OUTER SUBURBAN/INTERFACE SERVICES AND DEVELOPMENT COMMITTEE

INQUIRY INTO LIVEABILITY OPTIONS IN OUTER SUBURBAN MELBOURNE

December 2012

ORDERED TO BE PRINTED
Victorian Government Printer

Parliamentary Paper

No 149 Session 2010-12
The Committee records its appreciation to everyone who has contributed to the Inquiry through the submission process and at the Committee’s public hearings; they are listed in the Appendices. The report was prepared by the Committee’s Research Officers, Ms Charlotte Frew, Dr Rosalind Hearder and Mr Scott Martin, under the direction of the Committee’s Executive Officer, Mr Nathan Bunt. Research assistance was provided by Mr Keir Delaney, Ms Natalie-Mai Holmes, Ms Anita Madden, Mr Robert McDonald, Mr Jason Ngam, Ms Laura Ollington, Mr Anthony Walsh and Mr Richard Willis. Ms Bella Lesman of the Parliamentary Library Research Service also provided valued assistance. Administrative support was provided by Ms Natalie-Mai Holmes.

Outer Suburban/Interface Services and Development Committee (2012)

Inquiry into Liveability Options in Outer Suburban Melbourne

ISBN: 978-0-9808053-4-5

Front Cover: Image of Boy in Park at Caroline Springs, courtesy of Lend Lease;

Image of Glattalbahn tram, Zurich, courtesy of VGB and Tres Camenzind

Image of East Village, London apartments (former 2012 Olympic Athletes Village), courtesy of Mrs Jan Kronberg MLC, Chair, Outer Suburban/Interface Services and Development Committee.

Cover Design: Mono Design

Printer: On-Demand

Outer Suburban/Interface Services and Development Committee

Parliament House

Spring Street

East Melbourne, Victoria 3002

Phone: +613 8682 2826

Fax: +613 8682 2858

Email: osisdc@parliament.vic.gov.au

Website: www.parliament.vic.gov.au/osisdc
# Table of Contents

**1. Committee Membership** ............................................................................................................ VII

  - Functions of the Committee ................................................................................................. VIII
  - Contact Details .................................................................................................................... VIII

**2. Terms of Reference** .................................................................................................................... IX

**3. Executive Summary** ................................................................................................................ XI

**4. Chair’s Foreword** ........................................................................................................................... XI

**5. List of Tables** ................................................................................................................................... XVII

**6. List of Figures** ................................................................................................................................... XXII

**7. Acronyms** ........................................................................................................................................ XXV

**8. Glossary** .......................................................................................................................................... XXXI

**9. Table of Findings** .......................................................................................................................... XXXVII

**10. Table of Recommendations** ...................................................................................................... XLI

**Chapter 1: Introduction** .................................................................................................................. 51

1.1 Purpose and Context of the Inquiry ............................................................................................... 51

1.2 Terms of Reference ....................................................................................................................... 54

1.3 Conduct of the Inquiry ................................................................................................................... 54

  1.3.1 Submissions ................................................................................................................... 54

  1.3.2 Public hearings and briefings ........................................................................................... 54

      - Melbourne public hearings .............................................................................................. 54
      - Interface Council public hearings ...................................................................................... 54
      - Interstate study tour to Perth and Adelaide .................................................................... 55
      - Overseas study tour ........................................................................................................... 56

  1.3.4 Background research ...................................................................................................... 57

1.4 What is Liveability? ........................................................................................................................ 57

1.5 Defining Melbourne’s Outer Suburbs ............................................................................................... 58

  1.5.1 Cardinia ........................................................................................................................ 61

  1.5.2 Casey .............................................................................................................................. 62

  1.5.3 Hume ............................................................................................................................. 63

  1.5.4 Melton ........................................................................................................................... 64

  1.5.5 Mitchell ........................................................................................................................ 66

  1.5.6 Mornington Peninsula .................................................................................................. 67

  1.5.7 Nillumbik ....................................................................................................................... 67

  1.5.8 Whittlesea .................................................................................................................... 68

  1.5.9 Wyndham ....................................................................................................................... 69

  1.5.10 Yarra Ranges .............................................................................................................. 70

1.6 International Perspectives .............................................................................................................. 72

  1.6.1 Vancouver ...................................................................................................................... 72
CHAPTER 4: PLANNING FOR LIVEABILITY IN OUTER SUBURBAN MELBOURNE ............................................ 219

4.1 INTRODUCTION ............................................................................................................. 219
4.2 AN OVERVIEW OF THE VICTORIAN PLANNING SYSTEM ......................................................... 221
  4.2.1 Legislative framework .......................................................................................... 221
  4.2.2 Planning schemes ................................................................................................. 222
  4.2.3 The Victoria Planning Provisions ......................................................................... 222
  4.2.4 Planning policies, housing and Clause 16 of the SPPF ......................................... 222
  4.2.5 Growth area planning in Melbourne ...................................................................... 223
     Growth Corridor Plans ................................................................................................ 224
     Precinct Structure Plans in Growth Areas .................................................................. 224
4.3 CURRENT STATE PLANNING POLICIES .................................................................................... 225
  4.3.1 Melbourne’s new Metropolitan Planning Strategy ................................................. 225
  4.3.2 Other Planning reviews/reform ............................................................................ 228
     Review of the Victorian planning system .................................................................. 228
     VicSmart permit process ............................................................................................ 229
     VC75 Small Lot Code ............................................................................................... 229
     Residential zone reform package ............................................................................... 229

3.6 ADDRESSING HOUSING AFFORDABILITY ................................................................................. 172
  3.6.1 Introduction ........................................................................................................... 172
  3.6.2 Housing type and price ......................................................................................... 173
  3.6.3 Housing supply ..................................................................................................... 175
  3.6.4 Reducing the regulatory burden ............................................................................ 177
     Planning delays and charges .................................................................................... 177
     Developer costs ........................................................................................................ 179
  3.6.5 Boosting land supply on the urban fringe of Melbourne ........................................ 181
     Logical Inclusions Review ....................................................................................... 186
  3.6.6 National policies and Commonwealth payments ................................................... 187
     The National Affordable Housing Agreement ......................................................... 187
     National Partnerships and Commonwealth programs .............................................. 188
     Commonwealth payments to assist home buyers .................................................... 189
  3.6.7 Victorian policies and payments .......................................................................... 189
     Victoria’s Housing Affordability Unit ......................................................................... 189
     The Interstate Reform Partnership ........................................................................... 190
     Cuts to stamp duty .................................................................................................... 190
     First Home Bonus and First Home Owner Grant ...................................................... 192
  3.6.8 Urban densification ............................................................................................... 193
     Secondary and tertiary suites .................................................................................. 193

3.7 SOCIAL HOUSING ................................................................................................................. 197
  3.7.1 International evidence .......................................................................................... 199
CHAPTER 6: LIVEABILITY AND THE ENVIRONMENT ................................................................. 399

6.1 INTRODUCTION .................................................................................................. 399

6.2 THE BENEFITS OF PARKS AND OPEN SPACE .......................................................... 400

6.2.1 Economic benefits .......................................................................................... 401

6.2.2 Public health: physical, psychological and social benefits of open space ........ 402

6.2.3 Ecological benefits ......................................................................................... 403

6.3 PUBLIC AND PRIVATE OPEN SPACE IN NEW OUTER-SUBURBAN DEVELOPMENT .... 407

6.4 THE ROLE OF LOCAL GOVERNMENT IN PLANNING FOR OPEN SPACE ................. 410

6.5 SUSTAINABILITY MEASURES FOR MELBOURNE’S OUTER SUBURBS .................. 411

6.5.1 Sustainable housing design ............................................................................. 411

6.5.2 Sustainable transport ...................................................................................... 413

‘Active’ transport (walking and cycling) ........................................................................ 414
Walking .................................................................................................................... 416
Cycling ..................................................................................................................... 418
Making motor vehicle use more ‘sustainable’ ............................................................... 421
Electric vehicles .......................................................................................................... 421
Car sharing and car cooperatives .................................................................................. 422

6.5.3 Sustainable water use ..................................................................................... 423

6.5.4 Energy and waste ........................................................................................... 426

6.5.5 Biodiversity and conservation ...................................................................... 427

Biodiversity and delays in development ..................................................................... 428
A regional biodiversity approach ................................................................................ 431

6.6 CONTAINING AND TRANSFORMING MELBOURNE’S OUTER SUBURBS.................. 432

6.6.1 Agricultural urbanism ..................................................................................... 432

6.6.2 Melbourne’s Green Wedges .......................................................................... 442

CHAPTER 7: MEDICAL, HEALTH AND SUPPORT SERVICES ........................................... 467

7.1 INTRODUCTION ................................................................................................. 467
Inquiry into Liveability Options

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Section</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.2</td>
<td></td>
<td>Health Profiles of Melbourne’s Outer Suburbs</td>
</tr>
<tr>
<td>7.2.1</td>
<td></td>
<td>Outer West (including Melton and Wyndham)</td>
</tr>
<tr>
<td>7.2.2</td>
<td></td>
<td>Outer North West (including Hume, Whittlesea and Mitchell)</td>
</tr>
<tr>
<td>7.2.3</td>
<td></td>
<td>Southeast (including Casey and Cardinia)</td>
</tr>
<tr>
<td>7.2.4</td>
<td></td>
<td>Northeast (including Nillumbik)</td>
</tr>
<tr>
<td>7.2.5</td>
<td></td>
<td>Outer East (including Yarra Ranges)</td>
</tr>
<tr>
<td>7.2.6</td>
<td></td>
<td>Peninsula (including the Mornington Peninsula)</td>
</tr>
<tr>
<td>7.3</td>
<td></td>
<td>Overview of Victoria’s Health System</td>
</tr>
<tr>
<td>7.3.1</td>
<td></td>
<td>Health Promotion and Disease Prevention (Public Health)</td>
</tr>
<tr>
<td>7.3.2</td>
<td></td>
<td>Primary Care</td>
</tr>
<tr>
<td>7.3.3</td>
<td></td>
<td>Secondary Health Care</td>
</tr>
<tr>
<td>7.3.4</td>
<td></td>
<td>Acute Care (Tertiary and Quaternary Care)</td>
</tr>
<tr>
<td>7.4</td>
<td></td>
<td>Public Hospitals and Health Services in the Outer Suburbs</td>
</tr>
<tr>
<td>7.4.1</td>
<td></td>
<td>Health Precinct Master Planning</td>
</tr>
<tr>
<td>7.4.2</td>
<td></td>
<td>Funding for Public Hospitals in Victoria</td>
</tr>
<tr>
<td>7.5</td>
<td></td>
<td>Private Hospitals in the Outer Suburbs</td>
</tr>
<tr>
<td>7.6</td>
<td></td>
<td>Day Surgery Centres in the Outer Suburbs</td>
</tr>
<tr>
<td>7.7</td>
<td></td>
<td>Recruitment, Retention and Training of Health Professionals</td>
</tr>
<tr>
<td>7.7.1</td>
<td></td>
<td>Recruitment and Retention</td>
</tr>
<tr>
<td>7.7.2</td>
<td></td>
<td>Training Health Professionals</td>
</tr>
<tr>
<td>7.8</td>
<td></td>
<td>Aged Care Services</td>
</tr>
<tr>
<td>7.9</td>
<td></td>
<td>Allied Health Services and Preventative Health</td>
</tr>
<tr>
<td>7.10</td>
<td></td>
<td>General Practitioners and Super Clinics</td>
</tr>
<tr>
<td>7.10.1</td>
<td></td>
<td>Availability of General Practice Services</td>
</tr>
<tr>
<td>7.10.2</td>
<td></td>
<td>Super Clinics and Collaboration with General Practice</td>
</tr>
<tr>
<td>7.11</td>
<td></td>
<td>Mental Health</td>
</tr>
<tr>
<td>7.12</td>
<td></td>
<td>Disability Services</td>
</tr>
<tr>
<td>7.13</td>
<td></td>
<td>Respite Care</td>
</tr>
<tr>
<td>7.13.1</td>
<td></td>
<td>Home and Community Care Program</td>
</tr>
</tbody>
</table>

APPENDIX A: List of Submissions ................................................................. 527
APPENDIX B: List of Witnesses ................................................................. 531
APPENDIX C: State Planning Policy Framework: Clause 16 ................................. 541
APPENDIX D: Extracts from the Proceedings ............................................. 547
APPENDIX E: Minority Report ................................................................. 549
BIBLIOGRAPHY ................................................................................... 557
## COMMITTEE MEMBERSHIP

<table>
<thead>
<tr>
<th>Position</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>Mrs Jan Kronberg, MLC</td>
</tr>
<tr>
<td>Deputy Chair</td>
<td>Ms Judith Graley, MLA</td>
</tr>
<tr>
<td>Member</td>
<td>Ms Natalie Hutchins, MLA</td>
</tr>
<tr>
<td>Member</td>
<td>Ms Cindy McLeish, MLA</td>
</tr>
<tr>
<td>Member</td>
<td>Mr Craig Ondarchie, MLC</td>
</tr>
</tbody>
</table>

For this inquiry, the Committee was supported by a secretariat comprising:

<table>
<thead>
<tr>
<th>Position</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Officer</td>
<td>Mr Nathan Bunt (from 12 May 2011)</td>
</tr>
<tr>
<td>Executive Officer (Acting)</td>
<td>Dr Vaughn Koops (from 17 February – 11 May 2011)</td>
</tr>
<tr>
<td>Research Officer</td>
<td>Mr Scott Martin (from 21 September 2012)</td>
</tr>
<tr>
<td>Research Officer</td>
<td>Dr Rosalind Hearder (18 June – 3 August 2012)</td>
</tr>
<tr>
<td>Research Officer</td>
<td>Ms Charlotte Frew (30 May 2011 to 28 September 2012)</td>
</tr>
<tr>
<td>Research Officer</td>
<td>Mr Nathan Bunt (from 28 February to 11 May 2011)</td>
</tr>
<tr>
<td>Research Officer</td>
<td>Mr Keir Delaney (to 27 February 2011)</td>
</tr>
<tr>
<td>Committee Administrative Officer</td>
<td>Ms Natalie-Mai Holmes</td>
</tr>
</tbody>
</table>
Functions of the Committee

The Committee consists of eight Members of Parliament, two drawn from the Legislative Council and three from the Legislative Assembly. It is chaired by Mrs Jan Kronberg, MLC.

The functions of the Outer Suburban/Interface Services and Development Committee are to inquire into, consider and report to the Parliament on any proposal, matter or thing concerned with –

a) The provision of services to new urban regions; and

b) The development or expansion of new urban regions.

Contact Details

Address: Parliament House, Spring Street, East Melbourne, Victoria 3002

Telephone: +613 8682 2826

Facsimile: +613 8682 2858

Email: osisdc@parliament.vic.gov.au

Internet: www.parliament.vic.gov.au/osisdc
TERMS OF REFERENCE

Received from the Legislative Assembly on 10 February 2011.

To inquire into, consider and report no later than 10 February 2012 on the liveability options in outer suburban Melbourne and the Committee is asked to:

(a) outline recent state planning policies as they relate to private housing;

(b) examine population growth trends and impacts;

(c) collate and analyse median house prices in outer suburban areas and measure this against income and cost of living data;

(d) identify the provision of medical/health and support services in outer suburban areas;

(e) classify national and international ‘best practice’ in urban renewal as it relates to established outer suburbs; and

(f) recommend options for enhanced liveability of residents.
EXECUTIVE SUMMARY

This report presents a range of options for enhancing the liveability of Melbourne’s outer suburbs.

Melbourne has an international reputation as one of the world’s most liveable cities. However, many areas within Melbourne’s outer suburbs currently lag behind the rest of Greater Melbourne on a range of liveability measures. On a number of those measures, the gap is growing. This situation is primarily due to the rapid pace at which Melbourne’s outer suburbs have expanded in recent years.

There are a range of options for preserving and enhancing the liveability of Melbourne’s outer suburbs, many of which are increasingly being adopted by residents, community groups and local governments. The Government of Victoria has also indicated that preserving and enhancing the liveability of Greater Melbourne will be a major priority for the new Melbourne Metropolitan Planning Strategy.

The planning system will need to play an increasingly important role in meeting the current and future challenges to the liveability of Melbourne’s outer suburbs, particularly by encouraging residential densification in a way that is sympathetic to Melbourne’s existing urban form. Planning innovations will also be crucial in accommodating the substantial population growth that has been forecast for Melbourne in coming decades and in preserving the land that is valued for recreational, agricultural, and commercial uses in Melbourne’s Interface Councils.

Chapter One

Chapter One begins by setting out the purpose and context of the Inquiry.

The chapter then sets out the stages in the Committee’s investigations, which included: the gathering of submissions; the holding of public hearings; site visits to each of Melbourne’s ten Interface Councils; an inter-state study tour; and an overseas study tour.

The chapter then provides definitions of ‘liveability’, as well as a definition of ‘Melbourne’s outer suburbs’, followed by profiles of Melbourne’s ten Interface Councils. The chapter also provides profiles of the cities and local municipalities that the Committee visited during the overseas study tour.

Chapter Two

Since the year 2000, Melbourne’s population has grown by over 600,000 people, to a total of more than 4 million. Melbourne experienced the largest growth of all Australian capital cities during this period.

Collectively, Melbourne’s seven Growth Area Councils accounted for more than half of Melbourne’s population growth between 2001 and 2011. All of the Growth Area Councils experienced population growth rates during this period that were higher, and in some cases several times higher, than Greater Melbourne.

The Committee heard from a number of stakeholders that the large and rapid population growth experienced by the Growth Area Councils in recent years has placed significant strain on existing infrastructure and services and created a pressing need for the provision of additional infrastructure and services in many areas.
Despite the short-term pressures associated with rapid population growth, well managed population growth has a range of benefits. Population growth is a key driver of economic growth and therefore of living standards and the overall prosperity of a community. Population growth also has an important role to play in mitigating the impacts of Melbourne’s ageing population.

The Victorian Department of Planning and Community Development (DPCD), which provides the Victorian Government’s official population and household projections, has forecast that Melbourne’s population will grow to approximately 4.8 million in 2021 and to almost 6.5 million by 2051.

Chapter Three

Housing affordability — which refers to the cost of purchasing or renting a house, an apartment, or other type of dwelling — was commonly cited as one of the most important measures of liveability in the evidence provided to the Committee.

Recent years have seen a dramatic decline in housing affordability in Melbourne, as well as in Australia’s other capital cities, coupled with a sharp rise in a range of household expenses, most notably the price of utilities, such as electricity, gas and water. While these trends have affected households across Melbourne, the greatest impact has typically been felt by residents of Melbourne’s outer suburbs, many of whom are in the early stages of paying off a mortgage.

The 2011 Australian Census of Population and Housing revealed that almost 30 per cent of households across Greater Melbourne with a mortgage were paying more than 30 per cent of their gross income on mortgage repayments, which is a commonly used measure of ‘mortgage stress’. The 2011 Census also revealed that the proportion of households in this situation is higher in all but one of Melbourne’s Growth Area Councils (Mitchell) than for Greater Melbourne.

Chapter Three discusses a number of strategies for improving the affordability of housing in Melbourne’s outer suburbs, which include: increasing the diversity of housing types; boosting the supply of housing; reducing the regulatory burden on housing developers; State and Federal financial assistance to home buyers; and urban densification.

A particularly notable strategy for improving housing affordability through urban densification is the secondary and tertiary suite model, which has been successfully applied across metropolitan Vancouver. The chapter details the many benefits of secondary and tertiary suites and their potential for improving housing affordability in Melbourne.

In the final part of the chapter, the Committee discusses the role of social housing in Melbourne’s outer suburbs.

Chapter Four

Chapter Four begins with an overview of the Victorian planning system and a discussion of historical and recent state planning policies, particularly as they relate to private housing.

The chapter then discusses the benefits of residential densification and the leading international strategies — including new urbanism, smart growth and landscape urbanism — which aim to accommodate increased residential densities while preserving and enhancing liveability.
The chapter details the Committee’s findings on the way in which those cities that it visited during the overseas study tour have dealt with the challenge of accommodating growing populations through increased residential densities. The Committee found that Vancouver has been particularly successful in this regard, both through its adoption of the secondary and tertiary suite model, discussed in Chapter Three, and through its distinctive form of high-rise development known as ‘Vancouverism’. In contrast, because Toronto did not respond to the substantial population growth that it experienced in recent years by embracing moderate increases in residential densities, it was left with little option other than to ‘jump’ to a model of high-rise condominium development, including in outer suburban locations. London, particularly urban renewal projects such as the East Village development on the site of the 2012 London Olympic Games, also has valuable lessons to offer Melbourne with respect to the simultaneous delivery of increased residential densities and enhanced liveability.

The chapter also provides a detailed discussion of the transport infrastructure needs of Melbourne’s outer suburbs, including strategies for boosting the provision of roads and public transport and for improving the integration of land use and transport planning.

The transport infrastructure needs of Melbourne’s outer suburbs will also be a major focus of the Committee’s forthcoming report for the Inquiry on Growing the Suburbs: Infrastructure and Business Development in Outer Suburban Melbourne.

The final part of the chapter considers a number of options, which have potential to boost the funding for transport infrastructure and the other types of infrastructure for which there is currently high demand in Melbourne’s outer suburbs, including: parks and open space (Chapter Four); community infrastructure, such as schools and community centres (Chapter Five); and health and hospital services (Chapter Seven).

Community cohesion is a fundamental element of the liveability of Melbourne’s outer suburbs and is built upon the foundations of: social inclusion; community participation; work-life balance; access to local employment or rapid and reliable transport links to employment; and civic pride.

Given that the outer suburbs of Melbourne are experiencing significant and rapid growth and change, the issues of building community and establishing a sense of community in new suburbs is particularly relevant. The physical location of outer-suburban areas, in addition to the relative newness of some outer-suburbs, makes residents particularly vulnerable to social isolation. At the same time, the growth in the outer-suburbs of Melbourne provides an exciting opportunity to engage in innovative community building strategies.

The chapter discusses a range of opportunities for boosting community engagement, including in the areas of: youth services and facilities; sport; support for Culturally and Linguistically Diverse (CALD) communities; arts and culture; and community safety. The chapter also discusses the important role of residents’ associations and neighbourhood renewal programs in Melbourne’s outer suburbs.

The chapter then discusses the evidence provided to the Committee on the need for additional community infrastructure in Melbourne’s outer suburbs, including: schools; community centres and neighbourhood houses; child care and pre-school facilities; and outdoor community spaces.
The chapter concludes with a discussion of the employment infrastructure and employment options available in Melbourne's outer suburbs. There is substantial evidence to suggest that the relatively low concentration of local employment opportunities in some outer suburban areas has a negative impact on the liveability of those areas. Many residents of Melbourne's outer suburbs have no option other than to travel long distances for work, which can have a range of impacts for them as individuals, as well as for their families and communities.

The Committee’s forthcoming report for the Inquiry on Growing the Suburbs: Infrastructure and Business Development in Outer Suburban Melbourne will include a discussion of a number of strategies aimed at increasing the level and diversity of local employment options in Melbourne’s outer suburbs and for increasing the access of residents to jobs in existing employment hubs throughout the metropolitan area.

Chapter Six

Many of Melbourne’s outer suburbs are valued by residents for their natural beauty, as well as for the relative peace, privacy and access to nature that they provide. However, some of Melbourne’s outer suburbs, particularly in the Growth Area Councils, do not enjoy the same level of access to private open space as in more established suburbs. This is due to both declining block sizes and increasing house sizes in recent years. At the same time, access to open space is increasingly recognised as a major contributor to both liveability and health outcomes. These issues are the subject of the first part of the chapter.

There is a growing acknowledgement, both in Melbourne and internationally, of the need for cities to implement a range of ‘micro-level’ sustainability practices and policies, such as sustainable house design and the sustainable use of energy and water. This is an area in which Melbourne’s outer suburbs perform well by international standards. However, it is also an area in which there is an acknowledged need for continuous improvement. These issues are discussed in the second part of the chapter.

In the third part of the chapter, the Committee discusses the need for the greater protection of land with agricultural and conservation value in Melbourne’s Interface Councils. The preservation of such land is a challenge that is currently facing many cities around the world and which is typically being addressed through the interrelated strategies of: increased residential densities; and the establishment of a boundary beyond which suburban residential development is restricted. Many cities around the world have established such boundaries, including Melbourne, which is subject to the Urban Growth Boundary (UGB) and Vancouver, which has established an ‘Urban Containment Boundary’. Vancouver’s experience has demonstrated that an effective urban boundary is one that transforms the way in which the outer suburbs interact with agricultural and conservation land by blurring the traditional distinction between suburban landscapes and landscapes that are valued for their recreational, agricultural and other commercial uses.

In Melbourne, the increased utilisation of Green Wedge land for passive recreation, tourism and other sustainable enterprises has similar potential to improve the effectiveness of the UGB. The Victorian Government’s proposed changes to the range of permitted activities in Melbourne’s Green Wedges may also improve the economic, social and environmental contribution of these areas to Melbourne’s outer suburbs and to the wider metropolitan area.
Chapter Seven

Rapid population growth in Melbourne's outer metropolitan growth corridors is currently putting pressure on health services in those areas. The majority of health services are located in established areas close to Melbourne's CBD. Although only 20 per cent of the population live within a 10km radius of Melbourne's CBD, over 40 per cent of health care providers are based in this area. This is the case for both public and private hospitals, as well as metropolitan health services.

This chapter provides profiles of medical, health and support services in Melbourne's outer suburbs by reference to the Victorian Department of Health's ten planning areas for future health planning.

The chapter also provides an overview of Victoria’s health system, including the funding arrangements that are currently in place for the different service types, service providers and levels of care.

The chapter then discusses the evidence received by the Committee on the need for additional public and private hospital and health services in Melbourne's outer suburbs. The chapter also discusses options for improving: the recruitment, retention and training of health professionals; aged care; allied health services and preventative health; general practitioners and super clinics; mental health; disability services; and respite care, in Melbourne’s outer suburbs.
CHAIR’S FOREWORD

The Final Report of the Outer Suburban/Interface Services and Development Committee’s Inquiry into Liveability Options in Outer Suburban Melbourne is the culmination of the synthesis of the eighty submissions we received. We also received a large volume of evidence gathered during the Inquiry’s hearings in Melbourne, in hearings and site visits in each of Melbourne’s ten Interface Councils, during hearings and site visits in Perth and Adelaide and during the Committee’s overseas study tour.

The Committee is grateful for the contributions made by witnesses and those who made submissions, as we received a considerable amount of high quality, thought-provoking, often challenging and relevant information.

We are also appreciative of the hospitality extended to us during our hearings, by the Interface Councils in the City of Whittlesea, the Shire of Nillumbik, the City of Wyndham, the City of Casey, Mornington Peninsula Shire, the City of Hume, the City of Melton, Mitchell Shire, the Shire of the Yarra Ranges and the Shire of Cardinia.

Central to the Terms of Reference for this Inquiry is the liveability of Melbourne and in particular its outer suburbs. Melbourne’s liveability is essential for the standard of living and quality of life of its citizens. It is also important for our international standing and is an enhancement of our competitive advantage.

The Committee visited the three Canadian cities, Vancouver, Calgary and Toronto, that Melbourne competes with for the title of The World’s Most Liveable City. We saw first-hand what they had to offer their citizens and visitors and learnt much from their experience.

The Committee also wishes to record its appreciation of the courtesy extended to us by the Legislative Assembly of British Columbia in Canada.

Vancouver was on the top of our list, as Melbourne took the title of The World’s Most Liveable City from Vancouver in 2011, and for a second, successive time this year.

Calgary is a highly ranked city coming in 5th in 2012 for liveability and for its commitment to the environment.

The Committee also visited Toronto ranked 4th in 2012 for liveability.

Toronto in terms of its scale, growth projections and growth patterns and industrial base was important as ‘a window’ into Melbourne’s possible or probable future. The Committee took evidence across the Greater Toronto Area (GTA). We gained an appreciation of the area known as the Golden Horseshoe, which is of a scale similar to what a future Greater Melbourne Metropolitan Area would encompass, if we kept growing towards Geelong in the west and Warragul in the east. Toronto’s geophysical boundaries include Lake Ontario in the south and the Oak Ridges Moraine in the north, a water catchment area of exceptional natural beauty and ecological and agricultural importance.

The Committee also visited Zurich, Switzerland which is well ranked in the liveability stakes. By visiting Zurich and the Canton of Zurich, the Committee gained access to the mindsets of their leading urban
designers and planners, who are responding sensitively and creatively to the increasing population pressures on their built and natural environment. Zurich’s population growth is largely derived from immigration.

The Committee also wishes to record its appreciation of the courtesy extended to us by the Zurich Cantonal Parliament.

The extraordinary degree of urban renewal in London’s East End, its Docklands, Olympic Games precinct and the London Thames Gateway area provided an impressive model for affordable housing and an insight into the paradigm shift in the local economy of the region. We gained particular insight into how a truly global city is responding to renewed population pressures and the realities of agglomeration.

The overseas study tour provided a rich harvest of information and ideas. Relevant material garnered by the Committee will also be incorporated into our Report for the Committee’s second Reference, Growing the Suburbs.

The Committee gained invaluable insight into the urban design and planning approaches for outer suburbs taken by Melbourne’s interstate rivals for the liveability title, Perth ranked 9th in 2012 and Adelaide ranked 6th in 2012.

The Committee is appreciative of the courtesy extended to us by the Parliament of Western Australia and the Parliament of South Australia.

The Committee also wishes to thank the City of Joondalup, the City of Wanneroo, the City of Rockingham and the City of Armadale in Perth’s outer suburban areas and the City of Playford in Adelaide’s north for their hospitality and conducting the site visits.

When it came to the quality and volume of information this Inquiry obtained, it could be described has a high yield process. And so, in compiling the Report, the Committee was presented with the challenge of determining how to accommodate so much relevant, challenging and exciting material.

In many ways, with its present population of 4.1 million, Melbourne is managing fast growth relatively well, especially when one takes into consideration many of the other cities ranked for their liveability and referred to earlier have populations half or even less than that of Metropolitan Melbourne and its outer suburbs.

However, according to much of the evidence received and the results of sites visits, it is very clear that whilst Melbourne currently holds the title for liveability, its outer suburbs in the Interface Council areas and Growth Areas are facing many challenges. The reality is that there is a widening gap between the measures of liveability that metropolitan Melbourne enjoys, particularly its inner and middle suburbs, and that of its outer suburbs.

Whilst many areas in Melbourne’s outer suburbs are exemplary, the Committee received confirmation that Melbourne’s continual urban expansion is actually exacerbating the often marked differences in liveability for those living close to Melbourne and those living substantial distances from services and employment in the outer suburbs.
As Melburnians, we should be striving for vibrant and more compact, efficient settlement and development patterns, whilst providing a diversity of opportunities for living, working and enjoying culture.

So as to not damage the future economic and employment prospects of those living in the outer suburbs, we need to use extreme care not to convert land set aside for employment.

Attractive and efficient public transport is difficult to introduce into fast growing communities and limits this state’s ability to respond effectively to growing traffic congestion and the tyranny of distance experienced by those living in Melbourne’s outer suburbs.

We need to acknowledge the trade-off by continuing urban expansion, which at first solves the problem of housing our fast growing population. We need to provide stewardship for better investment in the inner metropolitan areas in order to help mitigate Melbourne’s expansion along with better integration of our transport offerings.

Prime agricultural areas warrant greater respect, with the conservation values of both agricultural land and natural systems needing equal attention, to ensure we can continue to access and benefit from the valuable resources they contain.

In its Report, the Committee has made fifty (50) Findings and one hundred and thirty two (132) Recommendations.

I wish to extend my sincere appreciation to my parliamentary colleagues, Ms Judith Graley (Deputy Chair), Mr Craig Ondarchie, Ms Cindy McLeish, and Ms Natalie Hutchins for the considerable time and effort they have invested in this Inquiry and their thoughtful contributions during deliberations and the compilation of the Report.

This large and comprehensive report is the result of a very special team effort on behalf of the Committee Secretariat. The team, consisting of our Executive Officer Mr Nathan Bunt, Research Officer Dr Charlotte Frew and Administrative Officer Ms Natalie-Mai Holmes, participated in the hearings held in Melbourne and also in the Interface Councils and established the framework for the Report. This team has worked assiduously and consistently extended themselves, whilst managing and synthesising the very large volume of information. They are to be congratulated for their hard work in the compilation of the Report.

Prior to the configuration of the current team, the Committee received support in early 2011 from Dr Vaughn Koops and Mr Keir Delaney. More recently Dr Rosalind Hearder and Mr Scott Martin have been engaged in the compilation of elements of the Report.

I commend the Final Report of the Outer Suburban/Interface Services and Development Committee’s Inquiry into Liveability Options in Outer Suburban Melbourne to the Parliament.

Jan Kronberg MLC

Chair
LIST OF TABLES

Table 1.1: Top ten most liveable cities for 2012 and populations ................................................................. 53
Table 2.1: Population growth and growth rates Melbourne Interface Councils, 2001 to 2011 ..................... 92
Table 2.2: Australian LGAs with the largest population growth 2010-2011 .................................................. 93
Table 2.3: Projected net change in population and average annual percentage change in population for the Interface Councils 2011-2031 ................................................................. 95
Table 2.4: Percentage of population in each age range in the Interface Councils and Melbourne LGA 2010 ........ 110
Table 2.5: Current and projected resident population aged 65 and older for Interface Councils 2011 to 2031 113
Table 2.6: Household and family composition 2011 ......................................................................................... 117
Table 2.7: Household and family composition forecasts for 2031 .............................................................. 118
Table 3.1: Median house, flat or unit and vacant block prices in the Interface Councils in 2011 ................. 153
Table 3.2: Dwellings where mortgage payments are 30% or more of household income in the Interface Councils – 2011 Australian Census ........................................................................................................ 154
Table 3.3: Median household incomes and mortgage repayments in the Interface Councils ....................... 155
Table 3.4: Municipal rates for the Interface Councils 2012-13 ........................................................................ 159
Table 3.5: Total weekly cost per household of commuting by car in Melbourne .................................................. 160
Table 3.6: Total weekly cost per household of commuting by public transport in Melbourne .................. 160
Table 3.7: Number of registered motor vehicles per household (as a percentage of all households) in each of the Interface Councils 2011 .......................................................... 162
Table 3.8: Percentage of employed persons in each Interface Council travelling to work by public transport on Census day 2006 and 2011 .................................................................................................................. 163
Table 3.9: Indicators of low income rental stress in Melbourne’s ten Interface Councils and the Melbourne Inner Statistical Division 2006 ................................................................. 170
Table 3.10: Building approvals for detached housing by Australian City 2010 ................................................ 175
Table 3.11: Interstate comparison of stamp duty rates for selected purchase prices for non-first home owners. ................................................................. 192
Table 3.12: Public housing dwellings in the Interface Councils between 2006-2011 ..................................... 198
Table 4.1: Household types across the lifespan ................................................................................................. 244
Table 4.2: Residential infrastructure charges infill and greenfield, 2009-10 ............................................. 301
Table 5.1 Income support socioeconomic indicators in ten outer suburbs municipalities as against the Victorian average ................................................................. 338
Table 5.2: Percentage of young people receiving unemployment benefit 2009 & percentage of welfare dependent/low income families 2009 ........................................................................ 339
Table 5.3: Measures of wellbeing in Melbourne’s Interface Councils ........................................................ 343
Table 5.4: CALD Communities ....................................................................................................................... 350
Table 5.5: Percentage of respondents for each outer suburban LGA who participated in at least one of the selected artistic and cultural activities in the previous month .................................................................................. 354
Table 5.6: Percentage of respondents 18-34 years of age and over 55 years of age who agreed they had sufficient opportunity to participate in the arts locally ......................................................................... 356
Table 7.1: Stand-alone day procedure centres located in the outer suburbs .................................................. 488
LIST OF FIGURES

FIGURE 1.1: MAP SHOWING MELBOURNE’S INTERFACE COUNCILS AND URBAN GROWTH BOUNDARY ................................................................. 60
FIGURE 1.2: MAP OF THE SHIRE OF CARDINIA ................................................................................................................................................. 62
FIGURE 1.3: MAP OF THE CITY OF CASEY .................................................................................................................................................. 63
FIGURE 1.4: MAP OF THE CITY OF HUME .................................................................................................................................................. 64
FIGURE 1.5: MAP OF THE CITY OF MELTON ............................................................................................................................................... 65
FIGURE 1.6: MAP OF THE SHIRE OF MITCHELL ....................................................................................................................................... 66
FIGURE 1.7: MAP OF THE MORNINGTON PENINSULA SHIRE ...................................................................................................................... 67
FIGURE 1.8: MAP OF NILLUMBIK SHIRE ................................................................................................................................................... 68
FIGURE 1.9: MAP OF THE CITY OF WHITTLESEA ....................................................................................................................................... 69
FIGURE 1.10: MAP OF THE CITY OF WYNDHAM ........................................................................................................................................... 70
FIGURE 1.11: MAP OF THE SHIRE OF YARRA RANGES ............................................................................................................................... 71
FIGURE 2.1: TOTAL CHANGE IN POPULATION IN AUSTRALIAN CAPITAL CITIES ................................................................................................. 88
FIGURE 2.2: MAP SHOWING THE FORMER MELBOURNE STATISTICAL DIVISION AND ADDITIONS TO CREATE THE MELBOURNE GREATER
CAPITAL CITY STATISTICAL AREA ...................................................................................................................................................... 89
FIGURE 2.3: POPULATION GROWTH IN SYDNEY, MELBOURNE AND PERTH BY SUB-REGION, 2001 TO 2010 .................................................. 91
FIGURE 2.4: PROJECTED EXTENT OF POPULATION CHANGE IN MELBOURNE 2006-2026 ........................................................................... 94
FIGURE 2.5: COMPONENTS OF POPULATION CHANGE ................................................................................................................................... 98
FIGURE 2.6: POPULATION OF VICTORIA COMPONENTS OF CHANGE 1972-2010 .................................................................................................. 99
FIGURE 2.7: AUSTRALIA PERMANENT AND TEMPORARY COMPONENTS OF NET OVERSEAS MIGRATION 1983-2010 .................................. 100
FIGURE 2.8: COMPONENTS OF VICTORIA’S POPULATION CHANGE 1972-2010 AND PROJECTED 2056 ............................................................... 102
FIGURE 2.9: POPULATION BY AGE AND SEX, MELBOURNE SD, 2011 AND 2031 ...................................................................................... 106
FIGURE 2.10: GROWTH IN METROPOLITAN MELBOURNE TO 2022 BY AGE GROUP .................................................................................. 107
FIGURE 2.11: NUMBER OF PERSONS BY AGE AND GENDER IN INNER MELBOURNE 2006 ........................................................................ 108
FIGURE 2.12: NUMBER OF PERSONS BY AGE AND GENDER IN REPRESENTATIVE INTERFACE COUNCILS OF CARDINIA 2006 .................. 108
FIGURE 2.13: NUMBER OF PERSONS BY AGE AND GENDER IN REPRESENTATIVE ESTABLISHED LGA OF BRIMBANK 2006 .................. 109
FIGURE 3.1: DETERMINANTS OF HOUSING AFFORDABILITY .................................................................................................................................. 152
FIGURE 3.2: MELBOURNE VAMPIRE ASSESSMENT 2006 ............................................................................................................................... 165
FIGURE 3.3: PERCENTAGE OF HOUSES SOLD WHICH WERE AFFORDABLE BY LOW-MODERATE INCOME PURCHASERS, MELBOURNE,
1981–2006 .............................................................................................................................................................................................. 171
FIGURE 3.4: SECONDARY, TERTIARY AND BASEMENT SUITES IN THE CITY OF SURREY, VANCOUVER ......................................................... 194
FIGURE 4.1: CITY FOOTPRINT MAPS OF MELBOURNE AND SELECTED CITIES .................................................................................................. 239
FIGURE 4.2: TYPICAL URBAN DENSITIES — DWELLINGS PER HECTARE ....................................................................................................... 239
FIGURE 4.3: RESIDENTIAL DENSITY AND LAND USE ................................................................................................................................ 240
FIGURE 4.4: RICHARD WELLER’S DIVERCITY .................................................................................................................................................. 246
FIGURE 4.5: GREEN CORRIDORS IN METROPOLITAN VANCOUVER ................................................................................................................ 247
FIGURE 4.6: EXAMPLES OF VANCOUVERISM ................................................................................................................................................ 264
FIGURE 4.7: HIGH DENSITY DEVELOPMENT WITH HIGH AMENITY .................................................................................................................. 266
FIGURE 4.8: VERTICAL LANDSCAPES .......................................................................................................................................................... 267
FIGURE 4.9: HIGH-RISE DEVELOPMENT IN TORONTO ............................................................................................................................... 270
FIGURE 4.10: SHARED PUBLIC REALM IN ZURICH ......................................................................................................................................... 271
FIGURE 4.11: 2012 LONDON OLYMPICS ATHLETES VILLAGE ...................................................................................................................... 273
FIGURE 4.12: GLATTALBAHN TRAM CORRIDOR AND TRAM STOP IN ZURICH .......................................................................................... 288
FIGURE 4.13: SKYTRAIN IN THE CITY OF SURREY, VANCOUVER .................................................................................................................. 289
<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>Maslow's Hierarchy of Needs</td>
<td>335</td>
</tr>
<tr>
<td>5.2</td>
<td>Metropolitan Melbourne, showing state government region and LGA boundaries, SEIFA index of relative socioeconomic disadvantage, 2006</td>
<td>337</td>
</tr>
<tr>
<td>5.3</td>
<td>Population weighted quintiles of poverty by SLA, Metropolitan Melbourne, 2006, NATSEM, 2008</td>
<td>338</td>
</tr>
<tr>
<td>5.4</td>
<td>Ellenbrook Art Gallery</td>
<td>359</td>
</tr>
<tr>
<td>5.5</td>
<td>Metropolitan Melbourne, showing state government region and LGA boundaries, SEIFA index of relative socioeconomic disadvantage, 2006</td>
<td>337</td>
</tr>
<tr>
<td>5.6</td>
<td>Population weighted quintiles of poverty by SLA, Metropolitan Melbourne, 2006, NATSEM, 2008</td>
<td>338</td>
</tr>
<tr>
<td>5.7</td>
<td>Ellenbrook Art Gallery</td>
<td>359</td>
</tr>
<tr>
<td>6.1</td>
<td>Urban Forests in the City of Surrey, Vancouver</td>
<td>404</td>
</tr>
<tr>
<td>6.2</td>
<td>Tram lines in Zurich</td>
<td>405</td>
</tr>
<tr>
<td>6.3</td>
<td>Footpath, nature-strip and building setbacks in Vancouver</td>
<td>406</td>
</tr>
<tr>
<td>6.4</td>
<td>Park Avenue in the Wungong Urban Water Project</td>
<td>414</td>
</tr>
<tr>
<td>6.5</td>
<td>Wungong Urban Water Project — park avenue in cross-section view</td>
<td>415</td>
</tr>
<tr>
<td>6.6</td>
<td>Josefstrasse Waste Incineration Power Plant</td>
<td>427</td>
</tr>
<tr>
<td>6.7</td>
<td>Aerial view of Cranberry fields in outer suburban Vancouver</td>
<td>435</td>
</tr>
<tr>
<td>6.8</td>
<td>Melbourne’s Green Wedges</td>
<td>445</td>
</tr>
<tr>
<td>7.1</td>
<td>Regional Health Boundaries</td>
<td>468</td>
</tr>
<tr>
<td>7.2</td>
<td>Department of Health Planning areas for Metropolitan Melbourne</td>
<td>469</td>
</tr>
<tr>
<td>7.3</td>
<td>Victoria’s Health System</td>
<td>473</td>
</tr>
<tr>
<td>7.4</td>
<td>Public Hospitals Metropolitan Melbourne by LGA</td>
<td>480</td>
</tr>
<tr>
<td>7.5</td>
<td>Private Hospitals Metropolitan Melbourne by LGA</td>
<td>486</td>
</tr>
<tr>
<td>7.6</td>
<td>Current and Expected Population Growth by Area Profile for People Aged over 70 years</td>
<td>496</td>
</tr>
<tr>
<td>7.7</td>
<td>Population projection to 2022 and current mental health services (public and private)</td>
<td>505</td>
</tr>
</tbody>
</table>
# ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>ACAS</td>
<td>Aged Care Assessment Service</td>
</tr>
<tr>
<td>ACSC</td>
<td>Ambulatory Care Sensitive Conditions</td>
</tr>
<tr>
<td>ACT</td>
<td>Australian Capital Territory</td>
</tr>
<tr>
<td>AFI</td>
<td>Australian Farm Institute</td>
</tr>
<tr>
<td>AFL</td>
<td>Australian Football League</td>
</tr>
<tr>
<td>AHURI</td>
<td>Australian Housing Urban Research Institute</td>
</tr>
<tr>
<td>ALRT</td>
<td>Automated Light Rail Transit</td>
</tr>
<tr>
<td>AM</td>
<td>Before Midday</td>
</tr>
<tr>
<td>AMA</td>
<td>Australian Medical Association</td>
</tr>
<tr>
<td>APDP</td>
<td>Access Points Demonstration Project</td>
</tr>
<tr>
<td>ASGS</td>
<td>Australian Statistical Geography Standard</td>
</tr>
<tr>
<td>BAV</td>
<td>Bus Association of Victoria</td>
</tr>
<tr>
<td>BBC</td>
<td>Building Better Cities</td>
</tr>
<tr>
<td>BCS</td>
<td>Biodiversity Conservation Strategy</td>
</tr>
<tr>
<td>BDA</td>
<td>Building Designers Association</td>
</tr>
<tr>
<td>BDAV</td>
<td>Building Designers Association Victoria</td>
</tr>
<tr>
<td>BITRE</td>
<td>Bureau of Infrastructure, Transport and Regional Economics</td>
</tr>
<tr>
<td>BRT</td>
<td>Bus Rapid Transit</td>
</tr>
<tr>
<td>CAs</td>
<td>Central Activities Areas</td>
</tr>
<tr>
<td>CAD</td>
<td>Canadian Dollar</td>
</tr>
<tr>
<td>CALD</td>
<td>Culturally And Linguistically Diverse</td>
</tr>
<tr>
<td>CBD</td>
<td>Central Business District</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CIS</td>
<td>Centre for Independent Studies</td>
</tr>
<tr>
<td>CIV</td>
<td>Community Indicators Victoria</td>
</tr>
<tr>
<td>CLT</td>
<td>Cross Laminated Timber</td>
</tr>
<tr>
<td>CMP</td>
<td>Calgary Metropolitan Plan</td>
</tr>
<tr>
<td>CMY</td>
<td>Centre for Multicultural Youth</td>
</tr>
<tr>
<td>CO₂</td>
<td>Carbon Dioxide</td>
</tr>
<tr>
<td>COAG</td>
<td>Council of Australian Governments</td>
</tr>
<tr>
<td>CPI</td>
<td>Consumer Price Index</td>
</tr>
<tr>
<td>CPN</td>
<td>Clinical Placement Networks</td>
</tr>
<tr>
<td>CPTED</td>
<td>Crime Prevention Through Environmental Design</td>
</tr>
<tr>
<td>CPUR</td>
<td>Centre for Population and Urban Research</td>
</tr>
<tr>
<td>CRP</td>
<td>Calgary Regional Partnership</td>
</tr>
<tr>
<td>DC</td>
<td>Development Contributions</td>
</tr>
<tr>
<td>DCLG</td>
<td>Department of Communities and Local Government</td>
</tr>
<tr>
<td>DCP</td>
<td>Development Contributions Plan</td>
</tr>
<tr>
<td>DEECD</td>
<td>Department of Education and Early Childhood Development</td>
</tr>
<tr>
<td>DEEWR</td>
<td>Department of Education, Employment and Workplace Relations</td>
</tr>
<tr>
<td>Acronym</td>
<td>Full Form</td>
</tr>
<tr>
<td>---------</td>
<td>-----------</td>
</tr>
<tr>
<td>DHS</td>
<td>Department of Human Services</td>
</tr>
<tr>
<td>DIAC</td>
<td>Department of Immigration and Citizenship</td>
</tr>
<tr>
<td>DLR</td>
<td>Docklands Light Rail</td>
</tr>
<tr>
<td>DOIT</td>
<td>Department of Infrastructure and Transport</td>
</tr>
<tr>
<td>DON</td>
<td>Department of Neighbourhoods</td>
</tr>
<tr>
<td>DoT</td>
<td>Department of Transport</td>
</tr>
<tr>
<td>DPCD</td>
<td>Department of Planning and Community Development</td>
</tr>
<tr>
<td>DSE</td>
<td>Department of Sustainability and Environment</td>
</tr>
<tr>
<td>DSEWPaC</td>
<td>Department of Sustainability, Environment, Water, Pollution and Communities</td>
</tr>
<tr>
<td>DTF</td>
<td>Department of Treasury and Finance</td>
</tr>
<tr>
<td>DWS</td>
<td>District of Workforce Shortage</td>
</tr>
<tr>
<td>EEA</td>
<td>Environment Effects Act 1978</td>
</tr>
<tr>
<td>EIU</td>
<td>Economist Intelligence Unit</td>
</tr>
<tr>
<td>EMR</td>
<td>Eastern Metropolitan Region</td>
</tr>
<tr>
<td>EPA</td>
<td>Environment Protection Act 1970</td>
</tr>
<tr>
<td>EPBC</td>
<td>Environment and Protection and Biodiversity Act 1999</td>
</tr>
<tr>
<td>ERASS</td>
<td>Exercise, Recreation and Sport Survey</td>
</tr>
<tr>
<td>ERP</td>
<td>Estimated Resident Population</td>
</tr>
<tr>
<td>ESD</td>
<td>Environmentally Sustainable Development</td>
</tr>
<tr>
<td>FFV</td>
<td>Football Federation Victoria</td>
</tr>
<tr>
<td>EUAA</td>
<td>Energy Users Association of Australia</td>
</tr>
<tr>
<td>FHOB</td>
<td>First Home Owners Boost</td>
</tr>
<tr>
<td>FHOG</td>
<td>First Home Owners Grant</td>
</tr>
<tr>
<td>FSPUD</td>
<td>Food Sensitive Planning and Urban Design</td>
</tr>
<tr>
<td>FTE</td>
<td>Full Time Equivalent</td>
</tr>
<tr>
<td>GAA</td>
<td>Growth Areas Authority</td>
</tr>
<tr>
<td>GAIC</td>
<td>Growth Areas Infrastructure Charge</td>
</tr>
<tr>
<td>GCPs</td>
<td>Growth Corridor Plans</td>
</tr>
<tr>
<td>GCCSAs</td>
<td>Greater Capital City Statistical Areas</td>
</tr>
<tr>
<td>GDI</td>
<td>Gross Domestic Income</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GFC</td>
<td>Global Financial Crisis</td>
</tr>
<tr>
<td>GL</td>
<td>GigaLitres</td>
</tr>
<tr>
<td>GNI</td>
<td>Gross National Income</td>
</tr>
<tr>
<td>GP</td>
<td>General Practitioner</td>
</tr>
<tr>
<td>GPO</td>
<td>General Post Office</td>
</tr>
<tr>
<td>GPV</td>
<td>General Practice Victoria</td>
</tr>
<tr>
<td>GR</td>
<td>Grampians Region</td>
</tr>
<tr>
<td>GSM</td>
<td>Golden Sun Moth</td>
</tr>
<tr>
<td>GST</td>
<td>Goods and Services Tax</td>
</tr>
<tr>
<td>GTA</td>
<td>Greater Toronto Area</td>
</tr>
<tr>
<td>GWZ</td>
<td>Green Wedge Zone</td>
</tr>
<tr>
<td>GWZA</td>
<td>Green Wedge Zone A</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>HENNA</td>
<td>Health Education Network of Northern Adelaide</td>
</tr>
<tr>
<td>HAC</td>
<td>Homes and Communities Agency</td>
</tr>
<tr>
<td>HACC</td>
<td>Home and Community Care</td>
</tr>
<tr>
<td>HIA</td>
<td>Housing Industry Association</td>
</tr>
<tr>
<td>HITH</td>
<td>Hospital in the Home</td>
</tr>
<tr>
<td>HILDA</td>
<td>Household, Income and Labour Dynamics in Australia</td>
</tr>
<tr>
<td>HWA</td>
<td>Health Workforce Australia</td>
</tr>
<tr>
<td>HWPCP</td>
<td>Hume Whittlesea Primary Care Partnership</td>
</tr>
<tr>
<td>IA</td>
<td>Infrastructure Australia</td>
</tr>
<tr>
<td>IFWG</td>
<td>Infrastructure Finance Working Group</td>
</tr>
<tr>
<td>IRSD</td>
<td>Index of Relative Socio-economic Disadvantage</td>
</tr>
<tr>
<td>ITS</td>
<td>Intelligent Transport Systems</td>
</tr>
<tr>
<td>IWMG</td>
<td>Integrated Water Management Plan</td>
</tr>
<tr>
<td>LEAD</td>
<td>Localities Embracing and Accepting Diversity</td>
</tr>
<tr>
<td>LGA</td>
<td>Local Government Area</td>
</tr>
<tr>
<td>LL</td>
<td>Lend Lease</td>
</tr>
<tr>
<td>LMH PCIe</td>
<td>Lyell McEwin Hospital Precinct</td>
</tr>
<tr>
<td>LPPF</td>
<td>Local Planning Policy Framework</td>
</tr>
<tr>
<td>LRT</td>
<td>Light Rail Transit</td>
</tr>
<tr>
<td>MAAs</td>
<td>Major Activities Areas</td>
</tr>
<tr>
<td>MAV</td>
<td>Municipal Association Victoria</td>
</tr>
<tr>
<td>MBA</td>
<td>Master Builders Association</td>
</tr>
<tr>
<td>MDOMA</td>
<td>More Doctors for Outer Metropolitan Areas</td>
</tr>
<tr>
<td>MLA</td>
<td>Member of the Legislative Assembly</td>
</tr>
<tr>
<td>MLC</td>
<td>Member of the Legislative Council</td>
</tr>
<tr>
<td>MMBW</td>
<td>Melbourne and Metropolitan Board of Works</td>
</tr>
<tr>
<td>MSD</td>
<td>Melbourne Statistical Division</td>
</tr>
<tr>
<td>Mt</td>
<td>Million Tons</td>
</tr>
<tr>
<td>MTF</td>
<td>Metropolitan Transport Forum</td>
</tr>
<tr>
<td>MYAN</td>
<td>Multicultural Youth Advocacy Network</td>
</tr>
<tr>
<td>NAAAs</td>
<td>Neighbourhood Activities Areas</td>
</tr>
<tr>
<td>NAHA</td>
<td>National Affordable Housing Agreement</td>
</tr>
<tr>
<td>NATSEM</td>
<td>National Centre for Social and Economic Modelling</td>
</tr>
<tr>
<td>NSL</td>
<td>Network and City Landscape</td>
</tr>
<tr>
<td>NGAA</td>
<td>National Growth Area Alliance</td>
</tr>
<tr>
<td>NIMBY</td>
<td>Not In My Back Yard</td>
</tr>
<tr>
<td>NOM</td>
<td>Net Overseas Migration</td>
</tr>
<tr>
<td>NP Agreement</td>
<td>National Partnership Agreement on Energy Efficiency</td>
</tr>
<tr>
<td>NSEE</td>
<td>National Strategy on Energy Efficiency</td>
</tr>
<tr>
<td>NVPP</td>
<td>Native Vegetation Precinct Plan</td>
</tr>
<tr>
<td>NSL</td>
<td>Network City and Landscape</td>
</tr>
<tr>
<td>OAM</td>
<td>Medal of the Order of Australia</td>
</tr>
<tr>
<td>OMAC</td>
<td>Office of Multicultural Affairs and Citizenship</td>
</tr>
<tr>
<td>OMRP</td>
<td>Outer Metropolitan Relocation Program</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------------------------------------------------</td>
</tr>
<tr>
<td>OMSTP</td>
<td>Outer Metropolitan Specialist Trainee Program</td>
</tr>
<tr>
<td>OSISDC</td>
<td>Outer Suburban/Interface Services and Development Committee</td>
</tr>
<tr>
<td>P&amp;EA</td>
<td>Planning and Environment Act 1987</td>
</tr>
<tr>
<td>PAAs</td>
<td>Principal Activities Areas</td>
</tr>
<tr>
<td>PAPU</td>
<td>Psychiatric Assessment and Planning Unit</td>
</tr>
<tr>
<td>PCP</td>
<td>Primary Care Partnerships</td>
</tr>
<tr>
<td>PIA</td>
<td>Planning Institute of Australia</td>
</tr>
<tr>
<td>PIP</td>
<td>Precinct Infrastructure Plan</td>
</tr>
<tr>
<td>PM</td>
<td>After Midday</td>
</tr>
<tr>
<td>PPP-4</td>
<td>Public Private Partnerships</td>
</tr>
<tr>
<td>PPTN</td>
<td>Principal Public Transport Network</td>
</tr>
<tr>
<td>PSP</td>
<td>Precinct Structure Plan</td>
</tr>
<tr>
<td>PSRACS</td>
<td>Public Sector Residential Aged Care Services</td>
</tr>
<tr>
<td>PTV</td>
<td>Public Transport Victoria</td>
</tr>
<tr>
<td>QLD</td>
<td>Queensland</td>
</tr>
<tr>
<td>RACV</td>
<td>Royal Automotive Club of Victoria</td>
</tr>
<tr>
<td>RASC</td>
<td>Regional Australia Standing Council</td>
</tr>
<tr>
<td>RCD</td>
<td>Revitalising Central Dandenong</td>
</tr>
<tr>
<td>RCV</td>
<td>Regional Cities Victoria</td>
</tr>
<tr>
<td>REACH</td>
<td>Regional Community Health Hub</td>
</tr>
<tr>
<td>REIV</td>
<td>Real Estate Institute of Victoria</td>
</tr>
<tr>
<td>RMIT</td>
<td>Royal Melbourne Institute of Technology</td>
</tr>
<tr>
<td>RRL</td>
<td>Regional Rail Link</td>
</tr>
<tr>
<td>SA</td>
<td>South Australia</td>
</tr>
<tr>
<td>SAAs</td>
<td>Specialised Activities Areas</td>
</tr>
<tr>
<td>SA2</td>
<td>Statistical Area Level 2</td>
</tr>
<tr>
<td>SD</td>
<td>Statistical Division</td>
</tr>
<tr>
<td>SECCCA</td>
<td>South East Councils Climate Change Alliance</td>
</tr>
<tr>
<td>SEDA</td>
<td>Sports Education and Development Australia</td>
</tr>
<tr>
<td>SEIFA</td>
<td>Socio Economic Indexes for Area</td>
</tr>
<tr>
<td>SLA</td>
<td>Statistical Local Areas</td>
</tr>
<tr>
<td>SMRDA</td>
<td>Southern Melbourne Regional Development Australia</td>
</tr>
<tr>
<td>SOE</td>
<td>State Owned Enterprise</td>
</tr>
<tr>
<td>SPPF</td>
<td>State Planning Policy Framework</td>
</tr>
<tr>
<td>SRO</td>
<td>State Revenue Office</td>
</tr>
<tr>
<td>TAFE</td>
<td>Technical and Further Education</td>
</tr>
<tr>
<td>The Plan</td>
<td>Metropolitan Planning Strategy for Melbourne</td>
</tr>
<tr>
<td>TIF</td>
<td>Tax Increment Financing</td>
</tr>
<tr>
<td>TOD</td>
<td>Transit Oriented Development</td>
</tr>
<tr>
<td>TTF</td>
<td>Tourism and Transport Forum</td>
</tr>
<tr>
<td>TTO</td>
<td>Toronto Transit Commission</td>
</tr>
<tr>
<td>U3A</td>
<td>University of the Third Age</td>
</tr>
<tr>
<td>UDIA</td>
<td>Urban Development Institute of Australia</td>
</tr>
<tr>
<td>UDIBC</td>
<td>Urban Development Institute of British Columbia</td>
</tr>
<tr>
<td>Acronyms</td>
<td>Description</td>
</tr>
<tr>
<td>----------</td>
<td>-------------</td>
</tr>
<tr>
<td>UGB</td>
<td>Urban Growth Boundary</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>URA</td>
<td>Urban Renewal Authority</td>
</tr>
<tr>
<td>US</td>
<td>United States</td>
</tr>
<tr>
<td>VAMPIRE</td>
<td>Vulnerability Assessment for Mortgage, Petroleum and Inflation Risks and Expenses</td>
</tr>
<tr>
<td>VCAL</td>
<td>Victorian Certificate of Applied Learning</td>
</tr>
<tr>
<td>VCAT</td>
<td>Victorian Civil and Administrative Tribunal</td>
</tr>
<tr>
<td>VCAT Act</td>
<td>Victorian Civil and Administrative Tribunal Act 1998</td>
</tr>
<tr>
<td>VCOS</td>
<td>Victorian Council of Social Services</td>
</tr>
<tr>
<td>VCPCS</td>
<td>Victorian Clinical Placements Council</td>
</tr>
<tr>
<td>VCSS</td>
<td>Victorian Council of Social Services</td>
</tr>
<tr>
<td>VEAC</td>
<td>Victorian Environmental Assessment Council</td>
</tr>
<tr>
<td>VLP</td>
<td>Victorian Police Youth Leadership Program</td>
</tr>
<tr>
<td>VMC</td>
<td>Victorian Multicultural Commission</td>
</tr>
<tr>
<td>VPPs</td>
<td>Victorian Planning Provisions</td>
</tr>
<tr>
<td>VPYC</td>
<td>Victorian Police Youth Corps</td>
</tr>
<tr>
<td>VRU</td>
<td>Victorian Rugby Union</td>
</tr>
<tr>
<td>WA</td>
<td>Western Australia</td>
</tr>
<tr>
<td>WGP</td>
<td>Westgate General Practice Network</td>
</tr>
</tbody>
</table>
GLOSSARY

