourne. The Calder Freeway allows travel to Melbourne journey in approximately two hours, whilst the V/Line train provides 18 services between

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7 The Bendigo urban area is encircled by the Greater Bendigo National Park and Bendigo Regional Park, along with numerous smaller nature conservation reserves and bush reserves.
8 However, there was mixed opinion on whether recent streetscape works make Bendigo a more attractive place for creative people, with some arguing that Bendigo should focus on keeping and celebrating its “county town” identity rather than adopting “big city ideas”.
9 In 2009 Bendigo was the first city in Australia to be recognised as a Child Friendly City by the United Nations International Children's Emergency Fund (UNICEF).
Bendigo and Melbourne city centre in each direction every weekday (V/Line, 2012), with express services taking as little as 1 hour and 27 mins. Bendigo’s proximity to Tullamarine Airport, at an hour and a quarter travel time, allowed creative people in Bendigo to commute to Sydney for business. High quality telecommunications infrastructure further allows Bendigo to connect nationally and globally, especially creative industries such as advertising, marketing and software design.

**Supportive business community** Informants described a supportive environment for creative businesses in Bendigo, with a strong spirit of partnership and collaboration existed within and between industry sectors, a personable approach and a ‘can-do’ attitude. The business community, Council and general public were seen as open to new ideas and supportive of initiatives proposed by creative people: “... We do things differently and passionately that captures people's imagination. I think in the Arts, people believe in that environment and they can blossom”.

7. Discussion

7.1 Changes in Bendigo’s Creative Economy

The findings suggest that in Bendigo there has been a gradual growth in the local creative economy over the last decade – both in the number of people employed and number of creative businesses. However, it appears that growth in economic activity has been concentrated in certain creative industries. The creative industries more strongly oriented to serving professional service industries, such as advertising and marketing, graphic design, appear to have grown. Part of this growth seems to have occurred from the local business community increasingly using local companies for their needs, as opposed to Melbourne based companies, as the skills and capability of local industries have increased.

The growth in the visual arts seems to be related to the growth in arts and cultural tourism in Bendigo. The growth in visitation to the Bendigo Art Gallery has created opportunity for smaller private galleries and boutiques. However, it appears that demand was still not strong enough for artists to make a fulltime living from, as many were reported to have day jobs.

7.2 Effect of the People Climate and Business Climate on Bendigo's Creative Economy

The affordability of housing compared to Melbourne appears to have attracted creative people to Bendigo, especially young families looking to own their own home. This was also in the context of Bendigo being considered a very liveable city that was family-friendly, with high quality social services (education and healthcare), and good recreational and leisure amenity. Arts and cultural amenity was a secondary rather than primary attractor, contributing to the good recreation, leisure and educational amenity. These findings are in accordance with Lorenzen and Andersen’s (2011) findings that affordability and work/life balance were attractors of creative people to smaller cities. It also correlates with Niedomysl and Hansen’s (2012) suggestion that what people deem as a favourable people climate varies according to life stage.

The finding on life stage being important is further supported in that it would seem Bendigo lost, rather than gained young creative people, especially those recently finished from school or graduated from university. There were suggestions that young creative people were eager to explore the world and gain new educational, professional or life experiences outside of Bendigo – in the large metropolitan city of Melbourne or overseas. It was suggested that there was not the same amount of recreational and leisure amenity appropriate and accessible to young adults, as there was for young families or older people in Bendigo. Whilst not explicitly stated, this may also extend to affordable housing for young adults, given the shortage of rental accommodation that was mentioned. The people climate would appear not to be the most attractive for creative young adults compared to other places.
The small scale of the city, with a population of just over 100,000 people, was an enabler of an attractive people and business climate in Bendigo. A relaxed lifestyle, an increasingly cosmopolitan city centre, and short travel times to surrounding natural and rural amenity allowed people to enjoy the best of both urban and rural living. The city contained a critical mass of population to attract businesses and services, yet was still small enough to enable strong partnerships and a personable and collaborative business network. However, there was divided opinion as to whether Bendigo was really a ‘large country town’ or a ‘small city’, with some creative people expressing greater attraction to qualities associated with the former, whilst others the later. The question of which is the more ‘authentic’ identity is an interesting one, especially in the context of Lorenzen & Andersen’s (2011) finding that authenticity was a factor in attracting creative people to small cities.

Bendigo’s close proximity to the metropolitan city of Melbourne was an important attribute for creative people. From a people climate perspective, it enabled accessibility to family and friends, arts and cultural amenity, and recreation and leisure amenity of a metropolitan city. This finding parallels Waitt & Gibson’s (2009) study in which creative people in Wollongong were found to have a strong connection back to the nearby metropolis of Sydney. From a business climate perspective, Bendigo’s proximity to Melbourne provided access to an external market of clients and labour. The road and rail infrastructure that enabled connectivity within two hours travel time was pivotal. However, Bendigo was seen as an optimal travel time away from Melbourne to retain a high degree of self-sufficiency and identity as a strong regional hub.

The business climate, whilst a secondary attractor for creative people, was still an important part of the Bendigo offer. Bendigo’s critical mass provided local opportunities, especially in the context of a sizable professional services sector and supportive business community. Virtual and physical access to external markets enabled niche creative businesses the opportunity to grow beyond that of the demand in the local market. The strong local education system, which included quality schooling, and higher education, was an important attractor for creative businesses in terms of opportunities for skill development and supply of skilled labour.

A sizable professional services sector and headquarters of a large community-minded organisation created a favourable business environment. Bendigo’s role as regional services centre for the north of Victoria meant that it had a sizable professional services sector. It was unique in hosting the national headquarters of a large financial instruction, the Bendigo Bank. Both these factors contributed skills, governance and money into the community. As well as support for arts and culture, it also increased the local market for creative industries such as advertising, marketing, graphic and web design, and architecture. The benefit of a large company was also experienced in the level of servicing and capability it brought to the city, such as telecommunications infrastructure. However, whilst currently unlikely, having such a large supportive company in a relatively small community creates the risk of significant negative impact if it were ever to close operations in the city.

8. Conclusion

This case study of Bendigo supports Lorenzen & Andersen’s (2011) assertion that there are different types of creative cities, and that investment in infrastructure and amenity needs to be contextual to local circumstance. It also supports Verdich’s (2010) identification that different types of amenity attract creative people to small cities to that of large cities. Whilst the study appears to support Florida’s (2002) creative class thesis in that it was the people environment rather than jobs that attracted creative people to a small city, it did not support that arts and cultural amenity was the primary attraction, but rather affordability and liveability.

There is an opportunity for more qualitative studies to examine the ‘people climate’ that is deemed attractive by creative people at different life stages.
For small city governments, this study suggests that any investment in arts and cultural amenity should be considered as part of an integrated strategy to increasing the liveability of a city, as opposed to an isolated approach. It also suggests that city governments should more carefully consider the differing needs across life stages, particularly young adults without families, in designing and implementing such strategies.

9. References