Activities Areas: Activities Areas are metropolitan hubs containing retail, educational, medical or other services and may also contain some residential accommodation. Usually served by public transport, they range in size and intensity of use from local neighbourhood strip shopping centres to universities and major regional shopping malls.

Brownfield development: Brownfield development takes place on land that has been previously used (often for industrial purposes), but has subsequently become vacant, derelict or contaminated. Brownfield development sites are often sites for urban renewal projects and typically require remediation work before any new development goes ahead.

Community renewal: Seeks to build human capital in communities facing a range of difficulties including falling employment, poor access to transport services and run-down community facilities. Community renewal programs aim to: increase work and educational opportunities; participation in a range of social, cultural and sporting activities; and provide opportunities for greater involvement in decision-making affecting the community.

Greater Melbourne: Greater Melbourne is defined by the Australian Bureau of Statistics (ABS) as the Greater Melbourne Statistical Area (GMSA). The term Greater Capital City Statistical Area (GCCSA) is used to refer to Australian Capital Cities generically. The replacement of the previous definition of Melbourne (the Melbourne Statistical Division) by the GMSA was aimed at including parts of Victoria with strong socio-economic links to Melbourne. These include non-metropolitan settlements such as Bacchus Marsh, Gisborne, Mt Macedon, Wandong and Kinglake.

Green Wedge: The open landscapes around Melbourne’s outskirts originally set aside in the 1970s to conserve rural activities and significant natural features from Melbourne’s outward growth. Green Wedges are defined under the Planning and Environment Act 1987 as land outside the Urban Growth Boundary as described in a metropolitan fringe council planning scheme.

Green Wedge Councils: Green Wedge Councils are the three Interface Councils (Mornington Peninsula, Nillumbik and Yarra Ranges) that contain substantial areas of Green Wedge land and which are not Growth Area Councils.
Greenfield development: Greenfield development occurs on undeveloped land in or adjacent to an urban area that has been identified as potentially suitable for future urban development. Greenfield development sites are generally found on the fringes of existing urban areas, often on land currently used for agricultural purposes.

Growth Area: An area of land in the municipal district of one or more Growth Area Councils. There are currently six Growth Areas: Casey-Cardinia; Hume; Melton; Mitchell; Whittlesea; and Wyndham.

Growth Area Council: Any of the following seven municipal LGAs located in Growth Areas: Cardinia Shire Council; Casey City Council; Hume City Council; Melton Shire Council; Mitchell Shire Council; Whittlesea City Council; and Wyndham City Council.

Growth Areas Infrastructure Contribution (GAIC): The GAIC is applied to land zoned for urban development and brought within the Urban Growth Boundary since 2005. It is used to help fund the provision of state infrastructure needed to support Greenfields development in new suburbs.

Growth Corridors: In the last two decades, Melbourne has pursued outward growth along four major growth corridors, namely: North (Hume/Mitchell); South-East (Casey/Cardinia); West (Wyndham/Melton) and Sunbury. In recent years, the Victorian Government has developed Growth Corridor Plans to comprehensively plan the long-term urban development of these corridors.

Growth Corridor Plans (GCPs): These aim to set a strategic framework guiding future development within Melbourne’s four Growth Corridors. They broadly identify preferred land uses, likely transport corridors and locations of major and principal town centres. GCPs are intended to inform the development of Precinct Structure Plans (PSPs).

Housing affordability: Typically, housing affordability indicators rely on a measure specifying acceptable proportions of household income spent on housing, or income remaining income once housing costs have been met. Housing is affordable when rent or mortgage payments are low enough to leave households with enough income to meet the costs of other basic needs, such as food, clothing, transport, medical care and education.
**Housing stress:** The situation where housing costs (in the form of rent or mortgage payments) exceed 30 per cent of gross household income. The 30 per cent ratio is widely used and measures the relationship between median house prices, household incomes, and interest rates. Housing stress for homebuyers caused by high interest rates formed a key element of the VAMPIRE Index.

**In-fill development:** Involves the development of unused or underutilised land within existing urban areas. As most in-fill development sites are in inner and middle suburbs it offers the possibility of better utilising existing infrastructure to accommodate population growth in urban areas. Brownfield developments can often be found on in-fill sites in established suburbs.

**Interface Councils:** A group of ten municipal councils that form a ring around Melbourne's inner and middle municipalities. Interface Councils comprise the seven Growth Area Councils and the three Green Wedge Councils.

**Landscape Urbanism:** Landscape urbanism is an approach to urban planning and design concerned with urban forms that manage water, vegetation, air quality and other complex environmental systems. Landscape urbanism treats existing landscapes as the fundamental principle in urban planning and design. Prominent examples of Landscape Urbanism are found in sites remediated for the 2012 London Olympic Games.

**Liveability:** Liveability scores, based on a range of socio-economic, recreational and environmental measures are increasingly used as a broad tool for benchmarking cities around the world. More generally, Liveability is seen as a measure of a quality of life for a city’s residents.

**Local Government Area (LGA):** An LGA is an administrative division of an Australian state or territory that local government is responsible for. These can range in size from relatively small inner-city LGAs to large LGAs in regional Victoria.

**Melbourne Statistical Division (MSD):** Prior to the 2011 Census, the MSD was used to define the size of Greater Melbourne. Since the 2011 Census, the MSD definition has been replaced by the Greater Melbourne Statistical Area.
Neighbourhood renewal: This comprises urban renewal (refurbishment of the built environment), community renewal (building up social capital) or a combination of the two. Neighbourhood renewal programs are often partnerships between State and Local government agencies, the not-for-profit sector and local communities to coordinate the provision of programs and services and establish renewal projects run by local residents.

Net Overseas Migration (NOM): NOM represents the net gain or loss of population through immigration to Australia and emigration from Australia.

New Urbanism: New Urbanism is an urban planning and design movement dating from the 1980s that emphasises walkable neighbourhoods with a range of housing and job types. It has had a deep impact on many aspects of real estate development, urban planning, and land-use strategies in the US and elsewhere. It draws heavily on pre-automobile forms of urban design using Transit Oriented Development (TOD) concepts. New Urbanism is closely related to Smart Growth.

Not In My Backyard (NIMBY): Opposition by individuals or groups in an established area who object to proposed developments in their neighbourhood that they perceive to be unpleasant or hazardous, while not objecting to similar developments elsewhere. Proposals for social or high-density housing, brownfield developments in established suburbs and major new road and rail infrastructure project often attract NIMBY objections.

Precinct Structure Plans (PSPs): PSPs are detailed structure plans for future Growth Corridor developments, informed by strategic frameworks set out in Growth Corridor Plans. Before development begins, the Growth Areas Authority and the relevant Growth Area Council develops PSPs identifying alignments of transport routes, town centre locations; open space networks, densities in residential areas and areas for industry and employment. Additional plans for State and council infrastructure needs, development contributions and native vegetation are also produced.

‘Salt and Pepper’ housing: This concept represents the mixing of different socio-economic groups in new housing developments. It is often achieved through blending social housing tenants with private renters and owner-occupiers in a multi-unit residential development. The use of tenancy blind design should ensure social housing tenants are outwardly indistinguishable from other occupants.
Secondary/Tertiary suites: The city of Vancouver, Canada allows the construction of a second or third residence (‘suites’) on a single block of land as a way to promote In-fill development, increase residential densities, reduce housing stress by providing additional income to homeowners and increase housing affordability. Most newly-constructed family homes in metropolitan Vancouver include a ‘secondary suite’, either in a lower level of the primary residence or a separate structure. Many new homes also include a separate ‘tertiary suite’ built adjoining a side or rear laneway.

Smart Growth: Describes an approach to urban planning and design whose principles emphasise Transit Oriented Development, walking and cycling, preservation of natural and built environments, sustainable development and planning for the future. Smart Growth often focuses on Brownfields developments in existing urban areas to reduce pressure on urban expansion from Greenfields developments and preserve rural areas, agricultural land and environmentally sensitive areas.

Social housing: Comprises secure and affordable rental housing for low to moderate income families and individuals, particularly those who have difficulties accessing accommodation in the private rental market. Social housing can be found in traditional public housing developments, but also in new, mixed residential developments designed to be tenancy blind, where social housing tenants are housed among private renters and owner-occupiers using salt and pepper methods.

Tenancy blindness: Helps to reduce the differentiation and stigmatisation of social housing by the use of similar or identical designs for private and social housing units within a residential development. The aim of tenancy blind design is to promote social integration without impacting property prices. Tenancy blind design principles can include the use of ‘buffering’ to create the appearance of a graduated range of different house types within a single street or block.

Transit Oriented Development (TOD): TODs are urban forms designed to maximise access by public transport, walking and cycling and minimise car use. A typical TOD will have a rail or bus station at its core, surrounded by dense residential and commercial development which may include retail, commercial, medical, educational and other services, with progressively lower-density developments within walking and cycling distance of the public transport station.

Urban Containment Boundary (UCB): Some cities have implemented a UCB to provide a hard urban boundary to control urban growth and protect agricultural land and natural and environmental areas. With a UCB in place, development is then able to be channelled and intensified into existing urban areas, through In-fill and Brownfields developments, with Greenfields developments considered only as a last resort. The UCB is an important element behind Vancouverism.
Urban Growth Boundary (UGB): The UGB indicates the long-term limits of urban development and where non-urban values and land uses should prevail in Greater Melbourne, including the Mornington Peninsula.

Urban Renewal: A process where urban areas are improved or rehabilitated. Urban renewal traditionally involved demolishing old or run-down buildings on brownfield sites in inner-city areas to build new residential or commercial developments or large-scale public works projects such as convention centres, stadia or freeways. Urban renewal can also build upon an area’s existing strengths to make better use of underutilised land located close to jobs, services and transport.

VAMPIRE index: The VAMPIRE (Vulnerability Assessment for Mortgage, Petroleum and Inflation Risks and Expenses) index identifies the relative degree of socio-economic stress in suburbs of major Australian cities, including Housing Stress. It measures the vulnerability of households to changes in home loan interest rates, petrol prices and other cost of living factors.

Vancouverism: Is an urban planning and architectural technique pioneered in Vancouver, Canada. It is characterised by mixed-use developments typically featuring a broad, low-rise, commercial base and narrow, medium-rise residential towers to accommodate higher density populations within an urban area defined by its Urban Containment Boundary while preserving sightlines to natural and environmental scenery.
TABLE OF FINDINGS

FINDING 2.1: Urban planning, including land supply, housing supply, and infrastructure provision, should be aimed at channeling population growth into areas that have the greatest current and future capacity to meet the infrastructure needs of new residents. ................................................................. 97

FINDING 2.2: There is limited choice with regard to the variety of dwelling types, dwelling sizes and affordability in terms of catering to families or the ageing population in inner Melbourne. ............................................................. 110

FINDING 2.3: The Committee finds that there is a pressing need for forward planning by Interface Councils to meet the future needs of ageing populations in Melbourne's outer suburbs. ................................................................. 114

FINDING 2.4: The Committee finds that Melbourne's high level of population growth in recent years is a key explanation for the high level of demand for housing that has been experienced in Melbourne's outer suburbs. Forecast levels of population and household growth for Melbourne over coming decades will require a high level of new and mixed housing construction, both in Melbourne's Growth Areas and in the more established suburbs. .............................................................................................................. 116

FINDING 2.5: The Committee finds that recent increases in household size suggest that there is a level of unmet demand for new housing across Melbourne given the forecast decline in household size over coming decades. There is therefore likely to be a robust demand for new housing supply that is able to accommodate a greater density and diversity of households in Melbourne's outer suburbs, and throughout metropolitan Melbourne, in coming decades. ........................................................................................................................................... 120

FINDING 2.6: Melbourne's Growth Area Councils have accommodated a disproportionate amount of Melbourne's population growth in recent years, which has placed significant pressure on existing infrastructure and created strong demand for new infrastructure, which has not been met and should be addressed as a matter of urgency. ........................................................................................................................................... 128

FINDING 2.7: The delayed provision of infrastructure in Melbourne's Growth Areas has significantly increased the demands placed upon the available infrastructure in Melbourne's established outer, middle and inner ring suburbs and has a negative impact on liveability throughout metropolitan Melbourne. ........................................................................................................................................... 129

FINDING 2.8: The Committee considers that both the medium and long term benefits of population growth in Melbourne's outer suburbs, when properly managed, far outweigh any negative impacts (such as increased pressure on infrastructure) that may be experienced in the short term. .................................................................................................................................................. 130

FINDING 3.1: There is ample evidence that suggests the perceived affordability of housing in Melbourne's Growth Areas exposes home buyers in these areas, compared to other areas of Melbourne, to an increased risk of mortgage stress, (defined as the situation where repayments account for 30 per cent or more of household income). .................................................................................................................................................. 155

FINDING 3.2: There is a need to provide home buyers in Melbourne's Growth Area Councils with mechanisms, such as targeted education programs and personalised financial advice, to reduce the risk of mortgage and related financial stress in these areas. .................................................................................................................................................. 168

FINDING 3.3: Some areas in Melbourne's Interface Councils are currently experiencing pressures on social cohesion and are at risk of socio-spatial polarisation. ........................................................................................................................................... 172

FINDING 3.4: Land supply is only one factor, amongst several others, that impacts upon housing affordability in the outer suburbs and Interface Councils of Melbourne. ........................................................................................................................................... 184

FINDING 3.5: The supply of housing is affected not only by the supply of land available for development, but by the speed at which developers choose to develop their land. ........................................................................................................................................... 186

FINDING 3.6: That the release of additional residential land through the recent Logical Inclusions Process will improve Melbourne's land supply over the medium term and is likely to place downward pressure on the cost of housing in Melbourne's outer suburbs. ........................................................................................................................................... 187
FINDING 3.7: The Committee acknowledges the benefits of maximising alternate living options through providing a range of secondary and tertiary suite models within housing options. ................................................................. 196

FINDING 3.8: The development of Melbourne’s Growth Areas has the potential to facilitate a significant increase in available social and affordable housing through the principles of ‘Tenancy Blindness’, and the ‘Salt and Peppering’ of public and private housing. ................................................................. 200

FINDING 4.1: Effectively balancing the objectives and strategies in Clause 16 of the State Planning Policy Framework is critical to improving housing affordability in Melbourne’s outer suburbs, and Metropolitan Melbourne in general. ................................................................. 223

FINDING 4.2: The application of the proposed zones to achieve the aims of increased residential densities and housing affordability may need improved support mechanisms. ........................................................................ 232

FINDING 4.3: While the construction of new housing stock in Melbourne’s outer suburbs has been dominated for decades by detached single storey dwellings of three to four bedrooms, there is evidence of an emerging trend towards an increase in the construction of medium and higher density development in Melbourne’s new outer suburbs. ........................................................................ 250

This trend is an apparent response to the structural decline in housing affordability and to the market demand for a greater diversity of housing types. ........................................................................ 250

FINDING 4.4: While detached housing in new suburbs remains a strong preference for many prospective home buyers, there is also significant evidence of a growing consumer preference for the increased housing diversity and affordability associated with densification in established suburbs. ........................................................................ 253

FINDING 4.5: The rate of appeal against development applications is significantly higher in Victoria than in comparable states, such as New South Wales and Queensland. ................................................. 257

FINDING 4.6: The recent experience of Toronto provides a valuable lesson for Melbourne. As a consequence of failing to adequately plan for and embrace increased residential densities in response to population growth, Toronto has been compelled to develop pockets of extremely high density. ........................................................................ 270

FINDING 4.7: Bus rapid transit is a suitable model for servicing the growing population of outer suburban Melbourne in the short-term. ........................................................................ 287

FINDING 4.8: The early provision of public transport is important in providing alternatives to car transport in outer suburban residential communities. Paratransit services, such as community buses, are a suitable model for the provision of these services. ........................................................................ 290

FINDING 4.9: The success of Activities Areas is dependent on integrated transport planning to connect outlying areas to the services and transport nodes found in activity centres. ........................................................................ 292

FINDING 4.10: There is a need for the provision of new or retrofitted high quality public transport connections to the Principal Public Transport Network in the Interface Councils. ........................................................................ 293

FINDING 4.11: A number of arterial roads in Melbourne’s growth area suburbs are currently at or well beyond capacity, which has a significant adverse impact on the mobility of residents and on the liveability of those suburbs. ........................................................................ 297

FINDING 4.12: The development contributions system has in recent years proven an inadequate source of funding for infrastructure in Growth Areas. ........................................................................ 302

FINDING 4.13: The preferred framework for local development contributions plans, announced by the Minister for Planning in May 2012 is designed to provide greater certainty for councils and developers and is likely to reduce delays in the provision of infrastructure for new suburbs. ........................................................................ 304

FINDING 5.1: In some of Melbourne’s outer suburbs there is a strong sense of community, which is an element in the liveability of such areas........................................................................ 334

FINDING 5.2: The physical location and relative newness of some of Melbourne’s outer suburbs increases the risk of social isolation for residents of those areas. ........................................................................ 334
**Table of Findings**

**Finding 5.3:** Extending the opening hours of libraries, neighbourhood houses and youth community centres, and making opening hours more consistent between service providers, has the potential to improve the liveability options of youth in Melbourne’s outer suburbs. .......................................................... 346

**Finding 5.4:** There is a need for improved “secondary settlement” services for migrants who move to Melbourne’s Interface Councils from inner and middle-ring suburbs. ............................................................................. 351

**Finding 5.5:** There is evidence to suggest that the proportion of younger people who consider that they have adequate opportunity to participate in the arts locally is significantly lower in many of the Interface Councils than is the case for Greater Melbourne. .............................................................................. 356

**Finding 5.6:** There is evidence to suggest that Melbourne’s inner metropolitan councils are able to spend twice as much per head of population on arts and culture as the Interface Councils. .............................................................................. 358

**Finding 5.7:** There is scope for the Office of Multicultural Affairs and Citizenship and for the Victorian Multicultural Commission to work together to identify additional opportunities for promoting understanding and mutual respect of cultural difference between native born and newly arrived young Australians, with the specific aim of addressing the conditions that can result in violent crime and criminal behaviour more generally. ......................................................................................... 362

**Finding 5.8:** The early establishment of residents associations is a highly effective means of community building in new housing developments in Melbourne’s outer suburbs. .......................................................... 364

**Finding 6.1:** Open space has the potential to enhance the liveability of the outer suburbs of Melbourne and to deliver significant economic, public health, and ecological benefits to outer-suburban residents. ............. 404

**Finding 6.2:** There has been a decline in the amount of private open space available to new residents in Melbourne’s outer suburbs in recent years, which makes the provision of adequate public space increasingly important in these areas. This is due to an increasing trend of smaller lot sizes, which is related to housing affordability pressures. .................................................................................................................................. 410

**Finding 6.3:** Recycled water represents a valuable resource for the maintenance of open space and recreational facilities in Melbourne’s outer suburbs. .......................................................................................................................... 424

**Finding 6.4:** The mapping, data collection and development of a Biodiversity Conservation Strategy for Victoria should reduce uncertainty for both developers and conservationists. ............................................................................. 430

**Finding 6.5:** Food security is an important element of liveable and sustainable communities in Melbourne and outer-suburban Melbourne has a key role to play in supporting food security. ........................................................................................................................................ 440

**Finding 6.6:** Increasing the density of housing and improving road networks in outer-suburban growth areas has the capacity to reduce pressure on agricultural areas. ......................................................................................................................... 441

**Finding 6.7:** The Victorian Government’s proposed changes to the range of permitted activities in Melbourne’s green wedges may improve the economic, social and environmental contribution of these areas to Melbourne’s outer suburbs and to the wider metropolitan area. ......................................................................................... 449

**Finding 7.1:** There is a need for additional acute hospital beds for the residents of Wyndham, Melton, Casey and Yarra Ranges as the areas of greatest need. There is also a pressing need to expand the provision of local maternity services for residents of the City of Melton. ......................................................................................... 483

**Finding 7.2:** The Shire of Yarra Ranges and the Shire of Nillumbik do not have acute public hospitals within their boundaries. It is noted that the level of population growth that has been forecast for these LGAs is significantly lower than Wyndham, Melton and Casey. ......................................................................................... 483

**Finding 7.3:** The number of day procedure centres (per 100,000 residents) in the Interface Councils is one tenth the number for metropolitan Melbourne. This represents a significant gap in the level of access to day procedure centres between the Interface Councils and the rest of metropolitan Melbourne. ......................................................................................... 489

**Finding 7.4:** The principle of ‘community integration’ should be paramount in the future siting and design of aged care facilities in Melbourne’s outer suburbs. Locating aged care facilities in close proximity to — or in co-location with — shops, services and residences in the outer suburbs is should be a key strategy in achieving
SUCH COMMUNITY INTEGRATION. THE MERCY PLACE PARKVILLE AGED CARE FACILITY PROVIDES A USEFUL MODEL FOR THE FACILITATION OF BOTH COMMUNITY INTEGRATION AND INDEPENDENT LIVING.

**FINDING 7.5:** THERE ARE SIGNIFICANT BENEFITS ASSOCIATED WITH ENABLING PEOPLE TO REMAIN IN THEIR HOMES AS THEY AGE IN MELBOURNE’S OUTER SUBURBS. THESE INCLUDE THE PRESERVATION OF INDIVIDUAL INDEPENDENCE, DIGNITY AND PEACE OF MIND, WHILST MAINTAINING THE INTEGRATION OF THE ELDERLY WITHIN LOCAL COMMUNITIES, AS WELL AS COST SAVINGS TO BOTH INDIVIDUALS AND GOVERNMENTS.

**FINDING 7.6:** THERE IS A SIGNIFICANT SHORTFALL IN THE PROVISION OF MENTAL HEALTH SERVICES IN MANY OF MELBOURNE’S OUTER SUBURBS. WITHOUT SIGNIFICANT INVESTMENT, THIS SHORTFALL WILL BE EXACERBATED IN THOSE AREAS FOR WHICH SIGNIFICANT LEVELS OF POPULATION GROWTH HAVE BEEN FORECAST IN COMING DECADES. THE SHORTFALL IS PARTICULARLY SEVERE IN THE AREA OF MENTAL HEALTH SERVICES FOR YOUNG PEOPLE IN MANY OF MELBOURNE’S OUTER SUBURBS.
TABLE OF RECOMMENDATIONS

RECOMMENDATION 2.1: THAT THE VICTORIAN GOVERNMENT, THROUGH THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT, AND IN CONSULTATION WITH EACH OF THE INTERFACE COUNCILS, UNDERTAKE A DETAILED AND INDIVIDUALISED ASSESSMENT OF THE AREAS OF GREATEST NEED FOR THE TEN INTERFACE COUNCILS IN TERMS OF ACCOMMODATING FUTURE POPULATION GROWTH. ...................................................................................................................................... 90

RECOMMENDATION 2.2: THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT MONITOR, AND PUBLISH REGULAR UPDATES ON RESIDENTIAL DENSITIES IN MELBOURNE’S INNER, MIDDLE AND OUTER SUBURBS. ................................................................................. 91

RECOMMENDATION 2.3: THAT THE VICTORIAN GOVERNMENT ACTIVELY PROMOTE THE BENEFITS OF LIVING CLOSE TO KEY ACTIVITIES AREAS. SUCH PROMOTION COULD TAKE THE FORM OF MARKETING AND EDUCATION CAMPAIGNS, AS WELL AS FINANCIAL AND OTHER INCENTIVES DESIGNED TO ENCOURAGE THE CONSTRUCTION OF INCREASED DENSITY ACCOMMODATION IN AREAS THAT ARE CURRENTLY DOMINATED BY LOW DENSITY RESIDENTIAL DWELLINGS. ...................................................................... 91

RECOMMENDATION 2.4: THAT THE VICTORIAN GOVERNMENT WORK WITH THE INTERFACE COUNCILS AND THE GROWTH AREAS AUTHORITY ON THE DEVELOPMENT OF MARKETING PROGRAMS DESIGNED TO INFORM PROSPECTIVE HOME BUYERS OF THE BENEFITS AND DIFFERENCES THAT ARE UNIQUE TO EACH OF THE INTERFACE COUNCILS. THE MARKETING SHOULD BE AIMED AT ACHIEVING AN OPTIMAL SHARE OF FUTURE POPULATION GROWTH BETWEEN ALL OF THE GROWTH AREA COUNCILS, AS WELL AS A GREATER SHARE OF POPULATION GROWTH IN THE INTERFACE COUNCILS. ................................................................... 92

RECOMMENDATION 2.5: THAT THE VICTORIAN GOVERNMENT FACILITATE THE COLLECTION OF ACCURATE AND REGULARLY UPDATED LOCAL POPULATION AND DEMOGRAPHIC DATA BY THE INTERFACE COUNCILS AND REGIONALLY TO ENABLE THEM TO FRAME LOCAL POPULATION STRATEGIES AND GROWTH AREA DEVELOPMENT PLANS. THESE PLANS SHOULD BE AIMED AT DIRECTING FUTURE POPULATION GROWTH TOWARDS AREAS WITH THE GREATEST CURRENT AND FUTURE CAPACITY FOR INFRASTRUCTURE PROVISION. SUCH LOCAL POPULATION STRATEGIES AND GROWTH AREA DEVELOPMENT PLANS SHOULD BE SUBJECT TO ANNUAL REVIEW ON THE BASIS OF POPULATION AND DEMOGRAPHIC DATA THAT IS ALSO COLLECTED ON AN ANNUAL BASIS. ............... 97

RECOMMENDATION 2.6: THAT THE VICTORIAN GOVERNMENT UNDERTAKE TO PERSUADE THE OTHER STATES AND THE COMMONWEALTH, THROUGH THE COUNCIL OF AUSTRALIAN GOVERNMENTS, TO HAVE A DIALOGUE AROUND DEVELOPING A NATIONAL POPULATION POLICY. ................................................................................................................................................. 105

RECOMMENDATION 2.7: THAT THE VICTORIAN GOVERNMENT ENCOURAGE DEVELOPERS TO CONSTRUCT A WIDER VARIETY OF HOUSING STOCK IN THE INNER SUBURBS THAT IS BOTH FAMILY FRIENDLY AND ACCESSIBLE TO THE OVER 65 YEAR OLD POPULATION. ................................................................................................................................................. 110

RECOMMENDATION 2.8: THAT THE VICTORIAN GOVERNMENT WORK WITH THE INTERFACE COUNCILS TO TARGET THE PROVISION OF ADDITIONAL YOUTH AND CHILDREN’S SERVICE INFRASTRUCTURE TO THE INTERFACE COUNCILS. ................................................................................. 111

RECOMMENDATION 2.9: THAT THE VICTORIAN GOVERNMENT, IN ITS NEW METROPOLITAN PLANNING STRATEGY, ESTABLISH PLANNING POLICIES AIMED AT DIRECTLY ADDRESSING THE NEEDS OF BOTH AN AGEING BUT ALSO A RELATIVELY YOUNG POPULATION IN MELBOURNE’S OUTER SUBURBS. SUCH POLICIES SHOULD INCLUDE SPECIFIC PROVISION FOR THESE AGE GROUPS IN TERMS OF INFRASTRUCTURE, SERVICES AND HOUSING. ................................................................................................................................................. 111

RECOMMENDATION 2.10: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE GROWTH AREAS AUTHORITY, INTERFACE COUNCILS AND DEVELOPERS — TO PLAN FOR THE CONSTRUCTION OF SUFICIENTLY MIXED RESIDENTIAL ACCOMMODATION TO ENSURE THAT IT MEETS THE NEEDS OF MELBOURNE’S FORECAST POPULATION AND HOUSEHOLD GROWTH IN COMING DECADES. ................................................................................................................................................. 116

RECOMMENDATION 2.11: THAT THE VICTORIAN GOVERNMENT ESTABLISHES A SYSTEM OF REGULAR REVIEW AND OVERSIGHT OF THE INFRASTRUCTURE NEEDS IN MELBOURNE’S RAPIDLY GROWING OUTER SUBURBS BASED ON THE ASSOCIATED POPULATION GROWTH AND DEMAND FOR INFRASTRUCTURE IN DEFINED AREAS. THE REVIEW SHOULD INCLUDE WELL DEFINED MARKET-BASED TRIGGERS AS A GUIDE FOR THE TIMING OF NEW INFRASTRUCTURE PROVISION, WHICH SHOULD IN TURN BE BASED UPON THE ATTAINMENT OF POPULATION LEVELS OR DENSITIES DEFINED AS SUFFICIENT TO PROVIDE THE NECESSARY ECONOMIES OF SCALE. ................................................................................................................................................. 122
RECOMMENDATION 2.12: THAT THE VICTORIAN GOVERNMENT PROACTIVELY PURSUE OPPORTUNITIES FOR COLLABORATION WITH THE COMMONWEALTH GOVERNMENT, THROUGH THE REGIONAL AUSTRALIA STANDING COUNCIL, FOR THE PROMOTION OF VICTORIA’S REGIONAL COMMUNITIES AS ATTRACTIVE PLACES TO LIVE AND WORK. .......................................................... 126

RECOMMENDATION 2.13: THAT THE VICTORIAN GOVERNMENT, IN CONJUNCTION WITH THE GROWTH AREAS AUTHORITY AND THE URBAN RENEWAL AUTHORITY, DEVELOP PLANNING POLICIES AND IMPLEMENTATION STRATEGIES AIMED AT INCREASING THE AMOUNT OF FUTURE POPULATION GROWTH THAT IS ACCOMMODATED IN MELBOURNE’S MIDDLE AND INNER RING SUBURBS AS WELL AS MELBOURNE’S OUTER SUBURBS. ........................................................................................................ 130

RECOMMENDATION 3.1: THAT, IN ADDITION TO THE INCOME TO HOUSE PRICE RATIO, THE VICTORIAN DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT INCORPORATE COST OF LIVING DATA, INCLUDING TRANSPORT AND UTILITY COSTS, IN FUTURE MEASURES OF PUBLISHED HOUSING AFFORDABILITY. ........................................................................................................ 150

RECOMMENDATION 3.2: THAT THE VICTORIAN GOVERNMENT DEVELOP AN ONLINE HOUSING AFFORDABILITY CALCULATOR TO ENABLE POTENTIAL HOME BUYERS TO ESTIMATE THE COST OF LIVING BY REFERENCE TO LOCATION, HOUSING TYPE AND NUMBER OF BEDROOMS. THE CALCULATOR SHOULD INCLUDE COST OF LIVING VARIABLES, INCLUDING TRANSPORT COSTS, UTILITIES AND RATES. ............................................................................................................... 151

RECOMMENDATION 3.3: THAT THE VICTORIAN GOVERNMENT INCLUDE THE IMPACT OF HOUSEHOLD TRANSPORT COSTS — AND OF CAR DEPENDENCE IN MELBOURNE’S OUTER SUBURBS IN PARTICULAR — IN ITS DEVELOPMENT OF FUTURE POLICIES AND PROGRAMS AIMED AT ADDRESSING AND MITIGATING HOUSING STRESS. ........................................................................................................ 164

RECOMMENDATION 3.4: THAT THE VICTORIAN GOVERNMENT REVIEW AND EVALUATE KILDONAN UNITING CARE’S FINANCIAL COUNSELLING SERVICES PROGRAM AT WHITTLESEA, AND ANY SIMILAR PROGRAMS, AS POSSIBLE MODELS FOR THE PROVISION OF INDEPENDENT FINANCIAL ADVICE FOR RECENT HOME BUYERS THROUGHOUT THE GROWTH AREA COUNCILS. .............................. 168

RECOMMENDATION 3.5: THAT THE VICTORIAN GOVERNMENT COLLABORATES WITH THE INTERFACE COUNCILS TO PROVIDE RESOURCES TO BOOST SOCIAL COHESION AND REDUCE SOCIO-SPATIAL POLARISATION WITHIN MELBOURNE’S OUTER SUBURBS. ........................................................................................................ 172

RECOMMENDATION 3.6: THAT THE VICTORIAN GOVERNMENT UNDERTAKES RESEARCH TO DETERMINE WHETHER A LACK OF HOUSING SUPPLY IN MELBOURNE IS AFFECTING HOUSEHOLD FORMATION PATTERNS AND REVIEW ITS HOUSING POLICIES ON THE BASIS OF ITS FINDINGS. ........................................................................................................ 177

RECOMMENDATION 3.7: THAT THE VICTORIAN GOVERNMENT CONSIDERS THE CITY OF OSHOWA’S PLAN IN PROVIDING INCENTIVES AND DIRECTION TO DEVELOPERS TO FACILITATE THE SYSTEMATIC AND STAGED RELEASE OF LAND FOR DEVELOPMENT ON THE URBAN FRINGE TO PREVENT ‘LEAPFROGGING’ FROM OCCURRING. ........................................................................................................ 181

RECOMMENDATION 3.8: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE LOCAL COUNCILS TO REVIEW AND REFORM THE EXISTING LEGAL AND INSURANCE IMPEDIMENTS TO ENABLE FAST TRACK APPLICATIONS FOR RESIDENTIAL TENANCIES IN THE FORM OF SECONDARY AND TERTIARY SUITES THROUGHOUT METROPOLITAN MELBOURNE. ........................................................................................................ 186

RECOMMENDATION 3.9: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE INTERFACE COUNCILS TO DEVELOP AN EDUCATIVE PROCESS FOR HOME OWNERS AND HOME BUYERS ON THE POTENTIAL FINANCIAL BENEFITS OF CONSTRUCTING A SECONDARY OR TERTIARY SUITE AS WELL AS THEIR POTENTIAL FOR USE IN HOME BUSINESS OPERATIONS. ........................................................................................................ 197
<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Text</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recommendation 3.13:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT ENCOURAGES DEVELOPERS TO INCLUDE AN EXAMPLE OF A SECONDARY SUITE IN HOME DISPLAY VILLAGES WITHIN NEW ESTATES IN MELBOURNE’S OUTER SUBURBS.</td>
</tr>
<tr>
<td><strong>Recommendation 3.14:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT APPLY THE PRINCIPLES OF ‘TENANCY BLINDNESS’ AND ‘SALT AND PEPPER’ ALLOCATION OF PUBLIC AND PRIVATE HOUSING TENURES WITHIN BOTH NEW RESIDENTIAL DEVELOPMENTS AND PUBLIC HOUSING UPGRADES, PARTICULARLY THOSE ASSOCIATED WITH LARGE SCALE URBAN RENEWAL PROJECTS.</td>
</tr>
<tr>
<td><strong>Recommendation 3.15:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT PROVIDE INCENTIVES FOR DEVELOPERS TO IMPLEMENT ‘TENANCY BLINDNESS’ IN THE CONSTRUCTION AND SALE OF SOCIAL HOUSING WITHIN NEW HOUSING ESTATES IN THE OUTER SUBURBS AND TO PROVIDE A DIVERSITY OF HOUSING TYPES FOR SOCIAL HOUSING.</td>
</tr>
<tr>
<td><strong>Recommendation 4.1:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT CONTINUES TO ENSURE AN ADEQUATE SUPPLY OF LAND, WITH THE SUPPORT OF PRECINCT PLANNING, FOR RESIDENTIAL DEVELOPMENT IN THE INTERFACE COUNCILS, WHILE ALSO ENCOURAGING URBAN DENSIFICATION IN THE FORM OF MIXED HOUSING LOCATED CLOSE TO EXISTING JOBS, TRANSPORT AND SERVICES.</td>
</tr>
<tr>
<td><strong>Recommendation 4.2:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT INCLUDE SUPPORT FOR LOCAL COUNCILS REGARDING THE APPLICATION OF THE RESIDENTIAL GROWTH ZONE IN THE CRITERIA ACCOMPANYING ITS NEW RESIDENTIAL ZONING FRAMEWORK. THE SUPPORT SHOULD INCLUDE ENCOURAGEMENT AND INCENTIVES FOR COUNCILS TO DIRECT HIGHER DENSITY RESIDENTIAL DEVELOPMENT TO A RANGE OF AREAS WHERE INCREASED DENSITY AND DIVERSITY IN HOUSING TYPES HAS THE CAPACITY TO IMPROVE HOUSING AFFORDABILITY.</td>
</tr>
<tr>
<td><strong>Recommendation 4.3:</strong></td>
<td>THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT CONDUCT A REVIEW, AT LEAST EVERY 24 MONTHS, OF THE NEW ZONES TO IDENTIFY CHALLENGES DURING THE CONVERSION OF ZONES AND ADDRESS CHALLENGES THAT COUNCILS MAY ENCOUNTER DURING IMPLEMENTATION OF THE NEW ZONES.</td>
</tr>
<tr>
<td><strong>Recommendation 4.4:</strong></td>
<td>THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT MONITOR AND REVIEW THE APPLICATION OF THE NEW ZONES IN GROWTH AREAS WITH THE AIM OF ENSURING THAT THE NEW ZONES ARE CONTRIBUTING TO AN INCREASE IN HOUSING TYPE DIVERSITY IN THE OUTER SUBURBS OF MELBOURNE.</td>
</tr>
<tr>
<td><strong>Recommendation 4.5:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT UNDERTAKE PERIODIC ASSESSMENT OF THE URBAN GROWTH BOUNDARY WITH THE OBJECTIVE OF STRIKING A CONTINUED BALANCE BETWEEN THE OBJECTIVES AND STRATEGIES CONTAINED IN SUBCLauses 16.01-2, 16.01-3 AND 16.01-5* OF THE VICTORIA PLANNING PROVISIONS, WHICH ARE AIMED AT: LOCATING NEW HOUSING IN OR CLOSE TO ACTIVITY CENTRES, EMPLOYMENT CORRIDORS AND STRATEGIC REDEVELOPMENT SITES WITH ACCESS TO SERVICES AND TRANSPORT; IDENTIFYING STRATEGIC REDEVELOPMENT SITES FOR LARGE RESIDENTIAL DEVELOPMENT IN METROPOLITAN MELBOURNE; AND DELIVERING MORE AFFORDABLE HOUSING CLOSER TO JOBS, TRANSPORT AND SERVICES, RESPECTIVELY.</td>
</tr>
<tr>
<td><strong>Recommendation 4.6:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT’S PERIODIC ASSESSMENT OF THE URBAN GROWTH BOUNDARY, CONSIDER: ENCROACHMENT ON VIABLE AGRICULTURAL LAND; CURRENT POPULATION GROWTH PROJECTIONS IN THE OUTER SUBURBS OF MELBOURNE; FACTORS INFLUENCING THE RELEASE OF NEW LAND BY DEVELOPERS FOR IMMEDIATE, SHORT-TERM AND LONG-TERM DEVELOPMENT; AND THE USE OF POLICY LEVERS AND INCENTIVES TO STREAMLINE THE LAND SUPPLY PROCESS TO PROVIDE FOR THE MORE RAPID RELEASE OF LAND FOR DEVELOPMENT.</td>
</tr>
<tr>
<td><strong>Recommendation 4.7:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT DEVELOP A LANDSCAPE STRUCTURE PLAN FOR METROPOLITAN MELBOURNE, WHICH INCLUDES THE IDENTIFICATION OF POTENTIAL LOCATIONS FOR A DIVERSITY OF HORIZONTAL AND VERTICAL DEVELOPMENT SCENARIOS.</td>
</tr>
<tr>
<td><strong>Recommendation 4.8:</strong></td>
<td>THAT THE VICTORIAN GOVERNMENT PROVIDE INCENTIVES FOR DEVELOPERS TO CONSTRUCT A DIVERSE RANGE OF DWELLING TYPES, INCLUDING MEDIUM DENSITY HOUSING, IN THE GROWTH AREA MUNICIPALITIES.</td>
</tr>
<tr>
<td><strong>Recommendation 4.9:</strong></td>
<td>THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT IDENTIFY, AND DEVELOP STRATEGIES TO REMOVE, IMPEDIMENTS WITHIN THE PLANNING SYSTEM THAT PREVENT THE DEVELOPMENT OF MEDIUM DENSITY HOUSING IN THE INTERFACE COUNCILS.</td>
</tr>
</tbody>
</table>
RECOMMENDATION 4.10: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE DEVELOPMENT INDUSTRY TO IDENTIFY AND MITIGATE EXISTING IMPEDIMENTS TO THE DEVELOPMENT OF MEDIUM DENSITY AND DIVERSIFIED HOUSING IN THE OUTER SUBURBS. THIS SHOULD INCLUDE AN INVESTIGATION OF STRATEGIES FOR REDUCING THE COST OF INSTALLING LIFTS IN MULTI-STOREY DWELLINGS. ........................................................................................................... 251

RECOMMENDATION 4.11: THAT THE VICTORIAN GOVERNMENT UNDERTAKE A COMMUNICATIONS CAMPAIGN TO PUBLICISE THE BENEFITS OF DIVERSIFYING HOUSING CHOICES AVAILABLE TO MELBURNIANS, INCLUDING MEDIUM DENSITY HOUSING WITHIN ESTABLISHED URBAN ENVIRONMENTS AND NEW SUBURBAN DEVELOPMENTS. ........................................................................................................... 254

RECOMMENDATION 4.12: THAT THE VICTORIAN GOVERNMENT INVESTIGATE THE PUBLIC CONSULTATION AND PLAN MAKING STRATEGIES OF VANCOUVER, CALGARY AND TORONTO, WITH A VIEW TO THE POSSIBLE INCORPORATION OF THOSE ELEMENTS THAT HAVE PROVEN SUCCESSFUL IN BUILDING COMMUNITY ACCEPTANCE OF THE NEED FOR INCREASED RESIDENTIAL DENSITIES IN THE METROPOLITAN AREAS OF THOSE CITIES. ........................................................................................................... 256

RECOMMENDATION 4.13: THAT THE VICTORIAN GOVERNMENT INVESTIGATE THE REASONS FOR THE HIGH RATE OF APPEAL AGAINST DEVELOPMENT APPLICATIONS IN VICTORIA COMPARED TO OTHER AUSTRALIAN STATES. ........................................................................................................... 257

RECOMMENDATION 4.14: THAT THE VICTORIAN GOVERNMENT INITIATE AN INDEPENDENT REVIEW INTO THE COMPARATIVE COSTS OF CONSTRUCTION IN GREENFIELD AND INFILL DEVELOPMENT WITH THE AIM OF IDENTIFYING A RANGE OF MEASURES FOR REDUCING THE COSTS OF INFILL CONSTRUCTION. ........................................................................................................... 259

RECOMMENDATION 4.15: THAT THE VICTORIAN GOVERNMENT INVESTIGATE THE PROVISION OF INCENTIVES TO ENCOURAGE THE MASS PRODUCTION OF INNOVATIVE AND MORE AFFORDABLE MATERIALS — SUCH AS TIMBER AND RECYCLED MATERIALS — FOR USE IN INFILL DEVELOPMENTS. ........................................................................................................... 259

RECOMMENDATION 4.16: THAT THE GROWTH AREAS AUTHORITY CLOSELY MONITORS THE IMPLEMENTATION OF THE SMALL LOT HOUSING CODE AND REVIEWS ITS EFFECTIVENESS IN ENCOURAGING SMALLER HOUSING DEVELOPMENT IN THE OUTER SUBURBS OF MELBOURNE. ........................................................................................................... 261

RECOMMENDATION 4.17: THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT EXAMINE AND REVIEW EXISTING PLANNING REGULATIONS WITH THE AIM OF REDUCING THE COSTS TO DEVELOPERS OF INFILL AND BROWNFIELD DEVELOPMENTS. ........................................................................................................... 261


RECOMMENDATION 4.19: THAT THE VICTORIAN GOVERNMENT CONSIDER THE APPLICABILITY OF ‘VANCOUVERISM’ AS A WAY OF DELIVERING HIGHER RESIDENTIAL DENSITIES IN SELECTED ACTIVITIES AREAS WITHIN MELBOURNE’S OUTER SUBURBS. ........................................................................................................... 264

RECOMMENDATION 4.20: THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT IDENTIFY THOSE PRINCIPAL ACTIVITIES AREAS AND MAJOR ACTIVITIES AREAS IN MELBOURNE’S ESTABLISHED OUTER SUBURBS WITH THE GREATEST POTENTIAL FOR URBAN RENEWAL (AS DISCUSSED BELOW), BASED ON FACTORS SUCH AS THEIR PROXIMITY TO THE PRINCIPAL PUBLIC TRANSPORT NETWORK (PPTN) (AS DISCUSSED AT 4.6.1) AND AVAILABILITY OF LAND FOR MIXED USED DEVELOPMENT, INCLUDING MEDIUM DENSITY RESIDENTIAL AND COMMERCIAL ACCOMMODATION. ........................................................................................................... 277

RECOMMENDATION 4.21: THAT PLACES VICTORIA UNDERTAKE AN AUDIT OF POTENTIAL URBAN RENEWAL SITES IN MELBOURNE’S ESTABLISHED OUTER SUBURBS TO IDENTIFY THOSE SITES WITH THE GREATEST POTENTIAL FOR RENEWAL AND FOR THE DELIVERY OF INCREASED RESIDENTIAL DENSITIES IN CLOSE PROXIMITY TO PUBLIC TRANSPORT. ........................................................................................................... 279

RECOMMENDATION 4.22: THAT IN ORDER TO ATTRACT AND FACILITATE INVESTMENT IN OUTER SUBURBAN URBAN RENEWAL PROJECTS IDENTIFIED AS HAVING GREATEST POTENTIAL FOR RENEWAL, THE VICTORIAN GOVERNMENT CONSIDERS THE FORMATION OF FURTHER PARTNERSHIPS WITH PLACES VICTORIA, RELEVANT INTERFACE COUNCILS AND THE PRIVATE SECTOR. ........................................................................................................... 280

RECOMMENDATION 4.23: THAT THE VICTORIAN GOVERNMENT ESTABLISH GUIDELINES FOR MULTIMODAL TRANSPORT PLANNING IN ORDER TO PROMOTE IMPROVED CONNECTIVITY BETWEEN TRANSPORT MODES. ........................................................................................................... 285
RECOMMENDATION 4.24: THAT THE VICTORIAN GOVERNMENT CONSIDER PROPOSALS TO SECURE CORRIDORS FOR BUS RAPID TRANSIT ROUTES IN THE OUTER SUBURBS OF MELBOURNE. ................................................................. 287

RECOMMENDATION 4.25: THAT THE PRINCIPAL PUBLIC TRANSPORT NETWORK AND THE PUBLIC TRANSPORT ROUTES THAT FEED INTO THE PRINCIPAL PUBLIC TRANSPORT NETWORK BE REVIEWED WITH A VIEW TO OPTIMISING CONNECTIONS TO AND BETWEEN ACTIVITIES AREAS IN THE INTERFACE COUNCILS................................................................. 293

RECOMMENDATION 4.26: THAT THE VICTORIAN GOVERNMENT’S METROPOLITAN MELBOURNE PLAN INCLUDES A FOCUS ON PUBLIC TRANSPORT INFRASTRUCTURE PROVISION AS A CENTRAL TENET OF MELBOURNE’S PLANNING POLICY. ............................................................ 293

RECOMMENDATION 4.27: THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT WORK WITH PUBLIC TRANSPORT VICTORIA AND VICTRACK TO NEGOTIATE, COLLABORATE AND PRIORITISE IDENTIFIED URBAN RENEWAL PROJECTS AROUND EXISTING RAIL STATIONS AND ADJACENT LAND IN THE OUTER SUBURBS OF MELBOURNE. .................................................. 294

RECOMMENDATION 4.28: THAT THE VICTORIAN GOVERNMENT ESTABLISHES A PANEL OF EXPERTS TO MAKE RECOMMENDATIONS TO THE MINISTER FOR PLANNING REGARDING OUTER SUBURBAN TRAIN STATIONS IN ACTIVITY AREAS, THAT ARE SUITABLE FOR TRANSIT ORIENTED DEVELOPMENTS. ........................................................................................................ 294

RECOMMENDATION 4.29: THAT THE VICTORIAN GOVERNMENT INVESTIGATES GRADE SEPARATIONS OF RAILWAY LINES THROUGH COMMERCIALISATION OF THE AIRSPACE RIGHTS ABOVE RAIL CORRIDORS. THIS MAY INCLUDE SELLING OR LEASING THE AIR RIGHTS TO DEVELOPERS TO BUILD RESIDENTIAL, COMMERCIAL SERVICES AND RETAIL DEVELOPMENTS. .................................................. 296

RECOMMENDATION 4.30: THAT THE VICTORIAN GOVERNMENT EXPLORE ALL POSSIBLE INFRASTRUCTURE FUNDING OPTIONS AS A MEANS OF BOOSTING FUNDING FOR THE ARTERIAL ROAD NETWORK IN THE GROWTH AREA MUNICIPALITIES. ............................................................................................................... 297

RECOMMENDATION 4.31: THAT THE VICTORIAN GOVERNMENT INVESTIGATE THE APPLICABILITY OF THE TAX INCREMENT FINANCING MODEL AS A MEANS OF BOOSTING FUNDING FOR INFRASTRUCTURE IN MELBOURNE’S NEW AND ESTABLISHED OUTER SUBURBS. .......................................................................................................................... 308

RECOMMENDATION 5.1: THAT THE VICTORIAN GOVERNMENT INITIATES AND COLLABORATES WITH THE INTERFACE COUNCILS WITH THE GREATEST NEED TO DEVELOP LOCATION-BASED AND TAILORED COMMUNITY PROGRAMS SPECIFICALLY AIMED AT ALLEVIATING THE IMPACTS OF SOCIOECONOMIC DISADVANTAGE IN MELBOURNE’S INTERFACE COUNCILS. ......................................................................................................................... 340

RECOMMENDATION 5.2: THAT THE VICTORIAN GOVERNMENT WORKS COLLABORATIVELY WITH THE INTERFACE COUNCILS, THE MUNICIPAL ASSOCIATION OF VICTORIA AND OTHER RELEVANT STAKEHOLDERS TO DEVELOP A MECHANISM OF REVIEW OF OPERATING HOURS IN LIBRARIES, YOUTH COMMUNITY CENTRES AND NEIGHBOURHOOD HOUSES, WITH A VIEW TO ENCOURAGING MORE FLEXIBLE OPERATING HOURS TO ENABLE SUCH FACILITIES TO BE ACCESSIBLE FOR EXTENDED PERIODS OUTSIDE OF USUAL BUSINESS HOURS. .......................................................................................................................... 346

RECOMMENDATION 5.3: THAT THE VICTORIAN GOVERNMENT EVALUATE THE YOUTHCENTRAL WEBSITE FOR ITS EFFECTIVENESS AS A PORTAL FOR SERVING AND ENGAGING YOUTH WHO LIVE IN MELBOURNE’S OUTER SUBURBS. .......................................................................................................................... 346

RECOMMENDATION 5.4: THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT WORKS WITH THE INTERFACE COUNCILS AND SPORTING ASSOCIATIONS TO ADDRESS THE ACUTE NEED FOR SPORTING INFRASTRUCTURE IN MELBOURNE’S OUTER SUBURBS. .......................................................................................................................... 349

RECOMMENDATION 5.5: THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT CONDUCTS AND PUBLISHES NEEDS ANALYSIS PLANNING FOR SPORTING INFRASTRUCTURE IN NEW OUTER SUBURBS PRIOR TO THE FINALISATION OF THE RELEVANT PRECINCT STRUCTURE PLAN. SUCH PLANNING SHOULD CATALOGUE EXISTING SPORTING INFRASTRUCTURE, AS WELL AS THE LEVEL OF CURRENT AND FUTURE DEMAND FOR DIFFERENT TYPES OF SPORTING INFRASTRUCTURE, WITHIN THE AREA. THE PLANNING SHOULD CONSIDER BOTH LOCAL NEEDS AND REGIONAL NEEDS (FOR EXAMPLE, THE SPORTING INFRASTRUCTURE NEEDS THAT EXIST ACROSS TWO OR THREE NEIGHBOURING INTERFACE COUNCILS). .......................................................................................................................... 349
RECOMMENDATION 5.6: THAT THE VICTORIAN GOVERNMENT, IN PARTNERSHIP WITH THE INTERFACE COUNCILS, WORKS TO ENSURE THAT THE AVAILABLE FUNDING FOR SETTLEMENT SUPPORT SERVICES IS ALLOCATED ON THE BASIS OF IMPROVED RECOGNITION OF PRIMARY AND SECONDARY SETTLEMENT PATTERNS AND DEMANDS ON OUTER METROPOLITAN COMMUNITIES. ........................................ 352

RECOMMENDATION 5.7: THAT THE VICTORIAN GOVERNMENT CONSIDER THE PROVISION OF INCENTIVES FOR SPORTING ORGANISATIONS IN THE OUTER SUBURBS OF MELBOURNE TO DEVELOP ADDITIONAL MULTICULTURAL PROGRAMS. .................. 353

RECOMMENDATION 5.8: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE INTERFACE COUNCILS TO DEVISE A MEANS OF STEADILY INCREASING THE LEVEL OF PER CAPITA EXPENDITURE ON ARTS AND CULTURE TO A LEVEL COMMENSURATE WITH MELBOURNE’S INNER METROPOLITAN AREAS. .................................................................................................................. 358

RECOMMENDATION 5.9: THAT THE VICTORIAN GOVERNMENT INITIATES A STUDY TO DETERMINE STRATEGIES FOR INCREASING THE ENGAGEMENT OF YOUNGER PEOPLE IN ARTS AND CULTURAL ACTIVITIES IN THE INTERFACE COUNCILS. THIS SHOULD INCLUDE CONSIDERATION OF THE ESTABLISHMENT OF AN ARTS AND CULTURE OUTREACH OR TOURING PROGRAM TO THE OUTER SUBURBS .......................................................................................................................... 358

RECOMMENDATION 5.10: THAT THE VICTORIAN GOVERNMENT WORK WITH THE GROWTH AREAS AUTHORITY TO ESTABLISH MECHANISMS TO ENABLE RESIDENTS OF NEW ESTATES IN MELBOURNE’S OUTER SUBURBS TO HAVE INPUT INTO THE PURPOSES FOR WHICH PUBLIC SPACE AND PUBLIC BUILDINGS ARE TO BE USED. SUCH PURPOSES COULD INCLUDE THE ESTABLISHMENT OF ARTS AND CULTURAL PRECINCTS ........................................................................................................................ 359

RECOMMENDATION 5.11: THAT THE VICTORIAN DEPARTMENT OF TRANSPORT WORK WITH LOCAL COUNCILS, POLICE, SCHOOLS AND COMMUNITY ORGANISATIONS TO ENSURE PUBLIC TRANSPORT SAFETY AND ASSISTANCE STRATEGIES, WHICH SHOULD INCLUDE A FOCUS ON THE PRINCIPLE OF CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN, INCLUDING MEASURES SUCH AS BRIGHT LIGHTING AND REAL TIME SURVEILLANCE AND ASSISTANCE SYSTEMS. .............................................................................................................. 363

SPECIFIC CONSIDERATION SHOULD ALSO BE GIVEN TO THE INTRODUCTION OF A LANGUAGE INTERPRETATION SERVICE, SUCH AS THE MODEL THAT HAS BEEN IMPLEMENTED IN VANCOUVER AND TO THE INTRODUCTION OF A ‘REQUEST STOP’ PROGRAM FOR NIGHT BUSES, BASED ON THE MODEL THAT OPERATES IN TORONTO. .............................................................................................................. 363

RECOMMENDATION 5.12: THAT THE VICTORIAN GOVERNMENT WORKS WITH LOCAL GOVERNMENT AND DEVELOPERS TO FACILITATE THE EARLY ESTABLISHMENT OF RESIDENTS’ ASSOCIATIONS WITHIN FUTURE HOUSING DEVELOPMENTS IN MELBOURNE’S OUTER SUBURBS ...................................................................................................................................................... 365


RECOMMENDATION 5.14: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE INTERFACE COUNCILS TO ESTABLISH PROGRAMS AIMED AT THE PROMOTION OF INTERGENERATIONAL LINKS AND AT FOSTERING AN APPRECIATION OF THE PAST AND BUILT HERITAGE BY LOCAL YOUTH .................................................................................................................................................. 366

RECOMMENDATION 5.15: THAT THE VICTORIAN GOVERNMENT AND THE INTERFACE COUNCILS WORK TOGETHER TO DEVELOP A PROGRAM BASED ON THE PROVISION OF ‘RETIREMENT KITS’, FOR LOCAL RESIDENTS WHO ARE CONSIDERING RETIREMENT IN THE OUTER SUBURBS, CONTAINING INFORMATION AIMED AT ENABLING THE RECIPIENTS TO APPLY THEIR INDIVIDUAL SKILLS IN VOLUNTARY AND RELATED ROLES. .................................................................................................................................................................................................................. 366

RECOMMENDATION 5.16: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE INTERFACE COUNCILS TO EXPLORE THE APPLICABILITY OF THE ASSET BASED COMMUNITY DEVELOPMENT MODEL AS A MODEL OF NEIGHBOURHOOD RENEWAL FOR MELBOURNE’S OUTER SUBURBS. .............................................................................................................................................................................................................. 367

RECOMMENDATION 5.17: THAT THE VICTORIAN GOVERNMENT ENCOURAGES THE INTERFACE COUNCILS TO IMPLEMENT MODELS OF NEIGHBOURHOOD RENEWAL AIMED AT EMPOWERING MARGINALISED RESIDENTS OF THE INTERFACE COUNCILS BY RECOGNISING AND UTILISING THE UNIQUE AND INDIVIDUAL SKILLS THAT THEY CAN BRING TO THE PROCESS OF NEIGHBOURHOOD RENEWAL. .............................................................................................................................................................................................................. 367
RECOMMENDATION 5.18: THAT THE VICTORIAN GOVERNMENT WORK WITH THE INTERFACE COUNCILS TO FACILITATE A COORDINATED APPROACH TO ENCOURAGING RESIDENTS TO ESTABLISH AND MAINTAIN PRIVATE GARDENS, COMMUNITY GARDENS AND OPEN SPACES, AS A MEANS OF ENGAGING RESIDENTS AND OF ENHANCING CIVIC PRIDE IN LOCAL COMMUNITIES. .................................................................................................................................................. 369

RECOMMENDATION 5.19: THAT THE VICTORIAN GOVERNMENT PROVIDES THE INTERFACE COUNCILS WITH THE RESOURCES NECESSARY TO PROMOTE THEIR UNIQUE FEATURES, SUCH AS PARKS AND HISTORIC HOMES, WITH THE AIM OF ENCOURAGING AND RECOGNISING PHILANTHROPISTS WHO PROVIDE SUPPORT IN THE INTERFACE COUNCILS. ........................................................................................................................................ 370

RECOMMENDATION 5.20: THAT THE VICTORIAN GOVERNMENT AND INTERFACE COUNCILS INVESTIGATE MODELS FOR ACCELERATING THE PROVISION OF SCHOOLS, WITH THE AIM OF PROVIDING SUFFICIENT SCHOOL FACILITIES FROM THE TIME THAT A NEW SUBURB IS ESTABLISHED. .............................................................................................................................................. 371

RECOMMENDATION 5.21: THAT THE VICTORIAN GOVERNMENT FACILITATES AN INVESTIGATION INTO THE TIMING OF THE PROVISION OF NEW SCHOOLS THAT HAVE BEEN IDENTIFIED IN PRECINCT STRUCTURE PLANS. .............................................................................................................................................. 371


RECOMMENDATION 5.23: THAT THE VICTORIAN DEPARTMENT OF EDUCATION AND EARLY CHILDHOOD DEVELOPMENT AND MELBOURNE’S INTERFACE COUNCILS MONITOR THE FINDINGS OF THE OPPORTUNITY SPACES RESEARCH PROJECT AND, IN THE EVENT THAT A DECISION IS MADE TO ADOPT ITS KEY FINDINGS, COLLABORATE ON THE DEVELOPMENT OF STRATEGIES AIMED AT THE IMPLEMENTATION OF THOSE FINDINGS. .............................................................................................................................................. 374

RECOMMENDATION 5.24: THAT THE VICTORIAN DEPARTMENT OF EDUCATION AND EARLY CHILDHOOD DEVELOPMENT AND MELBOURNE’S INTERFACE COUNCILS ACTIVELY PROMOTE NEGOTIATIONS WITH INTERESTED PARTIES FOR THE SHARED USE OF SCHOOL FACILITIES ON A ROUTINE BASIS, WHEN NEW SCHOOLS ARE PLANNED IN INTERFACE SUBURBS. .............................................................................................................................................. 374

RECOMMENDATION 5.25: THAT THE VICTORIAN DEPARTMENT OF EDUCATION AND EARLY CHILDHOOD DEVELOPMENT AND MELBOURNE’S INTERFACE COUNCILS REVIEW THE USE OF PUBLIC SCHOOL INFRASTRUCTURE IN INTERFACE AREAS, WITH A VIEW TO NEGOTIATING SHARED COMMUNITY USE FOR FACILITIES THAT ARE CURRENTLY ONLY UTILISED FOR SCHOOL ACTIVITIES IN SCHOOL HOURS. .............................................................................................................................................. 374

RECOMMENDATION 5.26: THAT THE VICTORIAN GOVERNMENT ENCOURAGES DEVELOPERS, THROUGH THE DEVELOPMENT CONTRIBUTIONS SYSTEM OR BY OTHER MEANS, TO MAKE RESIDENTIAL AND/OR COMMERCIAL BUILDINGS IN NEW SUBURBS AVAILABLE FOR USE AS SCHOOLS, AND FOR OTHER COMMUNITY PURPOSES, FROM THE TIME THAT THE FIRST RESIDENTS MOVE IN TO A NEW SUBURB OR ESTATE. .............................................................................................................................................. 375

WHERE THE FINANCIAL BURDEN ON THE DEVELOPER OF PROVIDING SUCH INTERIM INFRASTRUCTURE IS DEEMED TOO HIGH, PARTICULARLY IN LIGHT OF THE DEVELOPER’S TOTAL FINANCIAL AND IN-KIND CONTRIBUTIONS FOR A GIVEN DEVELOPMENT, THE GOVERNMENT SHOULD CONSIDER SUPPORTING THE FORMATION OF A PARTNERSHIP WITH THE DEVELOPER AND/OR THE LOCAL COUNCIL AIMED AT MEETING THE FUNDING SHORTFALL. .............................................................................................................................................. 375

RECOMMENDATION 5.27: THAT THE GOVERNMENT, THROUGH THE DEPARTMENT OF EDUCATION AND EARLY CHILDHOOD DEVELOPMENT, EXPLORE OPTIONS FOR THE IMPLEMENTATION OF AN INITIATIVE BASED ON THE PRINCIPLES, FOR EXAMPLE, THE BUILDING HARMONY PROGRAM IN CARDINIA SHIRE, THROUGHOUT MELBOURNE’S INTERFACE COUNCILS. .............................................................................................................................................. 377

RECOMMENDATION 5.28: THAT THE VICTORIAN GOVERNMENT, THROUGH THE DEPARTMENT OF EDUCATION AND EARLY CHILDHOOD DEVELOPMENT, EXPLORE OPTIONS FOR THE PROMOTION OF A MULTI-FAITH INDEPENDENT SCHOOL MODEL AS A MEANS OF BOTH PROMOTING SOCIAL COHESION IN MELBOURNE’S INTERFACE COUNCILS AND OF ACHIEVING THE EARLIER PROVISION OF SCHOOL INFRASTRUCTURE IN NEW SUBURBS. .............................................................................................................................................. 377

RECOMMENDATION 5.29: THAT THE VICTORIAN GOVERNMENT, AS A MATTER OF PRIORITY, CONSIDER THE FORMATION OF A NEW FUNDING MODEL, WHICH MAY INCLUDE PUBLIC PRIVATE PARTNERSHIPS, AS A MEANS OF DESIGNING, CONSTRUCTING, FINANCING AND MAINTAINING NEW GOVERNMENT SCHOOLS IN MELBOURNE’S GROWTH AND INTERFACE COUNCILS. .............................................................................................................................................. 378
RECOMMENDATION 5.30: THAT THE VICTORIAN GOVERNMENT EVALUATE THE SELANDRA RISE MODEL WITH A VIEW TO WORKING WITH THE INTERFACE COUNCILS TO PROMOTE THE ADOPTION OF A MODEL AS A MEANS OF PROVIDING EARLY PROVISION TO RESIDENTS OF NEW HOUSING ESTATES WITH COMMUNITY CENTRE OR NEIGHBOURHOOD HOUSE FACILITIES....................... 379

RECOMMENDATION 5.31: THAT THE VICTORIAN GOVERNMENT DEVELOP A PROGRAM AIMED AT OFFERING PLANNING EMPLOYEES OF LOCAL COUNCILS AND THE PROPERTY DEVELOPMENT SECTOR TO UNDERTAKE PERIODS OF PROFESSIONAL DEVELOPMENT AT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT, AND VICE-VERSA, FOR POLICY OFFICERS TO GAIN INSIGHT INTO LOCAL COUNCIL AND PROPERTY DEVELOPMENT FUNCTIONS AND APPLICATIONS. INSIGHTS, KNOWLEDGE, EXPERIENCE, AND MUTUAL UNDERSTANDING, COULD BE DEVELOPED THROUGH EXCHANGES BETWEEN THE RELATIVE BODIES......................... 379

RECOMMENDATION 5.32: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE INTERFACE COUNCILS TO INVESTIGATE AND PROMOTE MODELS CATERING TO ALL AGES AND DIVERSE INTERESTS, IN THE PROVISION OF OUTDOOR COMMUNITY SPACES FOR NEW AND ESTABLISHED SUBURBS. ...................................................................................................................................................................................... 381

RECOMMENDATION 6.1: THAT THE VICTORIAN GOVERNMENT INCLUDE AN OPEN SPACE STRATEGY FOR METROPOLITAN MELBOURNE WITHIN, OR IN ADDITION TO, THE NEW METROPOLITAN PLANNING STRATEGY. ........................................................................................................................... 404

RECOMMENDATION 6.2: THAT THE GROWTH AREAS AUTHORITY REVISe THE PRECINCT STRUCTURE PLAN GUIDELINES RELATING TO OPEN SPACE TO ENSURE THE PROVISION OF TREE CANOPY AND STREET VEGETATION IN NEW OUTER SUBURBAN DEVELOPMENTS. ................................................................................................................................................................... 406

RECOMMENDATION 6.3: THAT THE GROWTH AREAS AUTHORITY, IN CONJUNCTION WITH LOCAL GOVERNMENT, INCREASE THE PROVISION OF SPACE FOR STREET TREE CANOPY IN PRECINCT STRUCTURE PLANS FOR NEW OUTER SUBURBAN COMMUNITIES, ACCOUNTING FOR TREE CLEARANCE DISTANCE REQUIREMENTS AND THE INSTALLATION OF POLES SUPPORTING OVERHEAD CABLES. ........................................................................................................................................................................ 406

RECOMMENDATION 6.4: THAT THE VICTORIAN GOVERNMENT UNDERTAKE A REVIEW OF THE ADEQUACY OF THE TEN PER CENT OPEN SPACE MEASURE FOR OUTER-SUBURBAN AREAS, IN LIGHT OF POPULATION GROWTH, HOUSING DENSITY, AND DEMAND FOR SPORTING FACILITIES AND PASSIVE RECREATION, IN OUTER SUBURBAN MUNICIPALITIES. ...................................................................................... 408

RECOMMENDATION 6.5: THAT THE VICTORIAN GOVERNMENT EXAMINE WAYS IN WHICH PLANNING POLICY COULD ENCOURAGE THE CREATIVE USE OF HOUSING LOTS AND CREATIVE HOUSING DESIGN IN ORDER TO MAXIMISE PRIVATE OPEN SPACE IN THE OUTER SUBURBS OF MELBOURNE. ............................................................................................................................... 410

RECOMMENDATION 6.6: THAT THE VICTORIAN GOVERNMENT REQUEST THE INTERFACE COUNCILS TO UNDERTAKE COMMUNITY CONSULTATION STUDIES TO IDENTIFY GAPS IN THE PROVISION OF OPEN SPACE WITH THE AIM OF INCREASING THE PROPORTION OF PUBLIC OPEN SPACE WITHIN THEIR UGB AREAS. ................................................................................................................................. 411

RECOMMENDATION 6.7: THAT THE INTERFACE COUNCILS WORK IN PARTNERSHIP WITH THE VICTORIAN GOVERNMENT TO IMPLEMENT AN OPEN SPACE STRATEGY FOR MELBOURNE’S OUTER SUBURBS. .............................................................................................................................. 411

RECOMMENDATION 6.8: THAT THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT, IN PARTNERSHIP WITH THE INTERFACE COUNCILS AND THE GROWTH AREAS AUTHORITY, WORK TO INCREASE THE AVAILABLE CYCLING INFRASTRUCTURE IN MELBOURNE’S OUTER SUBURBS, THROUGH IMPROVED CONNECTIONS BETWEEN LINEAR PARKS AND EXISTING CYCLING PATHS. ................................................................................................................................................................... 420

RECOMMENDATION 6.9: THAT THE VICTORIAN GOVERNMENT, IN CONJUNCTION WITH LOCAL GOVERNMENT, INITIATE A CAR SHARING TRIAL IN ONE OR MORE ESTABLISHED OUTER SUBURBS IN ORDER TO ASSESS THE CURRENT AND FUTURE VIABILITY OF CAR SHARING IN MELBOURNE’S OUTER SUBURBS. ................................................................................................................................. 422

RECOMMENDATION 6.10: THAT THE GROWTH AREAS AUTHORITY UPDATES ITS NOTES FOR INTEGRATED WATER MANAGEMENT TO INCORPORATE THE FINDINGS OF THE LIVING MELBOURNE, LIVING VICTORIA ROADMAP. ................................................................................................................................. 425

RECOMMENDATION 6.11: THAT THE VICTORIAN GOVERNMENT INCREASE ITS INVESTMENT IN MAPPING TECHNOLOGIES TO ENSURE THAT THE BIODIVERSITY VALUES OF DEVELOPABLE LAND WITHIN THE GROWTH AREAS IS DETERMINED WELL IN ADVANCE OF THE PLANNING AND DEVELOPMENT PHASES FOR THOSE AREAS. ................................................................................................................................. 429

RECOMMENDATION 6.12: THAT, AS A MATTER OF PRIORITY, THE DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT PUBLICISE ITS FINDINGS REGARDING POTENTIAL CONSERVATION AREAS IN ORDER TO EXPEDITE THE ESTABLISHMENT OF CLEAR CONSERVATION
BOUNDARIES. THE EFFECTIVENESS OF THE CONSERVATION AREAS AND THEIR BOUNDARIES SHOULD BE SUBJECT TO AN ANNUAL REVIEW PROCESS, THE RESULTS OF WHICH SHOULD ALSO BE PUBLISHED BY THE DEPARTMENT. ......................................................................................................................................431


RECOMMENDATION 6.14: THAT THE VICTORIAN GOVERNMENT INVESTIGATE THE CREATION OF A PARTNERSHIP WITH HIGHER EDUCATION PROVIDERS FOR THE PROVISION OF AGRICULTURAL EDUCATION IN THE OUTER SUBURBS OF MELBOURNE. .................................................................................................................................437

RECOMMENDATION 6.15: THAT THE VICTORIAN GOVERNMENT AND THE INTERFACE COUNCILS INVESTIGATE VANCOUVER’S HIERARCHY FARM MODEL, AS A POSSIBLE MEANS OF ENCOURAGING YOUNGER GENERATIONS IN THE INTERFACE AREAS OF MELBOURNE TO CONSIDER AGRICULTURAL CAREERS. ..................................................................................................................................................437

RECOMMENDATION 6.16: THAT THE VICTORIAN GOVERNMENT CONSIDER DEVELOPING AN AGRICULTURAL LAND CLASSIFICATION SYSTEM THAT IDENTIFIES AGRICULTURAL LAND AND ENABLES THE MONITORING OF THE CONVERSION OF AGRICULTURAL LAND IN METROPOLITAN MELBOURNE TO OTHER USES. ........................................................................................................................................439

RECOMMENDATION 6.17: THAT THE VICTORIAN GOVERNMENT CONSIDER INITIATING THROUGH THE COUNCIL OF AUSTRALIAN GOVERNMENTS THE DEVELOPMENT OF A NATIONAL POLICY TO PRESERVE AUSTRALIAN AGRICULTURAL LAND. ........................................................................................................................................439

RECOMMENDATION 6.18: THAT THE NEW MELBOURNE METROPOLITAN PLANNING STRATEGY INCLUDE MEASURES FOR THE CONSERVATION AND PROTECTION OF FOOD PRODUCTION WITHIN METROPOLITAN MELBOURNE. ...................................................................................................................................441

RECOMMENDATION 6.19: THAT THE INTERFACE COUNCILS AND THE GROWTH AREAS AUTHORITY, WHEN PREPARING PRECINCT STRUCTURE PLANS IN GROWTH AREAS, BETTER INTEGRATE AGRICULTURAL PRODUCTION, FOOD SECURITY PLANNING, AND URBAN PLANNING. ........................................................................................................................................442

RECOMMENDATION 6.20: THAT THE OBJECTIVES OF THE GROWTH AREAS AUTHORITY, AS SPECIFIED IN PART 3AA OF THE PLANNING AND ENVIRONMENT ACT, BE BROADENED TO REFLECT A COMMITMENT TO BALANCING URBAN DEVELOPMENT WITH THE PROTECTION OF VALUABLE AGRICULTURAL LAND. ........................................................................................................................................442

RECOMMENDATION 6.21: THAT PERMITS FOR TOURISM ACTIVITIES IN GREEN WEDGE ZONES THAT ARE OUTSIDE THE AMBIT OF AGRICULTURE, RECREATION OR RURAL INDUSTRY, BE CONSIDERED FOR INTRODUCTION INTO THE PLANNING SCHEME. ........................................................................................................................................450

RECOMMENDATION 6.22: THAT, FOLLOWING THE COMPLETION OF THE GREEN WEDGE ZONE PERMITTED LAND USE AUDIT, AN INDEPENDENT ADVISORY COMMITTEE BE CREATED TO ADVISE THE PLANNING MINISTER ON POTENTIAL ACTIVITIES AND USES IN GREEN WEDGE ZONES. ........................................................................................................................................451

RECOMMENDATION 7.1: THAT THE VICTORIAN DEPARTMENT OF HEALTH FACILITATES THE PROVISION OF ADDITIONAL PUBLIC HOSPITAL CAPACITY, AS WELL AS ADDITIONAL MATERNITY SERVICES, TO MEET BOTH CURRENT AND FORECAST DEMAND IN MELBOURNE’S OUTER SUBURBS. ........................................................................................................................................483

RECOMMENDATION 7.2: THAT THE VICTORIAN DEPARTMENT OF HEALTH UNDERTAKE A FEASIBILITY STUDY ON THE PROVISION OF ACUTE PUBLIC HOSPITAL SERVICES IN THE SHIRE OF YARRA RANGES AND THE SHIRE OF NILLUMBIK. ........................................................................................................................................483

RECOMMENDATION 7.3: THAT THE VICTORIAN DEPARTMENT OF HEALTH AND THE INTERFACE COUNCILS INVESTIGATE THE MASTER PLANNING OF HEALTH HUBS IN MELBOURNE’S OUTER SUBURBS, SUCH AS: ........................................................................................................................................483
  ____ - THE UPGRADEING OF EXISTING PUBLIC HOSPITAL FACILITIES TO ACUTE OR TERTIARY STANDARD IN MELBOURNE’S OUTER SUBURBS; AND ........................................................................................................................................484
  ____ - OPTIONS FOR INCREASING THE PRESENCE OF MEDICAL SPECIALISTS IN MELBOURNE’S OUTER SUBURBS. ........................................................................................................................................484

RECOMMENDATION 7.4: THAT THE VICTORIAN GOVERNMENT, IN CONJUNCTION WITH THE FEDERAL GOVERNMENT, DEVELOP A RANGE OF INCENTIVES TO FACILITATE THE ESTABLISHMENT OF PRIVATE HOSPITALS THAT SERVICE MELBOURNE’S OUTER SUBURBS. ........................................................................................................................................487

RECOMMENDATION 7.5: THAT THE VICTORIAN DEPARTMENT OF HEALTH WORK WITH THE INTERFACE COUNCILS TO PRIORITISE THE NUMBER OF DAY PROCEDURE CENTRES IN THE INTERFACE COUNCILS. ........................................................................................................................................489

RECOMMENDATION 7.6: THAT THE VICTORIAN GOVERNMENT, IN CONJUNCTION WITH THE FEDERAL GOVERNMENT, INVESTIGATE INCENTIVES TO INCREASE THE NUMBER OF HEALTH CARE PROFESSIONALS (INCLUDING GPs, SPECIALISTS, NURSES, AND ALLIED HEALTH PROFESSIONALS) IN THE OUTER SUBURBS OF MELBOURNE. ........................................................................................................................................491
RECOMMENDATION 7.7: THAT THE VICTORIAN GOVERNMENT WORK WITH THE INTERFACE COUNCILS AND WITH RESIDENTIAL DEVELOPERS TO ESTABLISH A DIVERSITY OF HOUSING TYPES IN THE INTERFACE COUNCILS. PARTICULAR CONSIDERATION SHOULD BE GIVEN TO THE INCLUSION OF FEATURES AIMED AT ATTRACTING MEDICAL AND HEALTH PROFESSIONALS. 492

RECOMMENDATION 7.8: THAT THE VICTORIAN GOVERNMENT AND THE GROWTH AREAS AUTHORITY CONSIDER THE MERCY PLACE PARKVILLE AGED CARE FACILITY AS A POSSIBLE MODEL FOR THE DESIGN OF AGED CARE FACILITIES IN MELBOURNE’S OUTER SUBURBS. 497

RECOMMENDATION 7.9: THAT THE VICTORIAN GOVERNMENT INITIATE A PROCESS, THROUGH THE COUNCIL OF AUSTRALIAN GOVERNMENTS, TO INVESTIGATE THE ESTABLISHMENT OF AN AGED CARE FUNDING STREAM FOR THE PROVISION OF ASSISTIVE TECHNOLOGY (AS EXEMPLIFIED IN THE SMART HOUSE MODELS), THUS ENABLING PEOPLE TO LIVE INDEPENDENTLY AT HOME, AS WELL AS IN ‘INDEPENDENT LIVING’ UNITS OR APARTMENTS IN RESIDENTIAL AGED CARE FACILITIES. 499

RECOMMENDATION 7.10: THAT THE VICTORIAN DEPARTMENT OF HEALTH, IN CONJUNCTION WITH THE FEDERAL GOVERNMENT, INVESTIGATE STRATEGIES FOR BOOSTING THE FUNDING, FROM BOTH THE PUBLIC AND PRIVATE SECTOR, TO INCREASE THE SUPPLY OF ALLIED HEALTH PROFESSIONALS IN MELBOURNE’S OUTER SUBURBS. 499

RECOMMENDATION 7.11: THAT THE VICTORIAN DEPARTMENT OF HEALTH INITIATE A REVIEW OF THE EXTENT OF THE INTEGRATION BETWEEN ALLIED HEALTH SERVICES IN MELBOURNE’S OUTER SUBURBS. 500

RECOMMENDATION 7.12: THAT THE VICTORIAN DEPARTMENT OF HEALTH INVESTIGATES THE REASONS FOR THE RELATIVELY SMALL NUMBER AND PROPORTION OF COMMONWEALTH PRIMARY CARE INFRASTRUCTURE GRANTS THAT HAVE BEEN MADE TO OUTER SUBURBAN MELBOURNE AND WORKS WITH THE COMMONWEALTH TO REDRESS THIS IMBALANCE. 502

RECOMMENDATION 7.13: THAT THE VICTORIAN GOVERNMENT ENCOURAGES THE FEDERAL GOVERNMENT TO REASSESS THE DISTRICT WORKFORCE SHORTAGE MEASURE WHICH IS CURRENTLY BASED ON OUT-DATED POPULATION DATA, WITH SPECIAL REFERENCE TO RAPID GROWTH IN OUTER SUBURBAN AND INTERFACE AREAS. 502

RECOMMENDATION 7.14: THAT THE VICTORIAN GOVERNMENT, IN TENDERING FOR FUNDING UNDER THE NATIONAL PARTNERSHIP ON MENTAL HEALTH, PRIORITISES THE NEED FOR SIGNIFICANTLY INCREASED MENTAL HEALTH FUNDING IN MELBOURNE’S OUTER SUBURBS. 508

RECOMMENDATION 7.15: THAT THE VICTORIAN GOVERNMENT WORKS WITH THE INTERFACE COUNCILS AND DISABILITY PROVIDERS TO IDENTIFY SUITABLE SITES FOR THE ESTABLISHMENT OF ALTERNATIVE DISABILITY ACCOMMODATION AND RESPITE MODELS TO MEET DEMAND IN MELBOURNE’S OUTER SUBURBS. 510

RECOMMENDATION 7.16: THAT THE VICTORIAN GOVERNMENT SUPPORTS THE INTRODUCTION OF DESIGN STANDARDS FOR NEW HOUSING TO ENSURE ACCESS FOR PEOPLE WITH A DISABILITY, PEOPLE WITH LIMITED MOBILITY AND SENIORS. 511

RECOMMENDATION 7.17: THAT THE VICTORIAN GOVERNMENT PROVIDES FOR THE RESPITE NEEDS OF RESIDENTS IN MELBOURNE’S OUTER SUBURBS IN FUTURE HACC PROGRAM PLANNING, INCLUDING IN FUTURE TRIENNIAL PLANS. 513
CHAPTER 1: INTRODUCTION

1.1 Purpose and context of the Inquiry

This report presents the findings of the Outer Suburban/Interface Services and Development Committee (‘the Committee’) on its Inquiry into Liveability Options in Outer Suburban Melbourne (‘the Inquiry’).

In recent years, Melbourne has gained international recognition as one of the world’s most liveable cities and in August 2012, The Economist (a weekly news and current affairs magazine with an international circulation of approximately 1.5 million) announced that Melbourne had won the coveted title of the world’s most liveable city for the second year in a row. The annual ranking is produced by the Intelligence Unit of The Economist, by scoring 140 cities on a scale from 0-100 against 30 indices covering the five categories of: stability, health care, culture and environment, education, and infrastructure. Melbourne achieved a score of 97.5, ahead of Vienna, Vancouver, Toronto and Calgary, which placed second, third, fourth and fifth respectively. Melbourne was also ranked ahead of Adelaide, Sydney and Perth, which placed sixth, seventh and ninth respectively.¹

The Economist Liveability Survey began as a tool for determining whether Human Resource Departments should pay a hardship allowance as part of relocation packages but is increasingly used as a broad tool for benchmarking cities.²

Mercer, a global consulting firm established in Canada and later incorporated in the United States of America,³ also produces an annual Quality of Living Survey of cities around the world. The top ten cities in the Mercer 2011 Quality of Living Survey were dominated by European cities. Two of the cities in the top ten (Zurich, which was ranked second and Vancouver, which was ranked equal fifth)⁴ were cities that the Committee visited during the overseas study tour. Melbourne was ranked third in the Asia Pacific (behind Auckland and Sydney) and 18th overall.⁵ The Mercer Quality of Living Survey is used by companies to determine compensation packages (also known as a ‘hardship allowance’) for employees who are posted overseas on international assignments. The Mercer Quality of Living Survey assigns scores to each city against a similar list of socio-economic, recreational and environmental measures as those used by the Intelligence Unit of The Economist.⁶

Despite the international recognition of Melbourne as one of the world’s most liveable cities, the Committee received evidence from a range of stakeholders, which confirmed that the outer suburbs of Melbourne currently lag significantly behind the rest of Melbourne on many measures of liveability and that the divide is growing.

Evidence provided to the Committee, as well as the Committee’s own research, highlighted the following liveability measures as those which represent the greatest challenges for Melbourne’s outer suburbs:

- a significant lag in the provision of services, social infrastructure and physical infrastructure, particularly transport infrastructure in the form of roads and public transport;

- a significant decline in housing affordability, which has had a disproportionate impact on residents of Melbourne’s outer suburbs due to the relatively greater living costs that they face;
• the existence of pockets of relative socio-economic disadvantage, as well as reduced social participation and social cohesion due to the relative isolation of some outer suburban communities;

• a relative lack of access to parks and public open space, as well as to private open space; and

• relatively poor access to medical, health and support services, as well as poorer health outcomes.

The growing liveability divide between Melbourne’s outer suburbs and the rest of the metropolitan area has also been highlighted by the initial stages of the consultation process for the Victorian Government’s new Melbourne Metropolitan Planning Strategy. As the Ministerial Advisory Committee stated in its October 2012 Discussion Paper, *Melbourne, let’s talk about the future*, many Melburnians are concerned about:

…the potential emergence of ‘two Melbournes’ – a successful and ‘choice rich’ inner core and a fringe with fewer choices – and the growing distance between where people could afford to live and where jobs were located.7

Similarly, the March 2012 report *One Melbourne or Two? Implications of Population Growth for Infrastructure and Services in Interface Areas* (the ‘One Melbourne or Two? Report’), which was prepared by consulting firm Essential Economics for the Interface Councils, referred to the existence of a ‘liveability gap’ between Melbourne’s Interface and non-Interface Councils. The report stated that a significant increase in the provision of infrastructure and services, in the order of a total investment equivalent to $9.5 billion by 2026, would be required to close this gap.8

A factor which is increasingly recognised as exacerbating the liveability gap between Melbourne’s Interface and non-Interface Councils is the continuing outward expansion of the metropolitan area. As Monash University’s Centre for Population and Urban Research (CPUR) stated in its June 2012 paper, *The End of Affordable Housing in Melbourne*:

Commentators on outer-suburban development in Australia have long bemoaned the poor level of services and resources available to outer-suburban residents as a consequence of deficiencies in infrastructure provision. This situation appears to be getting worse because Melbourne’s outward spread is generating severe diseconomies of scale. These are most evident with rail and road transport.9

This situation — of a growing divide between the liveability of outer and inner urban areas that is exacerbated by continuing outward urban expansion — is not unique to Melbourne. Many cities around the world are currently grappling with the same challenge, as was made clear to the Committee during its overseas study tour.

Recent years have also seen a dramatic increase in Melbourne’s population. As the *One Melbourne or Two?* report found, Melbourne experienced a ‘population boom’ of 605,000 new residents during the years 2001 to 2010, almost 60 per cent of whom made their home in the outer suburbs.10 While this increase in the Melbourne’s population is welcome — particularly in terms of the contribution that Melbourne’s newest residents have made, and continue to make, to the diversity and economic vibrancy of the city - this growth has also placed additional pressures on existing infrastructure and services, and has added to
the demand for the construction of new infrastructure, in Melbourne’s outer suburbs. As illustrated in Table 1.1, of the top ten cities in the 2012 liveability rankings by *The Economist*, only two others (Toronto and Sydney) have larger populations than Melbourne and both are facing increasing difficulties with respect to infrastructure provision and transport infrastructure in particular.

### Table 1.1: Top ten most liveable cities for 2012 and populations

<table>
<thead>
<tr>
<th>Ranking</th>
<th>City</th>
<th>Population (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Melbourne</td>
<td>4.17</td>
</tr>
<tr>
<td>2</td>
<td>Vienna</td>
<td>1.73</td>
</tr>
<tr>
<td>2</td>
<td>Vancouver</td>
<td>2.31</td>
</tr>
<tr>
<td>4</td>
<td>Toronto</td>
<td>5.58</td>
</tr>
<tr>
<td>5</td>
<td>Calgary</td>
<td>1.21</td>
</tr>
<tr>
<td>6</td>
<td>Adelaide</td>
<td>1.26</td>
</tr>
<tr>
<td>7</td>
<td>Sydney</td>
<td>4.61</td>
</tr>
<tr>
<td>8</td>
<td>Helsinki</td>
<td>0.60</td>
</tr>
<tr>
<td>9</td>
<td>Perth</td>
<td>1.83</td>
</tr>
<tr>
<td>10</td>
<td>Auckland</td>
<td>1.51</td>
</tr>
</tbody>
</table>

Source: Australian Bureau of Statistics; City of Vienna; Statistics Canada; Population Register Centre of Finland; and Statistics New Zealand.

Another issue on which the Committee received a substantial amount of evidence is the need to more effectively protect land that is used for agricultural and conservation purposes in Melbourne’s outer suburbs and to promote the wider adoption of other sustainability measures.

The Committee found that there is no one single strategy that will address the current challenges to the liveability and sustainability of Melbourne’s outer suburbs. However, the planning system, which is discussed in detail in Chapter Four of this report, will need to play an increasingly important role in meeting the liveability challenges noted above. In particular, the encouragement of residential densification through the planning system represents a key strategy for: accommodating future population growth; addressing the infrastructure lag in the outer suburbs; improving housing affordability through the provision of a greater diversity of housing closer to jobs, infrastructure and services; and the preservation of land for agricultural and conservation purposes.

A key theme to emerge from the information gathered during the Committee’s overseas study tour was that Melbourne is not alone in seeking to improve the liveability options of its outer suburbs. The Committee met with a range of planning and transport experts who identified the liveability of the suburbs as a crucial issue around the world, even in countries such as France which is now grappling with the problem of how to make its suburbs part of the traditional urban structure. The Committee also heard that, as in Melbourne’s outer suburbs, one of the central challenges to boosting the liveability of suburbs around the world is the provision of more, and more diverse, local employment options. This issue, which is discussed in Chapter Five, will also be discussed in further detail in the Committee’s forthcoming report of the Inquiry on *Growing the Suburbs: Infrastructure and Business Development in Melbourne’s Outer Suburbs* (the ‘Growing the Suburbs Inquiry’).
The results of the 2011 Australian Census of Population and Housing (the 2011 Census) were released progressively during the course of the Inquiry. The first release of data, comprising core demographic information on population and housing was released in June 2012. The second release, comprising more detailed demographic data, was released on 30 October 2012. A third release of data, comprising more specialised products, such as the Socio Economic Index for Areas (SEIFA), is due for release in March 2013. The Committee was able to incorporate elements of the 2011 Census data as it became available.

1.2 Terms of Reference

The Terms of Reference for the Inquiry are listed at page ix above.

1.3 Conduct of the Inquiry

On 10 February 2011, the Committee received the Terms of Reference for the Inquiry from the Legislative Assembly.

On 28 February 2011 the Committee met and resolved to commence the inquiry.

On 8 December 2011 the Legislative Assembly extended the report tabling date to 13 September 2012.

On 28 August 2012 the Legislative Assembly extended the reporting date to 14 November 2012.

At a meeting on 22 October, the Committee resolved that it would table the report on 12 December 2012 and the Chair of the Committee subsequently wrote to the Cabinet Secretary advising of that decision.

1.3.1 Submissions

The Committee wrote to and invited submissions from 328 individuals and organisations with an expressed or possible interest in the Inquiry. The Committee received a total of 80 submissions from a wide variety of stakeholders. The Committee actively sought extra submissions and attendance at hearings from other stakeholders. A full list of the submissions received by the Committee is included as a table in Appendix A.

1.3.2 Public hearings and briefings

During the course of the Inquiry, the Committee received verbal evidence and information from representatives of a total of 118 organisations, including: 67 organisations in metropolitan Melbourne; 12 organisations interstate; and 36 organisations overseas. A full list is included as a table in Appendix B.

Melbourne public hearings

Between May 2011 and February 2012, the Committee held a total of eight public hearings in central Melbourne during which it received evidence from 22 organisations.

Interface Council public hearings

Between May 2011 and April 2012, the Committee held public hearings in all ten of Melbourne’s Interface Councils. Six of these public hearings were held for the Liveability Inquiry and four were held for the Inquiry on Growing the Suburbs, as listed below:
Chapter 1: Introduction

- City of Whittlesea (Liveability - 12 May 2011);
- Shire of Nillumbik (Liveability - 10 June 2011);
- City of Wyndham (Liveability - 12 August 2011);
- City of Casey (Liveability - 7 September 2011);
- Shire of Mornington Peninsula (Liveability - 8 September 2011);
- City of Melton (Liveability - 14 November);
- Shire of Mitchell (Growing the Suburbs - 27 February 2012)
- City of Hume (Growing the Suburbs - 6 March 2012);
- Shire of Cardinia (Growing the Suburbs - 26 March 2012); and
- Shire of Yarra Ranges (Growing the Suburbs - 16 April 2012).

During the course of the above public hearings, the Committee received evidence from a total of 45 organisations (27 for the Liveability inquiry and 18 for the Inquiry on Growing the Suburbs), including from each of the Interface Councils, resident’s associations, traders associations, educational providers and health providers. Each of the above public hearings was hosted by the relevant Interface Council, which also provided the Committee with a guided tour of relevant sites within the municipality.

As a number of common themes emerged from these hearings, the Committee decided to draw upon this evidence in addressing the Terms of Reference for both inquiries.

**Interstate study tour to Perth and Adelaide**

From 16 to 19 May 2011, the Committee conducted an inter-state study tour to the city of Perth in Western Australia and the city of Adelaide in South Australia.

In Perth, the Committee held a briefing on 18 May 2011, during which it heard from a total of six organisations and individuals as listed in Appendix B. The Committee also travelled to the outer suburban municipalities of Joondalup, Wanneroo, Armadale and Rockingham, where it received briefings from senior council representatives, who also accompanied the Committee on guided tours of key sites within their municipalities. The Committee also met with representatives of the LWP Property Group in the suburb of Ellenbrook and with representatives of Peet Ltd. in the suburb of Wellard. In all, the Committee received evidence and information from representatives of a total of 12 organisations.

In Adelaide, the Committee held a briefing, where it heard from representatives of the South Australian Department of Planning and Local Government and the South Australian Division of the Planning Institute of Australia. The Committee also travelled to the outer suburban municipality of the City of
Inquiry into Liveability Options

Playford, where it was briefed by senior council representatives, who also accompanied the Committee on a guided tour of key sites within the municipality.

**Overseas study tour**

From 4 to 18 May 2012, the Committee conducted an overseas study tour to the cities of Vancouver, Calgary and Toronto (in Canada), London (in the United Kingdom) and Zurich (in Switzerland). The Committee received information relevant to both the Liveability Inquiry and the Growing the Suburbs Inquiry from representatives of 36 organisations, as listed in Appendix B.

During the overseas study tour, the Committee also: visited the Legislative Assembly of British Columbia in Canada; visited the Cantonal Parliament of Zurich; met with representatives of the Government of the Canton of Zurich; and received a briefing from Ms Sally Capp, Agent-General for Victoria to the United Kingdom and Ireland.

The decision to travel to the above cities was informed by a number of factors, including the fact that Vancouver, Calgary, Toronto and Zurich have all been ranked within the top ten most liveable cities by *The Economist* for a number of years. In addition, each of the three Canadian cities, and Zurich to a lesser degree, has in recent years experienced significant population growth, including in their outer metropolitan areas. Like Melbourne, these cities are currently dealing with similar population growth impacts, such as increased demand for transport and other infrastructure and similar demographic challenges, such as population ageing.

As discussed in Chapter Two, Toronto (with a current population of approximately 5.6 million) and London (with a current population of approximately 8 million), have population levels that have been forecast for Melbourne in coming decades. Both cities are therefore able to offer lessons and insights into some of the challenges and opportunities that Melbourne may face in enhancing the liveability of its outer suburbs in the future.

Each of the cities visited by the Committee has also either implemented, or is now developing, strategies aimed at limiting future urban expansion through increased residential densities. However, the Committee learnt during the course of the overseas study tour that Vancouver and Zurich have been particularly successful in this regard, due to the value that is placed on the preservation of productive agricultural land.

In common with Melbourne, Vancouver and Toronto are also currently dealing with the effects of a historic decline in housing affordability but have developed very different planning responses to this situation, which has had different impacts on their relative liveability. As discussed in Chapter Four, Vancouver has succeeded in preserving its liveability to a greater degree than Toronto through the early and creative acceptance of the need for increased residential densities.

All of the cities visited by the Committee during the overseas study tour, albeit to a greater or lesser degree, can lay claim to examples of ‘best practice’ in urban renewal. In London, the Committee received detailed briefings on the legacy of the 2012 Olympic Games — the major new residential community of East Village, which has been developed from a brownfield site and is now part of a revitalised commercial, transport and recreational hub in East London.
The information gathered by the Committee during the overseas study tour proved invaluable to the Committee in developing a number of the recommendations in this report and the Committee is grateful to all of the representatives with whom it met and who provided briefings to the Committee during the course of the tour.

Additional background on each of the cities visited by the Committee during the overseas study tour is given at 1.6 below.

1.3.4 Background research
The Secretariat conducted background research throughout the course of the Inquiry to assist the Committee in its investigations and deliberations.

1.4 What is liveability?
A number of stakeholders provided the Committee with definitions of liveability in Melbourne’s outer suburbs, which collectively captured the various elements listed above at section 1.1.

Mr Robert Larocca, Communications Manager, Real Estate Institute of Victoria, stated at a public hearing that:

Access to services is the big factor, access to transport options and services. If you look around and ask why do people like living in the inner city, it is because they have multiple transport options, they are close to their life — it is easy to take their kids to school. The same applies and should apply through most parts of Melbourne.14

Stakeholders typically identified transport infrastructure, community infrastructure provision, local employment options, affordable housing, mental health services and increased early intervention and prevention services in the medical and health sector as the key determinants of liveability.15

Mr Mick Butera, Executive Director, NORTH Link (a business network and regional development partnership which represents Melbourne's north), stated a public hearing:

Community cohesiveness and social and material wellbeing are really, in my mind, what make up liveability. Social wellbeing encompasses everything — friendship, spirituality or whatever you want to call it, material wellbeing and employment. You cannot have any of those things happening if you do not have infrastructure in the first place that supports it.16

It is clear from the above that liveability is closely connected to the concept of quality of life, which is also illustrated in the following definition developed by the Victorian Competition and Efficiency Commission (VCEC), in its 2008 report, A State of Liveability: An Inquiry into Enhancing Victoria’s Liveability:

Liveability reflects the wellbeing of a community and comprises the many characteristics that make a location a place where people want to live now and in the future.17

The VCEC noted that such characteristics include both:

...the essentials of living as well as preferences...[which]...differ between individuals and through the stages of life of any specific individual — for example, many of the characteristics that make a place
liveable are likely to vary in some aspects between a young student and a retiree, and between people of
different interests, cultures and skills.18

The VCEC also noted that the nature of liveability:

…will also differ between locations. The characteristics which make a place liveable will differ between
provincial and non-provincial Victoria and also within these areas.

The VCEC identified a number of elements as common to the concept of liveability in the Victorian
context, including: community strength; economic strength; built infrastructure (including hospitals,
libraries, housing, public transport, education, and sport and leisure facilities); social infrastructure
(including community organisations, clubs, sports groups, support services, art and culture); amenity and
place (including urban planning that meets both local and broader community needs, such as safety,
convenience, aesthetics and services, open space and recreational areas); environment and sustainability;
citizenship; participation; leadership and good governance; and innovation.19

The Committee considers that the VCEC’s definition of liveability, together with the associated elements
outlined above, provides a useful working definition for the purposes of the current Terms of Reference.
The Committee also notes that the elements identified by the VCEC essentially encompass the categories
used by Intelligence Unit of The Economist in its annual ranking of the World’s Most Liveable Cities as
outlined above.

Many outer suburbs perform well with respect to: amenity and place; environment and sustainability;
community strength and other elements of liveability. However, evidence provided to the Committee
during the Inquiry established that many of Melbourne’s outer suburbs, particularly newer outer suburbs
in the Growth Areas, currently lag behind middle and inner suburbs with respect to many of the elements
identified by the VCEC, with the greatest gaps typically in the areas of built infrastructure and economic
strength. The Committee also found that there are wide variations between different outer suburbs with
respect to the elements of liveability. For example, some outer suburbs are relatively well served by public
transport and enjoy a relatively high degree of economic strength in the sense that they are able to
provide residents with a greater range of local employment opportunities. However, the overall picture
for Melbourne’s outer suburbs is one of relative disadvantage in many of the elements of liveability
outlined above.

1.5 Defining Melbourne’s outer suburbs

There is no universally agreed definition of ‘outer suburban Melbourne’.

One definition of outer suburban Melbourne (also referred to as Melbourne’s outer suburbs) that is
widely used within state and local government refers to those suburbs that are located in one of the ten
Interface Councils and which are within the Urban Growth Boundary (UGB), as illustrated in Figure 1.1
on the following page. It is important to note that the ten Interface Councils comprise seven LGAs that
are defined as Growth Area Councils and three that are defined as Green Wedge Councils (Nillumbik,
Yarra Ranges and the Mornington Peninsula).

Another definition of Melbourne’s outer suburbs refers to those suburbs that are located more than 20
kilometres from the centre of Melbourne, historically defined as the former Melbourne General Post
Office GPO (GPO) in the Melbourne Central Business District (CBD). Under this definition, which is
commonly used by the real estate industry and a number of other stakeholders, metropolitan Melbourne is typically divided into inner, middle and outer suburbs as follows:

- inner suburbs (within a radius of 10 kilometres from the GPO);
- middle suburbs (within a radius of 20 kilometres from the GPO); and
- outer suburbs (beyond a radius of 20 kilometres from the GPO).20

While the two approaches outlined above are broadly consistent with respect to defining Melbourne’s outer suburbs, there are a number of suburbs (particularly to the east and south of Melbourne) that are situated more than 20 kilometres from the Melbourne GPO but which are not located in an Interface Councils. Examples include Rowville in the City of Knox, Mulgrave in the City of Monash, and Dandenong and Springvale in the City of Greater Dandenong. Such suburbs are typically more established than those located in the Interface Councils and in some cases, such as Dandenong, have been the focus of recent urban renewal projects.

Conversely, there are some suburbs, such as Broadmeadows in the City of Hume and Thomastown in the City of Whittlesea, that are located in an Interface Councils but which are within 20 kilometres of the Melbourne GPO.
**Figure 1.1: Map showing Melbourne’s Interface Councils and urban growth boundary**

Legend: Land with current or planned urban development located within the Urban Growth Boundary in Interface Councils is shaded pale yellow. Melbourne’s inner-ring and middle-ring LGAs are shaded dark yellow. Source: Interface Councils, Submission No.62, Liveability Options, OSISDC, received 9 May 2011, p.18.

For the purposes of the current Inquiry, the Committee has adopted a definition of Melbourne’s outer suburbs that is effectively a hybrid of the two approaches above. Melbourne’s outer suburbs are therefore defined in this report as those that are located either in one of the ten Interface Councils or more than 20 kilometres from the Melbourne GPO.
In adopting this definition, the Committee is mindful that it is the new outer suburbs in the Growth Areas that typically represent the areas of greatest need in terms of infrastructure and services. The Committee is equally mindful of the important role of the Growth Area Councils in Melbourne's new outer suburbs as the responsible authorities for a range of planning decisions under the *Planning and Environment Act 1987* (and related legislation) and the provision of services and facilities under the *Local Government Act 1989*. At the same time, the successful urban renewal of established outer suburbs, including those located inwards from the Interface Councils, will be crucial to preserving and enhancing Melbourne's liveability in the years and decades ahead. As the Committee discusses in Chapter Four, the achievement of approved increased residential densities, not just in Melbourne's new outer suburban communities but also in established outer suburbs and in Activities Areas throughout metropolitan Melbourne, will be a crucial factor in maintaining Melbourne's liveability.

While the extent to which an outer suburb can be defined as ‘established’ is clearly a question of degree, the Committee decided to define this term as referring to a suburb in which residential subdivision and development was largely completed a number of years ago and which is recognised as providing a level of services and infrastructure beyond that of many of Melbourne's newer outer suburbs. Examples of established outer suburbs in the Interface Councils include Eltham in the Shire of Nillumbik, Berwick in the City of Casey, Werribee in the City of Wyndham and Lilydale in the Shire of Yarra Ranges. As noted above, the outer suburbs located inwards from the Interface Councils are typically more established than those located in the Interface Councils.

While there are many opportunities for urban renewal in Melbourne's established outer suburbs, there is also a pressing need for all levels of government to work together on improving the extent to which new suburban developments ‘get it right’ the first time. This should be achieved through the delivery of infrastructure as early as possible and the ‘future-proofing’ of new suburbs, for example through the construction of environmentally sustainable dwellings and infrastructure that enable residents to ‘age in place’ and which foster increased social cohesion.

The remainder of this section provides brief profiles for each of the Interface Councils (in alphabetical order).

### 1.5.1 Cardinia

The Shire of Cardinia covers an area of approximately 1,280 square kilometres. The north-eastern boundary is located approximately 45 kilometres from the Melbourne CBD and the Shire extends from the Dandenong Ranges in the north to Westernport Bay in the south. Cardinia includes rapidly growing residential areas and rural farmland. The location of Cardinia in relation to Greater Melbourne is illustrated in Figure 1.2.
The Shire contains the urban Growth Areas of Beaconsfield, Officer and Pakenham, which are located near the Shire’s central east-west axis formed by the Princes Highway and Princes Freeway. The hilly northern part of the Shire includes the townships of Upper Beaconsfield, Cockatoo, Emerald and Gembrook. The southern part of the Shire, which is relatively flat and features alluvial plains, includes the towns of Bunyip, Garfield, Koo Wee Rup, Lang Lang, Nar Nar Goon and Tynong.23

At the time of the 2011 Census, the Shire had a total population of 74,176 people, an increase of approximately 29.9 per cent since the 2006 Census when a population of 57,115 was recorded.24

1.5.2 Casey
The City of Casey covers approximately 410 square kilometres, over half of which is within the urban growth boundary (UGB).25 The north-western boundary of Casey is approximately 35 km to the south-east from the Melbourne CBD by road.26 The northern edge of Casey lies in the foothills of the Dandenong Ranges, while Westernport forms the Southern edge. Casey includes extensive areas of highly productive farmland (Devon Meadows, Clyde, Pearcedale, Cranbourne South, Five Ways and Junction Village).27 The location of Casey in relation to Greater Melbourne is illustrated in Figure 1.3.
Chapter 1: Introduction

Figure 1.3: Map of the City of Casey


Casey’s established suburbs include Berwick (township), Doveton, Eumemmerring, Endeavour Hills, Hallam, Hampton Park and Narre Warren. Suburbs that have been recently developed or which are currently being developed include (Narre Warren South, Berwick (south), Cranbourne, Cranbourne East, Cranbourne West, Cranbourne North, Cranbourne South, Botanic Ridge, Lynbrook, Lyndhurst and Clyde North).28

The City of Casey is Victoria’s most populous municipality. At the time of the 2011 Census, Casey had a total population of almost 252,400 people, with a median age of 33.29 In the 10 years between 2001 and 2011, Casey’s population has increased by approximately 43.8 per cent (from approximately 175,000 to approximately 252,400).30 Population growth between 2006 — when the total population was 214,960 — and 2011 was approximately 17.4 per cent.31 Projections by the City of Casey suggest that the population could grow to 450,000 by 2036. Approximately 118 people (equivalent to 40 new households) move into Casey each week, which equates to approximately 6,000 people (2,100 households) each year.32

1.5.3 Hume

The City of Hume spans 504 square kilometres and is located 20 kilometres north-west of Melbourne on the fringe. Hume comprises approximately 65 per cent rural land and 25 per cent urban land. The remaining 10 per cent of the land is occupied by the Melbourne Airport. Hume City is bounded by Merri Creek, the Maribyrnong River, Western Ring Road, the Calder and Tullamarine Freeways, and the foothills of the Macedon Ranges.33 The location of Hume in relation to Greater Melbourne is illustrated in Figure 1.4.
Inquiry into Liveability Options

**Figure 1.4: Map of the City of Hume**


Suburbs in the City of Hume include Attwood, Broadmeadows, Bulla, Campbellfield, Coolaroo, Craigieburn, Dallas, Gladstone Park, Goonawarra (Sunbury), Greenvale, Jacana, Kalkallo, Konagaderra, Meadow Heights, Melbourne Airport, Micklem, Oaklands Junction, Roxburgh Park, Sunbury, Somerton, Tullamarine, Upfield, Westmeadows and the locality of Yuroke.34

At the time of the 2011 Census the population of the City of Hume was 167,562 people, with a median age of 33.35 Population growth between 2006 — when the total population was 147,781 — and 2011 was approximately 13.4 per cent. 36

The City of Hume has been growing rapidly and Hume City Council forecasts show that the population is projected to be 244,575 by 2031. The total percentage change in population between 2012 and 2036 is forecast as 75.9 per cent.37 Rapid residential growth over the last twenty years and continuing population growth will occur in existing commercial centres such as Craigieburn and Greenvale. Despite projected continued growth, the City of Hume has slowed in its residential development rates in recent years, compared with the past two decades of rapid growth.38

**1.5.4 Melton**

The City of Melton spans 528 square kilometres and is located on Melbourne’s western fringe, 35 km from Melbourne CBD, on the eastern edge of the Victorian Volcanic Plains.39 The City of Melton is bounded by Moorabool Shire in the west, Macedon Ranges Shire in the north, the Cities of Hume and Brimbank in the east and the City of Wyndham in the south. The location of Melton in relation to Greater Melbourne is illustrated in Figure 1.5.
The Western Freeway and rail line to Ballarat intersect with the City of Melton, which also lies adjacent to the Calder Freeway. The City of Melton is accessible to Melbourne and Avalon airports; the ports of Melbourne; Geelong; and national road and rail networks.\(^{40}\)

The City of Melton includes the centres of Caroline Springs, approximately 19 kilometres west of Melbourne’s CBD, and Melton, approximately 35 kilometres west of Melbourne’s CBD. In addition, the City of Melton is comprised of the suburbs of Diggers Rest, Toolern Vale, Melton West, Kurunjang, Melton, Plumpton, Rockbank, Hillside, Taylors Hill, Caroline Springs, Burnside, Burnside Heights, Ravenhall, Truganina, Mount Cottrell, Eynesbury, Parwan, Exford, Melton South, and Brookfield.\(^{41}\)

At the time of the 2011 Census, Melton’s population was 109,259 people, with a median age of 32. Population growth between 2006 — when the total population was 78,912 — and 2011 was approximately 38.5 per cent.\(^{42}\)

The City of Melton is one of the top ten fastest growing LGA’s in Australia and was officially Victoria’s fastest growing Local Government Area in the five years to June 2009. Each week, approximately 41 babies are born and the municipality increases by just over 52 new households.\(^{43}\)

The City of Melton Council has estimated that the population of the City will grow to 200,000 by 2026, which is an increase of approximately 78 per cent compared to the 2011 population of 112,168. The Council predicts that recent changes to the UGB will ensure that the population of the City continues its rapid growth.\(^{44}\)
1.5.5 Mitchell
Mitchell Shire spans 2,862 square metres and is located approximately one hour or 40 kilometres north of Melbourne’s CBD along the Hume Freeway and Northern Highway. Mitchell has the largest geographic area of the Interface Councils. Mitchell Shire shares boundaries with Hume and Whittlesea to the south, Macedon Ranges, Mount Alexander and Greater Bendigo to the west, Strathbogie to the north and Murrindindi to the east. The majority of the Shire is rural, and the remaining southern tip of the Shire has recently been brought within the Urban Growth Boundary. Mitchell Shire is the most recent addition to Melbourne’s Growth Areas. The location of Mitchell in relation to Greater Melbourne is illustrated in Figure 1.6.

Figure 1.6: Map of the Shire of Mitchell

Mitchell Shire includes the towns of Beveridge, Broadford, Heathcote Junction, Kilmore, Puckapunyal, Pyalong, Reedy Creek, Seymour, Tallarook, Tooborac, Wallan, Wandong and Upper Plenty.

At the time of the 2011 Census the population of Mitchell Shire was 34,637 people, with a median age of 37 years. Population growth between 2006 — when the total population was 30,928 — and 2011 was approximately 12 per cent.

Rapid population growth has been forecast for the southern part of Mitchell, around Wallan, Beveridge, Kilmore and, to a lesser extent, Broadford. Mitchell Shire Council has forecast that the population of the Shire will grow to 80,000 by 2031, an increase of approximately 117 per cent.
1.5.6  **Mornington Peninsula**

The Mornington Peninsula Shire spans 720 square kilometres and is located approximately one hour or 45 kilometres south of Melbourne’s CBD. The region is surrounded by the ocean and coastal boundaries, and is comprised of a mix of old and new urban areas, resort towns, tourist developments, and rural land. The location of the Shire in relation to Greater Melbourne is illustrated in Figure 1.7.

*Figure 1.7: Map of the Mornington Peninsula Shire*

The Shire comprises the Northern Peninsula, Western Port Bay, Peninsula Hinterland, and Southern Peninsula. A selection of Mornington Peninsula suburbs includes Moorooduc, Mount Eliza, Mornington, Mount Martha, Flinders, Western Port Bay, Balmarring, Hastings, Dromana, Arthurs Seat, Red Hill, Main Ridge, Portsea, Sorrento, Rye and Rosebud.

The Mornington Peninsula Shire is a Green Wedge Council, containing over 25,000 hectares of National Parks, including Arthurs Seat State Park, French Island National Park, Point Nepean National Park, and Mornington Peninsula National Park. The landscape ranges from coastline, to wetland and bushland.

At the date of the 2011 Census, the Shire had a total population of 144,608, with a median age of 43. Population growth between 2006 — when the total population was 136,482 — and 2011 was approximately 6 per cent. Mornington Peninsula is a popular tourist and holiday destination and during the summer months the population can increase to 250,000 people.

1.5.7  **Nillumbik**

Nillumbik Shire spans 431.94 square kilometres and is located 25 kilometres north east of Melbourne. Nillumbik Shire has the Yarra Valley as its southern boundary and Kinglake National Park in the north.
The Shire covers the area from the Plenty River and Yan Yean Rd in the west to Christmas Hills and the Yarra escarpment in the east. The location of the Shire in relation to Greater Melbourne is illustrated in Figure 1.8.

Figure 1.8: Map of Nillumbik Shire

Nillumbik Shire townships include Arthurs Creek, Christmas Hills, Cottles Bridge, Diamond Creek, Eltham, Eltham North, Hurstbridge, Kangaroo Ground, North Warrandyte, Panton Hill, Plenty, Research, Smiths Gully, St Andrews, Watsons Creek, Wattle Glen, and Yarrambat.

Nillumbik is a Green Wedge Council, which comprises urban and rural settlements and over 300 hectares of nature and recreation reserve land.

As of the 2011 Census the population of Nillumbik Shire was 60,342 people, with a median age of 39 years. Population growth between 2006 — when the total population was 59,792 — and 2011 was approximately 0.9 per cent. The majority of the population resides in the south and south western areas of the region, including Diamond Creek, Eltham, Eltham North, parts of Greensborough, Hurstbridge and Wattle Glen, St. Helena and Plenty.

Total percentage change in the population between 2012 and 2031 is forecast as 13.98 per cent. Population change between 2012 and 2031 is forecast as 8,969 people.

1.5.8 Whittlesea

The City of Whittlesea covers approximately 490 square kilometres and is located approximately 20 km north-east of Melbourne’s CBD. The location of Whittlesea in relation to Greater Melbourne is illustrated in Figure 1.9.
Chapter 1: Introduction

Figure 1.9: Map of the City of Whittlesea

The City of Whittlesea is about 70 per cent rural, comprising the rural centre of Whittlesea, and rural localities of Donnybrook, Eden Park, Humevale, parts of Kinglake West, Wollert, Woodstock, and Yan Yean. The City of Whittlesea also includes the established or developing suburbs of Thomastown, Lalor, Epping, Epping North, Bundoora, Mill Park, Blossom Park, South Morang, Mernda, Laurimar and Doreen. The Metropolitan Ring Road provides direct freeway links between the City and the airports, docks and central Melbourne.

At the time of the 2011 Census, the total population of Whittlesea was 154,880, with a median age of 34 years. The City of Whittlesea’s population has grown at a rapid rate for the past three decades, more than quadrupling, (from approximately 27,000 in 1969 to approximately 146,000 in 2009) and is among the fastest growing municipalities in Australia. Population growth between 2006 – when the total population was 124,647 – and 2011 was approximately 24.3 per cent.

Projections by the City of Whittlesea suggest that the population will double in the next two decades. The total percentage change in population between 2012 and 2031 is projected as 73.4 per cent. The forecast population for the end of June 2031 is close to 300,000 people.

1.5.9 Wyndham

The City of Wyndham spans 542 square kilometres and is located between 12 and 45 kilometres from the Melbourne GPO. Wyndham City is located on a coastal plain on the western fringe of Melbourne, halfway between the Melbourne CBD and the City of Geelong, and bounded to the east by the Western Metropolitan Ring Road and to the south by Port Phillip Bay. The location of Wyndham in relation to Greater Melbourne is illustrated in Figure 1.10.
The City of Wyndham comprises predominantly residential urban suburbs, including Werribee, Hoppers Crossing, Point Cook, Sanctuary Lakes, Tarneit, Truganina and Wyndham Vale and the small rural township of Little River. The city also contains one of Melbourne’s largest industrial precincts at Laverton North. The principal areas of population are Werribee and Hoppers Crossing, with substantial growth occurring in Tarneit, Point Cook, Truganina, Wyndham Vale and Manor Lakes.

At the time of the 2011 Census, Wyndham’s population was 161,575 people, with a median age of 32. Wyndham has experienced the largest and fastest growth in all Victorian local government areas and is the third fastest growing in Australia. Population growth between 2006 – when the total population was 112,695 – and 2011 was approximately 43.4 per cent. The western suburbs of Melbourne have experienced the highest rate of settlement in the country, with over 18,000 people per annum moving to the western fringe. Wyndham records approximately 57 birth notices per week and over 100 building permits are issued each week.

It is forecast that the total population of the City will reach 267,000 by 2021, and 335,000 by 2031. The highest proportion of residents in 2021 is forecast to reside in Point Cook (59,840), Werribee (52,150) and Hoppers Crossing (37,042) respectively. The total percentage change in population between 2012 and 2031 is forecast at 81.7 per cent.

1.5.10 Yarra Ranges

The Shire of Yarra Ranges covers approximately 2,500 square kilometres and is located on the eastern fringe of Melbourne. This is the second largest area of the Interface Councils after Mitchell. There are more than 55 suburbs, townships, small communities and rural areas in the Yarra Ranges. The location of the Shire in relation to Greater Melbourne is illustrated in Figure 1.11.
The Shire of Yarra Ranges extends from the foothills of the Dandenongs, through the Yarra Valley, to the top of the Black Spur. It includes relatively densely populated outer suburbs as well as rural, agricultural and forested areas of the Great Dividing Ranges. The urban suburbs of Yarra Ranges are located in the west of the municipality, the foothills of the Yarra Ranges and numerous townships are located in the centre of the municipality, and the eastern half of Yarra Ranges contains mostly rural land and native forest with smaller townships scattered throughout. The Yarra Ranges has a significant tourism industry.

Approximately 70 per cent of the population live in 3 per cent of the Yarra Ranges geographic area. A selection of Yarra Ranges Shire suburbs include the well-populated centre of Lilydale, Yarra Glen, Warburton, Mount Dandenong, Belgrave, Healesville, Chirnside Park, and Sassafras.

As at the 2011 Census, the population of Yarra Ranges was 144,541 people, with a mean age of 38. Population growth between 2006 — when the total population was 140,217 — and 2011 was approximately 3.1 per cent.

Yarra Ranges Council forecasts the total percentage change in the population between 2012 and 2031 to be 10.53 per cent.
1.6 International perspectives

1.6.1 Vancouver

At the time of writing, metropolitan Vancouver, which is located in the province of British Columbia in Canada, had a population of approximately 2.3 million. Based on anticipated growth rates, the population is expected to reach 3.4 million in 2041. Mr Craig Crawford, Vice President, BC Housing, informed the Committee during a briefing in Vancouver that the Province of British Columbia is forecast to grow by an additional 34,000 households each year between 2011 and 2015 and that most of these households will be accommodated in metropolitan Vancouver. Moreover, 85 per cent of Vancouver's new households will be accommodated in the surrounding suburbs of Vancouver.

The land available for residential accommodation in Vancouver is constrained by the surrounding sea and mountains. These geographical constraints may explain why Vancouver has become renowned for the urban planning and architectural form known as ‘Vancouverism’, which is defined by a mixed-use commercial development of medium height (four to six storeys) located at the base of a high-rise residential tower, which is recessed from the lower levels and from the streets below. As the Committee observed during its visit to the city, Vancouverism produces high residential densities, vibrant commercial centres and the preservation of open corridors at street level.

Like Melbourne, Vancouver is a highly culturally diverse city, with a particularly large demographic of recent arrivals from Asia. Vancouver’s relatively mild winters, compared to the rest of Canada, due to its position on the west coast of the country, is a significant attraction for international migrants.

Also like Melbourne, Vancouver is currently facing a significant challenge to its housing affordability and an ageing population. Unlike Melbourne, however, Vancouver has a large and highly visible homeless population, which is primarily located in the Downtown Eastside of Vancouver City, many of whom sleep outside year round due to Vancouver's relatively mild winters. Historically, the Downtown Eastside has been notorious for poverty, drug use and crime, but is currently undergoing significant urban renewal and residential construction to provide housing for its homeless population. Much of the current housing construction to accommodate the homeless population is in the form of hotel refurbishment by the housing authority. However, as Mr Craig Crawford informed the Committee, the area is also experiencing ‘creeping gentrification’, due to wealthier purchasers driving up prices in some sections of the Downtown Eastside, which has in turn has led to higher rents and some evictions.

During the international study tour the Committee gathered information on Vancouverism as well as a range of additional approaches that Vancouver has deployed to increase residential densities. While Vancouverism has been embraced in the downtown area and in a number of major suburban centres — analogous to Melbourne’s major Activities Areas — the Committee also received a significant amount of information on the extent to which Vancouver has also embraced townhouse developments and secondary and tertiary suites (defined and discussed in Chapter Three) across its metropolitan area. Vancouver’s significant achievements in encouraging greater residential density in both the city centre and in its suburbs is discussed in Chapter Four.

While in Vancouver, the Committee visited the rapidly growing outer municipalities of Surrey and Maple Ridge. The City of Surrey and the District of Maple Ridge were also recently identified as two of the top ten investment cities in Canada and the only two within the list from British Columbia.
Chapter 1: Introduction

City of Surrey
The City of Surrey is a southern municipality of metropolitan Vancouver with a population of nearly 470,000, making it the second largest by population of metropolitan Vancouver’s 21 municipalities (second only to Vancouver City with a total population of just approximately 600,000).

During the period 2006 to 2011, Surrey absorbed the greatest share of Vancouver's population growth by a significant margin — approximately 37 per cent compared to just under 13 per cent for Vancouver City — and experienced the second fastest rate of population growth — over 18 per cent compared to an average of just over 9 per cent for metropolitan Vancouver.91

The City of Surrey has proven particularly successful in embracing increased residential densities, as a way of dealing with rapid population growth and declining housing affordability, through the secondary and tertiary suite model, which the Committee discusses in Chapter Three.

Maple Ridge
Maple Ridge is located north east of central Vancouver, north of the Fraser River and south of the Golden Ears Mountain and hosts a number of rivers and parks. The municipality is also renowned for its art and recreational facilities. Maple Ridge has been identified as one of the high growth areas of the Metro Vancouver Region and has a current population of approximately 76,000. Maple Ridge also has a diverse economy, which includes manufacturing, high tech, education services and a thriving television and film production industry.92

During a briefing provided by the Mayor of the District of Maple Ridge, Mr Ernie Daykin, and senior officers of the District, the Committee was informed that the economic priorities for the District include advanced technology, post-secondary education, tourism and agriculture. In common with a number of Melbourne’s Interface Councils, Maple Ridge has set itself an ambitious goal of attracting commercial and industrial investment and the creation of high value local jobs in order to make the transition away from a primarily residential community and to reduce the proportion of its population that currently commute to work in central Vancouver. The Committee was also informed that the creation of a much denser town centre was a priority for Maple Ridge.93

1.6.2 Calgary
Calgary is the capital of the province of Alberta and at the time of writing had a metropolitan population of just over one million and had been experiencing rapid population growth for a number of years due to the jobs created by the oil and gas boom in the province of Alberta. Calgary is forecast to more than double its population to approximately 2.3 million over the next 50 to 60 years. Calgary is currently experiencing population growth of approximately 20,000 people per year, approximately 17,000 of whom are being accommodated in the suburbs.94

A notable architectural feature of downtown Calgary is the ‘Plus 15’ network of pedestrian bridges, which are located 15 feet above street level. The Plus 15 network, which has a total length of approximately 16 kilometres and covers 50 city blocks, enables people to walk in warmth and comfort between many of the city’s buildings during the Calgary winter.95 The Committee notes the parallel between the Plus 15 model and the success of many of Melbourne’s outer suburban shopping centres, which is due in large part to the climate controlled environment that they provide to shoppers.
Despite its low urban density compared to Vancouver and Toronto, the Committee was informed during a briefing from senior officers of the City of Calgary, that Calgary is also embracing the goals of increased residential densities, the integration of land uses and the creation of ‘urban nodes and corridors’ in order to limit the spread of low density residential forms into other areas. Like many of Melbourne’s Interface Councils, Calgary is also aiming to increase the number of jobs closer to residential suburbs in order to create ‘complete communities’, while dealing with the challenge of protecting its environment and watersheds from further low density development. Like Melbourne, Calgary is also facing a housing affordability challenge and an ageing population.\(^96\)

In order to deal with these multiple challenges to its liveability and fiscal sustainability, the City of Calgary undertook the Imagine Calgary process, which engaged 18,000 people over a process of 18 months to create a 100 year vision for the city as well as a plan for a sustainable city. Imagine Calgary represented one of the biggest public engagement exercises ever undertaken in Calgary or in Canada and resulted in a range of goals and targets across the five topics of: the built environment; infrastructure; economic governance; the natural environment; and social systems. The Imagine Calgary process was also used to inform the development of an integrated and coordinated land use plan for the next 50 to 60 years, referred to as Plan It Calgary.\(^97\)

The outcomes of Plan It Calgary were the integrated Municipal Development Plan (MDP), MDP Maps and the Calgary Transportation Plan (CTP), which include the following ambitious goals:

- to accommodate 33 per cent of the city's future population in existing developed areas over the next 30 years and as much as 50 per cent over the next 60 to 70 years; and

- to concentrate growth and investment in activity centres and corridors allowing to facilitate investment in transit services, high quality living environments and attractive walkable neighbourhoods.\(^98\)

The Committee was particularly impressed by the degree of public engagement facilitated by the Imagine Calgary process and by the bold vision of including goals and targets over a 100 year horizon.

The City of Calgary is also currently investing heavily in new transport infrastructure, including three new Light Rail Transit (LRT) lines to service outer suburban areas. As discussed in Chapter Four, LRT has some similarities to a conventional tram system but typically uses a number of higher capacity carriages and includes sections of track that are separated from the road system.

### 1.6.3 Toronto

Toronto is the largest city in Canada and the capital of the province of Ontario. Located on the northwestern shore of Lake Ontario, the Greater Toronto Area (GTA) had a population of approximately 5.58 million in 2011. The GTA is experiencing strong population growth, having grown by approximately 0.5 million people between 2006 and 2011.\(^99\) Based on current estimates (Chapter Two), Melbourne is forecast to reach the current population of Toronto by around the year 2025.

The population of Ontario is predicted to increase by approximately 4.5 million by 2036, while people aged over 65 are predicted to double from approximately 1.8 million to 4.1 million, reaching one quarter...
of the total population. Net migration is projected to contribute 68 per cent of total population growth in Ontario during the period, while natural increase is projected to contribute 32 per cent. 100

The GTA is projected to be the fastest growing region of Ontario between 2011 and 2036, with a population increase of approximately 2.8 million and a 2036 population of approximately 9.2 million. The GTA’s share of the total provincial population is also projected to increase from 47.3 per cent in 2011 to 51.6 per cent in 2036.101

The Greater Golden Horseshoe, which stretches from the Niagara Falls escarpment to the east Toronto municipality of Oshawa (discussed below) currently has a population of almost 9 million and is forecast to reach 11 million by 2031. The Greater Golden Horseshoe is a major residential and industrial region and is currently growing by approximately 100,000 people each year.102

Like Melbourne, the population of the GTA and the wider Greater Golden Horseshoe is ageing. With a birth rate of approximately 1.8, the region relies on immigration for its population growth and to maintain its workforce into the future.103

The Committee heard from a number of representatives that recent decades have seen under-investment in the transport infrastructure of the GTA, which is causing increasing problems with congestion.

**Oshawa**

With a population of approximately 150,000 people,104 the City of Oshawa is the largest of the eight municipalities comprising the Regional Municipality of Durham, which forms part of the Greater Toronto Area and which is located to the east of the City of Toronto.

Oshawa is located in the central southern portion of the Region of Durham and is bordered by Lake Ontario to the south. Oshawa lies within the Greater Golden Horseshoe, which forms the economic centre of Ontario and which reaches from Oshawa to Niagara Falls. The area is characterized by a variety of landscapes, extensive urban development located close to the lakeshore and many small towns, villages and farmland located inland to the north, beyond the Oak Ridges Moraine (a series of hills and river valleys which extends from the Niagara Escarpment eastwards for approximately 160 kilometres and which is a major watershed for the region). The lakeshore area is comparatively flat and contrasts with the hilly topography of the Oak Ridges Moraine, which runs parallel to the shore of Lake Ontario for approximately 24 kilometres to the north. The Region is highly accessible to the Great Lakes and north-eastern markets of Canada and the United States comprising approximately 120 million people. The area has a particularly strong manufacturing sector which is rapidly diversifying and has seen a very rapid increase in the scale of residential development in recent years.105

Oshawa is the only municipality in Canada with three universities and also possesses a community college, a deep water port and an airport. Oshawa is the centre of a number of car manufacturing plants and the City also hosts an Automotive Centre of Excellence, located at the University of Ontario Institute of Technology (UOIT), which is the only one of its kind in the world.106 The Centre hosts a wind tunnel, which has generated a number of spin-offs, including the testing of building materials for hurricane and tornado prone areas of the United States. The University of Oshawa is also currently leading the world in hydrogen technology.107
The City has developed a green belt plan to protect the Oak Ridges Moraine, which is an important water shed for the Greater Toronto Area and which is discussed further in Chapter Four.

**Regional Municipality of Halton**

The Regional Municipality of Halton comprises the four local government municipalities of Halton Hills, Milton, Burlington and Oakville in the southwest of the GTA. Halton is one of four regional municipalities within the GTA, each of which comprises a number of municipal governments and which have a number of administrative and service responsibilities including: high land-use planning; regional roads; waste management; water and wastewater; public health programs, including ambulance services; and social service programs, including social housing and a regional police force. The Region of Halton includes 25 kilometres of shoreline on Lake Ontario and is noted for its extensive industrial and economic base and as an important link between the GTA and the United States. The Region is also notable its agriculture and has over 500 active farms.

The Region has a total estimated population of approximately 503,600, which is forecast to increase by 28 per cent between 2010 and 2021.

**1.6.4 Zurich**

The City of Zurich is the capital of the Canton of Zurich, which is the largest canton by population in Switzerland. The Canton of Zurich has a population of approximately 1.4 million people and comprises 171 municipalities. The City of Zurich has a population of approximately 400,000 people. The Canton of Zurich has experienced relatively rapid population growth of approximately 100,000 people over the last five years.

As in Melbourne, and in all of the cities that the Committee visited during the overseas study tour, Zurich is seeking to accommodate a greater proportion of future population growth through increased density in its existing urban areas.

Planning in the Canton of Zurich is governed by the Canton Structure Plan and the statement of land use plans produced by the individual municipalities. The Canton Structure Plan is used to plan urban development, transportation and other infrastructure, landscape use and protection and public buildings and is reviewed every 15 years.

The Canton of Zurich has recently joined with seven other neighbouring Cantons to form the Metropolitan Conference, in order to address the planning issues associated with their combined metropolitan area, which covers approximately 2,000 square kilometres and has a population of approximately two million people. The population of this combined metropolitan area is forecast to grow by 300,000 by the year 2040.

**1.6.5 London**

At the time of writing, greater metropolitan London had a population of approximately 8 million people. London has long been recognised as the financial capital of Europe and as a leading ‘global city’.

London provides relatively high levels of liveability for a population that is approximately twice the size of Melbourne but within a similar geographic area. London has achieved this primarily through a long
legacy of medium density residential development, although there has been an increase in the number of high-rise developments in recent years.

London is also renowned for its transport infrastructure, particularly its public transport system which is highly inter-connected across the metropolitan area and which also enables large numbers of people to commute to work from regional centres. While London has also adopted innovative strategies for reducing road congestion, which have resulted in reduced numbers of private motor vehicles in the metropolitan centre, the Committee heard that there is increasing competition for road space between more sustainable transport modes, such as cyclists and buses.

Much of the information gathered by the Committee in London is also of particular relevance and value to the Terms of Reference for the Growing the Suburbs Inquiry.
Chapter 1 Endnotes:

12 Outer Suburban/Interface Services and Development Committee, Executive Officer, Notes from Overseas Study Tour, Mr Gary McNeil, President, GO Transit, Toronto, 11 May 2012, p.485.
13 Outer Suburban/Interface Services and Development Committee, Executive Officer Notes from Overseas Study Tour, Ms Leslie Woo, Vice President, Policy, Planning & Innovation, Metrolinx, Toronto, 11 May 2012, p.484.
14 Mr Robert Larocca, Communications Manager, Real Estate Institute of Victoria, Transcript of Evidence, Liveability Options, 2 May 2011, p.23.
15 See for example: Councillor Rex Griffin, Mayor of the City of Whittlesea, Mr Neil Hocking, Acting Chief Executive Officer and Ms Mary Agostino, General Manager, Advocacy, City of Whittlesea, Transcript of Evidence, Liveability Options, 12 May 2011 p. 35.
16 Mr Mick Butera, North Link/NIETL, Transcript of Evidence, Liveability Options, 12 May 2011, p.41.
17 Victorian Competition and Efficiency Commission, October 2008, A State of Liveability: An Inquiry into Enhancing Victoria’s Liveability, Final Report,
21 Cardinia Shire Council, 2012, Shire Facts and Statistics, viewed 4 September 2012,
22 Cardinia Shire Council, 2012, About Cardinia Shire, viewed 3 September 2012,
23 Cardinia Shire Council, 2012, Shire Facts and Statistics, viewed 4 September 2012,
24 Australian Bureau of Statistics, 21 June 2012, 2011 Census QuickStats: Cardinia, viewed 4 September 2012,
25 City of Casey, 2012, Casey at a glance - our vital statistics, viewed 4 September 2012,
26 City of Casey, 2009, Where is Casey?, viewed 4 September 2012,
27 City of Casey, 2012, Casey at a glance - our vital statistics, viewed 4 September 2012,
28 Ibid.
29 Australian Bureau of Statistics, 21 June 2012, 2011 Census QuickStats: Casey,
Inquiry into Liveability Options

34 ibid.
38 ibid.
44 Melton Shire Council, Submission No.63, Liveability Options, OSISDC, received 6 May 2011, p.2.
47 ibid.
Chapter 1: Introduction


Inquiry into Liveability Options


67. Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2011, p.3.

68. Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2011.

69. ibid.


73. Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2011, p.3.

74. ibid.


78. ibid.

79. ibid.


81. Yarra Ranges Council, Submission No.67, Liveability Options, OSISDC, received 13 May 2011, p.1.


84. ibid.

85. BC Housing, Vancouver, Notes of Overseas Study Tour, Liveability Options, OSISDC, 8 May 2012, p.158.

86. Mr Craig Crawford, Vice President, BC Housing, Vancouver, Notes of Overseas Study Tour, Liveability Options, OSISDC, 8 May 2012, p.158.

87. ibid., p.169.

88. ibid., p.162, 166.

89. ibid., p.170.
Chapter 1: Introduction

93. Ms Sandy Blue, Manager Strategic Economic Initiatives, District of Maple Ridge, Vancouver, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 8 May 2012, p.179.
94. Mr Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary, Calgary, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 9 May 2012, p.246, 254.
96. Mr Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary, Calgary, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 9 May 2012, p.245.
97. ibid., p.245-246.
98. ibid., p.246.
100. Mr Chris Giannekos, Assistant Deputy Minister, Infrastructure, Policy and Planning Division, Ministry of Infrastructure Ontario, Toronto, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 10 May 2012, p.370.
103. ibid., p.515-516.
107. ibid., p.418-419.
108. Ms Carleen Carroll, Director, Strategic Communications, Regional Municipality of Halton, *Presentation to Committee*, p.5; Ms Carleen Carroll, Director, Strategic Communications, Regional Municipality of Halton, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 10 May 2012, p.545.
110. ibid.
112. ibid., p.594-595.
113. ibid., p.594.
Inquiry into Liveability Options

114 Professor Dr. Marc Angélil, Deputy Director, Network City and Landscape (NSL), ETH Zurich, Swiss Federal Institute of Technology Zurich, Notes of Overseas Study Tour, Liveability Options, OSISDC, 15 May 2012, p.625.
CHAPTER 2: POPULATION GROWTH AND OTHER DEMOGRAPHIC TRENDS

A growing population can bring economic benefits. It goes hand-in-hand with increased prosperity and better standards of living. It delivers a larger, better-skilled labour force and more vibrant cities. The real challenge is not to stop population growth. It is making population growth work.

Oliver Hartwich and Jessica Brown

The interesting thing about 2050…is that the [global] population is predicted to stabilise. That will be the first time in the history of urbanisation that the population has stabilised. The reason the [global] population is stabilising, believe it or not, is because of cities. … They put a dampener on population growth. … We have ageing populations the world over. Australia is ageing. We stay young by importing people….

Professor Richard Weller

2.1 Introduction

Within a generation, the population of Melbourne has grown by approximately one third, from a city of less than 3 million to a city of more than 4 million.

The rate of growth has been particularly rapid since the beginning of the previous decade, with Melbourne’s Estimated Resident Population (ERP) increasing from approximately 3.5 million in 2000 to approximately 4.17 million in 2011, an overall increase of approximately 20 per cent. The ERP is the official population measure used by the Australian Bureau of Statistics (ABS) and, unless otherwise stated, is the measure of population used by the Committee throughout this chapter.

During the ten years to June 2011, Melbourne experienced the largest growth of all Australian capital cities (647,200 people) and, between 2001 and 2011, Melbourne’s outer suburbs accounted for the majority of Victoria’s population growth. Moreover, between June 2001 and June 2011, the five suburbs (defined as Statistical Area Level 2 by the ABS) with the largest growth in Australia were all located in outer Melbourne: South Morang, Point Cook, Caroline Springs, Tarneit and Craigieburn – Mickleham.

All of Melbourne’s Growth Area Councils experienced considerable population growth and rapid growth rates during the same ten year period. Moreover, all of the Growth Area Councils experienced growth rates during the period that were higher, and in some cases several times higher, than the growth rate across Greater Melbourne. Collectively, the Growth Area Councils accounted for more than half (approximately 52 per cent) of the growth of Greater Melbourne between 2001 and 2011. This is a remarkable result in view of the fact that the Growth Area Councils represent only seven of Melbourne’s 31 municipalities.

For both the year ended 30 June 2011 and the preceding 12 months, four of Melbourne’s Growth Area Councils (Wyndham, Whittlesea, Melton and Casey) were within the top ten Australian LGAs in terms of total population growth and three of the four (Wyndham, Whittlesea and Melton) experienced the highest growth rates of those ten Australian LGAs by substantial margins.
The Committee heard from a number of stakeholders that the large and rapid population growth experienced by many of Melbourne’s outer suburbs in recent years has placed significant strain on existing infrastructure and services, as well as a pressing need for the provision of additional infrastructure and services in many areas. The Committee also received evidence and conducted research which suggests that well managed population growth has a range of short term and longer term benefits. Population growth is a key driver of economic growth and therefore of living standards and the overall prosperity of a community. Population growth also has an important role to play in mitigating the impact of the ageing population, which presents significant challenges for Australia’s future economic prosperity.

During the course of the Inquiry, the Committee received a range of estimates of Melbourne’s future population. The Victorian Department of Planning and Community Development (DPCD), which provides the Victorian Government’s official population and household projections, has forecast that Melbourne’s population will grow to: approximately 4.8 million in 2021; 5.4 million in 2031; and to almost 6.5 million by 2051. According to the Growth Areas Authority, the majority of Melbourne’s population growth in coming years will continue to occur in the Growth Area Councils.

Estimates of Melbourne’s future population growth informed the Committee’s decisions regarding the destinations for the overseas study tour and played an important part in the decision to visit both Toronto and London. The Greater Toronto Area currently has a population of approximately 5.6 million, while Greater London currently has a population approaching 8 million. Both cities therefore have valuable lessons to offer in terms of how to deal with the challenges and opportunities of population sizes that have been forecast for Melbourne in the coming decades.

During the overseas study tour, the Committee received evidence that the rapid growth of outer suburban areas is an increasingly global phenomenon. Professor Marc Angélil, Deputy Director, Network City and Landscape (NSL), of the Swiss Federal Institute of Technology Zurich, informed the Committee during a briefing in Zurich that although the United Nations has estimated that approximately 50 per cent of the world’s population is currently living in cities, approximately 90 per cent of the world’s population is now living an urban lifestyle. The residents of Melbourne and its outer suburbs are therefore not alone in living through a period of significant challenges and opportunities arising from population growth. Indeed, the Committee is strongly of the view that it will be those cities, such as Melbourne, that are able to provide high standards of liveability to both their outer and inner urban areas that will be best placed to compete globally for people with cultural and creative skills whose increasing economic importance was recognised by Richard Florida in his seminal 2003 book *The Rise of The Creative Class: and How It Is Transforming Work, Leisure, Community And Everyday Life.*

This chapter outlines existing Commonwealth and State population policy, and examines population growth and demographic trends in the context of Australia, Victoria, and outer-suburban Melbourne. The impacts of population growth in the outer suburbs of Melbourne are identified in this chapter. The chapters that follow also examine a number of those impacts in more detail.

Population growth and demographic trends have implications for liveability options in outer suburban Melbourne. Population growth and demographic trends have a significant impact on urban and environmental planning, affecting demand for health services, housing, and social and physical infrastructure.
Chapter 2: Population Growth & Impacts

The preliminary results of the 2011 Australian Census were released in July 2012 and have been used in this chapter wherever possible. However the time-frame of the 2011 census release dates, in conjunction with the tabling date of this Report, has prevented the Committee from utilising the 2011 census data in its entirety. The Committee has therefore used 2006 census data, and later pre-2011 data, where the relevant 2011 census data was not yet available. The Committee also gathered evidence on projected population and demographic change, which is presented in this chapter.

The Committee therefore decided to supplement its evidence base on Melbourne’s population growth with evidence from population experts at public hearings held in Melbourne on 7 and 21 November 2011. ID Consulting, a consulting company of demographers, housing analysts and census data experts, and Dr Ernest Healy, Senior Research Fellow in the Centre for Population and Urban Research at Monash University, appeared before the Committee on the respective dates.

In addition, several witnesses at public hearings held in Melbourne and in local outer suburban municipalities, provided evidence relating to population growth, and several submissions to the Inquiry also addressed population growth and its impacts.

2.2 Population growth

2.2.1 Population growth in Melbourne

There has been widespread media commentary regarding Melbourne’s population growth in recent years.

In an article printed in *The Australian* in March 2012, Mr Bernard Salt, a Melbourne-based commentator on Australian demographic trends, wrote:

> Melbourne is big and it's getting bigger. In the year to June 2009, Melbourne added 96,000 residents. (The long-term average in the 1990s was 32,000 a year.) …Melbourne is closing the gap on Sydney.12

Mr Tim Colebatch, Economics Editor for *The Age*, in an article printed in April 2011 stated that:

> Melbourne’s outer suburbs are growing faster than any other area in Australia, part of a record-breaking trend that has seen Melbourne’s population closing the gap on Sydney. The city’s outer suburbs are leaving coastal Queensland and Western Australia’s mining towns in their dust, as more than one thousand people a week pour into Melbourne’s fringes.13

More recently, Mr John Masanauskas, in an article printed in the *Herald Sun* in March 2012 stated:

> Growth in Melbourne had started to stall amid record-high house prices and concerns about jobs. The city’s population is growing by less than 2 per cent a year now after an average annual growth rate of 2.07 per cent between 2005 and 2010.14

The ABS produces Australia’s official population projections after each census. Each release updates the base population and uses assumptions based on recent and long-term demographic trends, and takes account of possible future scenarios arising from research in Australia and elsewhere.15 The following discussion describes current and projected population growth in Melbourne.
The resident population of the Melbourne Statistical Division (SD) was 4.14 million as at 30 June 2011. The annual growth rate of Melbourne metropolitan between 2010 and 2011 was 1.6 per cent which equates to 66,900 people per year.16 This was the largest population increase of the Australian states and territories, followed by Sydney (59,800 people per year) and Perth (42,800 people per year).17

In the five years to June 2009, Melbourne added more people to its population than any other city or region in Australia.18 As shown in Figure 2.1 Melbourne had the largest population growth of Australia’s capital cities between 1999 and 2009.19

Figure 2.1: Total change in population in Australian capital cities

In 2010-11, Melbourne continued to have the largest population growth of all Australian capital cities.20 Proportionally, population growth in Melbourne compared with growth in the rest of Victoria was higher than for any other capital city and state.21 In 2010-11, 80 per cent of Victoria’s very skewed population growth was concentrated in Melbourne.22 The need to more effectively promote the benefits of settling in Victoria’s regional centres is the subject of sections 2.4.7.

In 2011, 74 per cent of Victoria’s population resided in Melbourne;23 63 per cent of New South Wales’ population resided in Sydney;24 and 74 per cent of Western Australia’s population resided in Perth.25

2.2.2 Projections of Melbourne’s future population

DPCD, in its most recent population projections, which are contained in Victoria in the Future 2012, has projected that Melbourne’s rate of population growth will decline over the next four decades. DPCD has projected that the Melbourne SD (defined below) will grow at an annual rate of 1.6 per cent from 2011-2016; 1.4 per cent from 2016-2021; 1.3 per cent from 2021-2026; 1.1 per cent from 2026 to 2031; 1 per cent from 2031 to 2036; 0.9 per cent from 2036 to 2046; and 0.8 per cent from 2046 to 2051.26 The population growth rate in other Australian capital cities is also projected to decline in the same period.27

The Melbourne SD was the main measure for the Melbourne metropolitan area used by the ABS prior to the release of the data from the 2011 Census. It has now been replaced by the Melbourne Greater Capital City Statistical Area (GCCSA), which has added a number of outlying areas that were not previously
included in the Melbourne SD. The change to the Melbourne GCCSA, added approximately 60,000 people to the population of Melbourne compared to the Melbourne SD. Figure 2.2 illustrates the boundaries of the Melbourne GCCSA and of the former Melbourne SD. As the results of the 2011 Census were being progressively released during the final stages of the Inquiry, the Committee has used Melbourne GCCSA data wherever possible but has also relied on Melbourne SD data. The Melbourne GCCSA is also referred to as ‘Greater Melbourne’, which is the term that the Committee has adopted for the remainder of this report.

**Figure 2.2: Map showing the former Melbourne Statistical Division and additions to create the Melbourne Greater Capital City Statistical Area**


According to the latest estimates by the DPCD, Melbourne’s population is forecast to grow to: approximately 4.8 million in 2021; 5.4 million in 2031; and to almost 6.5 million by 2051. At the time of writing, DPCD’s estimates had been updated by reference to ABS population data dated 30 June 2011, but had yet to be updated following the release of the 2011 Census data.

The ABS, in its most recent population projection publication, *Population Projections, Australia, 2006 to 2101*, (September 2008), provided three sets of possible future population estimates for Melbourne for the period 2008 to 2056, referred to as Series A, B and C. Series B is mainly based on (then) current fertility, life expectancy, net overseas migration and net interstate migration trends, while Series A and C are, respectively, based on high and low assumptions for each of the above variables. The ABS’ population estimates for Melbourne range from (lowest to highest): 4.60 to 4.85 million in 2021; 5.06 to 5.70 in 2031; and 5.93 to 7.49 million in 2051. The latest population estimates produced by DPCD are all within the ranges estimated by the ABS for the corresponding years. It is also notable that in Series A, the population of Melbourne is projected to exceed the population of Sydney in the year 2039, primarily
as a result of higher internal migration losses assumed for Sydney than for Melbourne. However, Sydney is projected to remain the most populous Australian city in Series B and C.32

ID Consulting, at a public hearing in Melbourne on 7 November 2011, informed the Committee that it had projected a population for Melbourne of 5.7 million by 2036, which the Committee notes is approximately equivalent to the Series A projection produced by the ABS for that year.

The Committee for Melbourne, at a public hearing in Melbourne 6 June 2011, informed the Committee that it had projected that Melbourne’s population will reach approximately 8 million in the year 2060 and that this projection assumes a decline in the population growth rate of recent years.33 The Committee notes that this projection appears to be broadly consistent with the ABS’s projection for Series A, which projects a population of approximately 7.97 million by 2056.34

It is also important to note that the projections provided by DPCD, the ABS, ID Consulting and the Committee for Melbourne are based on different assumptions regarding Melbourne’s share of future migrants, fertility rates and interstate migration. The projections have also been made at different points in time and for differing periods of time into the future.

2.2.3 Population growth in Melbourne’s outer suburbs

In 2010-11 the largest population growth in Victoria occurred in the outer suburban fringes of the Melbourne SD.35 This trend is consistent throughout Australia’s capital cities. Population growth in the outer suburbs of capital cities in 2010-11 accounted for more than two-thirds of the total growth in the Australian population.36

In the Victorian context, the combined population of Melbourne’s ten Interface Councils is forecast to double by the year 2036, from approximately 1.1 million to approximately 2.2 million.37 According to this forecast, Melbourne’s Interface Councils will absorb approximately half of the additional 2 million people who will be living in Melbourne in 2036.38 Mr Johnny Barnard, population forecaster, ID Consulting, noted that of Melbourne’s 31 LGAs, the ten Interface Councils “are doing half the job, essentially, in accommodating Melbourne’s population”.39

Recommendation 2.1: That the Victorian Government, through the Department of Planning and Community Development, and in consultation with each of the Interface Councils, undertake a detailed and individualised assessment of the areas of greatest need for the ten Interface Councils in terms of accommodating future population growth.

Figure 2.3 illustrates the comparative extent of the growth of Sydney, Perth and Melbourne’s inner, middle and outer suburban regions between 2001 and 2010. Growth in Melbourne’s outer suburbs has been comparatively higher than growth in Sydney’s outer suburbs over this period.40 The outer suburbs of Melbourne absorbed 61 per cent of Melbourne’s population growth between 2001 and 2010, whilst the outer suburbs of Sydney absorbed 46 per cent of Sydney’s growth in the same period. Perth’s outer suburbs absorbed 69 per cent of Western Australia’s population growth between 2001 and 2010.41
Chapter 2: Population Growth & Impacts

**Figure 2.3: Population growth in Sydney, Melbourne and Perth by sub-region, 2001 to 2010**

As the Committee discusses in Chapter Four, there are significant economic, social and environmental benefits associated with increased residential densities. The Committee also considers that increased residential density has a role to play, particularly in addressing the current pressures on Melbourne’s infrastructure, right across metropolitan Melbourne. In other words, there is a need to increase residential densities in Melbourne’s inner, middle and outer suburbs. The Committee considers that this could best be achieved by the active promotion of the benefits of living in close proximity to infrastructure and services and by the regular monitoring and publication of updates of comparative residential densities in Melbourne’s inner, middle and outer suburbs. The Committee also considers that such published updates could be used as an important planning tool by DPCD, Melbourne’s LGAs and by other agencies such as the Growth Areas Authority (GAA). The Committee considers that DPCD would be well placed to undertake or initiate this work in partnership with other agencies such as Melbourne’s LGAs.

---

**Recommendation 2.2:** That the Department of Planning and Community Development monitor, and publish regular updates on residential densities in Melbourne’s inner, middle and outer suburbs.

**Recommendation 2.3:** That the Victorian Government actively promote the benefits of living close to key Activities Areas. Such promotion could take the form of marketing and education campaigns, as well as financial and other incentives designed to encourage the construction of increased density accommodation in areas that are currently dominated by low density residential dwellings.

Table 2.1 illustrates the population growth and growth rates for Melbourne’s ten Interface Councils during the ten years between 2001 and 2011. Notably, all of the Growth Area Councils experienced growth rates that were multiples of the growth rate for Greater Melbourne during the period. The four Growth Area Councils with the largest and fastest growth — Melton, Wyndham, Cardinia and Casey — experienced growth rates, respectively, of approximately 6, 5, 3.3 and 2.4 times the rate of growth for
Greater Melbourne during the period. It is also notable that, collectively, the Growth Area Councils accounted for more than half (approximately 52 per cent) of the growth of Greater Melbourne during the period. The lowest growth rates were in Nillumbik, Mornington Peninsula and Yarra Ranges, all Green Wedge Councils.

Recommendation 2.4: That the Victorian Government work with the Interface Councils and the Growth Areas Authority on the development of marketing programs designed to inform prospective home buyers of the benefits and differences that are unique to each of the Interface Councils. The marketing should be aimed at achieving an optimal share of future population growth between all of the Growth Area Councils, as well as a greater share of population growth in the Interface Councils.

Table 2.1: Population growth and growth rates Melbourne Interface Councils, 2001 to 2011

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Estimated Resident Population 2001</th>
<th>Estimated Resident Population 2011</th>
<th>Change Total</th>
<th>Growth 2001 to 2011 (%)</th>
<th>Average Annual (Compound) Growth Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wyndham</td>
<td>87,141</td>
<td>166,038</td>
<td>78,897</td>
<td>90.5%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Casey</td>
<td>181,562</td>
<td>260,404</td>
<td>78,842</td>
<td>43.4%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Melton</td>
<td>52,830</td>
<td>112,168</td>
<td>59,338</td>
<td>112.3%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>118,118</td>
<td>160,371</td>
<td>42,253</td>
<td>35.8%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Hume</td>
<td>135,986</td>
<td>175,063</td>
<td>39,077</td>
<td>28.7%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Cardinia</td>
<td>47,010</td>
<td>75,573</td>
<td>28,563</td>
<td>60.8%</td>
<td>4.9%</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>132,387</td>
<td>149,156</td>
<td>16,769</td>
<td>12.7%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Mitchell</td>
<td>28,406</td>
<td>35,092</td>
<td>6,686</td>
<td>23.5%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>142,553</td>
<td>148,754</td>
<td>6,201</td>
<td>4.3%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>60,818</td>
<td>62,596</td>
<td>1,778</td>
<td>2.9%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Greater Melbourne</td>
<td>3,521,939</td>
<td>4,169,164</td>
<td>647,164</td>
<td>18.4%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>


As shown in Table 2.2, there were four Victorian LGAs (Wyndham, Whittlesea, Melton and Casey) amongst the ten municipalities in Australia with the largest growth during the period 30 June 2010 to 30 June 2011. Moreover, Wyndham, Whittlesea, and Melton experienced the largest growth rates of the 10 largest growing municipalities across Australia during 2010-2011 by substantial margins.

The Committee visited the Perth municipality of Wanneroo in May 2011 during the interstate study tour to Perth and Adelaide. The Committee received a briefing from senior representatives of the Wanneroo
City Council, Mr Mark Dickson, Manager City Growth, and Mr Garry Prus, Manager Community Programs and Services. Mr Dickson informed the Committee that Wanneroo’s rapid population growth was due to the fact that it had the most affordable housing in Perth, with house and land packages then available for approximately $300,000 to $350,000. Mr Dickson described the challenges that Wanneroo was facing due to its rapid population growth, a number of which were identical to those being faced by some of Melbourne’s Growth Area suburbs, including the absence of a local train station and commuter congestion due to approximately 60 per cent of residents having to travel outside of the municipality to work. The Committee discusses other aspects of the information provided during the briefing from Mr Dickson and Mr Prus in Chapters Three, Four and Five.

### Table 2.2: Australian LGAs with the largest population growth 2010-2011

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>State</th>
<th>Growth 2010-2011</th>
<th>Growth Rate (%) 2010-2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brisbane</td>
<td>QLD</td>
<td>14,100</td>
<td>1.3</td>
</tr>
<tr>
<td>Wyndham</td>
<td>VIC</td>
<td>12,230</td>
<td>7.8</td>
</tr>
<tr>
<td>Gold Coast</td>
<td>QLD</td>
<td>9,637</td>
<td>1.8</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>VIC</td>
<td>8,675</td>
<td>5.6</td>
</tr>
<tr>
<td>Moreton Bay</td>
<td>QLD</td>
<td>8,118</td>
<td>2.1</td>
</tr>
<tr>
<td>Wanneroo</td>
<td>WA</td>
<td>6,234</td>
<td>4.2</td>
</tr>
<tr>
<td>Melton</td>
<td>VIC</td>
<td>6,002</td>
<td>5.6</td>
</tr>
<tr>
<td>Casey</td>
<td>VIC</td>
<td>5,947</td>
<td>2.3</td>
</tr>
<tr>
<td>Blacktown</td>
<td>QLD</td>
<td>5,325</td>
<td>1.9</td>
</tr>
</tbody>
</table>


Many of the fastest growing suburbs (defined by the ABS as Statistical Area Level 2, i.e. SA2s) were located within Melbourne’s west. Taylors Hill, Cairnlea, Point Cook, Tarneit and Truganina all grew at an average annual rate of 30 per cent or higher during the ten years to 2011. Point Cook and Tarneit also had large population growth between 2001 and 2011. Point Cook grew by 31,300, while Tarneit grew by 21,000 people.

South Morang experienced the largest increase in population within Greater Melbourne over the ten years to 2011, growing by 32,200 people.

Rapid population increases also occurred in SA2s in Melbourne’s outer south eastern suburbs. Lynbrook - Lyndhurst, Cranbourne East, Pakenham South, and Berwick South all recorded growth of more than 150 per cent in the ten years to 2011.

As shown in Figure 2.4 and Table 2.3, projected population growth (as a numerical figure) and average annual growth rates (equivalent to percentage compound growth) for Melbourne’s Growth Area Councils are significantly higher than for the remainder of the metropolitan area over the next two decades. Conversely, the Green Wedge Councils, of Yarra Ranges, Nillumbik and Mornington Peninsula, are all forecast to grow by relatively small amounts and to experience average annual growth rates that are significantly lower than for metropolitan Melbourne as a whole. Figure 2.4 does not include data for the...
municipality of Mitchell. However, a population forecast for Mitchell to the year 2031 is given in Table 2.3.

*Figure 2.4: Projected extent of population change in Melbourne 2006-2026*

*Source: Department of Planning and Community Development, Victoria in Future 2008: Melbourne, Melbourne SD, p.4.*
Table 2.3: Projected net change in population and average annual percentage change in population for the Interface Councils 2011-2031

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Change in net population 2011-2031</th>
<th>Average annual percentage growth 2011-2031</th>
</tr>
</thead>
<tbody>
<tr>
<td>Casey</td>
<td>143,300</td>
<td>2.2%</td>
</tr>
<tr>
<td>Cardinia</td>
<td>64,847</td>
<td>3.1%</td>
</tr>
<tr>
<td>Hume</td>
<td>88,392</td>
<td>2.1%</td>
</tr>
<tr>
<td>Melton</td>
<td>112,793</td>
<td>3.5%</td>
</tr>
<tr>
<td>Mitchell</td>
<td>59,266</td>
<td>5.0%</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>26,907</td>
<td>0.8%</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>8,019</td>
<td>0.6%</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>124,029</td>
<td>2.9%</td>
</tr>
<tr>
<td>Wyndham</td>
<td>172,172</td>
<td>3.6%</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>12,798</td>
<td>0.4%</td>
</tr>
<tr>
<td>Melbourne Statistical Division</td>
<td>1,274,506</td>
<td>1.4%</td>
</tr>
</tbody>
</table>


Notably, all seven of the designated Growth Area Councils (Casey, Cardinia, Hume, Melton, Mitchell, Whittlesea and Wyndham) are among the top ten Victorian municipalities forecast to experience the greatest population growth — both in terms of the rate and size of increase — during the next two decades.48 Relatively high rates of growth are also forecast for central Melbourne, as well as for the coastal areas of Bass Coast and Surf Coast, over the same period.49

As illustrated in Table 2.3, the most significant growth is projected to occur in the outer west (Melton and Wyndham), the outer north (Hume and Whittlesea) and the southeast (Cardinia and Casey).

Mr Johnny Barnard of ID Consulting gave evidence to the Committee at a public hearing in Melbourne on 7th November 2011, to the effect that Net Overseas Migration (NOM) and fertility rates had resulted in substantial growth in the west in the preceding five years and that the relative supply of land available for development was a major determinant of the areas in which the growth occurred at various stages during the period. Mr Johnny Barnard stated:

*Wyndham was better placed to actually offer product, in a sense. Caroline Springs had sort of run out, and Melton Shire was working on developing Toolern as a new growth area, but in that period we had significant population growth in the west. Wyndham was there, Point Cook was there and Tarneit was there to actually cater for that level of development.*

*In our forecast in the longer term we see the shift going back a bit to Melton because we are going to have a period where Point Cook starts to run out of land. Melton will have Toolern up and running; areas around Rockbank will come on.*50

The Planning Institute of Australia, in its submission to the Inquiry, stated that planning is an essential element in the accommodation of population growth.51 The Committee also notes that projected
population figures are a central component of all major metropolitan planning strategies, a fact which was reinforced by the information the Committee received during the overseas study tour.

The Committee agrees with the view that urban planning has a crucial role to play in directing population growth to areas of Melbourne that have the greatest capacity to absorb growth in terms of infrastructure. The Committee also notes that projected population and demographic data is a central component of the planning strategies of each of the Interface Councils, as well as of the metropolitan planning strategies of the cities that it visited during the overseas study tour.

For example, the Interface Councils typically provide a link from their websites to population and demographic forecasts for their municipality on the website of Informed Decisions. At the time of writing, this information typically included forecasts on population change, age structure, household type and dwelling commencements for each of the years out to 2031 or 2036.52

While the use of population and demographic forecasts is of undeniable value, it is important to bear in mind that all forecasts are based on a number of assumptions and are therefore inherently uncertain. Therefore, while population and demographic projections play an important role in the planning for infrastructure and services, the Committee considers that, on their own, they are not sufficient for effective planning. There is a clear need for population and demographic forecasts for each of the LGAs to be supplemented with accurate and regularly updated data if the aim of directing population growth towards areas that have the greatest capacity to absorb growth in terms of infrastructure provision is to be achieved.

The Committee notes that Whittlesea Council has conducted an Annual Household Survey since 1997 with the specific aim of supplementing the ABS Census data, which is collected every five years.53 The survey collates data on a range of demographic factors (as well as behavioural and attitudinal data) from a representative sample of households within the municipality. The objectives of the survey include the identification of trends and changes over time and the provision of a planning tool for the current and future needs of residents.54 The City of Whittlesea describes the survey as:

...one of the most significant sources informing decision making in relation to planning of service delivery, policy development and Council advocacy...[which]...provides crucial information for the planning of services and facilities within designated growth areas and the redevelopment of existing facilities.55

The Committee is mindful that the supply of land available for residential development in a particular area and at a particular time, as well as decisions by developers as to when they will develop a particular land holding, are also major factors that influence the location of new residential construction. As the Committee discusses in Chapter Three (at section 3.6.5), some stakeholders have argued that decisions by developers can result in the ‘leap-frogging’ or ‘land banking’ of large areas of developable land by developers, which results in the earlier construction of new homes in areas that are relatively distant from existing infrastructure, including roads, public transport and community infrastructure.

While the Committee does not consider that the collection and maintenance of more accurate and up to date population and demographic data by the Growth Area Councils municipalities would, on its own, be sufficient to direct future population growth towards areas or new developments that are in proximity to existing infrastructure, such data would provide a crucial addition to the evidence base available to the
Interface Councils and the GAA in planning and encouraging the staged release and development of land and the minimisation of leap-frogging in the future.

**Finding 2.1:** Urban planning, including land supply, housing supply, and infrastructure provision, should be aimed at channelling population growth into areas that have the greatest current and future capacity to meet the infrastructure needs of new residents.

**Recommendation 2.5:** That the Victorian Government facilitate the collection of accurate and regularly updated local population and demographic data by the Interface Councils and regionally to enable them to frame local population strategies and growth area development plans. These plans should be aimed at directing future population growth towards areas with the greatest current and future capacity for infrastructure provision. Such local population strategies and growth area development plans should be subject to annual review on the basis of population and demographic data that is also collected on an annual basis.

### 2.3 Causes of population growth

As illustrated in Figure 2.5, there are two main components that determine the change in the size of Melbourne’s population over time: the presence of natural increase or decrease; and net migration. The former is determined by the number of births and deaths, while net migration is comprised of ‘in-migration’ and ‘out-migration’, both of which comprise overseas, interstate and intrastate components. Population growth can occur due to natural increase (i.e. where the birth rate exceeds the death rate) and/or where the level of in-migration exceeds the level of out-migration. In recent years, Melbourne has experienced population growth due to both natural increase and net migration, particularly due to NOM.
2.3.1 Natural increase

The rate of natural increase is the crude birth rate minus the crude death rate of the population. Figure 2.6 illustrates that Victoria’s death rates have remained relatively stable since 1972. Birth rates declined between 1978 and 1984, and peaked in 1992 before decreasing again in 1998. There was an increase in births between 2004 and 2008 but rates have decreased since 2008.

Even when the number of births increased between 2004 and 2008, the birth rate was only as high as it had been in the early 1990s and has never returned to the high rates of the 1960s.

Despite a small national increase in births between 2009 and 2010, there was a small decrease in the fertility rate in Victoria in the same period. Victoria’s fertility rate of 1.75 was the lowest of any state or territory according to an ABS Report released in October 2011.

Figure 2.6 illustrates how the components of population change have fluctuated between 1972 and 2010.
At a public hearing in Melbourne on 7 November, Mr Barnard of ID Consulting stated the following with regard to the components that have affected population growth historically:

*In the last few years we have had a bit of a double whammy in the sense that net overseas migration has increased quite considerably but fertility rates and total numbers of births have increased quite significantly as well. In the case of Australia it has only been in the last five years or so that overseas migration has been a large factor in Australia’s population growth ... In most of the period back to 1972 it has been natural increase.*

### 2.3.2 Net overseas migration

The ABS defines NOM as ‘the net gain or loss of population through immigration to and emigration from Australia’, which is in turn based on the difference between the number of incoming travellers who remain in Australia for at least 12 months and the number of outgoing travellers who depart Australia for at least 12 months.\(^{61}\)

The Commonwealth Government’s recent population strategy, *Sustainable Australia – Sustainable Communities: A Sustainable Population Strategy for Australia 2011*\(^ {62}\) states that NOM has had the largest impact on overall population change in the whole of Australia in recent years. In 2008 NOM accounted for more than two thirds of population growth in Australia. However, these high migration levels were the temporary result of an influx of international students and NOM contributed to just over half of overall population growth by 2010.\(^ {63}\) The decrease in NOM since 2008 is illustrated in Figures 2.6 and 2.7.
Mr Johnny Barnard, Population Forecaster, ID Consulting, stated that Australia experienced a large increase in NOM in recent years, with a decline in 2009-2010. These trends are illustrated in Figures 2.6 and 2.7.

The Housing Industry Association, in its submission to the Inquiry, stated that the sharp increase in NOM, combined with a modest natural increase, have been the key contributors to population growth in Victoria. The Housing Industry Association suggested that net NOM was the key driver of Melbourne’s recently accelerated population growth and that most migrants were temporary overseas arrivals — predominantly students. This is supported by the ABS data which shows that students made up the largest category of Australian temporary net migration and 39 per cent of all NOM in 2007-08.

The number of overseas students contributing to NOM more than doubled from 45,300 in 2004-05 to 108,700 in 2007-08. Over half of the student component of NOM was made up of students who were citizens of India (33,300) and China (25,600).

Figure 2.7: Australia Permanent and Temporary Components of Net Overseas Migration 1983-2010


One of the greatest changes in immigration patterns to Australia in the last decade has been the growth of long-term temporary migration. Temporary migration is increasingly becoming the first step towards permanent settlement in Australia for many people. In 2008-09 over one-third of the Migration Program was made up of people granted permanent residence after initial entry to Australia on a temporary basis, including former international students and temporary skilled workers.

2.3.3 Internal / interstate migration

Australia has a highly mobile population and more than 37 per cent of the population had a different permanent address at the 2011 Census to the one they had five years previously.

However, it is estimated that 331,400 people moved interstate during 2009-10, which is an 8 per cent drop from the 2008-2009 period (359,900 persons), and a 17 per cent drop from the peak interstate
migration estimate (398,600 persons) in 2002-03. This decline has put interstate migration for 2009-10 almost at the same level as the twenty year low in 1993-94 (329,600 persons). With the exception of 2006-07 and 2007-08, interstate migration has followed a general downward trend since 2002-03. Recent years have, however, seen relatively high levels of net interstate migration to Victoria.

The Committee heard from population experts from both ID Consulting and Monash University’s Centre for Population and Urban Research that interstate migration has historically been an influential factor on population growth and demographic change.

Mr Johnny Barnard, Population Forecaster from ID Consulting stated that:

…the going back over the last 10 or 15 years we have been in a situation where we have not really lost or gained large numbers of people from interstate… In the early ‘90s when economically things were not so good in Victoria it [interstate migration from Victoria] was getting up to around 30,000 people [per year] …we are back to being somewhere near a slight gain or a slight loss in that area.

Figures produced by DPCD confirm that interstate migration has been historically volatile, but that the pattern since 2002 has been one of modest interstate migration losses for Victoria, with a figure of 2,470 recorded in 2007–08. Figure 2.6 above illustrates net interstate migration for Victoria between 1972 and 2010.

The Commonwealth Department of Infrastructure and Transport (DOIT), State of Australian Cities 2011 report, states that international migrants are currently settling in Sydney at a slightly higher rate than Sydney residents are leaving. In Melbourne international migrants are arriving but the city is losing fewer residents of Melbourne and therefore the city is growing more rapidly than Sydney.

Almost two-thirds of former interstate residents (88,650) were living in the Melbourne Statistical Division in 2006. While Melbourne was an important destination for former interstate residents, so too were some of the main regional centres, as well as the statistical local areas (SLA) of Mitchell-North (containing the Puckapunyal Army Base), and East Gippsland – Bairnsdale (containing retirement locations such as Lakes Entrance and Paynesville). The highest flows were recorded in the New South Wales (NSW) border SLAs of Wodonga (3,895 persons) and Mildura Part A (3,454).

2.3.4 Components of population change projected

According to the Committee for Melbourne, Melbourne’s population growth rate will average approximately 1.65 per cent until 2025, which is similar to the rate of growth of the last 50 years.

DPCD has projected the components of Victoria’s population change to 2056, as shown in Figure 2.8. Both DPCD and the Committee for Melbourne have projected that Victoria’s population growth will decrease from 2025.

Mr Andrew MacLeod, Chief Executive Officer of the Committee for Melbourne, noted that the year 2025 will be the first year that Australians could potentially retire after having had compulsory superannuation through their entire working careers and that the likely increase in the number of self-funded retirees may reduce the economic imperative for skilled migration to support the ageing population. In addition, it is also predicted that India, Indonesia, China and other South-East Asian economies will have developed to the extent that there will not be as strong an imperative for skilled
workers to leave those countries, while western economies with ageing populations will be competing with one another for skilled migration.  

Figure 2.8: Components of Victoria’s Population Change 1972-2010 and projected 2056.

Figure 2.8 above shows that net interstate migration is projected to have little effect on population change between 2006 and 2056; natural increase is projected to decrease slightly from 2025; NOM is projected to remain fairly stable to 2056; and that as a result of these variables, overall population growth is expected to decrease from 2025.

The rate of population growth in Victoria peaked in 2008 and has since declined. Victoria’s estimated resident population at 30 June 2011 was 5.62 million, an increase of 1.5 per cent (84,150 persons) since 30 June 2010. This is lower than the growth over the previous year, 2009-2010 (90,448 persons), and considerably lower than the growth in 2008-2009 (119,634 persons).80

The rate of population growth in Melbourne has also declined in recent years, from: 2.4 per cent for the period 2008-09; to 2.0 per cent for the period 2009-10; and to 1.6 per cent for the period 2010-11.81

Despite these trends, the Committee for Melbourne has forecast that Melbourne’s population will reach 8 million by the year 2060. This is based on a population growth rate of 1.65 per cent for the years 2011–25, reducing to approximately 1 or 1.1 per cent from then on.82 Within Melbourne, the greatest population change is expected to occur in the Growth Area Councils (Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea and Wyndham). DPCD has forecast average annual population growth rates of 2.5 per cent or higher for all of the Growth Area Councils — with the exception of Hume and Casey, which are forecast to grow at between 2 and 2.5 per cent — during the period 2011 and 2031.83
2.4 The Challenges and opportunities of population growth & demographic change

Term of reference (b) requires the Committee to examine population growth trends and impacts. It is generally acknowledged that population growth has both positive and negative impacts. In view of the rapid population growth that has occurred in Melbourne in recent years, as well as in Victoria and nationally, it is unsurprising that there has been significant public discussion and policy debate regarding the impacts of population growth and demographic change.84

A number of impacts of population growth and demographic change were identified by stakeholders who provided submissions or who gave evidence at public hearings during the Inquiry, including: increased demand for housing, pressure on transport and other infrastructure, and environmental impacts.

There are a range of policies and actions available to governments to mitigate the negative impacts of rapid population growth. This is the case for those impacts that are currently being experienced in Melbourne’s booming outer suburbs, particularly the increasing pressures on transport and other infrastructure. It is also the case for the future impacts of rapid population growth, such as additional demands on Melbourne’s natural environment. A number of options for mitigating such impacts are discussed in this section. Additional options are discussed throughout the remainder of this report and are the subject of further recommendations in the chapters that follow, particularly in Chapters Four and Six. As discussed in Chapter Four, the Committee is also of the view that planning processes have the primary role to play in maximising the benefits of population growth and demographic change.

The Committee notes that many of the negative impacts of population growth are experienced in the short-term and that over the longer term, the benefits of population growth in Australia’s capital cities have tended to significantly outweigh any short term negative impacts.

The Commonwealth Government’s sustainable population strategy, Sustainable Australia – Sustainable Communities: A Sustainable Population Strategy for Australia,, effectively rejects the notion that continued population growth in Australia’s cities and regions, as well as nationally, is necessarily incompatible with economic, environmental and social progress. The stated objective of the Strategy is to:

...ensure that future changes in Australia’s population (size, growth rate, composition and location) are compatible with the sustainability of our economy, communities and the environment.85

In addressing the question why Australia does not have a population target, the Commonwealth Sustainable Population Strategy states that:

It is clear that any perceived ‘optimum’ population is likely to change in the future due to changes in the way resources are used and developments in technology.

...Improvements in urban planning and technology in the future also have the potential to change the way we live and work, reducing the external costs of population growth currently being experienced, such as traffic congestion. Hence it is more useful for governments, businesses and communities to focus on ways of improving our wellbeing, protecting our environment and making better use of the resources we have,
rather than trying to determine an absolute limit to our population and focusing efforts on restricting
growth in order to not exceed this 'limit'.

The Strategy cites a 2008 forecast by the ABS that by 2026, Australia’s capital cities will be home to
approximately 4.5 million additional people and finds that such population growth presents both:

… challenges and opportunities for the provision of social and economic infrastructure, the urban
environment, transport and housing.

It is also important to note that demographic trends — such as population ageing and changing household
composition — are as influential as population growth on the liveability of outer suburban areas. In
addition, population strategies need to have a degree of flexibility in order to maintain a balance between
growing the population to support sustainable growth and a competitive economy, and alleviating some
of the impacts of that growth on the liveability of residents.

In its submission to this Inquiry, the Urban Development Institute of Australia (UDIA) stated that
population growth is a national issue that underpins the economic growth of the nation. UDIA also
stated that:

The management of this population growth – and in particular the way in which it is accommodated
within our cities, has potential to have a significant impact on the liveability, prosperity and
sustainability of our cities.

In its submission to the Commonwealth Government in response to the Sustainable Population Strategy for
Australia Issues Paper, UDIA stated that it supports population growth in Australia and expressed the view
that a larger Australian population can also be a sustainable population. According to UDIA’s
submission to the Commonwealth Government, population growth has many benefits, including:
sustaining the economic and social welfare of Australia; alleviating the fiscal impact of an ageing
population; and growing a younger population so that a larger proportion of the population is able to
participate in the workforce. The UDIA also stated that:

In order to maintain sustainable growth and a competitive economy, and to be able to pay for the
health and welfare of older generations, we need to continue to have a growing population.

According to Australian demographer, Professor Peter McDonald, Director of the Australian
Demographic and Social Research Institute at the Australian National University, future labour supply
will grow at a much slower rate in the future than it has in the past due to an ageing population. Professor
McDonald contends that this is a critical issue because the growth of labour supply was responsible for
approximately 50 per cent of Australia’s economic growth in the thirty years preceding 2000.

Professor Richard Weller, Director of Urban Design Centre of Western Australia, gave evidence to the
Inquiry that:

Unless we can reinvent our economy to some model of a static-state economy, which no-one can, we need
to continually import people to sustain an ageing population and feed our labour markets.

The Committee is of the view that it may be valuable for all levels of government to have a dialogue
about the current lack of an Australian population policy. There is a lack of collaboration between the
Chapter 2: Population Growth & Impacts

Commonwealth, States and Territories in formulating population policy and the Commonwealth could benefit from input regarding the challenges posed by population change at the state level.

**Recommendation 2.6:** That the Victorian Government undertake to persuade the other states and the Commonwealth, through the Council of Australian Governments, to have a dialogue around developing a national population policy.

### 2.4.1 Demographic challenges

Both Australia and Victoria are projected to have an older population age profile in 2051 than in 2011. At June 2010, the median age of the Australian population (the age at which half the population is older, and half is younger) was 36.9 years, up from 36.5 years in 2005. The proportion of the total population under 15 years of age declined from 19.7 per cent to 18.9 per cent between 2005 and 2010. A decline was recorded across all states and territories. The proportion of the Australian population aged over 65 years increased 14 per cent between 2005 and 2010. The proportion of people over 65 years increased in each state and territory over this period, leading to an overall rise from 12.9 per cent of the total population to 13.5 per cent of the total population.

Professor Peter McDonald, has stated that:

> ... one of the central demographic lessons is that much of a population’s future is contained in its present age structure.

According to Professor Peter McDonald, the size of the population is less important than the age distribution or the spatial pattern of the population. The past seventy years of fertility is reflected in Australia’s present age structure and is the central reason that:

> ... we can be absolutely certain that Australia will experience substantial ageing of its population in the coming decades.

Mr Bernard Salt, a KPMG Partner based in Melbourne and commentator on Australian demographic trends, has pointed out the significance of an ageing population in Australia. In an article in *The Australian* on 28 May 2011, he wrote:

> ... over the four years to 2015, the number of 15 year olds in Australia will increase by 3,000 whereas the number of 65 year olds will increase by 33,000. This is projected to be an on-going trend and over the four years from 2021 to 2025, the number of 15 year olds is expected to grow by 14,000, whereas the number of 65 year olds will expand by 20,000.

The Commonwealth Treasury projections show that the number of traditional working age people to support each Australian retiree is expected to fall from five people in 2011 to 2.7 people in 2049-50. In 1970, there were 7.5 working age people for each person aged over 65 years. Both the current Commonwealth Government and Victorian Government have stated that skilled immigration has a role to play in maintaining a sustainable workforce.
DPCD has projected an increase in the proportion of Victoria’s population aged 65 years and older from 13.9 per cent in 2011 to approximately 19.3 per cent in 2031. DPCD has projected an increase in the proportion of the population aged 65 years and older in the Melbourne SD from 12.9 per cent in 2011 to 17.5 per cent in 2031. The proportion of children in Victoria is also projected to steadily decline over the next two decades. Falling mortality rates, particularly in the past few decades, have also contributed to an ageing population. According to the Australian Institute of Health and Welfare’s, *Australia Health Report*, the life expectancy for Australians is 79 years for men and almost 84 years for women, with almost four per cent of the population in 2006 over 75 years. Current DPCD population projections for Victoria are based on the assumption that life expectancy will increase to 85 for males and to 88 for females over the period 2011 to 2031.

The changing age structure of Victoria and Melbourne is largely a consequence of the large group of people born between 1945 and 1971 and who will be aged between 41 and 67 in 2012. Age groups born since 1971 are smaller, primarily due to declining birth rates. This trend, coupled with a continuing increase in average life expectancy, is projected to result in a continuing increase in the average age of Melbourne’s population, as shown in Figure 2.9, which shows the age and sex pyramid for the Melbourne SD.

Figure 2.9: Population by age and sex, Melbourne SD, 2011 and 2031.

According to the ABS, the population of metropolitan Melbourne will age significantly even over the next 10 years. As illustrated in Figure 2.10, by the year 2022 the number of persons aged 45-69 years is forecast to increase by 24 per cent, the number of persons aged 70-84 years of age is forecast to increase by 52 per cent and the number of persons aged 85 or older is forecast to increase by 61 per cent. The percentage growth for the age groups below 45 years are all considerably smaller than for the age groups above 45 years.
Figure 2.10: Growth in metropolitan Melbourne to 2022 by age group

While Melbourne’s outer suburbs have a relatively young age profile compared to metropolitan Melbourne as a whole, the Committee received significant evidence of the importance of planning for population ageing in these areas.

Melbourne’s outer suburbs are populated by family age groups, such as parents in their 30s and 40s and children aged 0-19 years. This age profile is particularly evident in suburbs that have been recently developed with young families representing a major market for new housing. In contrast, young adults have a greater tendency to reside in central and inner suburbs.\textsuperscript{110}

Established areas, such as Melbourne’s middle ring and the older outer suburbs, usually show a mix of age groups as they have experienced waves of development, redevelopment and population change. Therefore in established areas there is often a relatively even representation across all age groups.\textsuperscript{111}

Examples of these three patterns of age demographics are shown in Figures 2.11, 2.12 and 2.13.
Figure 2.11: Number of persons by age and gender in inner Melbourne 2006.

Source: Australian Bureau of Statistics Census 2006, Basic Community Profile in Demographic Characteristics of Communities within the Melbourne Investigation Area, report prepared for the Victorian Environmental Assessment Council (DPCD Spatial Analysis and Research Branch, July 2009).

Figure 2.12: Number of persons by age and gender in representative Interface Councils of Cardinia 2006.

Source: Australian Bureau of Statistics Census 2006, Basic Community Profile in Demographic Characteristics of Communities within the Melbourne Investigation Area, report prepared for the Victorian Environmental Assessment Council (DPCD Spatial Analysis and Research Branch, July 2009).
Table 2.4 provides more detailed data on the age structure of Interface Councils as at 2010.

The percentage of 0-14 year olds in the Interface Councils (an average of 21.8 per cent across the ten Interface Councils) is significantly higher than in the Melbourne LGA (5.9 per cent).

All ten Interface Councils also have a higher percentage of persons ranging from age 35 to age 84 than the Melbourne LGA. This is because the Melbourne LGA has large numbers of persons in the 15-34 year age range. The difference between the Melbourne LGA and the Interface Councils is most significant in the 35-55 age range, as Interface Councils have larger percentages of persons in this age category when compared with the Melbourne LGA.

The higher percentage of 35-55 year olds and 0-14 year olds in the outer suburbs is consistent with the finding that new housing markets in the outer suburbs attract families made up of parents and children.

Of the total population of the Melbourne LGA, residents under 45 years of age comprise approximately 80 per cent and residents between the ages of 15 and 34 comprise approximately 63 per cent. In the outer suburbs the percentage of persons between the age of 0 and 45 years are more evenly spread.

The Committee notes that the variation in demographic settlement patterns between inner and outer metropolitan Melbourne is significant, and that a more even spread of demographics across metropolitan Melbourne would be beneficial, giving rise to a more even spread of demand for particular housing and services.
Finding 2.2: There is limited choice with regard to the variety of dwelling types, dwelling sizes and affordability in terms of catering to families or the ageing population in inner Melbourne.

Recommendation 2.7: That the Victorian Government encourage developers to construct a wider variety of housing stock in the inner suburbs that is both family friendly and accessible to the over 65 year old population.

In Melton and Wyndham over 70 per cent of the populations are under 45 years of age and in the remaining Interface Councils, with the exception of Mornington Peninsula, over 60 per cent of the populations are below the age of 45 years.112

Table 2.4: Percentage of population in each age range in the Interface Councils and Melbourne LGA 2010

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Years of Age</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&lt;14</td>
</tr>
<tr>
<td>Casey</td>
<td>22.7</td>
</tr>
<tr>
<td>Cardinia</td>
<td>23.5</td>
</tr>
<tr>
<td>Hume</td>
<td>22.8</td>
</tr>
<tr>
<td>Melton</td>
<td>24.1</td>
</tr>
<tr>
<td>Mitchell</td>
<td>22.0</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>18.0</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>20.4</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>20.6</td>
</tr>
<tr>
<td>Wyndham</td>
<td>24.1</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>19.8</td>
</tr>
<tr>
<td>Melbourne LGA</td>
<td>5.9</td>
</tr>
</tbody>
</table>


The percentage of 0-14 year olds in Melbourne’s outer suburban regions is significant. The Committee received evidence from a number of Interface Councils that there is a need for additional childhood education and maternal health services to meet the needs of the relatively young population in these areas.113

Several other stakeholders provided evidence of a shortfall in the provision of youth, maternal and child health services to meet the demand in a number of outer suburban areas. Banksia Gardens Community Centre, in its submission to the Inquiry, stated that 53 per cent of residents of the Banksia Garden Estate in Broadmeadows, located in Hume, are under twenty-five years old, and that there is a significant need for youth outreach support.114
The Melton Youth Advisory Network at the Shire of Melton gave evidence of significant demand for youth services in the region, such as leadership, participation and civic engagement programs, as well as crisis intervention and outreach.115

Ms Kim Koop, Chief Executive Officer of the Psychiatric Disability Services of Victoria gave evidence that there is a need for better coordination between mental health and youth services in outer suburban regions.116

The Brotherhood of St Laurence submitted that in order to meet the service needs of young children, young people, families and older people in Growth Areas, there is a need to set aside land and community sector capital funds to support services across all age groups, including integrated youth services.117

Similarly, both the Melton Youth Advisory Network and the Interface Councils provided evidence in their submissions, that a lack of physical and social infrastructure is hindering the delivery of youth services and early childhood services. The Advisory Network suggested that infrastructure for specialist youth services, emergency accommodation, and service centres provides the framework for increasing youth and early childhood service delivery in the outer suburbs.

In view of the significant amount of evidence the Committee received on the shortage of youth and children’s services in the outer suburbs of Melbourne, the Committee considers that additional financial assistance is required from the state government to improve the provision of these services for those outer suburban municipalities that are currently most in need.

**Recommendation 2.8**: That the Victorian Government work with the Interface Councils to target the provision of additional youth and children’s service infrastructure to the Interface Councils.

The Westgate General Practice Network (WGPN), in its submission to the Inquiry, stated that population growth will have a significant impact on its services to both the very young and the elderly, particularly the 0-14 years, 65-74 years and 74 years and over age groups. WGPN stated that it will need increased services to meet the needs of both the 0-14 years age group on the one hand and the ageing population on the other hand.118

**Recommendation 2.9**: That the Victorian Government, in its new Metropolitan Planning Strategy, establish planning policies aimed at directly addressing the needs of both an ageing but also a relatively young population in Melbourne’s outer suburbs. Such policies should include specific provision for these age groups in terms of infrastructure, services and housing.
Stakeholder evidence

Several of the submissions suggested that a rapidly ageing population is leading to an increase in demand for aged care services, accessible transportation and accessible housing in the outer suburbs.

Accessible transportation is transport that is accessible to all people across their lifetime, including people with disabilities and the elderly.\textsuperscript{119}

Accessible or universal housing design is defined as housing that is designed to meet the changing needs of home occupants across their lifetime. It recommends the inclusion of features that aim to make homes easier and safer to use for all occupants including: people with a disability, ageing Australians, people with temporary injuries, and families with young children.\textsuperscript{120}

The predominant view expressed to the Committee was that Australia's ageing population had not been adequately planned for in Melbourne's outer suburbs up to this point.

Mr Andrew MacLeod, Chief Executive Officer of the Committee for Melbourne stated at a public hearing that:

\begin{quote}
We used to talk about a future ageing population problem in Australia, and 2011 is the year that the future ageing population problem becomes the present ageing population problem.\textsuperscript{121}
\end{quote}

Mr Stuart Burdack, Chief Executive Officer, Nillumbik Shire Council, gave evidence at a public hearing in Nillumbik on 10 June 2011, that an expanding senior population:

\begin{quote}
will require a change in the housing offer that we provide. It will require a different type of housing. It will require housing that is more accessible for people as mobility decreases.\textsuperscript{122}
\end{quote}

Mr Gerard Mansour, Chief Executive Officer, Aged and Community Care Victoria, gave evidence at a public hearing in Melbourne on 10 October 2011 that:

\begin{quote}
Community planning for aged care services needs to take place in [a] wellness and consumer-focused context and acknowledge older people’s aspirations to retain independent living in their own homes for as long as possible. This type of planning would be consistent with the significant growth of community-based aged care services that has occurred since 1995 and in our view will continue.\textsuperscript{123}
\end{quote}

The importance of accessible housing and transport design as a means of addressing the ageing population is discussed in Chapter Four. The impact of the ageing population on the provision of aged care health services is discussed in Chapter Seven.

The preliminary release of the 2011 Census results has confirmed that the ageing population is a continuing and national trend. While the outer suburbs of Melbourne have fewer persons over 65 years than other areas of the state, as well as greater demands associated with a growing young population, the Committee also received evidence that the over 65 year old population in the outer suburbs is projected to grow rapidly.

Westgate General Practice Network stated in their submission to the Inquiry, that although Wyndham has a high percentage of young people, there has been strong growth in the older age groups.\textsuperscript{124}
Similarly, the City of Whittlesea’s submission to the Inquiry projected an increase in the 70-84 year old age group by 130 per cent over the next twenty years.125

The Shire of Melton, in its submission to the Inquiry, noted that while the residents of Melbourne’s west are relatively young (with over 70 per cent of residents aged under 45 in the Shire of Melton), it is important that service provision in community hubs is planned to enable it to adapt as the community ages.126

As shown in Table 2.5, the over 65 year old populations of most outer suburban areas are also projected to increase significantly between 2011 and 2031.

Table 2.5: Current and projected resident population aged 65 and older for Interface Councils 2011 to 2031

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>2011</th>
<th>2031</th>
<th>Percentage Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>7,905</td>
<td>20,790</td>
<td>163%</td>
</tr>
<tr>
<td>Casey</td>
<td>22,202</td>
<td>62,293</td>
<td>181%</td>
</tr>
<tr>
<td>Hume</td>
<td>15,277</td>
<td>41,184</td>
<td>170%</td>
</tr>
<tr>
<td>Melton</td>
<td>7,006</td>
<td>33,418</td>
<td>377%</td>
</tr>
<tr>
<td>Mitchell</td>
<td>4,068</td>
<td>12,294</td>
<td>202%</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>31,195</td>
<td>51,504</td>
<td>65%</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>5,393</td>
<td>16,101</td>
<td>199%</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>16,023</td>
<td>42,277</td>
<td>164%</td>
</tr>
<tr>
<td>Wyndham</td>
<td>10,453</td>
<td>40,203</td>
<td>285%</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>17,550</td>
<td>37,419</td>
<td>113%</td>
</tr>
<tr>
<td>Melbourne SD</td>
<td>533,725</td>
<td>947,205</td>
<td>77%</td>
</tr>
</tbody>
</table>


It is important to note that despite the very large percentage increases in the proportion of the population aged 65 years and older that are forecast for each of the Growth Area Councils in Table 2.5, the forecasts for the total proportion of those populations aged 65 years and older by 2031 are all lower than the proportion for the Melbourne SD (i.e. an average of 14.3 per cent for the Growth Area Councils compared to 17.5 per cent for the Melbourne SD).127

Nevertheless, it is notable that the percentage changes for the Growth Area Councils illustrated in Table 2.5 are significantly higher than for the Melbourne SD and for many of the inner and middle ring LGAs.128 In other words, the Growth Area Councils are forecast to experience a significantly faster rate of ageing of their populations compared to other Melbourne LGAs over the next two decades.

Mr Michael Tyler, Chief Executive Officer, Casey City Council, at a public hearing in Narre Warren on 7 September 2011 told the Committee that:

*If you look at our demographics, 10 years ago we did not have very many people in the 70 plus age group compared to other municipalities. We are now the fastest growing municipality in Victoria in*
that age cohort because we have people ageing in place. We are now getting a full range of the
demographic profile.129

The statistics indicate that a local approach to planning for ageing is required in the case of LGAs such as
the Mornington Peninsula, which is an outer suburban region that currently has uncharacteristically high
numbers of 65 to 85 year olds (see Table 2.4) This is due, in part, to people moving to the area on
retirement to pursue a change in lifestyle or ‘seachange’. Local population strategies based on local
population data enable specific planning strategies for infrastructure provision in each municipality.

Mr Simon Brewin, Executive Director, Planning and Infrastructure, Peninsula Health gave evidence that
the Peninsula Health catchment, inclusive of Frankston, Mornington Peninsula Shire, neighbouring
Kingston, and the western end of the City of Casey, is the fastest ageing catchment in Victoria. He stated
that the number of people over the age of 70 in the catchment is expected to increase by 63.3 per cent
over the next 10 years.130

General Practice Victoria, in its submission to the Inquiry, stated that northern Melbourne, inclusive of
Whittlesea and Hume, has a substantial ageing population.131

Mr Johnny Barnard, Population Forecaster, ID Consulting, commented on the diversity of demographics
in Growth Areas:

The interface councils include a lot of areas that were developed in the 1970s and 1980s, for instance.
Good examples might be older parts of Berwick, Endeavour Hills, Hoppers Crossing and older parts
of Werribee, so a lot of these areas are ageing quite rapidly even though suburbs within the same
LGA are growing quite rapidly and attracting new populations. There is quite a diversity within these
interface LGAs of what is occurring132

Given the significant amount of evidence regarding the future ageing of Melbourne’s outer suburban
populations, the Committee considers this a demographic trend that should be central to planning
infrastructure and services in these areas.

Finding 2.3: The Committee finds that there is a pressing need for forward planning by Interface
Councils to meet the future needs of ageing populations in Melbourne’s outer suburbs.

2.4.2 Demand for housing

The demand for housing is expected to increase nationally in coming years due to the forecast growth in
the size of Australia’s population. The National Housing Supply Council estimates that there were about
8.7 million households in Australia in June 2010. The number of households is projected to increase to 12
million by 2030, representing a net increase of nearly 3.3 million households in the two decades between
2010 and 2030. The National Housing Supply Council’s State of Supply Report suggests that underlying
demand for public housing and affordable rental accommodation is likely to grow as the population ages.
The State of Supply Report also suggests that the gap between housing supply and demand will continue to
grow in the coming decades.133
In Melbourne, the ABS has forecast an increase in the number of households of between approximately 700,000 to 750,000 over the period 2006 to 2031. This represents a projected increase in the number of Melbourne households from approximately 1.4 million in 2006 to approximately 2.1 million in 2031, an increase of approximately 50 per cent over the period. This is the greatest forecast increase in the number of households for all Australian capital cities over the period. The ABS has also found that Melbourne’s higher projected population growth (43 per cent for Melbourne compared to 33 per cent Sydney) is the primary reason for the greater forecast increase in the number of households in Melbourne over the period. Mr Steve Dunn, President of the Victorian Division of the Planning Institute outlined the fundamental questions that the planning profession seeks to address as a result of population growth:

*We are not for or against population growth — but I guess the planning professions look at this and say, Well, it is happening, so we need to deal with it. Where will these people live? How will they live? How will they interact with one another? Do we want to see them continue to grow or would we like to see a more consolidated Melbourne with people living closer together and enjoying high amenities?*

Ms Fiona Nield, Director Government Programs of the Housing Industry Association also gave evidence on the subject at a public hearing in Melbourne on the 27 June 2011:

*...population growth is likely to remain at above average levels, regardless of what level in population Victoria reaches in the next 10 or 40 years, policy reform will be necessary to ensure significant and sustainable increases in the average number of residential dwelling completions each year. Whilst the rate of dwelling completions has been broadly commensurate with the demand in the last two years, observation of the trend over the last decade still reveals a long-term inadequacy in the supply of housing.*

The Housing Industry Association, in its submission to the Inquiry, also stated that:

*...over the last decade, Victoria has simply not kept up with the demand for housing and this has been reflected in higher rents, tight rental vacancies, and strong upward pressure on home prices.*

Mr Robert Larocca, Communications Manager of the Real Estate Institute of Victoria also gave evidence about the impact of population growth on the demand for housing:

*...the current state of the market and the reason we have seen larger price increases over the last five years is because there has been a larger gap between our rate of dwelling commencement and population growth. That has caused people to compete more for the more scarce resource that is housing and prices to go up.*

A number of recent reports have referred to a recent decline in the demand for housing in Melbourne’s Growth Areas, as having resulted in an ‘oversupply’ of housing. According to SQM Research, there were 55,290 unsold homes in Melbourne in June 2012, the highest number of any capital city in Australia. Most were concentrated in about fifty suburbs on Melbourne’s periphery, where more than 60 per cent of all unsold homes in Victoria are located.

However, Mr Peter Seamer, Chief Executive Officer of the Growth Areas Authority gave evidence to the Committee that:
…the property business is basically a cycle. It goes through peaks and troughs, a bit like mining and a few other areas. Everybody wants land. They think it is going to go on forever; it absolutely peaks and all of a sudden it slows down again and everybody thinks, ‘Oh, my goodness. The world is coming to an end and nothing will ever go here’. Two years later the cycle goes again. We can show you the graphs for the last 50 years.140

Moreover, according to Oliver Hume Research, the retail supply of housing lots for Melbourne’s Growth Area land market stood at 5.6 months as at the June quarter of 2012, which is below the industry benchmark of six months.141

The Committee considers that population growth, and the relatively high rates of population growth in recent years, are very important factors in explaining the increased demand for housing in Melbourne’s outer suburbs in recent years. However, there are several other factors that affect supply and demand for housing in Melbourne’s outer suburbs, such as land supply, demographics and household type, and planning regulation. These are discussed in Chapters Three and Four of this report.

The Committee also considers that the significant growth in the forecast number of households in Melbourne over coming decades will ensure that the demand for new housing product, and new housing options, remains strong. Moreover, Melbourne suburbs will require a strong supply of new housing, both in Melbourne’s Growth Areas and in more established suburbs.

Findings 2.4: The Committee finds that Melbourne’s high level of population growth in recent years is a key explanation for the high level of demand for housing that has been experienced in Melbourne’s outer suburbs. Forecast levels of population and household growth for Melbourne over coming decades will require a high level of new and mixed housing construction, both in Melbourne’s Growth Areas and in the more established suburbs.

Recommendation 2.10: That the Victorian Government works with the Growth Areas Authority, Interface Councils and developers — to plan for the construction of sufficiently mixed residential accommodation to ensure that it meets the needs of Melbourne’s forecast population and household growth in coming decades.

2.4.3 Household composition and size

The proportion of households comprising a couple with children is significantly higher in Melbourne’s Growth Area suburbs than it is for Greater Melbourne, as is the proportion of family households overall. In contrast, the proportions of single person and group households in Melbourne’s Growth Areas are significantly lower than for Greater Melbourne. These differences are illustrated in Table 2.6.

As illustrated by comparing Table 2.6 to Table 2.7, the proportion of households comprising a couple without children is forecast to increase significantly —while the proportion of households comprising a
couple with children is forecast to decrease — in all of Melbourne’s Interface Councils by 2031. Notably, the proportion of one parent family households is also forecast to decrease in each of the Interface Councils by 2031.

Table 2.6: Household and family composition 2011

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Family households(1)</th>
<th>Lone person households</th>
<th>Group households</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Couple family with no children (%)</td>
<td>Couple family with children (%)</td>
<td>One parent family (%)</td>
<td>Other family (%)</td>
</tr>
<tr>
<td>Cardinia</td>
<td>26.4</td>
<td>40.2</td>
<td>11.5</td>
<td>0.8</td>
</tr>
<tr>
<td>Casey</td>
<td>22.4</td>
<td>45.7</td>
<td>12.9</td>
<td>1.1</td>
</tr>
<tr>
<td>Hume</td>
<td>20.5</td>
<td>45.4</td>
<td>14.6</td>
<td>1.3</td>
</tr>
<tr>
<td>Melton</td>
<td>21.9</td>
<td>45.0</td>
<td>13.5</td>
<td>1.0</td>
</tr>
<tr>
<td>Mitchell</td>
<td>26.6</td>
<td>36.4</td>
<td>12.5</td>
<td>0.8</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>30.2</td>
<td>29.6</td>
<td>10.9</td>
<td>0.7</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>24.0</td>
<td>50.5</td>
<td>9.8</td>
<td>0.7</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>23.6</td>
<td>44.6</td>
<td>13.0</td>
<td>1.3</td>
</tr>
<tr>
<td>Wyndham</td>
<td>23.6</td>
<td>42.9</td>
<td>12.8</td>
<td>1.2</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>26.6</td>
<td>38.2</td>
<td>11.7</td>
<td>0.9</td>
</tr>
<tr>
<td>Greater Melbourne</td>
<td>24.6</td>
<td>35.1</td>
<td>10.9</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Inquiry into Liveability Options

### Table 2.7: Household and family composition forecasts for 2031

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Couple family with no children (%)</th>
<th>Couple family with children (%)</th>
<th>One parent family (%)</th>
<th>Other family (%)</th>
<th>Total (%)</th>
<th>Lone person households</th>
<th>Group households</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>31.1</td>
<td>34.6</td>
<td>10.8</td>
<td>1.9</td>
<td>78.4</td>
<td>19.5</td>
<td>2.1</td>
<td>21.6</td>
</tr>
<tr>
<td>Casey</td>
<td>31.0</td>
<td>40.7</td>
<td>11.2</td>
<td>1.9</td>
<td>84.8</td>
<td>13.1</td>
<td>2.0</td>
<td>15.1</td>
</tr>
<tr>
<td>Hume</td>
<td>27.2</td>
<td>41.2</td>
<td>12.7</td>
<td>2.0</td>
<td>83.1</td>
<td>15.2</td>
<td>1.8</td>
<td>17.0</td>
</tr>
<tr>
<td>Melton</td>
<td>26.6</td>
<td>39.8</td>
<td>10.5</td>
<td>1.9</td>
<td>78.8</td>
<td>19.3</td>
<td>2.0</td>
<td>21.3</td>
</tr>
<tr>
<td>Mitchell</td>
<td>27.3</td>
<td>38.9</td>
<td>10.8</td>
<td>1.4</td>
<td>78.4</td>
<td>19.6</td>
<td>2.1</td>
<td>21.7</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>37.9</td>
<td>25.4</td>
<td>9.4</td>
<td>1.2</td>
<td>73.9</td>
<td>24.1</td>
<td>2.1</td>
<td>26.2</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>31.7</td>
<td>44.7</td>
<td>7.9</td>
<td>1.4</td>
<td>85.7</td>
<td>12.9</td>
<td>1.3</td>
<td>14.2</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>28.9</td>
<td>43.7</td>
<td>10.8</td>
<td>1.8</td>
<td>85.2</td>
<td>13.4</td>
<td>1.5</td>
<td>14.9</td>
</tr>
<tr>
<td>Wyndham</td>
<td>30.2</td>
<td>41.0</td>
<td>10.1</td>
<td>1.8</td>
<td>83.1</td>
<td>15.5</td>
<td>1.4</td>
<td>16.9</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>32.4</td>
<td>31.6</td>
<td>10.1</td>
<td>1.7</td>
<td>75.8</td>
<td>22.2</td>
<td>2.1</td>
<td>24.3</td>
</tr>
</tbody>
</table>

Source: Informed Decisions, Population Forecasts for each of the interface Local Government Areas.142

At a public hearing in Melbourne on 7 November 2011, Mr Johnny Barnard, Population Forecaster, ID Consulting, stated that many areas within Melbourne that have experienced significant population growth in recent years have not seen commensurate dwelling construction levels.

Probably the most important thing for us is household composition and relationship. What we have been finding when we look at the ABS estimated resident population is that if there have been quite large increases in population, or relatively so in a lot of areas, there have not also been many dwellings constructed, or not as many as you would think, being constructed to serve that level of population. The only thing that is happening is that either there is a lower vacancy rate of dwellings or the number of people in each dwelling is increasing.143

Mr Barnard speculated that fertility trends, blended family patterns, family reunion through immigration and increased student share living, may all contribute to a larger number of persons occupying one private dwelling.144

According to Mr Barnard, the decline in housing affordability may also play a role:

There is also an affordability issue, I think, especially in the rental market. So 10 years ago you might have someone saying, ‘I will buy myself a two-bedroom apartment and live in it’ but now it is, ‘I will get the two-bedroom apartment and I’ll rent out the other room to try and help me’. So there are not so many spare bedrooms lying around as well, which obviously puts upward pressure on the average number of persons. There are those factors as well.145
The Committee notes that while the trend identified by Mr Barnard no doubt exists in many areas, it has not affected average household size nationally or in Melbourne as a whole. The 2011 Australian Census revealed that the average household size for Australia and Melbourne was 2.6 persons, which was the same as the average figure in 2006. Notably, the ABS has also predicted that the average household size in Australia will decline from 2.6 people per household to between 2.4 and 2.5 people per household in 2031. The ABS has also projected that single person households will become the fastest growing household type, increasing their proportion of all households from 24.3 per cent in 2006 to 30.2 per cent in 2026. The 2011 Census found that single (or lone) person households comprised 23.3 per cent of households in 2011.

Of all family types, the number of couple families without children is projected to increase most rapidly over the period 2006 to 2031, increasing by between 57 per cent and 77 per cent. The Committee notes that there was a slight increase in the proportion of couple households without children (from 37.2 to 37.8 per cent) and a slight decrease in the proportion of couple households with children (from 45.3 to 44.6 per cent) in Australia between 2006 and 2011. In Melbourne, there was also an increase in the proportion of couple households without children (from 34.1 to 36.7 per cent) and a decrease in the proportion of couple households with children (from 48.4 to 47.9 per cent) between 2006 and 2011.

The growth in the number of couple only families is primarily related to the ageing of the population, with baby boomers becoming ‘empty nesters’ as their children leave home.

According to the Australian Housing Urban Research Institute (AHURI), between 1996 and 2006, the number of households in outer Melbourne increased by 100,000, spread evenly among all household types, including single persons, couples, couples with children and single parents.

AHURI, in its submission to the Inquiry, also stated that the proportion of single parent families in the outer areas of Melbourne grew by 51.7 per cent between 1996 and 2006. The Committee notes that this growth is likely to have caused a significant increase in demand for childcare and support services in the outer suburbs. Moreover, as the Household, Income and Labour Dynamics in Australia (HILDA) Survey has estimated, the average duration of life in a lone parent family is 6.2 years for a child by the time they turn 18.

The City of Casey’s submission to the Inquiry stated that household types in Casey are also becoming increasingly diverse, yet the types of housing delivered in the municipality are not.

Over time, Casey’s established suburbs will begin to decline in population, particularly in areas such as Endeavour Hills, where children of maturing families are moving out of the family home and the overall household size decreases. These suburbs often have very limited options for ‘empty nester’ parents to downsize to a smaller home within the same area.

In the next 25 years, the number of lone person households in Casey is expected to increase by 50 per cent and the number of two person households is expected to increase by 49 per cent. However, currently 95 per cent of homes in Casey have 3 or more bedrooms.

The submission went on to note, however, that:
The introduction of housing diversity requirements in the State Planning Policy Framework has provided the City of Casey with the ability to facilitate the development of more diverse housing options.\textsuperscript{160}

Westgate General Practice Network, in its submission to the Inquiry cited the results of the Wyndham and Hobson's Bay City Council Annual Survey which illustrated that the average household size within the municipality has been decreasing.\textsuperscript{161}

The decline in household size and the increase in house sizes are Australia-wide trends. During the Committee’s visit to Western Australia in May 2011, Dr Shae Garwood, Research Officer, Shelter Western Australia, gave evidence that:

\textit{In W.A, like the rest of Australia, household sizes are decreasing but at the same time, the size of dwellings are increasing, so we are seeing a mismatch in terms of the number of people living in a house, fewer and fewer, but the size of those houses are getting bigger and bigger.}\textsuperscript{162}

Increased densification and increased diversification of housing are key principles of smart growth. The Committee discusses the potential of these principles for addressing the challenges posed by the changing composition and size of Melbourne’s outer suburban households, in Chapters Three and Four.

**Finding 2.5:** The Committee finds that recent increases in household size suggest that there is a level of unmet demand for new housing across Melbourne given the forecast decline in household size over coming decades. There is therefore likely to be a robust demand for new housing supply that is able to accommodate a greater density and diversity of households in Melbourne’s outer suburbs, and throughout metropolitan Melbourne, in coming decades.

### 2.4.4 Demand for infrastructure

The Committee received a number of submissions from both private individuals and organisations regarding the impact of population growth on infrastructure in the outer suburbs of Melbourne.\textsuperscript{163} Most of these submissions referred to the impact of population growth on transport infrastructure in many of Melbourne’s outer suburbs, most notably roads and public transport. Notably, most stakeholders were also of the view that such pressures were not due to population growth per se but to insufficient investment in transport infrastructure.

For example Mayor John Menegazzo from Wyndham City Council gave evidence at a public hearing in Werribee on 24 August 2011 that:

\textit{Population growth is having a significant detrimental effect in Wyndham and is proving more and more difficult to manage, primarily as a result of a lack of funding for infrastructure provision. Our residents are sick and tired of the congestion and the poor transport provision for both arterial roads and public transport.}\textsuperscript{164}
Mitchell Shire Council, in its submission to the Inquiry, stated that “in simple terms, the existing roads [in and around Mitchell Shire] won’t cope with the population growth.”

Mr Luke Shannon, General Manager Planning and Development at Melton Shire Council, gave evidence to the Committee that transport infrastructure such as bus networks are not available as the population grows and new residents arrive.

Mr Neill Hocking, Acting Chief Executive Officer, City of Whittlesea, described a number of key transport infrastructure projects that the council has prioritised over the next five years in response to recent and future population growth in the region. These include the extension of the rail line from South Morang to Mernda and a number of upgraded east-west road links.

A number of stakeholders also identified increased residential densities, infill development and a greater concentration of residential development near public transport as having a significant role to play in mitigating the impacts of population growth on the infrastructure of Melbourne’s outer suburbs.

For example, the Tourism and Transport Forum’s submission to the Inquiry, received on 28 April 2011 stated:

“There is a critical need to mitigate the effects of population growth on Melbourne’s outer suburbs by concentrating urban development around transport corridors and maintaining a sustainable balance between greenfield and infill development across the Melbourne metropolitan area.”

Similarly, Mr Holt, Chief Executive Officer of Landcorp in Western Australia (a government trading enterprise analogous to the Victorian Government’s Places Victoria agency), during a public hearing in Perth on 18 May 2011, advised the Committee that Landcorp regards such strategies as an important part of the response to the anticipated growth of Perth’s population in coming decades. Mr Holt stated:

“The other major activity in which we are involved is around major rail stations, TOD [Transit Oriented Development – see Chapter Four] developments or activity centre developments as we call them, trying to respond to the need for greater density, liveability and affordability around key infrastructure, particularly in response to the forecast more than doubling of Perth’s population over the next 40 years.”

As the Committee discusses in Chapter Four, the planning system provides the primary set of tools through which such strategies may be implemented. Smart Growth seeks to manage growth to create healthy, liveable, and sustainable communities by shaping where and how growth occurs. Smart growth strategies include mixed land use, decreased automobile dependence, accessible transportation, and increased residential densities, balanced by the preservation of green space.

The Committee received relatively little evidence regarding the direct impact of population growth on the demand for community and health infrastructure in Melbourne’s outer suburbs. However, a number of stakeholders informed the Committee that there is a pressing need for new or expanded schools, preschools, community centres and health infrastructure in Melbourne’s outer suburbs. The Committee notes that while the demand for such facilities is partly driven by population growth, it is also greatly influenced by population densities.
As the Commonwealth Department of Infrastructure, Transport and Regional Development noted in its 2010 report, *Our Cities – the Challenge of Change*, the benefits of compact cities in terms of infrastructure provision have been increasingly recognised in Australia since the 1970s and 1980s.170

Moreover, Victoria’s DPCD has also identified improved access to services as a primary aim of the development of Activities Areas,171 a key feature of which is the provision of opportunities for increased residential density developments.172

In contrast, the low population densities within new suburban communities is a contributing factor to increased costs, and hence delay, in the provision of infrastructure. Strategies aimed at increasing the density of residential development throughout Melbourne are a major focus of the Committee’s discussion in Chapter Four.

The Committee is also of the view that rapid population growth can in fact shorten the timeframes within which such additional infrastructure is provided, since it generates the economies of scale required to make such additional investments economically viable, both for governments and the private sector. The demand for community and health infrastructure in Melbourne’s outer suburbs is discussed in detail in Chapters Five and Seven respectively.

**Recommendation 2.11:** That the Victorian Government establishes a system of regular review and oversight of the infrastructure needs in Melbourne’s rapidly growing outer suburbs based on the associated population growth and demand for infrastructure in defined areas. The review should include well defined market-based triggers as a guide for the timing of new infrastructure provision, which should in turn be based upon the attainment of population levels or densities defined as sufficient to provide the necessary economies of scale.

### 2.4.5 Population and the economy

The Productivity Commission has found that in the absence of any distorting influences, population growth is likely to increase both Australia’s Gross Domestic Product (GDP) and Gross National Income (GNI).173

According to prominent Australian economist, Saul Eslake, population growth accounted for nearly half of Australia’s average annual rate of economic growth — measured as real Gross Domestic Income (GDI)174 — during the decade from 2000-01 to 2009-10. That is, population growth accounted for 1.8 per cent of the average annual rate of real GDI growth of 4.0 per cent during the 2000s.175

According to Eslake, the apparent contradiction between Australia’s falling productivity growth rates and rising material living standards during this period is explained by the offsetting influence of a rising population growth rate — during most of the decade — as well as by the sustained rise in Australia’s terms of trade.176
Chapter 2: Population Growth & Impacts

According to physicist, Professor Geoffrey West, Distinguished Professor and Past President at the Santa Fe Institute, the benefits of population growth increase at a proportionally greater rate than population growth itself. Professor West’s research has found that a doubling of population brings with it a scaling up of social and economic factors by 115 per cent. For example, a city that increases its population by 100 per cent will experience a 115 per cent increase in the number of restaurants, concert halls, libraries and schools. Professor West’s research found that salaries also increase by the same ratio with a doubling of population and that the cost of providing such additional services and infrastructure declines by 15 per cent. As a consequence, an individual’s ‘carbon footprint’ declines as the size of the city in which they live increases. Professor West’s research found that negative economic and social factors are also affected by the ratio, for example, crime, disease and traffic, also increase by a ratio of 1.15.177

The Productivity Commission has noted that population growth has potentially diverse and far-reaching effects, many of which can counteract each other, and depend on the characteristics of the population growth and the context within which the growth occurs.178 The Committee notes, however, that this does not detract from the central finding of Professor West’s research, which suggests that as the population of a city increases, it provides an overall net increase in benefits and opportunities to its residents. Population growth, particularly through skilled migration, has also been identified as an important means of mitigating the impacts of Australia’s ageing population, which presents significant challenges for economic prosperity in Australia, Victoria, Melbourne, and the outer suburbs. As noted in part 2.4.1 of this Chapter, an ageing population slows economic growth as the working population is diminished. The ‘baby boomer’ generation currently accounts for 41.8 per cent of the workforce and large numbers of this group are expected to reach retirement age in the near future.179 An increase in population through skilled migration is one tool for mitigating the ageing population and ensuring continued economic growth. A larger population translates into a larger labour force and hence an increase in Australia’s aggregate output (and income).180

2.4.6 Population and the environment

The Committee is mindful of the historical propensity for population growth to compound the environmental impacts of cities and their suburbs. However, as the Committee discusses in Chapters One, Four and Six, there are a range of innovations that are currently emerging, at both the local and international level, that have significant potential to address the negative environmental impacts of population growth. These include: urban farming; car cooperatives (including for electric vehicles); sustainable housing design; increased housing densities in strategic locations; transit oriented development; water conservation and recycling; and innovations in waste management.

During the overseas study tour and the study tour to Perth and Adelaide, the Committee gathered evidence in relation to the implementation of a number of these strategies that in many cases represents not only ‘best practice’, but which the Committee found to be both pioneering and inspiring. This evidence is discussed in Chapters Four and Six.

A major reason for the Committee’s decision to undertake a study tour to the city of Perth, and a number of its outer suburbs, is the fact that Perth is forecast to experience the fastest rate of population growth of any Australian city in history. The Australian Bureau of Statistics has forecast that the population of metropolitan Perth will more than double between 2006 and 2056 to reach between 3 and 3.5 million.181
During its study tour to Perth, the Committee received evidence from Professor Richard Weller, an internationally renowned proponent of landscape urbanism and Professor of Landscape Architecture at the University of Western Australia. Professor Weller has described his most recent book, *Boomtown 2050 - Scenarios for a Rapidly Growing City*, as:

> not about whether the predicted increase in [Perth's] population is right or wrong...[but]...about how that increased population should be housed in new urban form.\(^{182}\)

Professor Weller also notes that in order to ‘shock-proof’ itself against such future challenges, one of the key strategies for Perth should be that of:

> creatively adapting the city to its landscape and creating more sophisticated and self-sufficient infrastructure.\(^{183}\)

The Committee agrees with the view that the adoption of more innovative and holistic approaches to planning will be a crucial factor in mitigating the environmental impacts of recent and future population growth on Melbourne and its outer suburbs. Indeed, the Committee considers that many of the defining principles of these emerging approaches to planning offer Melbourne and its outer suburbs the prospect of redressing some of the environmental mistakes of the past and of achieving significant environmental improvements across a range of indices. Such approaches to planning, which include many of the defining principles of ‘landscape urbanism’, as well as those of ‘new urbanism’ and ‘smart growth’, are discussed in Chapters Four and Six. The Committee also discusses a number of Professor Weller’s models for accommodating rapidly growing populations in cities such as Melbourne and Perth in those chapters.

The Committee is also encouraged by the evidence of an emerging behavioural shift with respect to some of the key environmental challenges currently facing Australia’s cities. For example, the October 2011 report by the Major Cities Unit of the Commonwealth Department of Infrastructure and Transport, *State of Australian Cities 2011*, found that, since 2006 and "for the first time since the keeping of accurate records",\(^{184}\) Australians:

> ...have been consuming less energy per capita, particularly that generated by coal, recovering more waste from landfill per capita, producing less household waste, consuming less water and have cleaner air in their cities than they have done previously.\(^{185}\)

As the Committee discusses in Chapter Six, there is evidence of a steadily growing commitment to sustainability in the design of Melbourne’s new outer suburbs. For example, the new estate of Selandra Rise in the suburb of Clyde North has established the Selandra Community Place to showcase sustainable living practices for residents, including ways to save water, reduce energy use and minimise waste.\(^{186}\) Melbourne’s established outer suburbs are also becoming more sustainable, through the retrofitting of more sustainable design features, such as rainwater tanks, improved insulation and solar panels.

### 2.4.7 Promoting Victoria’s regional communities

The Committee notes that the Victorian Government has committed, in partnership with local government, to developing regional growth plans for Victoria’s regional areas.\(^{187}\) One of the purposes of the plans is to provide direction for the accommodation of growth and change. Eight regional growth plans, covering all of Victoria outside of metropolitan Melbourne, will be completed by mid-2013.\(^{188}\)
The Commonwealth Government, in its 2011 *Sustainable Australia – Sustainable Communities Strategy*, has also recognised the potential for regional centres to attract a greater share of Australia’s growing population and thereby mitigate some of the pressures associated with population growth in Australia’s capital cities, such as increased traffic congestion. The *Sustainable Australia – Sustainable Communities Strategy* states that building sustainable regional centres in Australia will help relieve the pressure experienced in major urban centres. Supporting growth in regional cities is one way to take the pressure off Metropolitan Melbourne as the population grows.

The Commonwealth Government’s *Promoting Regional Living Program* aims to support regional communities to promote themselves as places to live and work. This includes Commonwealth support for the implementation of targeted marketing strategies that promote regional cities through the Department of Regional Australia. The program enables non-capital cities that can demonstrate potential for future growth, to access funding to promote their region and to communicate the benefits of living in a regional area to city dwellers and new arrivals in Australia.

A COAG Regional Australia Standing Council (RASC) was established to support effective planning and coordination across all levels of government on matters affecting regional Australia in July 2011. RASC facilitates planning and cooperation across all levels of government in order to achieve sustainable economic, social and environmental outcomes for regional Australia. RASC’s role includes the development of cross-government strategic planning processes.

At the Inaugural Meeting on 5 July 2012, RASC members agreed to:

- work together on an integrated infrastructure investment strategy;
- develop a framework for regional economic development;
- further develop a regional engagement framework;
- cooperate on testing alternative approaches to providing local infrastructure; and
- the key determinants of long-term regional economic growth, including human capital, population growth, access to markets and intergovernmental partnerships.

The Committee is of the view that positive outcomes could be achieved through the RASC and encourages the Victorian Government to continue its collaboration with all levels of government, through RASC.

The Committee also notes that in 2009, Regional Cities Victoria (RCV) commissioned Essential Economics to undertake an assessment of future infrastructure and resources required for Victoria’s 10 largest regional centres. The report found that Victoria’s regional cities have the capacity to accommodate an increased share of the state’s population growth.

As discussed at 2.4.1, Victoria’s population is forecast to age rapidly over the coming decades. The ageing of the population in regional areas is likely to be a much stronger trend than in urban areas, because of the internal migration of young people from regional Victoria to urban centres for education and employment. Therefore, channelling skilled overseas migrants into regional areas, has the capacity to
ease both the impact of a growing ageing regional population and the impacts of the rapidly growing population in Greater Melbourne.

**Recommendation 2.12:** That the Victorian Government proactively pursue opportunities for collaboration with the Commonwealth Government, through the Regional Australia Standing Council, for the promotion of Victoria’s regional communities as attractive places to live and work.

### 2.4.8 Immigration and multiculturalism

The vast majority of economic and demographic studies show that immigration (which in recent years has contributed approximately half of Australia’s total population growth) is a net positive for the economy because overseas workers contribute to Australia’s economic growth and are critical for Victoria’s future given the ageing workforce. This point was also made by a number of stakeholders who provided evidence to the Inquiry.197

Immigration has also enabled Melbourne to become a highly culturally diverse city, a fact which is celebrated both nationally and internationally. At the time of the 2011 Census:

- 36.7 per cent of Melbourne residents were born overseas;
- 45.9 per cent of Melbourne residents had both parents born overseas and 12 per cent had at least one parent born overseas;
- 32.4 per cent of Melbourne residents spoke a language other than English at home;198 and
- 68.4 per cent of Melbourne residents had a religious affiliation (including Christianity, Buddhism, Islam, Hinduism, Judaism and Australian Aboriginal Traditional Religions).199

The Committee also notes that there is a long history of strong bi-partisan support for multiculturalism by Victoria’s major political parties.

The Committee notes that multiculturalism is also a prominent feature of Vancouver, which has contributed to the social cohesion and economic vibrancy of the city. Ms Mary Beth Rondeau, Senior Planner – Area Planning and Development, City of Surrey, informed the Committee during a site tour of the City of Surrey, that the municipality had benefited significantly in recent years from a growing south Asian population, which was typically highly business oriented and innovative.200

The current Victorian Government has established the new Office of Multicultural Affairs and Citizenship (OMAC), within the Department of Premier and Cabinet, to deliver the Government’s multicultural policy and program implementation. OMAC is primarily involved in the settlement of newly arrived immigrants and has responsibility for managing a number of programs and projects, including:

- Language Services Strategy;
• Cultural Precincts Enhancement;

• Community Grants Program;

• Promoting Harmony and Multifaith initiatives;

• Settlement Coordination Unit (Refugee Action Program); and

• International Student Care Service.201

The Victorian Multicultural Commission (VMC) is responsible for providing advice to the Government on Victoria’s culturally, linguistically and religiously diverse society and has the following objectives under the Multicultural Victoria Act 2011:

• full participation by Victoria’s diverse communities;

• access by Victoria’s diverse communities to government services;

• unity, understanding, mutual respect and harmony among Victoria’s diverse communities;

• co-operation between bodies concerned with multicultural affairs and diversity;

• enhanced understanding of Victoria’s diverse communities;

• the social, cultural and economic benefits of diversity, and

• the retention and expression of social identity and cultural inheritance by all of Victoria’s diverse communities.202

The important roles of OMAC and VMC, particularly in fostering unity, understanding, mutual respect and harmony among Victoria’s diverse communities, is discussed further in Chapter Five in the section on Culturally and Linguistically Diverse (CALD) Communities.

At the time of writing, the Victorian Government was undertaking public engagement as part of the development of a new multicultural and citizenship policy for Victoria. The engagement process included consideration of a number of fundamental questions, including the question as to how Government can:

better harness the skills, abilities and experiences of our diverse communities for the benefit of all Victorians.203

2.5 Population growth and Melbourne’s Growth Areas

As noted in the introduction to this Chapter, Melbourne’s Growth Area Councils — which represent just seven of Melbourne’s 31 municipalities — have accounted for more than half of Melbourne’s population growth in recent years. The Committee is mindful that the rapid population growth that has occurred in Melbourne’s outer suburbs in recent years, has contributed to the growing demands that have been placed on existing infrastructure such as roads, public transport, schools and community centres, as well as the demand for new infrastructure.
Finding 2.6: Melbourne’s Growth Area Councils have accommodated a disproportionate amount of Melbourne’s population growth in recent years, which has placed significant pressure on existing infrastructure and created strong demand for new infrastructure, which has not been met and should be addressed as a matter of urgency.

However, the Committee is equally mindful that the population boom in Melbourne’s outer suburbs reflects the desirability and liveability of the Growth Area Councils, in terms of relative affordability and amenity, particularly when compared to many of the outer suburbs of Australia’s other capital cities. A significant proportion Melbourne’s newest residents, particularly young families, have chosen to make their home in Melbourne’s new outer suburbs because these areas represent relative value for money and possess many of the elements of liveability (such as high quality and increasingly sustainable housing and access to green spaces) for which Melbourne is justly celebrated.

In addition, as the Grattan Institute demonstrated in its 2011 report, The Housing We’d Choose (and as the Committee discusses in Chapter Four), there is growing evidence that a greater proportion of Melbourne’s residents would purchase or rent a home in an established outer suburb, or in an inner or middle suburb, if there was an increase in the supply of affordable and appropriate housing options in these areas.

These two factors: the relative affordability and liveability of Melbourne’s new outer suburbs; and the lack of affordable and appropriate housing options in Melbourne’s more established suburbs, must therefore be seen as important explanations for the disproportionate share of Melbourne’s recent population growth that has been accommodated in the Growth Area Councils. It is also important to note that the relatively high population growth in the Growth Area Councils is in part explained by their relatively young demographic structure, that is, a relatively greater number of households with children than in other parts of Melbourne.

The Committee considers that many of the current infrastructure pressures that are being experienced in Melbourne’s Growth Area Councils as a result of recent population growth are being addressed, and will continue to be addressed over time, through new infrastructure investment. Unfortunately, it is not always possible for the entire suite of physical and community infrastructure to be provided ahead of the creation of a new community. To some extent, a lag in the provision of some types of non-essential infrastructure is an inevitable short-term feature of the establishment of new communities.

However, the Committee is also of the view that much of the additional pressure on infrastructure that has resulted from the rapid growth of Melbourne’s new outer suburbs in recent years can be mitigated (and to an extent avoided in the case of future developments) by the provision of greater housing diversity and density, both in Melbourne’s new outer suburbs and in the city’s established inner and middle suburbs. As the Committee discusses in Chapters Four and Six, increased diversity and density of housing in Melbourne’s outer suburbs is also a crucial strategy for the preservation of valuable agricultural land.

The Committee also received evidence that the delayed provision of infrastructure in Melbourne’s outer suburbs has led to increased pressures on infrastructure and services located in Melbourne’s established outer middle and inner ring suburbs.
As Councillor Tom Melican, Chairperson of the Metropolitan Transport Forum and Mayor of the City of Banyule, told the Committee during a public hearing for the Growing the Suburbs Inquiry, this situation has significantly increased the demands placed on road and rail infrastructure located in Melbourne’s inner and middle suburbs:

From my perspective as the mayor of [the municipality of] Banyule, we do not have any growth areas in our area, but the impact that they have on Banyule is significant, and I think if you went to the inner suburbs, it would be even more considerable. Currently Banyule is divided by what is sometimes called the north–east link. Because of the growth corridors to our north, the traffic volume through Banyule has increased significantly to the stage where it is not safe to live on some of our roads. Because the roads are so congested, people now use any rat run through any part of Banyule to get to the Eastern Freeway.

The other impact the growth areas have is on our rail network. If you know Watsonia railway station, you will know that it is the first railway station at the end of the Western Ring Road. It has a massive car park that is full all the time with cars belonging to people in the growth areas who are trying to access the public transport system. … My station is Macleod. We have a huge number of complaints about parking in the residential streets by people from the growth corridors trying to access the public transport system. So the growth areas are impacting our suburbs.

If you go to Yarra or the other inner suburban councils, you see the traffic volume there is just horrific and it changes the liveability of those suburbs. If we do not get it right on the outskirts, it affects those suburbs, but it also affects the whole city.204

The Committee notes that this situation disadvantages residents of the Growth Areas, who are often required to travel significant distances to access transport and other infrastructure, as well as residents of established outer, middle and inner ring suburbs, who are required to contend with increasingly overloaded infrastructure. The delayed provision of infrastructure in Melbourne’s Growth Areas therefore has a negative impact on liveability throughout metropolitan Melbourne.

**Finding 2.7:** The delayed provision of infrastructure in Melbourne’s Growth Areas has significantly increased the demands placed upon the available infrastructure in Melbourne’s established outer, middle and inner ring suburbs and has a negative impact on liveability throughout metropolitan Melbourne.

The Committee considers that, in addition to the early provision of infrastructure (discussed in detail in Chapter Four), the level of access to infrastructure for Melbourne’s residents could be significantly boosted by increasing the amount of future population growth that is accommodated in Melbourne’s established outer, middle and inner ring suburbs.
**Recommendation 2.13:** That the Victorian Government, in conjunction with the Growth Areas Authority and the Urban Renewal Authority, develop planning policies and implementation strategies aimed at increasing the amount of future population growth that is accommodated in Melbourne’s middle and inner ring suburbs as well as Melbourne’s outer suburbs.

In the previous section, the Committee outlined the various challenges and opportunities for Melbourne’s outer suburbs arising from population growth. As discussed in sections 2.4.2 and 2.4.4, the population growth experienced in Melbourne’s outer suburbs has in recent years increased the demand for housing, placed significant demands on existing infrastructure and generated areas of great need with respect to the provision of new infrastructure. However as the Committee has also outlined in section 2.4, Melbourne’s recent population growth has also brought a range of benefits, including a younger demographic to help offset the burden of the ageing population as well as economic and cultural benefits. Moreover, the Committee has also noted that a growing population and a healthy environment are not mutually exclusive. For these reasons, the Committee considers that the benefits and opportunities of population growth vastly outweigh its associated challenges. Moreover, the Committee is very mindful of the many infrastructure pressures currently being experienced in Melbourne’s growing suburbs but considers that these are short term impacts primarily associated with the establishment of new suburbs rather than a consequence of Melbourne’s population growth.

**Finding 2.8:** The Committee considers that both the medium and long term benefits of population growth in Melbourne’s outer suburbs, when properly managed, far outweigh any negative impacts (such as increased pressure on infrastructure) that may be experienced in the short term.
Chapter 2 Endnotes:


2 ibid.


9 Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p. 8.

10 Professor Dr. Marc Angélil, Overseas Transcript of Evidence, Liveability Options, Zurich, 15 May 2012, p.621.

11 Richard Florida’s 2003 book identified the emergence of a ‘creative class’ whose members ‘engage in work whose function is to create meaningful new forms’ and who are increasingly important as generators of wealth and


20 Master Builders’ Association, *Submission No.72, Liveability Options*, OSISDC, received 16 May 2011, p.4.


22 Master Builders’ Association, *Submission No.72, Liveability Options*, OSISDC, received 16 May 2011, p.4.


24 ibid., 30 July 2012.


Chapter 2: Population Growth & Impacts


33 Mr Andrew MacLeod, Committee for Melbourne, Transcript of Evidence, Liveability Options, 6 June 2011, p.187.


37 Mr Johnny Barnard, ID Consulting, Transcript of Evidence, Liveability Options, 7 November 2011, p.501.

38 Ibid.

39 Ibid.


41 Ibid.


43 Outer Suburban/Interface Services and Development Committee (OSISDC), 16 May 2011, Executive Officer Notes from Perth and Adelaide Study Tour, Liveability Options, OSISDC, Mr Mark Dickson, Manager City Growth, Wanneroo City Council, Wanneroo.
Statistical Area Level 2 (SA2) is defined by the ABS as a 'general-purpose medium-sized area', which is designed to represent a community that interacts socially and economically. In the major cities, SA2s often represent single suburbs and have a population range of between 3,000 to 25,000 people. SA2s are built from SA1s, which have an average population of approximately 400. See: ABS, July 2011, 1270.0.55.001 - ASGS: Volume 1 - Main Structure and Greater Capital City Statistical Areas, viewed 1 October 2012, <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/88F6A0EDEB8879C0CA257801000C64D9?opendocument>


ibid.

ibid.


ibid.


Planning Institute of Australia, Submission No.25, Liveability Options, OSISDC, received 29 April 2011, p.3.


ibid., p.1-2.

The crude birth rate is the number of births per 1,000 people per year. See Economic Geography Glossary, 2003, University of Washington, <http://faculty.washington.edu/krumme/resources/>.

Mr Johnny Barnard, ID Consulting, Transcript of Evidence, Liveability Options, 7 November 2011, p.499.

ibid.


ibid.


64 Mr Johnny Barnard, ID Consulting Transcript of Evidence, Liveability Options, 7 November 2011, p.498-9.

65 Housing Industry Association, Submission No. 74, Liveability Options, OSISDC, received 18 May 2011, p.291.


67 ibid.


71 Mr Johnny Barnard, Population Forecaster, ID Consulting, Transcript of Evidence, Liveability Options, 7 November 2011, p.499.

72 ibid.


76 Mr Andrew MacLeod, Committee for Melbourne, 2011, Transcript of Evidence, Liveability Options, 6 June 2011, p.4-5.

78 Mr Andrew MacLeod, Chief Executive Officer, Committee for Melbourne, 2011, *Transcript of Evidence, Liveability Options*, 6 June 2011, p.186.

79 ibid.


82 Mr Andrew MacLeod, Chief Executive Officer, Committee for Melbourne, *Transcript of Evidence, Liveability Options*, 6 June 2011, p.187.

83 ibid.


86 Mr Andrew MacLeod, Chief Executive Officer, Committee for Melbourne, *Transcript of Evidence, Liveability Options*, 6 June 2011, p.187.


Chapter 2: Population Growth & Impacts

89 Urban Development Institute of Australia, Submission No. 33, Liveability Options, OSISDC, received 29 April 2011, p.2.
91 ibid.
92 ibid.
94 Professor Richard Weller, Urban Design Centre of Western Australia, Transcript of Evidence, Liveability Options, 18 May 2011, p.104.
98 ibid.
99 ibid.
104 ibid., Table 4.


ibid.


ibid., p.10.


Shire of Melton, *Submission No.63, Liveability Options*, OSISDC, received 9 May 2011, p.3.

Banksia Gardens Community Centre, *Submission No.30, Liveability Options*, OSISDC, received 29 April 2011, p.3.


Brotherhood of St Laurence, *Submission No.56, Liveability Options*, OSISDC, received 6 May 2011, p.3.

Westgate General Practice, *Submission No.6, Liveability Options*, OSISDC, received 21 April 2011, p.66.


Mr Andrew MacLeod, Chief Executive Officer, Committee for Melbourne, *Transcript of Evidence, Liveability Options*, 6 June 2011, p.186.


Mr Gerard Mansour, Chief Executive Officer, Aged and Community Care Victoria, *Transcript of Evidence, Liveability Options*, 10 October 2011, p.421.

Westgate General Practice, *Submission No.6, Liveability Options*, OSISDC, received 21 April 2011, p.48.

City of Whittlesea, *Submission No.59, Liveability Options*, OSISDC, received 6 May 2011, p.3.
Chapter 2: Population Growth & Impacts

126 Shire of Melton, Submission No.63, Liveability Options, OSISDC, received 9 May 2011, pp. 1-2.


128 For example, the forecast percentage change from 2011 to 2031 is approximately 37 per cent for Boroondara and approximately 19 per cent for Darebin: Department of Planning and Community Development, April 2012, *Victoria in Future 2012: Population and Household Projections for Victoria and its Regions 2011-2031*, p.10.

129 Mr Michael Tyler, Casey City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.347.

130 Mr Simon Brewin, Executive Director, Planning and Infrastructure, Peninsula Health, Transcript of Evidence, *Liveability Options*, 8 September 2011 p. 392-3.

131 General Practice Victoria, Submission No.71, Liveability Options, OSISDC, received 13 May 2011, p. 4-5.


135 Mr Steve Dunn, President, Planning Institute of Australia (Victoria), Transcript of Evidence, Liveability Options, 6 June 2011, p.218.

136 Ms Fiona Nield, Director Government Programs, Housing Industry Association, Transcript of Evidence, Liveability Options, 27 June 2011, p.293

137 Housing Industry Association, Submission No.74, Liveability Options, OSISDC, received 18 May 2011.

138 Mr Robert Larocca, Communications Manager, Real Estate Institute of Victoria, Transcript of Evidence, Liveability Options, 2 May 2011, p.15.


140 Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 Feb 2012, p.581.


144 ibid.
145 ibid.


153 ibid.
154 Australian Housing and Urban Research Institute, *Submission No.40, Liveability Options*, OSISDC, received 29 April 2011, p.4.
Chapter 2: Population Growth & Impacts

155. ibid.
158. ibid., p.12.
159. ibid., p.8.
160. ibid.
161. Westgate General Practice Network, *Submission No.6, Liveability Options*, OSISDC, received 21 April 2011, p.61.
163. For example See: Ms Kerry Margalit, *Submission No.1, Liveability Options*, OSISDC, received 28 March 2011; Mr David Lyons, *Submission No.2, Liveability Options*, OSISDC, received 6 April 2011; Mr Brian Collingburn, *Submission No.13, Liveability Options*, OSISDC, received 28 April 2011; Mr John Lee, Tourism and Transport Forum, *Submission No.15, Liveability Options*, OSISDC, received 28 April 2011; and Mr Rob McVernon, Mitchell Shire Council, *Submission No.15, Liveability Options*, OSISDC, received 29 April 2011.
169. Mr Ross Holt, Chief Executive Officer, Landcorp, Western Australia, *Transcript of Evidence, Liveability Options*, 18 May 2011, p.87.
173. Gross domestic product is a measure of the aggregate size of the economy and shows the total value (adjusted for inflation) of all goods and services produced in Australia in a given year. Gross national income is a measure of the aggregate income that accrues to Australians and shows the aggregate real value of all goods and services produced in Australia (accounted for in GDP) adjusted for net income payments made to or received from foreigners. Productivity Commission, December 2010, *Population and Migration: Understanding the Numbers: Potential Impacts of Migration and Population Growth*, <http://www.pc.gov.au/research/commission/population-migration>, p.77.


ibid.


Weller, R, 2009, Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, Crawley, Western Australia, p.35.

ibid., p.50.


ibid.


ibid., p.35.


197 See for example: Housing Industry Association, Submission No.74, Liveability Options, OSISDC, received 18 May 2011, p.9.


200 Outer Suburban/Interface Services and Development Committee (OSISDC), Executive Officer Notes from Overseas Study Tour, Ms Mary Beth Rondeau, Senior Planner – Area Planning and Development, City of Surrey, Vancouver, 7 May 2012, p.83.


CHAPTER 3: HOUSING AFFORDABILITY AND THE COST OF LIVING

...at the start of the [previous] decade the portion of average income needed to pay your average loan was just under a quarter and now it is just over one-third. That is a substantial impact, and that of course impacts on those living in the middle and outer suburbs [of Melbourne] more than the inner, particularly in houses.1

3.1 Introduction

Recent years have seen a dramatic decline in housing affordability across Australia, which has been the subject of intense scrutiny by all levels of government and by a range of commentators and analysts. It is therefore unsurprising that ‘affordable housing’ was commonly cited as one of the most important ingredients of liveability by witnesses during the course of the Inquiry.2

The decline in housing affordability is primarily due to an unprecedented increase in housing prices, which has been experienced across Australia. (Unless otherwise indicated, the Committee uses the term ‘house prices’ throughout this chapter to refer broadly to the price of houses, units and flats.) While there are a variety of factors in addition to house prices that determine housing affordability, income levels and cost of living expenses are perhaps the most significant. In recent years, the sharp rise in a range of household expenses, most notably the price of utilities such as electricity, gas and water, coupled with relatively low growth in incomes, has exacerbated the impact of the unprecedented increase in house prices. While these trends have affected households across Melbourne, residents of Melbourne’s outer suburbs are among those for whom the impact has been greatest.

The first part of this chapter addresses Term of Reference (c), which requested the Committee to collate and analyse median house prices in outer suburban Melbourne against income and cost of living data. The Committee also discusses the affordability of rental accommodation as this is an issue in relation to which it received a significant amount of evidence. Moreover, the Committee is mindful that house prices have a significant impact on the cost and availability of rental accommodation, as well as on the demand for social housing.

Data published by the Victorian Valuer-General shows that Melbourne experienced its 15th consecutive year of increases in median residential sale prices in 2010. The median sale price for Melbourne houses increased from $129,000 in 1995 to $495,000 in 2010: a rise of approximately 284 per cent. The median sale price for Melbourne units and apartments increased from $115,000 in 1995 to $425,100 in 2010: a rise of approximately 270 per cent.3

Melbourne has seen some improvement in housing affordability since 2010. Victorian Valuer-General’s data also shows that in 2011, Melbourne experienced a small decrease in residential median sale prices for the first time in 16 years. The median sale price for Melbourne houses fell from $495,000 in 2010 to $490,000 in 2011, a decline of one per cent. Unit values decreased from $430,000 in 2010 to $425,000 in 2011, a decline of 1.2 per cent.4

At the time of writing, Victorian Valuer-General’s data for residential sales was not available beyond the December 2011 quarter. However, the Real Estate Institute of Victoria (REIV), in its Property Update for
the June quarter of 2012, reported a Melbourne median house price of $535,000, a decline of 5.30 per cent from the June 2011 quarter of $565,050. REIV also reported a decline in the median price for a unit or apartment between the June 2011 and June 2012 quarters of 4.10 per cent, from $469,000 down to $450,000.

Historically, median house prices in Melbourne’s outer suburbs have been significantly lower than for Melbourne as a whole and this remains the case today. In 2011, median house prices in the Growth Area Councils (Casey, Cardinia, Hume, Melton, Mitchell, Whittlesea and Wyndham), ranged from $293,000 to $410,000, compared to $490,000 for metropolitan Melbourne. Despite such lower median house prices in many of Melbourne’s outer suburbs, there is no doubt that the affordability of a home in the outer suburbs has declined in recent years, as these areas have also been affected by the dramatic rise in house prices and have been disproportionately affected by the increases in the cost of living noted above. As a result, the affordability of Melbourne’s outer suburbs is currently facing serious challenges.

The Committee is mindful that a comparison of median house prices between the Interface Councils and the whole of metropolitan Melbourne (i.e. the Interface Councils, as well as the middle and inner LGAs combined) provides only a limited view of the full housing affordability picture. Perhaps the most widely used measure of housing affordability is the concept of ‘housing stress’, which is the situation where housing costs (in the form of rent or mortgage payments) exceed 30 per cent of gross household income for households in the lowest 40 per cent of the income distribution. While it should be noted that the 30 per cent threshold may be too low to provide an accurate indicator of housing stress for households in general — that is, for all households regardless of income levels — it is nevertheless widely used throughout Australia as a broad indicator of housing stress and of housing affordability.

Recent research by Dr Marcus Spiller (2011) has found that even during the relatively short period from 1994 to 2000, the radius from the Melbourne Central Business District (CBD) of most suburbs affordable to a household on average earnings moved out from 10 kilometres to 24 kilometres. By 2009, the radius had shifted further out to almost 40 kilometres and no suburbs within 10 kilometres of the CBD were affordable to average-income households.

In July 2012, the Australian Bureau of Statistics (ABS) released its preliminary data from the 2011 Australian Census, which revealed that almost 30 per cent of households across Greater Melbourne (see the discussion in Chapter Two at section 2.2.2) were paying more than 30 per cent of their gross income towards mortgage repayments. In August 2012, the ABS released additional data from the 2011 Census, which revealed that for all but one of Melbourne’s Growth Area Councils (Mitchell), the proportion of households with a mortgage that were paying more than 30 per cent of their gross income in mortgage repayments was higher than for Greater Melbourne (see Table 3.2). Notably, the proportion of households in this situation in each of the Green Wedge Councils was lower than for Greater Melbourne.

The 2011 Census also revealed that household incomes increased by a significantly smaller margin than household mortgage repayments between 2006 and 2011. Across Australia, median household income increased by approximately 20 per cent between 2006 and 2011. However, in the five years prior to 2006, median incomes increased by 31 per cent and by 24 per cent in the five years prior to 2001.

In Melbourne, the increase in median household incomes between 2006 and 2011 was 23.5 per cent, notably higher than the Australia-wide increase of 20 per cent. However, median household mortgage repayments in Melbourne increased by 39 per cent over the same period.
Chapter 3: Housing Affordability

It is important to note that the increase in household mortgage payments between 2006 and 2011 was not due to an increase in mortgage interest rates since the standard variable mortgage interest rate was identical at the time of both the 2006 and 2011 censuses. The increase in mortgage payments between 2006 and 2011 was therefore primarily due to increased levels of mortgage debt for Melbourne households.

While the Committee notes that the median price of houses and units in Melbourne has declined since it received the Terms of Reference for this Inquiry, as has been the case across Australia, the cost of housing remains at historically high levels when measured as a proportion of median incomes. In addition, cost of living pressures continue to place a strain on the budgets of many households across Melbourne and Victoria. Moreover, as the Committee heard from many of the witnesses who provided evidence to the Inquiry, the impact of such cost of living increases is generally much greater for the residents of Melbourne’s outer suburbs than it is for those who live in middle and inner suburbs.

Housing affordability affects where people choose to live and therefore, can result in the necessity of travelling long distances to work and services, and lead to social isolation. Housing affordability, together with access to public transport, is a key driver of social inclusion, enabling access to health, education, employment opportunities, cultural and sporting activities and a range of other services.

In the second part of this chapter, the Committee discusses a number of strategies for improving the affordability of housing in Melbourne’s outer suburbs.

This chapter also discusses the evidence received by the Committee that there is currently a significant undersupply of appropriately planned affordable housing, which contributes to the level of mortgage stress and thereby negatively impacts on liveability. This situation fuels an already identified housing shortage and adversely affects the growing proportion of the population who require smaller, diverse and/or affordable housing options.

In the final part of the chapter, the Committee discusses the role of social housing in Melbourne’s outer suburbs, as this is also an issue in relation to which it received a significant amount of evidence.

As discussed in Chapter Four, the Committee also considers that the role of planning policies will also be crucial in seeking to improve housing affordability for Melbourne’s outer suburbs.

3.2 Measures of housing affordability

3.2.1 Housing stress

Housing affordability is a function of the complex interaction between three elements: household income; housing costs; and other living costs such as food, groceries, energy, electricity, gas, water, transport and fuel, and medical costs, within a specified standard of living.

Typically, housing affordability indicators rely on a ratio measure that specifies the acceptable proportion of income to be spent on housing, or the acceptable level of income remaining once housing costs have been met. Housing is affordable when payments towards rent or mortgages are low enough to leave households with enough income to meet the costs of other basic needs in their daily life, such as food, clothing, transport, medical care and education.
As noted above, a widely used definition of ‘housing stress’ is the situation where housing costs (in the form of rent or mortgage payments) exceed 30 per cent of gross household income. The 30 per cent threshold, which is based on the ‘ratio of housing costs to household income’, measures the ratio between annual mortgage repayments based on the median dwelling price and average annual household income. The measure reflects variations in the relationship between median house prices, household incomes, and interest rates. The ‘ratio of housing costs to household income’ has been used by organisations such as the Reserve Bank of Australia, the National Housing Supply Council; the Housing in Victoria Councils initiative; Australians for Affordable Housing; and the Commonwealth of Australia Government’s Reform Council in its *National Affordable Housing Agreement: Performance Report*.

### 3.2.2 The median multiple

The median multiple, which is defined as the ratio of house prices to household income, is perhaps the second most frequently cited measure of housing affordability. A July 2012 report by a team of academics from the Centre for Population and Urban Research at Monash University, including Professor Bob Birrell and Professor Ernest Healy, found that by the third quarter of 2011, the multiple between the median house price ($567,000) and median household income ($67,700) in Melbourne was 8.4, behind Sydney at 9.2. As discussed below, until recent years this multiple ranged between 2 to 3 times median household incomes. The report also found that the proportion of properties owned in Melbourne (rather than rented) had declined from 70 per cent in 2001 to 67 per cent in 2011.

In 2012, Demographia, a consultancy firm based in the United States of America, released its *8th Annual Demographia International Housing Affordability Survey*, which assessed the affordability of 325 metropolitan housing markets in Australia, Canada, Hong Kong, Ireland, New Zealand, the United Kingdom and the United States. The report found that:

> Historically, the Median Multiple [median house price divided by gross annual median household income] has been remarkably similar in Australia, Canada, Ireland, New Zealand, the United Kingdom and the United States, with median house prices having generally been from 2.0 to 3.0 times median household incomes…with 3.0 being the outer bound of affordability. … the Median Multiple has escalated sharply in the past decade in Australia, Ireland, New Zealand, and the United Kingdom and in some markets of Canada and the United States.

The deterioration of housing affordability in many of the markets rated in the Demographia International Housing Affordability Survey is unprecedented based upon the available historical data. Australia and New Zealand, for example, which had legendary housing affordability from after World War II to the 1980s and 1990s have seen house prices reach levels that are nearly double even nearly triple their historic ratio to household incomes.

The report also found that all major markets in Australia were ‘severely unaffordable’, which it defined as having a Median Multiple of 5.1 and over, including Melbourne with a Median Multiple of more than 7 and Sydney at 9.2.

However, the Housing Industry Association Ltd. (HIA) has criticised Demographia’s use of the house price to income ratio as a measure of comparing housing affordability in Australia with other countries. A
2010 Discussion Paper by the HIA Economics Group stated that the fact that such ratios do not take account of debt servicing costs, including interest rates, makes them “… fundamentally defective as a measure of housing affordability… [and] …redundant” for the purposes of making comparisons across time and borders.24 The HIA paper also found (based on the HIA’s own methodology and selection of data inputs) that the house price to household income ratio for Australia capital cities as at September 2010 was 4.2.25 Nevertheless, the paper found that there had been a significant increase in the ratio of house prices to income between 1995 and 2010, as a result of which “home buyers have found it increasingly more difficult to transition from the rental market into home ownership”.26 The paper found that in Melbourne, the ratio had increased from 2.3 to 4.6 during the above period.27

Despite the differing values of the Median Multiple for Melbourne noted above, there is no doubt that there has been a historic decline in housing affordability across Melbourne and Australia. As Ben Phillips, in a 2011 paper for the National Centre for Social and Economic Modelling (NATSEM) at the University of Canberra, has stated:

>The great Australian dream for many individuals and families is to purchase their very own piece of Australia. [During]…the second half of the 20th century, this dream became a reality for many young families. Land was cheap, housing was cheap and most of us could afford to buy our very own home.

>Something changed last decade. House prices, not only in Australia, but globally, soared and put the great Australian dream in doubt.28

### 3.2.3 Other measures of housing affordability

The 30 per cent threshold of household income measure has been criticised because it does not account for other important variables It should also be noted that the measure is less applicable as a measure of affordability for higher income households. Other indicative measures of housing affordability include:

- sales by price segment – which measures the extent to which ranges of housing prices are available within a specified geographical area;
- affordability and available stock – which measures the proportion of dwellings available for different income groups; and
- threshold income – which measures the income required to purchase a moderately priced dwelling in the specified geographical area over specified years. This threshold income is compared with another geographical area such as metropolitan Melbourne. The threshold income indicator is useful for identifying the scale of an affordability problem, as it reduces the data to a single meaningful figure.29

Recent research for the Australian Housing and Urban Research Institute (AHURI) has also utilised alternative housing affordability measures. For example, the AHURI Swinburne-Monash Research Centre has utilised the residual income measure of affordability, recognising that the affordability of mortgages is linked with non-housing expenditures which vary according to household size and type.30 This analysis of affordability estimates the expenditures required to meet the non-housing needs of different sizes and types of households at a specified level of adequacy (low cost or modest budget standards are defined), and then calculates the maximum percentage of income that can be devoted to repayments for different household types on different income levels. For example, a single person, earning $60,000 per annum can
afford to spend up to approximately $600 per week on housing costs, applying a modest but adequate budget standard. By contrast, a couple with children who earn the same amount will only have approximately $250 per week available for housing costs after meeting other expenses.31

During the Inquiry, several witnesses highlighted the relevance of household costs, other than house price, in assessing housing affordability. For example, the Committee for Melbourne emphasised the fact that the cost of housing in the outer suburbs not only includes the cost of buying and financing a house, but also the cost of travelling to community facilities, shops and workplaces.32 In their submission to the Inquiry, the Interface Councils also stated that perceptions of affordability, in less expensive areas, such as many of Melbourne’s outer suburbs, do not always match the reality when additional costs are incurred. For example, the purchase of an additional car, the cost of running two cars, and the time and money required to travel long distances to reach employment.33

Similarly, Casey City Council, in its submission to the Inquiry, stated that the:

… real concern … is not the affordability of houses at the first point of sale but instead the ongoing affordability of running a home in a growth area deficient in infrastructure and services.34

Lend Lease in its submission to the Inquiry stated that:

Affordable housing should not be considered in isolation to affordable living. At present Victoria looks at housing prices against income as the measure of affordability. As we move forward with sustainability being a driver, Government and industry must look at cost of living and how a whole of government (ie utilities, Department of Treasury and Finance, etc) and the development industry work together on this rather than just looking to the housing industry in isolation.35

The Committee acknowledges the value of alternative measures of affordability and the significance of the many variables that specifically impact Growth Areas due to their typically less developed infrastructure, or the requirement for car purchase and long distance travel.

Unless otherwise indicated, the discussion of housing affordability in this chapter is based on the ‘ratio of housing costs to household income’, whilst including a discussion of the cost of living factors that contribute to the special position of housing affordability in the outer suburbs.36

The ‘ratio of housing costs to household income’ is the most commonly used measure of housing affordability and is the measure that was generally used by witnesses who gave evidence to the Inquiry.37 This measure also best describes how difficult it is to purchase a dwelling in the outer suburbs of Melbourne. The Committee considers that it is therefore a useful starting point for assessing housing affordability, however, alternative measures of housing affordability that encompass a wider range of cost factors, should be considered for use in the future.38

Recommendation 3.1: That, in addition to the income to house price ratio, the Victorian Department of Planning and Community Development incorporate cost of living data, including transport and utility costs, in future measures of published housing affordability.
The Committee also considers that there is a need for prospective home buyers to be provided with greater access to information on the impact of the living costs associated with the purchase of a particular type of home in a particular location. While many home lenders encourage the use of home loan affordability calculators by potential home buyers, it is notable that such products do not enable home buyers to arrive at an accurate estimation of the living costs associated with their mortgage. Detailed and accurate estimation of such costs prior to taking out a loan could provide potential borrowers with the information necessary to avoid mortgage stress in the future, particularly in the event of changed circumstances.

**Recommendation 3.2:** That the Victorian Government develop an online housing affordability calculator to enable potential home buyers to estimate the cost of living by reference to location, housing type and number of bedrooms. The calculator should include cost of living variables, including transport costs, utilities and rates.

### 3.3 House prices and incomes in Melbourne’s outer suburbs

It is beyond the scope of the current Inquiry to provide a detailed investigation of the causes of the significant decline in housing affordability across Melbourne and its outer suburbs that has occurred in recent years. Instead, this chapter focuses on the particular impacts that the decline in housing affordability has had on Melbourne’s Interface Councils and growth corridors and suggests some possible strategies for improving housing affordability in these areas.

The Committee notes that there are multiple and interrelated factors that determine house prices, a number of which are wholly or partly beyond the control of state governments. These include demographic factors, such as the rapid population growth and population ageing discussed in the previous chapter, interest rates and household income. The interaction between these factors with respect to housing affordability is illustrated in Figure 3.1 below.
In 2011, median house prices were significantly lower for all but two of the Interface Councils than for metropolitan Melbourne. As illustrated in Table 3.1, median house prices in the Growth Area Councils (Casey, Cardinia, Hume, Melton, Mitchell, Whittlesea and Wyndham), ranged from $293,000 to $410,000, compared to $490,000 for metropolitan Melbourne. The median price for a flat or unit, or for a vacant block of land, was also significantly lower in the Growth Area Councils.
### Table 3.1: Median house, flat or unit and vacant block prices in the Interface Councils in 2011

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Median house price ($)</th>
<th>Median flat or unit price ($)</th>
<th>Median vacant block price ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>350,000</td>
<td>275,000</td>
<td>175,000</td>
</tr>
<tr>
<td>Casey</td>
<td>375,000</td>
<td>307,000</td>
<td>220,000</td>
</tr>
<tr>
<td>Hume</td>
<td>360,000</td>
<td>310,000</td>
<td>210,000</td>
</tr>
<tr>
<td>Melton</td>
<td>352,250</td>
<td>255,000</td>
<td>175,000</td>
</tr>
<tr>
<td>Mitchell</td>
<td>293,000</td>
<td>248,250</td>
<td>140,000</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>490,000</td>
<td>360,000</td>
<td>290,000</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>580,000</td>
<td>427,500</td>
<td>303,750</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>410,000</td>
<td>335,000</td>
<td>207,000</td>
</tr>
<tr>
<td>Wyndham</td>
<td>359,950</td>
<td>290,000</td>
<td>213,000</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>415,000</td>
<td>355,000</td>
<td>190,000</td>
</tr>
<tr>
<td>Metropolitan Melbourne</td>
<td>490,000</td>
<td>425,000</td>
<td>210,000</td>
</tr>
</tbody>
</table>

Source: Department of Sustainability and Environment, Victorian Government, *A Guide to Property Values, July 2012*, p.5, 117, 119, 156, 181, 185, 197, 205, 241, 245, and 249. Note: Metropolitan Melbourne is defined as the metropolitan area of Melbourne, including Werribee, Melton, Sunbury, Craigieburn, Healesville and Pakenham and the Mornington Peninsula. The area is equivalent to the 31 Melbourne LGAs (it does not include the Mitchell LGA).

Data from the 2011 Australian Census, released in August 2012, reveals that the relatively lower median house prices for the Growth Area Councils does not necessarily translate into relatively greater affordability. In fact, these areas are relatively less affordable in terms of the proportion of residents currently making mortgage repayments above the frequently used indicator of ‘mortgage stress’ (i.e. the 30 per cent threshold ratio of housing costs to household income defined above). As illustrated in Table 3.2, the percentage of all dwellings (which includes dwellings owned with a mortgage, owned outright and rented) where mortgage payments consume 30 per cent or more of household income was significantly higher for all of the Growth Area Councils than for Greater Melbourne in 2011. Moreover, the Growth Area Councils (with the exception of Mitchell) also have a higher percentage of mortgaged dwellings, where repayments are 30 per cent or more of household income than Greater Melbourne. In the case of Whittlesea and Hume, this percentage is several points higher than for Greater Melbourne.

It is also important to note that there is some variation in the median house price values reported by different organisations. For example, while REIV reported a median house price for metropolitan Melbourne of $565,050 for the June 2011 quarter, the Valuer-General reported a figure of $500,000 for the same quarter. The Committee notes that such differences may reflect the fact that REIV sales data is based on sales that are reported by agents to the REIV, whereas data reported by the Valuer-General is based on information which must be provided by purchasers within one month of the purchase of any real estate in Victoria. Unless otherwise indicated, the Committee has used data provided by the Victorian Valuer-General in this report.

However, the Committee considers that the sales data provided by the REIV provides a useful and timely guide for the early identification of trends within the real estate market. For example, the REIV, in its *Property Update* for the June quarter of 2012 reported a Melbourne median house price of $535,000, a decline of 5.30 per cent from the June 2011 quarter of $565,050. REIV also reported a decline in the
median price for a unit or apartment between the June 2011 and June 2012 quarters of 4.10 per cent from $469,000 down to $450,000. At the time of writing, residential sales data from the Victorian Valuer-General beyond the December 2011 quarter had yet to be released.

Table 3.2: Dwellings where mortgage payments are 30% or more of household income in the Interface Councils – 2011 Australian Census

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Number of private dwellings*</th>
<th>Dwellings where repayments are 30% or more of household income* (%)</th>
<th>Number of households where mortgage payments are 30% or more of household income*</th>
<th>Number of private dwellings owned with a mortgage*</th>
<th>Mortgaged private dwellings where repayments are 30% or more of household income* (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>25,038</td>
<td>15.8%</td>
<td>3,956</td>
<td>12,506</td>
<td>31.6%</td>
</tr>
<tr>
<td>Casey</td>
<td>80,472</td>
<td>17.4%</td>
<td>14,002</td>
<td>42,711</td>
<td>32.8%</td>
</tr>
<tr>
<td>Hume</td>
<td>52,245</td>
<td>16.9%</td>
<td>8,829</td>
<td>24,659</td>
<td>35.8%</td>
</tr>
<tr>
<td>Melton</td>
<td>34,975</td>
<td>18.0%</td>
<td>6,296</td>
<td>19,230</td>
<td>32.7%</td>
</tr>
<tr>
<td>Mitchell</td>
<td>11,814</td>
<td>12.7%</td>
<td>1,500</td>
<td>5,295</td>
<td>28.3%</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>54,149</td>
<td>10.7%</td>
<td>5,794</td>
<td>19,785</td>
<td>29.3%</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>19,360</td>
<td>11.9%</td>
<td>2,304</td>
<td>9,688</td>
<td>23.8%</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>50,223</td>
<td>15.9%</td>
<td>7,985</td>
<td>22,132</td>
<td>36.1%</td>
</tr>
<tr>
<td>Wyndham</td>
<td>52,798</td>
<td>15.4%</td>
<td>8,131</td>
<td>26,679</td>
<td>30.5%</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>50,682</td>
<td>13.4%</td>
<td>6,971</td>
<td>24,501</td>
<td>27.7%</td>
</tr>
<tr>
<td>Greater Melbourne</td>
<td>1,430,665</td>
<td>11.0%</td>
<td>157,373</td>
<td>526,099</td>
<td>29.9%</td>
</tr>
</tbody>
</table>


Notes: The figures in columns four and six (from the left) are based on the Committee’s own calculations. The figures in column four were calculated by multiplying columns one and two. The figures in column six were calculated by dividing column four by column five. For example, in Melton, 18% of 34,975 = 6,296 and 6,296 / 19,230 = 32.7 per cent.

The fact that nearly all of the Growth Area Councils have a greater proportion of mortgaged dwellings above the 30 per cent threshold than Greater Melbourne is particularly notable given the significantly lower median house prices that prevail in these areas, as illustrated in Figure 3.3 below. It is also notable that three of the Growth Area Councils (Hume, Whittlesea and Cardinia), as well as the Yarra Ranges, have median household incomes below that of Greater Melbourne.
Table 3.3: Median household incomes and mortgage repayments in the Interface Councils

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Median weekly household income ($)</th>
<th>Median monthly mortgage repayments ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>$1,303</td>
<td>$1,733</td>
</tr>
<tr>
<td>Casey</td>
<td>$1,342</td>
<td>$1,733</td>
</tr>
<tr>
<td>Hume</td>
<td>$1,214</td>
<td>$1,712</td>
</tr>
<tr>
<td>Melton</td>
<td>$1,363</td>
<td>$1,733</td>
</tr>
<tr>
<td>Mitchell</td>
<td>$1,170</td>
<td>$1,605</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>$1,054</td>
<td>$1,733</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>$1,872</td>
<td>$1,950</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>$1,275</td>
<td>$1,863</td>
</tr>
<tr>
<td>Wyndham</td>
<td>$1,424</td>
<td>$1,800</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>$1,281</td>
<td>$1,642</td>
</tr>
<tr>
<td>Greater Melbourne</td>
<td>$1,333</td>
<td>$1,810</td>
</tr>
</tbody>
</table>


The Committee is also mindful that there has been a significant decline in the affordability of vacant building lots in Melbourne’s Growth Areas in recent years. As illustrated in Table 3.1 above, the median price for a vacant block of land in 2011 was more than $200,000 in four of the seven Growth Area Councils, leaving only Mitchell, Cardinia and Melton with median vacant block prices below this level. Mr Whitson, General Manager of Stockland, informed the Committee at a public hearing that land prices are now higher than most entry level buyers can afford. Mr Whitson stated that in 2008, 90 per cent of the land released in the Growth Areas was priced below $200,000 per lot, whereas by the end of 2010 that figure had dropped to below 25 per cent.44

However, according to Oliver Hume Research (a company specialising in residential property market research in Victoria, New South Wales and Queensland), by the June Quarter of 2012, the gross median land price (the price of a building block before incentives or rebates are included) in Melbourne’s Growth Areas had fallen from its 2010 peak of $225,750 to $210,000 and the net effective median land price had declined to $197,500. In other words, the effective median land price in Melbourne’s Growth Areas had fallen ‘below the magical $200,000 for the first time since June 2010’.45 While there was significant variation between the Growth Area Councils, the effective median land price for all but two (Wyndham and Casey) had fallen below $200,000 by the June quarter of 2012.

Finding 3.1: There is ample evidence that suggests the perceived affordability of housing in Melbourne's Growth Areas exposes home buyers in these areas, compared to other areas of Melbourne, to an increased risk of mortgage stress, (defined as the situation where repayments account for 30 per cent or more of household income).
3.4 The cost of living

The cost of living, which includes a diverse array of possible household expenses such as transport, groceries, electricity, water, gas, council rates, medical expenses, school fees and child care, is a vital determinant of housing affordability.

The National Housing Supply Council has noted that:

*Most affordability measures tend to focus on relatively narrow definitions of housing costs; that is, on direct housing outlays. They ignore the wider costs of living such as electricity, water and transport costs, which are part of overall living affordability and which have increased significantly in recent years.*

Over the last decade, the cost of utilities, such as electricity, gas, water and sewerage, has risen at a much faster rate than the overall Consumer Price Index (CPI). Moreover, this trend has been particularly evident during the last few years. Between 2009 and 2011, the cost of utilities has in some cases increased at an annual rate of more than 10 per cent, which is a significantly faster rate of increase than the average annual increase in consumer prices, which increased by less than 3.5 per cent over the same period.

The Committee is very mindful that utility costs are a comparatively larger component of the household budget for people on low to middle incomes, as well as for people in the early years of a mortgage. Residents of Melbourne’s outer suburbs, many of whom are in the early years of paying a mortgage on a new home, are therefore among those groups that have been most acutely affected by the dramatic increase in the cost of utilities during recent years.

Mercer, a human resources and financial services company, releases annual cost of living rankings, which measure the comparative cost of living for expatriates in 214 major cities. Mercer’s 2012 *Cost of Living Survey City Rankings - Global Overview* ranked Melbourne as the 15th most expensive city in the world, up from the 21st position in the previous year. The survey is based on a range of living costs, including housing, transport, food, clothing, household goods and entertainment.

3.4.1 Electricity and gas costs

In a 2010 media release, Ms Julie Novak, an Institute of Public Affairs Research Fellow, stated:

*Given that the typical household has a power bill of $1,000 it’s no surprise families are suffering under the weight of rising living costs.*

There was a 56.8 per cent increase in electricity prices in Melbourne between 2005 and 2010 and a 20 per cent increase in the price of gas in Victoria between 2006 and 2011.

The ABS estimates that 92 per cent of Melbourne households are connected to a gas supply. However, gas is 30 per cent less expensive in Melbourne than Sydney and therefore gas bills are comparatively low in Melbourne.

Utility costs in Australia have risen rapidly in the past few years. Gas and electricity prices have increased rapidly nationally and in Victoria since 2006. Electricity, water and sewerage costs have increased at
more than 10 per cent per year for the past two years. This increase is considerably higher than the average increase in consumer prices nationally in the past two years, which is 3.5 per cent.\textsuperscript{52}

Some commentators suggest that the Federal Government’s new carbon tax will result in increases in electricity and gas prices. Consumer group, Choice, has estimated that, as a result of the tax, electricity prices in Victoria will increase by up to 15 per cent in some areas.\textsuperscript{53} An independent study by the Energy Economics and Management Group in the School of Economics, University of Queensland, has estimated 8.9 per cent increases in price for the eastern states of Australia. The study also pointed out unrelated increases in electricity and gas prices.\textsuperscript{54} Other commentators have illustrated consistent increases in price over the past decade,\textsuperscript{55} indicating that increases are inevitable and not a result of the new tax. Mr Roman Domanski, Executive Director of the Energy Users Association of Australia (EUAA), stated that the carbon tax, increased network charges and renewable energy costs would all contribute to an electricity price spike in 2012 across Australia.\textsuperscript{56}

According to Mr Matthew Warren, Chief Executive of the Electricity Supply Association of Australia, (which represents electricity retailers, generators and suppliers in Melbourne), electricity prices are being driven up by the cost of replacing ageing infrastructure such as power stations and transmission lines that have been in operation since the 1960s. In addition, peak demand periods, during summer, account for approximately one quarter of the costs of supplying Australian households with electricity. These costs could be reduced by a better awareness amongst consumers about the sustainable use of electricity in these periods.\textsuperscript{57}

Mr Domanski, Executive Director, EUAA, stated in November 2011 that network regulation reforms could also reduce electricity prices.\textsuperscript{58}

In October 2011, the Victorian Government extended low income earner Annual Electricity Concessions to apply all year round rather than just in the winter months. The concession amounts to a 17.5 per cent rebate on electricity bills for Victorians holding a pensioner concession card, the Gold Card issued by the Commonwealth Department of Veteran’s Affairs, or Centrelink Health Care Card. The rebate is provided to approximately 850,000 households and 1.5 million Victorians.\textsuperscript{59}

In August 2012, the Victorian Government introduced the \textit{Energy Legislation Amendment Bill 2012} in Parliament, which received Royal Assent and became an Act on 18 September 2012. The Act aims to ensure that electricity distribution companies are penalised if they do not meet performance standards such as reliable power supplies, and responsive call centres. The Act aims to close a loophole that had allowed electricity distribution companies to avoid penalties despite failing to meet performance standards. The reform means that the financial consequences of failing to meet standards cannot be avoided. This will result in reduced charges to consumers when performance standards are not met, providing an incentive for the provision of better services. One of the objectives of the Act is to prevent increases in residential power bills.\textsuperscript{60}

The introduction of Smart Meters will provide households and businesses with accurate and detailed information on their electricity use, which will enable them to identify options for reducing their energy bills. Smart Meters will also enable consumers to compare electricity pricing offers from different providers. Under the current rollout program, all homes and small businesses in Victoria are scheduled to have their existing meter replaced with a digital Smart Meter by the end of 2013.\textsuperscript{61}
A Smart Meter is a device that measures and records the electricity usage of a household or business at 30 minute intervals. Since Smart Meters will remove the need for electricity retailers to manually read household and business meters, they have significant potential to reduce fees and to improve the accuracy of electricity bills.62

### 3.4.2 Water costs

The Victorian community has also experienced significant increases in average water bills during recent years.63 Average household water bills in metropolitan Melbourne rose between 15.1 and 17.6 per cent in 2010-11.64 In May 2012, the Herald Sun reported that draft proposals released by City West, South East and Yarra Valley Water, showed that residents of Melbourne faced a water bill rise of up to $205 a year. This increase is in addition to bill increases of up to 64 per cent over the past four years.65

In the past four years, capital construction costs associated with the Victorian Desalination Plant, the North-South Pipeline, and the Tarago Reservoir placed pressure on capital and operating costs, increasing the price of water delivery significantly. Melbourne Water states in its draft 2013 Melbourne Water Plan that the operational costs associated with these projects will continue to increase water prices in the coming years.66

The Essential Services Commission, Victoria’s independent economic regulator of essential services, is currently conducting a water price review for 2013-2018. The Commission will be reviewing the prices of water and sewerage providers for this four year period.67

The Living Victoria Ministerial Advisory Council’s Report on a Victorian plan for water recommends measures to mitigate water price increases. These include the facilitation of greater customer choice and improvements in the integration of urban and water planning.68 The report recommends that customers should have greater choice between water products on offer, the water charges they pay and the level of service. Greater choice, it is argued, will encourage awareness, informed decision making, and drive innovation and productivity in the sector. Better integration of urban and water planning would also minimise water use in new communities and maximise collaboration between water planning, open space, sporting, streetscape and waterway planning.69 The Committee also notes that the impact of increased water bills can be offset by conservation measures such as the installation of rainwater tanks, and increasing use of recycled water for non-potable purposes in new suburbs. These measures are discussed in Chapter Six of this report.

High electricity, water and gas costs are most significant for those with lower incomes, particularly where they are cumulative costs, on top of high transport costs associated with home, employment or education locations.70

### 3.4.3 Rates

Rates are a property tax collected by local government in order to raise revenue. Council rates are determined by local councils and are calculated on the basis of property valuations and local government budgets, including waste collection costs and administrative costs.71 Recent reports have suggested that rate increases are problematic because they are based on the latest biennial property valuations following two years of significant property growth, and do not take into account recent declines in the value of
many properties.\textsuperscript{72} The Municipal Association Victoria (MAV) stated that accurate valuations are necessary to ensure that taxpayers are paying fair council rates.\textsuperscript{73}

MAV has estimated that Victorian council rates will rise on average $75, or five per cent, over the next year.\textsuperscript{74} Council rates on median valued residential property in the Growth Areas of Melbourne for 2012-13 are expected to range from $1,150 in Whittlesea to $1,430 in Mitchell. On average, council rates in Growth Areas for the 2012-13 period sit at $1300.\textsuperscript{75} On average council rates in middle and inner suburbs are slightly higher than rates in Growth Areas.\textsuperscript{76} Cardinia Shire Council increased rates by 6.9 per cent in 2010-11 and 6.25 per cent in 2011-12.\textsuperscript{77} Similar rate rises have occurred in most other outer suburban municipalities in the last two years.\textsuperscript{78} Average rate rises during this time were similar in middle and inner Melbourne municipalities.\textsuperscript{79} Notably, the Interface Council of Nillumbik has historically had significantly higher council rates than other metropolitan municipalities. In 2012-13, Nillumbik will have the highest average rates in all of Victoria at $2,122.\textsuperscript{80} Municipal rates for the ten Interface Councils during 2012-13 are shown in Table 3.4 below.

\textbf{Table 3.4: Municipal rates for the Interface Councils 2012-13}

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Average rates, municipal charge &amp; garbage charge 2012 – 13 per assessment</th>
<th>Change in rates, municipal charge &amp; garbage charge per assessment</th>
<th>Rates on median valued residential property 2012 – 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>$1,661</td>
<td>$61</td>
<td>$1,296</td>
</tr>
<tr>
<td>Casey</td>
<td>$1,523</td>
<td>$89</td>
<td>$1,308</td>
</tr>
<tr>
<td>Hume</td>
<td>$1,596</td>
<td>$69</td>
<td>$1,202</td>
</tr>
<tr>
<td>Melton</td>
<td>$1,577</td>
<td>$54</td>
<td>$1,405</td>
</tr>
<tr>
<td>Mitchell</td>
<td>$1,547</td>
<td>$44</td>
<td>$1,430</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>$1,249</td>
<td>$51</td>
<td>$992</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>$1,222</td>
<td>$111</td>
<td>$1,878</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>$1,462</td>
<td>$43</td>
<td>$1,150</td>
</tr>
<tr>
<td>Wyndham</td>
<td>$1,705</td>
<td>$79</td>
<td>$1,315</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>$1,690</td>
<td>$82</td>
<td>$1,500</td>
</tr>
</tbody>
</table>


According to MAV, Victorian rates could rise by a median of 1.5 per cent if all the extra council costs relating to the carbon tax are passed on.\textsuperscript{81} This amounts to a $22 increase due to the carbon price impact on councils.\textsuperscript{82}

\subsection*{3.4.4 The costs of transport and car dependence}

Transport costs for outer suburban residents are often greater than for residents of the inner and middle suburbs of Melbourne. Housing affordability is worsened in the outer suburbs by the population’s relative dependence on private transport to access employment and services, the associated costs of vehicle purchase, maintenance and daily fuel costs, and the comparative need for households to run more than one vehicle. As illustrated in Tables 3.5 and 3.6, the cost of commuting by car or public transport
from the outer suburbs of Melbourne is significantly higher than the cost of commuting from the middle and inner suburbs.

**Table 3.5: Total weekly cost per household of commuting by car in Melbourne**

<table>
<thead>
<tr>
<th>Cost type</th>
<th>Inner sector</th>
<th>Middle sector</th>
<th>Outer sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed cost per household</td>
<td>$130</td>
<td>$172</td>
<td>$220</td>
</tr>
<tr>
<td>Variable cost per household</td>
<td>$46</td>
<td>$44</td>
<td>$73</td>
</tr>
<tr>
<td>Total fixed and variable costs per week per household</td>
<td>$176</td>
<td>$216</td>
<td>$293</td>
</tr>
<tr>
<td>Parking cost</td>
<td>$17</td>
<td>$11</td>
<td>$9</td>
</tr>
<tr>
<td>Time cost (based on commuting time for a return trip via quickest route and average weekly wage)</td>
<td>$145</td>
<td>$160</td>
<td>$201</td>
</tr>
<tr>
<td>Total of all commuting costs per week per household</td>
<td>$338</td>
<td>$387</td>
<td>$502</td>
</tr>
</tbody>
</table>


Notes: Costs are calculated on the basis of commuting in a new car and in 2006 dollars. For a used car, the total of all commuting costs per week per household from the inner, middle and outer sectors of Melbourne are $309, $349 and $458 respectively. The outer sector is broadly congruent with Melbourne’s Interface Councils but excludes the Mitchell LGA and the outer portion of the Yarra Ranges, which is defined as peri-urban, see pp. v-vi.

**Table 3.6: Total weekly cost per household of commuting by public transport in Melbourne**

<table>
<thead>
<tr>
<th>Cost type</th>
<th>Inner sector</th>
<th>Middle sector</th>
<th>Outer sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost per week for public transport fares across public transport using households</td>
<td>$36</td>
<td>$43</td>
<td>$41</td>
</tr>
<tr>
<td>Time cost (based on commuting time for a return trip via quickest route and average weekly wage)</td>
<td>$210</td>
<td>$288</td>
<td>$474</td>
</tr>
<tr>
<td>Total cost of commuting by public transport per week per public transport using household</td>
<td>$247</td>
<td>$331</td>
<td>$515</td>
</tr>
</tbody>
</table>


Notes: Costs are calculated in 2006 dollars. The outer sector is broadly congruent with Melbourne’s Interface Councils but excludes the Mitchell LGA and the outer portion of the Yarra Ranges, which is defined as peri-urban, see p.v-vi.
In 2010 transport costs made up about 15 per cent of the average Melbourne household’s total weekly expenditure; making travel the third highest living expense, behind food and housing payments. The Committee discusses the importance of Transit Oriented Developments (TODs) ahead of the arrival of residents in new suburbs in Chapter Four. The early provision of public transport in new suburbs can help to establish low cost travel practices and avoid the need for residents to purchase a second vehicle.

Car dependence in the outer suburbs of Melbourne has several significant impacts on the liveability of outer suburban residents. A number of these impacts, such as social isolation, health impacts and access to services and amenities, are discussed in subsequent chapters of this report.

In this section, the Committee discusses the problem of car dependence in the outer suburbs and the additional financial burden that this places on residents of Melbourne’s outer suburbs. Several of the submissions to the Inquiry suggested that the Committee should consider fuel and time costs when measuring the affordability of housing in the outer suburbs.

For example, Mr Stuart Burdack, Chief Executive Officer, Nillumbik Shire Council described the issue for the Committee at a public hearing held in Eltham on the 10 June 2011:

… when we talk about housing affordability there is a lot of focus on median house prices. One thing that is very important for our citizens who are living further out, outside those activity centres of Diamond Creek and Eltham, is, … the only way to get around is by car. They have teenagers who grow up, and consequently they have three or four cars. What might seem initially to be more affordable housing — in living that little bit further out— becomes very much a false economy. It can put enormous financial pressure on people having to run three and four cars just to get around.

The Royal Automotive Club of Victoria (RACV) has estimated that the average cost of running a new car is approximately $154-$231 (depending on car size) per week. RACV calculations include the cost of financing a vehicle, depreciation, scheduled services, registration, insurance, fuel and tyres.

As illustrated in Table 3.7, the percentage of households without a motor vehicle in all ten of the Interface Councils was significantly lower than for Greater Melbourne in 2011, with an average of 4.21 per cent compared to 9.1 per cent for Greater Melbourne. The percentage of households with two motor vehicles, and with three or more motor vehicles, was also significantly higher in the Interface Councils than across Greater Melbourne. The level of vehicle ownership in the inner metropolitan LGA of Melbourne presents an even starker comparison with the level of motor vehicle ownership in the ten Interface Councils.
Table 3.7: Number of registered motor vehicles per household (as a percentage of all households) in each of the Interface Councils 2011

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>No motor vehicle (%)</th>
<th>1 motor vehicle (%)</th>
<th>2 motor vehicles (%)</th>
<th>3 or more motor vehicles (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>3.3</td>
<td>27.3</td>
<td>42.6</td>
<td>24.5</td>
</tr>
<tr>
<td>Casey</td>
<td>3.9</td>
<td>28.1</td>
<td>43.5</td>
<td>21.6</td>
</tr>
<tr>
<td>Hume</td>
<td>5.6</td>
<td>30.0</td>
<td>39.7</td>
<td>21.4</td>
</tr>
<tr>
<td>Melton</td>
<td>4.1</td>
<td>28.7</td>
<td>44.3</td>
<td>20.0</td>
</tr>
<tr>
<td>Mitchell</td>
<td>4.4</td>
<td>28.7</td>
<td>39.2</td>
<td>24.5</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>5.0</td>
<td>33.8</td>
<td>40.7</td>
<td>17.2</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>2.2</td>
<td>20.1</td>
<td>45.2</td>
<td>31.0</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>5.2</td>
<td>29.2</td>
<td>41.4</td>
<td>21.3</td>
</tr>
<tr>
<td>Wyndham</td>
<td>4.6</td>
<td>33.1</td>
<td>42.8</td>
<td>17.0</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>3.8</td>
<td>27.3</td>
<td>41.5</td>
<td>25.1</td>
</tr>
<tr>
<td>Melbourne</td>
<td>40.1</td>
<td>40.9</td>
<td>13.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Greater Melbourne</td>
<td>9.1</td>
<td>35.0</td>
<td>36.9</td>
<td>16.0</td>
</tr>
</tbody>
</table>


In outer suburban Melbourne, an estimated 20,831 households have an income below $500 per week and run two or more cars. According to the Victorian Council of Social Services’ submission to the Inquiry, based on average household expenditure on car travel, these households spend 27 per cent or more of their income on running a second car.

The Victorian Council of Social Services, (VCOSS), in its submission to the Inquiry, gave evidence that the level of dual car ownership in low income households is strongly correlated with the availability of public transport and the location of activity centres. Or put another way, if households are able to get around on public transport and meet their daily needs in their local community, they will be less likely to be required to run a second car. Each year households in outer suburban areas running two cars spend approximately $1.5 billion on running second vehicles. VCOSS told the Committee:

> That is an enormous private cost that could be alleviated by greater provision of efficient public transport services in these areas.

The Master Builder’s Association’s submission to the Inquiry also suggested that as a result of the concentration of jobs in Melbourne’s CBD, residents of the outer suburbs experience significantly longer than average commute times and incur significant fuel and maintenance costs as a result.

The Committee acknowledges that in many cases not only are commute times longer for residents of Growth Areas but jobs are often accessible only by car. Mr Andrew MacLeod, Chief Executive Officer, Committee for Melbourne, gave evidence regarding the links between increased commuting distances and increased transport costs and housing affordability in Wyndham:

> There is a lot of housing going into Wyndham. There is not so much employment going into Wyndham, which means those people that are going into those houses will need to commute a greater...
distance to be able to get to a source of employment. That has a higher cost in it...It might at first seem appealing...because the house and land package looks cheaper. When you add into the cost each week of coming into your shops and coming into your employment and when you take those things into account, it is actually not that much cheaper than perhaps a closer mid-level suburb.92

According to the consulting firm SGS Economics, less than 15% of metropolitan jobs are within a 30 minute drive of Melbourne’s Growth Areas. The proportion of Growth Area residents able to reach employment via a 45-minute public transport ride is even lower. As a result, residents of the Growth Areas typically spend much more time travelling to employment than residents of inner and middle suburbs.93

Community Indicators Victoria provides LGA specific statistics on travel to work mode based on 2006 Census data and this is extracted into Table 3.8.

**Table 3.8: Percentage of employed persons in each Interface Council travelling to work by public transport on Census day 2006 and 2011.**

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Percentage (%) of employed persons travelling to work on public transport on census day 2006</th>
<th>Percentage (%) of employed persons travelling to work on public transport on census day 2011*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>4.1%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Casey</td>
<td>5.9%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Hume</td>
<td>7.3%</td>
<td>9.0%</td>
</tr>
<tr>
<td>Melton</td>
<td>7.9%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Mitchell</td>
<td>3.7%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>2.7%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>7.3%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>7.6%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Wyndham</td>
<td>8.2%</td>
<td>11.4%</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>5.5%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Melbourne Metropolitan</td>
<td>11.9%</td>
<td>13.9%</td>
</tr>
<tr>
<td>Victorian Average</td>
<td>9.3%</td>
<td>11.1%</td>
</tr>
</tbody>
</table>


In 2006 and 2011, all of the Interface Councils had a smaller percentage of employed people travelling to work on public transport than metropolitan Melbourne.94 The 2011 Census identified average increases since 2006 of: 1.8 per cent for Victoria; of two per cent within metropolitan Melbourne; and of 1.3 per cent across the ten Interface Councils.

The evidence demonstrates that when transport costs are included as a component of housing costs, the proportion of households experiencing housing stress increases. It is estimated that approximately 25 per cent more households would be considered in housing stress if the transport costs were included in the
calculation of housing stress. Given the significant level of car dependence in Melbourne’s outer suburbs and the relative low level use of public transport, the Committee considers that housing stress in the outer suburbs cannot be considered in isolation from the issue of car dependence.

Recommendation 3.3: That the Victorian Government include the impact of household transport costs — and of car dependence in Melbourne’s outer suburbs in particular — in its development of future policies and programs aimed at addressing and mitigating housing stress.

Mr Luke Wilcock, the Managing Director of LandCorp in Western Australia gave evidence to the Committee in Perth. He identified the balancing act, from a developer's perspective, required to provide adequate public transport to reduce car costs, whilst continuing to provide affordable housing.

…they [residents] move to the outer suburbs and one of the first things they do is have to buy a second car because, very simply, if one partner takes the car to work, then the other cannot get to the shops. One of the things that we try and do is bring in public transport before the Public Transport Authority are prepared to do it. Again it is another impost on the developer which affects the price of land. That is what the consumer wants. If they can avoid buying a second car, maybe it is a good thing and maybe their living cost has gone down because they have not bought a second car. We have pre-funded a bus to circuit that new estate and that is there from day one and that has avoided them buying a second car. Their cost of living has gone down, but their house price, their land price, would probably inevitably have gone up.

The often lengthy lag in the provision of infrastructure, including transport infrastructure, to new estates and the consequent commute times for residents of the outer suburbs in order to reach places of employment is discussed further in Chapter Four. That chapter also addresses some strategies for the early provision of public transport in new communities, before car dependence is established and the importance of providing increased options for locally based employment in Melbourne’s outer suburbs.

3.4.5 The VAMPIRE index

The VAMPIRE (Vulnerability Assessment for Mortgage, Petroleum and Inflation Risks and Expenses) index was developed at Griffith University by Associate Professor Jago Dodson and Associate Professor Neil Sipe. It measures the average vulnerability of households to socio-economic stressors such as increased oil price rises, interest rates and inflation. The index is comprised of four indicators taken from the 2001 and 2006 Census, calculated to produce an index of vulnerability. These are: the proportion of working residents who journey to work by car; the proportion of households with two or more cars; median weekly household income; and the proportion of dwellings that are being purchased (e.g. through a mortgage). The Index has not yet been updated with 2011 Census data, however the 2006 data is illustrative of the relatively high levels of mortgage and oil price vulnerability in Melbourne’s outer suburbs. Figure 3.2 below illustrates the VAMPIRE assessment for Melbourne based on the 2006 Census.
At the time of writing, Associate Professor Dodson informed the Committee that he and Associate Professor Sipe were considering the options for updating their VAMPIRE work with 2011 Census data but that work to produce an updated index may be partly dependent on funding.

**Figure 3.2: Melbourne VAMPIRE Assessment 2006**

Inner city areas of capital cities, including Melbourne, tend to fall into low oil price vulnerability categories on the 2006 VAMPIRE index. Middle suburbs tend to be moderately vulnerable to increases in oil prices, and outer suburban areas tend to be the most vulnerable to increases. As shown in Figure 3.2, the pattern of vulnerability in outer suburban areas of Melbourne is particularly pronounced.\textsuperscript{100} Examples of suburbs located in Melbourne’s outer-ring that rank as highly vulnerable on the VAMPIRE Index include Cranbourne, Berwick, Frankston, Epping, Hoppers Crossing and Deer Park.\textsuperscript{101}

Mr Chris Loader, Manager Transport Planning, Bus Association of Victoria, used the VAMPIRE Index in his evidence to the Committee to illustrate that car dependence in the outer suburbs places households at high risk of vulnerability to projected increases in petrol prices.\textsuperscript{102} A number of stakeholders provided evidence to the Committee in which they expressed the view that the VAMPIRE Index highlights that cost of living is as relevant to liveability as the cost of housing, particularly in the outer suburbs where households are vulnerable to changing costs.\textsuperscript{103}

### 3.5 The effects of unaffordable housing

The Committee received evidence that reduced housing affordability has had a significant impact on liveability in outer suburban Melbourne in recent years. Housing affordability is a major contributor to both the cost of living and living standards because housing represents the largest item in most household budgets.\textsuperscript{104} Poor housing affordability affects the liveability of individuals and families as well as society as a whole.\textsuperscript{105}

#### 3.5.1 Mortgage stress

During the course of the Inquiry, the Committee received evidence from a range of stakeholders that the high price of housing in Melbourne’s outer suburbs of recent years has resulted in increased levels of housing stress. As noted in part 3.2 of this report, it is a widely accepted measure that households with housing costs (in the form of rent or mortgage payments) that exceed 30 per cent of their gross household income are in housing stress.

The McCaughey Centre’s research in the communities of Craigieburn and Roxburgh Park revealed awareness amongst youth of the financial difficulties of their parents. The study revealed that families were reluctant to seek assistance unless in extreme financial trouble because they perceived their financial problems as private.\textsuperscript{106} Despite this, the Committee heard evidence of considerable financial stress in the outer suburbs and heavily utilised financial counselling and support services.

The Committee heard from a number of community service organisations about the provision of financial counselling and crisis support. Kildonan Uniting Care, a Melbourne based welfare organisation, informed the Committee at a public hearing in Whittlesea on 12 May 2011 about its experience in providing financial counselling in Whittlesea. Kildonan has experienced a high and growing demand for financial counselling in the region. There were 605 cases of financial counselling in 2005 and 1,263 cases of financial counselling in 2010, with only a 0.5 per cent increase in equivalent full time financial counselling staff in that five year period. There is currently a four-week waiting list for financial counselling in Whittlesea.\textsuperscript{107} Ms Stella Avramopoulos, Chief Executive Officer of Kildonan Uniting Care, provided some statistics that highlight the housing affordability problem in Whittlesea:
Financial counselling clients suffering financial stress are on average about five months behind on their mortgage repayments; 80% of them are concerned about making repayments for other loans and credit cards; 59% of financial counselling clients are parents with dependent children; 34% are also experiencing family breakdown, divorce, and family violence. Family service referrals have increased by 50% over the last 5 years. There were 300 clients in 2010. financial counselling clients suffering financial stress are on average about five months behind on their mortgage repayments; 80% of them are concerned about making repayments for other loans and credit cards; 59% of financial counselling clients are parents with dependent children; 34% are also experiencing family breakdown, divorce, and family violence. Family service referrals have increased by 50% over the last 5 years. There were 300 clients in 2010.

Vulnerable clients include the working poor, young couples with limited financial management skills, high purchasing appetite and significant debt levels, and retirees with dwindling savings.

Ms Stella Avramopoulos stated that people with high mortgage stress and people who lose their homes often leave the area in which they live, resulting in dislocation from family, children’s schooling and friends.

There is a very short supply of social housing. I cannot remember being able to find social housing in Whittlesea for any of our families for a number of years now; the waiting lists are too long. Usually our recommendation and our only response to families who are at that level of risk is for them to move out of the municipality.

Ms Stella Avramopoulos also stated that relationship breakdown due to financial stress is often the catalyst for family violence, as well as for ‘economic violence’, which constitutes the placement of debts in women’s names and of assets in men’s names, and which can prevent women from buying basic food and personal items for themselves and their children. Ms Stella Avramopoulos stated that there had been an increase in family violence in Epping and South Morang during the preceding two years.

During the Committee’s study tour to Perth, on 18 May 2011, Dr Shae Garwood from Shelter Western Australia gave evidence of the kinds of stresses placed on individuals as a result of high housing costs.

We have been doing an ongoing survey on housing affordability and some of those findings I wanted to share with you briefly. Respondents indicated that the high cost of housing is taking a significant toll on physical and mental wellbeing. … 86 per cent of respondents reported experiencing stress or anxiety as a result of housing costs or concerns over accommodation; 67 per cent said they had to cut back on basic necessities such as food, clothing, education or health care as a result of high housing costs; 79 per cent reported cutting back on holidays or entertainment.

Almost 50 per cent of the people who responded to our survey said that they had personally experienced some form of homelessness and 30 per cent said that they had had to provide help to friends or family who were unable to pay their rent and/or who had lost their accommodation. Those are telling numbers about the high cost of housing. If they are keeping up with their payments, what are the other things in life that they are having to do to make those sacrifices to keep up with either rent or mortgage payments?

The Committee is particularly concerned by the evidence it received of the impacts of mortgage stress in some of Melbourne’s outer suburbs and considers that there is a vital need for an increase in the level of independent and personalised financial management advice that is available for new home owners in the outer suburbs. The Committee also considers that targeted education programs also have an important role to play in helping residents to avoid, or cope with, mortgage and related financial stress. The Committee is of the view that such advice and education services should be developed in partnership between the Victorian Government and the Growth Area Councils.
Finding 3.2: There is a need to provide home buyers in Melbourne's Growth Area Councils with mechanisms, such as targeted education programs and personalised financial advice, to reduce the risk of mortgage and related financial stress in these areas.

Recommendation 3.4: That the Victorian Government review and evaluate Kildonan Uniting Care's Financial Counselling Services program at Whittlesea, and any similar programs, as possible models for the provision of independent financial advice for recent home buyers throughout the Growth Area Councils.

3.5.2 Rental affordability

Rental affordability is also a significant problem nationally, throughout Victoria, in Melbourne and in the outer suburbs of Melbourne. According to 2011 Census data, 29.6 per cent of occupied private dwellings in Australia were private rentals. In Victoria in 2011, 26.5 per cent of occupied dwellings were rentals and in Greater Melbourne 27.2 per cent of occupied dwellings were rentals. Across Australia rents have risen at twice the rate of Commonwealth Rent Assistance in the last five years.

The Committee heard from Dr Shae Garwood, Research Officer, Shelter Western Australia, that as of June 2009, 42 per cent of households in Western Australia that receive Commonwealth Rent Assistance were still paying more than 30 per cent of their income on rent. Dr Garwood stated that while Commonwealth Rent Assistance is valuable, it has failed to keep pace with rising prices.

The Committee heard specific evidence with regard to the problem of rental stress in the outer suburbs of Melbourne. The principal finding of Casey’s Housing Affordability Taskforce was that affordable rental accommodation in the City is ‘in crisis’. Less than 20 per cent of housing in Casey is rented. Of the 11,000 private rental dwellings available in Casey, it is estimated that 9,950 households seek Commonwealth Rent Assistance.

In a report on private rental affordability for low income households, Swinburne University concludes that there are no one bedroom private rental dwellings available in Casey that a single person could comfortably afford to rent. The report also concludes that there are less than ten private rental dwellings with two bedrooms available to a single parent to affordably rent.

In April 2010, the City of Casey undertook an affordable housing survey, which was targeted at clients of the Cranbourne and Casey North Community Information Support Services. Of the 120 responses to the survey on rental affordability, 110 respondents were clients of the services. It was deemed that one quarter of respondents who aspired to rent in Casey had no current form of permanent and secure accommodation at the time of responding to the survey. This included people living in a boarding or rooming house, a car, caravan or cabin, or people who were staying at the home of a friend or family member on a temporary or short term basis. The Counting the Homeless report in 2006 defines these housing types as secondary or tertiary homelessness. The Casey-Cardinia corridor also reported the
Chapter 3: Housing Affordability

highest rate of ‘couch surfers’ in Victoria, with approximately 800 people identified on the Census night in August 2006.\footnote{118}

The Australian Institute of Health and Welfare found that in 2006, 129 per 10,000 persons were homeless in inner Melbourne, compared to 28 per 10,000 in the ‘Outer City Ring’, which includes the seven subdivisions of Melton-Wyndham, Hume, Northern Outer, Eastern Outer, Eastern Middle and South Eastern Outer Melbourne, and the Yarra Ranges. Frankston-Dandenong is separately identified, and shows a rate of 40 homeless persons per 10,000. Although the rate of homelessness in the outer suburbs is less than half of that of the city core it is not unusual, as the inner cities are the traditional location of homeless services.\footnote{119}

The number of homeless persons in Victoria has risen by around 11 per cent, from 20,511 in 2006\footnote{120} to 22,789 in 2011.\footnote{121} The homeless population includes those in boarding houses, supported accommodation, at friends or relatives (often referred to as ‘couch surfing’) and those in improvised dwellings and sleeping out.\footnote{122}

Regional Development Australia submitted that by the end of 2009, just three per cent of all rental accommodation in Melbourne’s eastern metropolitan region was affordable (that is rent payments of 30 per cent or less of household income) compared to nine per cent for the Melbourne metropolitan area as a whole.\footnote{123} 2011 Census data illustrating the number of renting residents in Casey, and the other Interface Councils, who are paying more than 30 per cent of their income to rental costs, are shown in Table 3.9.

The Tenant’s Union submitted that the Victorian Government should review the rent setting process to ensure rent setting approaches that contribute to housing affordability for low-income households.\footnote{124} However, the REIV is of the view that increased rental prices are the result of the supply and demand equation. According to REIV, a shortage of rental housing puts pressure on rents. Victorian Government Office of Housing data, shows reductions in the level of affordable rental homes over the past decade. Between September 2001 and September 2011 there was a 55 per cent reduction in the number of affordable rental homes in Melbourne.\footnote{125}

As illustrated in Table 3.9 the percentage of rental stress in all ten Interface Councils was higher than the percentage for the inner Melbourne statistical division in 2006.

In 2006, the average percentage of low income households with rental stress for the ten Interface Councils was 27.4 per cent, compared to 19.7 per cent for the inner Melbourne SD. At the time of writing, low income rental stress figures from the 2011 Census had not been released.
Inquiry into Liveability Options

Table 3.9: Indicators of Low Income Rental Stress in Melbourne’s Ten Interface Councils and the Melbourne Inner Statistical Division 2006

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Low Income Households with Rental Stress 2006</th>
<th>Rented private dwellings</th>
<th>Low Income Households with Rental Stress 2006 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>894</td>
<td>3,387</td>
<td>26.4</td>
</tr>
<tr>
<td>Casey</td>
<td>3,208</td>
<td>12,504</td>
<td>25.7</td>
</tr>
<tr>
<td>Hume</td>
<td>2,545</td>
<td>8,435</td>
<td>30.2</td>
</tr>
<tr>
<td>Melton</td>
<td>1,134</td>
<td>3,978</td>
<td>28.5</td>
</tr>
<tr>
<td>Mitchell</td>
<td>554</td>
<td>2,268</td>
<td>24.4</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>2,847</td>
<td>9,667</td>
<td>29.5</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>357</td>
<td>1,784</td>
<td>20.0</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>1,968</td>
<td>7,015</td>
<td>28.1</td>
</tr>
<tr>
<td>Wyndham</td>
<td>1,795</td>
<td>7,232</td>
<td>24.8</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>1,934</td>
<td>6,750</td>
<td>28.7</td>
</tr>
<tr>
<td>Outer Melbourne (10 Interface Councils Total &amp; % Averaged)</td>
<td>17,236</td>
<td>63,020</td>
<td>27.4</td>
</tr>
<tr>
<td>Inner Melbourne Statistical Division</td>
<td>13,142</td>
<td>66,829</td>
<td>19.7</td>
</tr>
</tbody>
</table>


3.5.3 Population mobility

A further impact of the dramatic decline in housing affordability with potentially significant long term implications for Melbourne and its outer suburbs is that of reduced population mobility. This effect is often described by commentators and analysts as ‘socio-spatial polarisation’, which refers to the growing socio-economic and geographic gap between high income and low income households. It is widely accepted that socio-spatial polarisation can exacerbate inequalities in health care, welfare, education, employment, real income and social wellbeing.126

Between 1986 and 2006, household incomes in Melbourne demonstrated an increasing rate of polarisation. The resulting socio-spatial polarisation was reinforced by selective patterns of ‘socio-economic migration’. In other words, high cost housing markets experienced disproportionate gains of high income households and disproportionate losses of low income households, while the opposite occurred in lower cost housing markets.127

Research by AHURI has examined patterns of home purchase for low to moderate home owners in Melbourne through an analysis of Valuer-General Victoria sales statistics by reference to Melbourne’s Statistical Local Areas (SLAs). For the purposes of the research, low income and low-moderate income home purchasers were defined as households falling in the lowest 40 per cent of income of all home purchasers—that is income below $76 000 per annum in 2007–08.128 The research found that in Melbourne there was increasing spatial segregation of low income households as a result of housing market restructuring from 2001–2008. As illustrated in Figure 3.3, the percentage of houses sold that
were affordable to low-moderate income earners across Melbourne in 2006 is far smaller than in 1981 and such housing was also located further from the city:

**Figure 3.3: Percentage of houses sold which were affordable by low-moderate income purchasers, Melbourne, 1981–2006**

In 1981–82, low-moderate income purchasers could afford to buy between 20 and 100 per cent of the houses available in 69 of the 78 statistical local areas in Melbourne. Therefore 88 per cent of Melbourne’s areas were accessible to low-moderate income purchasers. By 2006 the market available to low-moderate income earners had been reduced to only eight per cent of Melbourne’s areas, and all of these are outer urban or growth zones. For 62 per cent of Melbourne’s households there is effectively no choice, that is, less than two per cent of the local market or a handful of properties per year would be available to low-moderate income purchasers.

Recent research by Dr Marcus Spiller (2011) has found that even during the relatively short period from 1994 to 2000, the radius from the Melbourne CBD of those suburbs in which a household on average earnings could afford to purchase a house moved out from 10 kilometres to 24 kilometres. By 2009, the radius had shifted further out to almost 40 kilometres, such that no suburbs within 10 kilometres of the CBD were affordable to average-income households. The Brotherhood of St Laurence supports Dr Spiller’s argument that housing affordability has consequences for social mobility and equity:

…the stocks of affordable housing being generated in growth area communities no longer provide the ‘platform for opportunity’ that they once did. Unless households can gain access to equity from other sources, their purchase of dwellings in growth areas is likely to confine them to these districts. In-board social mobility is now very difficult.
Inquiry into Liveability Options

Socio-spatial polarisation is further exacerbated by the limited number of jobs available in Growth Areas and surrounding suburbs. The process of gentrification has pushed much affordable housing to the fringe but difficulties for residents in locating employment, and the concurrent difficulty in recruiting labour for services in these areas has the capacity to constrain economic growth.133

The Committee notes that the threat to social mobility posed by the quantum decline in housing affordability across inner and middle suburbs is not unique to Melbourne. Ms J. Harley, Manager Research and Policy, at the Urban Development Institute of Australia, (UDIA), Western Australia, at a public hearing in Perth on 18 May 2011, stated that there is a risk that Perth could become increasingly polarised as a result of the decline in housing affordability in that city. Ms Harley told the Committee that residents of Perth who can afford to will move close to the city so that they are close to employment opportunities and within reach of infrastructure serviced by an adequate workforce, while those who are on lower or moderate incomes will be located in the outer suburbs where none of these elements are available to boost liveability. Ms Harley concluded that the affordability equation does not add up if transport, other services, and employment close to home, are not available.134

The Committee is mindful that the effects of poor housing affordability in the outer suburbs of Melbourne are far reaching, with consequences for liveability that include: mortgage stress; related financial and family stress; reduced choice of housing location; car dependency, long commute times and increased travel costs; and reduced time and accessibility for community engagement. The Committee considers that the provision of adequate services, infrastructure and employment in Melbourne’s outer suburbs is the best means of addressing these problems and is also the best means of mitigating, and of ultimately reversing, the problems associated with socio-spatial polarisation. The Committee is also of the view that communities require a mix of housing at all levels of affordability to ensure that service providers can live where services are delivered.

Finding 3.3: Some areas in Melbourne’s Interface Councils are currently experiencing pressures on social cohesion and are at risk of socio-spatial polarisation.

Recommendation 3.5: That the Victorian Government collaborates with the Interface Councils to provide resources to boost social cohesion and reduce socio-spatial polarisation within Melbourne’s outer suburbs.

3.6 Addressing housing affordability

3.6.1 Introduction

As the Committee has noted in Chapter Two, Melbourne’s strong population growth of recent years has had a significant impact on the demand for housing. The Housing Industry Association, in its submission to the Inquiry, stated that net overseas migration (which has accounted for approximately half of
Melbourne’s population growth in recent years) is a key driver of underlying demand for dwellings and that higher immigration rates have a significant impact on the demand for housing. The HIA also identified Victoria’s strong increase in net overseas migration in recent years as having contributed to the level of housing demand.\textsuperscript{135}

In noting that higher rates of international migration to Melbourne may have had a flow on effect with respect to higher housing affordability, the Committee is not suggesting that changes to migration policy or levels should be seen as a lever for placing downward pressure on Melbourne’s housing prices. As the Committee has also noted in Chapter Two, migration policy is set by the Federal Government.

The Committee also notes that there are a range of other factors that influence the cost of housing, particularly on the supply side. In addition, as the Committee outlined in the previous chapter, the benefits of international migration, including the economic benefits, vastly outweigh any short term costs. As the Committee highlights in the remainder of this chapter, there are a range of strategies that can and should be adopted to address housing affordability. In the view of the Committee, such strategies should not include policies aimed at reducing the level of international migration, which has contributed so much to the economic vibrancy and liveability of Melbourne.

Research by AHURI has found that housing price booms (at least until the onset of the global financial crisis) were apparent across a diversity of developed societies where the population growth rate was far lower than in Australia, suggesting that population growth may not be a key factor in housing affordability.\textsuperscript{136}

AHURI’s research found that housing booms may have reflected declining interest rates, easy access to mortgage credit and, a societal assumption that house prices would continue to rise indefinitely. The research paper, \textit{Housing Affordability: A 21st Century Problem}, found that this view continues to prevail in Australia.\textsuperscript{137}

Dr Ernest Healy of Monash University’s Centre for Population and Urban Research gave evidence to the Committee that significant private sector investment in the property market is putting upward pressure on housing, but he also attributed the housing boom to population growth and high levels of migration.\textsuperscript{138}

### 3.6.2 Housing type and price

The Committee identified a lack of diversity in the available housing stock in the outer suburbs as one of the factors contributing to the housing affordability problem.

The Committee for Perth gave evidence that this is a country-wide phenomenon. There is a lack of entry level product available and a focus on family housing at the expense of housing for the beginning and end of the house ownership cycle.\textsuperscript{139}

The Planning Institute of Australia (PIA) stated that there is a need for a greater focus on the accommodation needs of people who are on low incomes and who cannot afford high rents or large mortgages. Their evidence suggested that housing would be more accessible for this group if cheaper or smaller types of housing were available. This would enable low income earners to transition through different housing types as they climb the economic ladder.\textsuperscript{140}
In evidence to the Committee, the PIA raised the idea that a greater diversity of housing could improve urban communities by enabling persons who provide services to the community to be integrated as residents. Mr Stuart Worn, Executive Officer at PIA, described the concept of ‘key worker housing’:

>This is housing for people who deliver services that the community needs but who sometimes cannot afford to live in the community where they are delivering those services. They might be people who are paid average or below average wages and therefore cannot afford to necessarily live in those areas. They have to live in places that are relatively cheap. They are the people who cut your hair, make your coffee and clean the buildings you work in.

Mr Andrew MacLeod, Chief Executive Officer of the Committee for Melbourne concurred that attracting diverse groups of people to one area by providing housing at a range of price points is a positive approach to making liveable ‘cities’ rather than liveable ‘suburbs’:

>… we need to ensure that we build mixed demographic suburbs. If we do not build mixed demographic suburbs and we build single demographic suburbs, that means by definition that we have rich people there and we have poor people over there…So we need to have some high cost housing, some low cost housing, some aimed at older people and some aimed at young, and we need to develop that mixed demographic.

Mr Andrew Whitson, General Manager, Stockland Victoria, gave evidence to the Committee about the relationship between housing, land size and housing affordability:

>One of the things that Stockland has been able to do in this place is that we are looking forward at land we are going to release over the next 12 months: 60 per cent of that is still going to be priced below $200,000. We have been able to do that by looking at the delivery of efficient housing solutions, which effectively means we are reducing the size of the land that we bring to market within our communities, and we are reducing the size of the home.

Lend Lease, in its submission to the Inquiry, stated that the development industry, along with builders, are addressing the affordability issue by designing and producing smaller land and housing products and that this was assisting with lower pricing. Despite initial market resistance, Lend Lease stated this is now becoming an effective strategy in tackling affordability.

Mr Steve Dunn, President, Victorian Division of the Planning Institute, suggested to the Committee that the Government send a clear message that they are seeking diverse housing development in new and established suburbs.

>… At the moment, we probably do not have a very strong message in new suburbs that the government actually wants to see a diversity of housing product.

The issue of housing diversity is discussed further in Chapter Four, which includes a number of recommendations aimed at improving the diversity of housing types in Melbourne’s outer suburbs. The Committee is strongly of the view that such an outcome will have benefits not just for housing affordability, but also for the variety of interrelated benefits of greater housing density that are also discussed in Chapter Four.
Chapter 3: Housing Affordability

3.6.3 Housing supply

Melbourne’s population growth has resulted in significant building growth. In 2010, more than triple the number of detached houses were built in Melbourne compared with most other Australian capital cities. This is shown in Table 3.10.

Table 3.10: Building Approvals for Detached Housing by Australian City 2010

<table>
<thead>
<tr>
<th>Capital City</th>
<th>Detached Building Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adelaide</td>
<td>6,350</td>
</tr>
<tr>
<td>Brisbane</td>
<td>8,457</td>
</tr>
<tr>
<td>Melbourne</td>
<td>26,640</td>
</tr>
<tr>
<td>Perth</td>
<td>13,033</td>
</tr>
<tr>
<td>Sydney</td>
<td>8,019</td>
</tr>
</tbody>
</table>

Source: Australian Bureau of Statistics Building Approvals, 8731.0, 2011.146

Between 2001 and 2010, Melbourne added more than 600,000 new residents, compared with approximately 450,000 in Sydney and 300,000 in Perth.147

In 2010-11 Victoria had the largest increase in the number of new flats, units and apartments of the Australian states and territories (11, 312 more approvals for new apartments than the previous year), aside from the Australian Capital Territory (ACT).

Recent reports indicate that more than 10 per cent of new homes approved in the last year will be built in the City of Melbourne. Building approvals for inner Melbourne have increased considerably in the last year, whilst building approvals in outer Melbourne have reduced.148

The National Housing Supply Council’s recent State of Supply Report, 2011 found that despite recent modest reductions in housing demand and decreases in housing prices in Australia, there remains a housing supply shortage. Data from the Australian States, and the Council’s analysis of recent building approvals data in the State of Supply Report, reveals that the supply of housing in Australia will fall short of medium-population growth projections. Housing supply is expected to continue to fall short of the growth in underlying demand for housing149 because underlying demand is demographically driven and is projected to increase over the next twenty years in line with an increase in population.150

The Housing Industry Association, Property Council of Australia, Western Australian Midland Redevelopment Authority and Dr Healy, Research Associate at Monash University Population Centre, provided evidence to the Committee in relation to land supply and its effect on housing affordability on the urban fringe. This evidence is discussed in relation to the urban growth boundary and land release planning in Chapter Four.151

The State of Supply Report distinguishes between underlying demand for housing and effective demand for housing. The former is demographically driven and is projected to increase over the next twenty years in line with an increase in population. Underlying demand for apartments, smaller dwellings and public housing are also projected to increase, relative to demand for larger detached housing, because of demographic changes such as an ageing population and growing numbers of single parent households.152
However, according to the *State of Supply Report*, underlying demand can be distinguished from effective demand which is both driven by demographic and economic factors. Underlying demand will not equal effective demand if economic conditions and housing supply prevent this from occurring. Therefore a lack of housing supply is likely to affect household formation and household size.\(^{153}\)

Projected demographics indicate that there will be an increase in population and a decrease in household size in the coming decades. This would substantially increase the demand for housing. However, there is speculation based on available data that a lack of housing supply to meet the demand of the growing numbers of single households, aged couple households, and single parent family households, is in practice resulting in an increase in household size. Economic austerity, high housing costs, and a slight increase in fertility may be leading to more shared accommodation, adult and children living in the parental home for longer, or the rental of spare rooms.\(^{154}\) An increase in household size creates a slight decrease in demand for housing.

According to the Housing Supply Council, this gap between underlying demand and supply may be having an effect on household formation. If household formation trends are constrained by lack of supply this will have consequences for the housing market as well as other social consequences. This could put pressure on the social housing market, prohibit access to employment, services and engagement with community and affect the productivity of the economy.\(^{155}\)

DPCD, in it’s September 2011 edition of *Research Matters*, also referred to a possible change in household size trends in Australia. The article states that “if the average household size has stopped decreasing, then we are seeing a break in a long term trend.”\(^{156}\)

According to the 2006 Census, in the Melbourne SD, 68.1 per cent of households were family households, 22.6 per cent were lone person households and 4.2 per cent were group households.\(^{157}\) According to the 2011 Census, in Greater Melbourne 72 per cent of households were family households, 23.3 per cent were lone person households and 4.7 per cent were group households.\(^{158}\) These raw statistics appear to illustrate no significant increase in the number of lone person households in Melbourne overall since 2006. However, the evidence is currently inconclusive and the future release of analysis of the 2011 Census raw data will provide more information regarding changes in household size trends and their effect on demand for housing.

The National Housing Supply Council, in its 2011 *State of Supply Report*, found that:

> … the gap between underlying demand and total supply is estimated to have increased by approximately 28,200 dwellings in the year to June 2010, to a cumulative shortfall of 186,800 dwellings since 2001.\(^{159}\)

The report also projected an increase of 142,000 dwellings in the cumulative demand and supply gap between 2010 and 2015.\(^{160}\)

The *State of Supply Report* found that industry leaders such as developers have been responding to the marketplace by producing more diverse housing stock, higher density development, and smaller more affordable options in the outer suburbs. The increase in urban infill poses its own challenges with regard to community responses and affordability, in that some residents object to infill in their suburb, and infill can increase prices in areas of existing amenity. The *State of Supply Report also found* that there is a significant housing shortage in Australia, Melbourne and outer suburban Melbourne.\(^{161}\)
The Committee considers that there is no single ‘silver bullet’ solution to the housing affordability problem, and that a multi-pronged strategy is required to improve affordability and to meet demand. One such strategy is the maintenance of an adequate supply of land for residential development in Melbourne’s Growth Areas, which is discussed in section 3.6.5 below.

The Committee notes that an insufficient supply of new residential dwellings as a driver of higher residential purchase prices is a situation that is not unique to Australia or Melbourne. Mr Bob Ransford and Mr Adrien Byrne, of the Urban Development Institute of British Columbia, informed the Committee during a briefing in Vancouver, that home purchaser assistance programs are not sufficient to improve housing affordability and that the primary need is increased residential supply. Mr Byrne noted that while Vancouver receives approximately 40,000 new migrants each year, which creates a need for approximately 20,000 new units each year, the city has historically been unable to achieve this level of construction.162

The Committee also notes that household formation patterns have changed significantly in Australia over recent years. For example, a greater proportion of young adults now delay the decision to rent or purchase their own home or the decision to have children, while increased ethnic diversity has produced households which accommodate more than one family and multiple generations.

**Recommendation 3.6:** That the Victorian Government undertakes research to determine whether a lack of housing supply in Melbourne is affecting household formation patterns and review its housing policies on the basis of its findings.

### 3.6.4 Reducing the regulatory burden

#### Planning delays and charges

A number of the stakeholders informed the Committee that delays during planning can significantly increase the cost of housing which has a significant impact on the liveability of outer suburban residents.163

HIA’s submission described housing affordability as “one of the biggest barriers to liveability in outer suburban areas.” HIA’s submission went on to identify delays in planning approval processes as exacerbating the housing affordability problem.164

HIA’s submission reported the views of its members, that:

…the land rezoning and PSP [Precinct Structure Plan] process is time consuming and expensive. There exists much scepticism within the industry that the PSPs will be developed consistently on time and within established budgets. The 2-3 year timeframe is too long and significantly adds to the end cost of housing.165
Inquiry into Liveability Options

Ms Fiona Nield, Director of Government Programs, stated during a public hearing that complex planning requirements lead to long delays whilst planning permission is sought and uncertain and lengthy time-frames.

Similarly, Mr Bryce Moore, Chairman, Residential Developers Committee, Property Council of Australia, stated at a public hearing that the precinct structure planning process is overly complex, overly detailed and overly prescriptive, and that it contributes to delays and the inability of government and local government to find their way through the planning process. Mr Moore also identified negotiations regarding developer contributions and/or biodiversity considerations involving DPCD, the Department of Sustainability and Environment (DSE), landholders, developers and the GAA as contributing to delays in the development process.

Similarly, Mr Peter Levinge, Chief Executive Officer of Dennis Family Corporation, expressed the view that the PSP process is overly detailed and causes delays for developers in bringing houses to the market:

The precinct structure plans, which is the process we have to go through to bring land to the market today, are expensive to prepare by their very nature. As I said before, we applaud the endeavours to streamline the process, but it is still an expensive process. It can cost you millions of dollars. We are involved in one in Geelong at the moment, for instance, with a group of landowners, and our budget to do the precinct structure plan down there is approaching $2 million. We are hopeful that we will deliver it under that, but these are the costs of doing business, and these costs are passed on to consumers. One of the reasons precinct structure plans are so complex and cost so much money is that they try to incorporate an enormous amount of detail. Be it through the planning process or through the native vegetation process, the level of detail that is required in the preparation of these plans is enormous.

At the high level you are required to know what the major road layouts are; you are required to know where schools go; and you are required to know where community centres, retail establishments, major activity centres, railway lines et cetera are required. Beyond that, for people to be talking about the fine detail of development — the engineering of roads and those sorts of things — is way too early in the process. That restricts you in terms of your timing in bringing the land to the market.

However, in response to the suggestion that the PSP process creates delays in development, Mr Seamer, Chief Executive Officer of the Growth Areas Authority, gave the following evidence to the Committee:

The bottom line is that these things (large development plans) were taking over six years. They are now taking two years. The way we have done that is by getting rid of several steps of the planning process and putting them into the PSP, so the PSP is effectively a one stop shop where we integrate our planning. The benefit of that is that the transport plan is being done at the same time as the public open space plan, which is being done at the same time as we are doing the biodiversity plan. You get the synergistic benefits of all those things being done together. I think you will find that if you go to most developers, people will still say, ‘This is taking too long’, but the bottom line is that it is taking a third of the time it was five years ago. That is a pretty good statistic.

The UDIA, in its 2011 submission to the Victorian Planning System Ministerial Advisory Committee, suggested that better coordination and engagement with infrastructure authorities, such as VicRoads and
water companies, could reduce delays and ensure that infrastructure is delivered during or before the commencement of residential development.171

**Developer costs**

A number of stakeholders stated that development compliance costs — which may include planning approval, development application fees, permit assessment fees, land holding costs, the costs associated with environmental compliance, heritage protection, design guides or neighbourhood amenity, developer contributions charges and the Growth Areas Infrastructure Charge (GAIC) — lead to increased costs for developers which are passed on to homebuyers in the form of higher house prices. For example, Mr Tony De Domenico, Executive Director of UDIA Victoria, in a media release dated 16 November 2011, stated:

> A large proportion of the price of a house and land package, or of a new apartment, is in levies to state and local government, utilities and authorities.172

Ms Fiona Nield, Director Government Programs, HIA gave the following evidence regarding GAIC:

> The GAIC is an example of a contribution from developers which must be passed on to homebuyers. It is an inequitable levy as it essentially means that new residents are contributing towards state-based infrastructure from which the whole community benefits. By this I mean that GAIC contributes to the broader and more regional facilities as opposed to the essential infrastructure required for new housing such as local roads and drainage. It is part of a growing trend for governments to seek payments for these kinds of facilities, but it does cost homebuyers dearly.173

HIA described GAIC as a ‘tax on new homebuyers’.174 However, according to the planning firm Urbis, in a review of the cost of development in South East Queensland and Melbourne, ‘Melbourne has been regarded as a low cost state in relation to infrastructure charges’. In New South Wales and South East Queensland, a ‘user pays’ approach means developers make up-front contributions for local infrastructure and for regional or state financed infrastructure. These charges have reached $100,000 a lot in some areas of Sydney. In Victoria the State Government bares the cost of trunk infrastructure.175

The GAA gave evidence that:

> It [GAIC] is actually generating some money for government to pay for some of the much-needed infrastructure, particularly with the minister making decisions about having works in kind, offsets for that, which we think is a great innovation and will allow a lot of infrastructure to be provided a lot earlier than it otherwise would be.176

Mr Peter Levinge, Chief Executive Officer, Dennis Family Corporation, gave evidence regarding the cost of infrastructure being passed on to the consumer due to developer contributions charges, which are in addition to the GAIC:

> At the moment the new infrastructure out there is provided for by the new residents out there. The developer pays for it, but he passes it on in his cost of doing business, so those who can least afford to pay — who inevitably are the first home buyers who live in the outer areas of Melbourne — are shackled with the burden of paying for a disproportionate share of the infrastructure.177
Commenting on the adequacy of developer contributions, Mr Mike Tyler, Chief Executive Officer of Casey City Council, highlighted that although the Victorian Government has provided funding for infrastructure as Melbourne grew in previous decades, there is now an expectation that the developer, and subsequently the purchaser, will shoulder a greater burden of the costs. Mr Tyler suggested that developer contributions should not be seen as a panacea and that greater focus should be placed on State Government funding for development costs.178

According to Dr Oliver Marc Hartwich, Research Fellow, Centre for Independent Studies, infrastructure levies are a form of intervention that distort the free housing market, and levies should be capped or replaced with funding schemes based on income tax. Alternatively, councils should have access to a share of locally generated Goods and Service Tax (GST) revenue.179 Alternative funding schemes for infrastructure are discussed in Chapter Four.

The Biodiversity Conservation Strategy for Melbourne’s Growth Areas Draft and Draft Sub-Regional Species Strategies establish Conservation Areas for metropolitan Melbourne. They include the mechanism of offsetting by which landowners within conservation areas provide their land as an offset for the impacts of approved clearing of native vegetation elsewhere within the Growth Areas. Where development of habitat is allowed, statutory planning controls require landowners to make financial contributions towards implementing Conservation Management Plans.180

In the case of Clyde North, conservation of the habitat of the growling grass frog, has been estimated to add $500 per block to a developer’s costs. If land held by developers is completely set aside for conservation purposes, it will add a further cost to the subdivision process. These costs, incurred during the development process through compliance measures, may be indirectly passed on to the buyer, making housing less affordable.182 Some scholars contend that the sustainability policies limiting the urban footprint are inconsistent with affordability goals, which arguably depend on more liberal land release regimes.183

Mr Peter Levinge stated at a public hearing:

> The ecology and biodiversity costs are just huge. You will go to Manor Lakes today; we are approaching a bill of $15 million to bring that land to market due to the biodiversity issues there. That inevitably gets passed on in cost, and it is the residents in those areas that pay. If the community decides that it is a community benefit, then perhaps we need to look at a more equitable way of funding these issues.184

UDIA has also objected to the proposal by the Commonwealth Government to recover the cost of national environmental law regulatory activities. The Commonwealth Department of Sustainability, Environment, Water, Population and Communities released a consultation paper in September 2011 outlining options for recovering the costs of national environment law regulatory activities. The paper included estimated costs for recovery of environmental assessment processes based on their complexity, and the duration that staff will be required to work on the project full time during the pre-referral and subsequent assessment time.185 The Department’s Draft Cost Recovery Impact Statement was released in May 2012.186

UDIA has stated that compliance with the Environment Protection and Biodiversity Conservation Act 1999 (the APBC Act) provides no additional private benefit to the developer or householder and should therefore
Chapter 3: Housing Affordability

not be subject to cost recovery. One of the reasons UDIA cited for its opposition to such cost recovery is the view that it will render housing in smaller developments in affected areas significantly more expensive.187

The Committee also received information during the overseas study tour that prohibitive development costs for particular types of development, particularly those aimed at achieving higher residential densities, are not unique to Melbourne or other Australian cities.

During the Vancouver leg of the overseas study tour, Mr Bob Ransford, an urban designer and Member of the Urban Development Institute of British Columbia, provided an example which illustrates the costs that developers can face in Vancouver, which ultimately flow on to purchasers, in seeking to provide increased residential densities in established areas. Mr Ransford referred to the example of a proposed residential development on the Cambie Corridor (which is serviced by the Canada Line of the Sky Train), for which the City is requiring up front ‘community amenity contributions’ from developers of approximately 75 to 80 per cent of the anticipated increase in land value. Mr Ransford informed the Committee that the contribution requirement, coupled with the uncertainty of the final investment return, had resulted in at least one developer deciding not to proceed with a plan to replace a number of existing single family lots with higher density six storey developments. He also stated that if the charge was applied following the completion of the development and based on the actual profit, it would reduce the risk to the developers and make such redevelopment more attractive.188

The Committee notes that while stakeholders generally support the principle of development regulations — as a means of protecting important environmental and neighbourhood values, and of ensuring that community interests are protected when new residential developments are planned and implemented — a number of stakeholders also expressed the view that there is a need for the current system to be rebalanced to reduce the costs and delays currently faced by the residential development industry. The Committee considers that there is a need for a review of the current plethora of developer costs with the aim of cutting unnecessary red and green tape and ensuring that housing construction is better able to keep pace with the demand for housing.

**Recommendation 3.7:** That the Victorian Government review developer compliance charges to identify those charges and compliance processes that are particularly onerous in terms of adding to the cost and delay of housing construction for the development industry. The review should not compromise the high quality of development, innovation and amenity that has occurred in a number of Melbourne’s outer suburbs in recent years.

### 3.6.5 Boosting land supply on the urban fringe of Melbourne

Clause 16 of the *State Planning Policy Framework* directly acknowledges the nexus between land supply and housing affordability and includes the stated objective of delivering more affordable housing closer to jobs, transport and housing by ensuring land supply continues to be sufficient to meet demand.189
During the Inquiry, the Committee heard two opposing points of view on the effect of land supply on housing affordability in the outer suburbs.

In a joint submission to the Inquiry, the City of Whitehorse, City of Maroondah, City of Greater Dandenong, Melbourne East Regional Development Australia Committee (MERDAC) and Knox City Council, stated that:

… merely calling for faster land release will have only a marginal impact on prices while putting new pressures on this city’s Liveability, pushing housing and new communities, many of them recent migrants, to the edge of the city where there are fewer jobs and supporting infrastructure and from where longer commuting journeys will damage family life and the environment.190

Similarly, the Committee heard from the City of Casey that increasing the amount of land released on the urban fringe provides the residential development community with long term business continuity and confidence, but that releasing more land would not solve the housing affordability issue and would undermine liveability in Melbourne’s growth communities. The City of Casey recommended that the State Government consider all mechanisms available to it before releasing more land in the Growth Areas of Melbourne.191

Several other submissions made the point that faster land release, on its own, is an inadequate solution for housing affordability problems. Wyndham City Council’s submission suggested that slow release of land and slow council approval rates is not causing housing affordability problems:

The response to the challenge of liveability often focuses on housing affordability, which is usually linked to the faster release of land for development, and which in turn targets the apparent impediment of slow planning processes. We have stated elsewhere that this is a misnomer.192

Dr Marcus Spiller, Director, SGS Economics and Planning, warns in his recent research that:

Trying to solve the affordability problem by cutting up more land on the urban fringe may be like trying to fix a flagging economy by printing more money. Ultimately, this approach may devalue the whole metropolis and compromise its capacity for sustainable prosperity.193

On the other hand, several submissions to the Inquiry stated that there is a shortage of land for development on the urban fringe, and a number were also in favour of the release of more land for housing development.

Dr Ernest Healy, Research Associate at Monash University Population Centre, gave evidence to the Committee at a public hearing in Melbourne, that there is a severe shortage of land for new housing on the urban fringe of Melbourne. Dr Healy stated:

There is now leapfrogging beyond the urban growth boundary out to places like Drouin in the east, where you can still get a house and land package for under $300,000, and for people who have already commuted long distances to work in outer middle suburbia, coming from Drouin is not that much worse than coming from Pakenham. We find this in the north too, up around Wallan. There is already leapfrogging beyond the urban growth boundary occurring, because at the moment our information from talking to not only developers but also experts — other experts in the urban

- 182 -
Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, gave evidence to the Committee that the surge in the purchase of housing lots during the previous two to three years led to housing affordability problems because the supply of housing was unable to keep up with demand for housing.\textsuperscript{195}

Developers have also identified the reluctance of governments to release sufficient land for development on the suburban frontier as a key cause of high house prices\textsuperscript{196}

For example, Lend Lease, in its submission to the Inquiry, stated:

"These increases [in house prices] can be partly attributed to the inability of the development industry to meet demand. The demand over the past 5 years has been so strong that land that was ready for development was sold as quickly as it was delivered. There simply was not enough land that was zoned and had the necessary approvals in place to maintain supply.\textsuperscript{197}"

The submission from Lend Lease went on to explain that liveable communities are best planned and developed on a large scale which requires significant parcels of land to achieve 200-400 hectare development sites. Lend Lease stated that policies such as \textit{Melbourne 2030} restrict the development size and growth options. Lend Lease went on to state that delays in the approval of PSPs have had a detrimental impact on the supply of housing.\textsuperscript{198}

According to Dr Nicole Gurran, a researcher at Sydney University, releasing more land will not necessarily improve affordability because housing markets are highly segmented so that more land for housing on the fringe is unlikely to impact on demand in inner areas.\textsuperscript{199}

However, the same research concedes that constraining supply and increasing density in established areas does have the potential to reduce affordability. The greater development potential associated with density, increases land value and reduces low cost accommodation opportunities. The accessibility and amenity of such developments can also increase the price of housing.\textsuperscript{200} This point was also made in the National Housing Supply Council’s 2011 State of Supply Report, which states in its key findings:

\begin{quote}
\textit{As industry innovates and produces homes at greater density to tackle changing housing preferences, constraints on greenfield land supply and housing affordability problems, delivery becomes more expensive and complex.}\textsuperscript{201}
\end{quote}

According to Dr Gurran’s research, the lift in prices associated with constraining land supply and increasing density in established areas should be offset by planning strategies to monitor and ensure a sufficient supply of affordable housing for low to moderate income groups.\textsuperscript{202} One mechanism of supplying more affordable housing is to release land for new development, ensuring new developments include affordable options, whilst increasing density in established areas.

A number of other researchers, including Joel Kotkin, Professor of Urban Development at Chapman University California, and Alan Moran, Director of the Institute of Public Affairs Deregulation Unit, have found that artificially restricting the supply of land creates a demand/supply imbalance.\textsuperscript{203} According to Professor Kotkin, this is the situation that has developed in parts of the United Kingdom (UK) over the
Inquiry into Liveability Options

past twenty years. Dr Oliver Hartwich, Research Fellow at the Centre for Independent Studies, gave evidence to the Committee at a public hearing that:

\[\text{Generally speaking, whenever you have growth boundaries, you are limiting land supply, and that drives up prices.}^{204}\]

Dr Hartwich’s internationally comparative research found that in Germany and Britain - countries that have similar population densities, demand for housing, and reductions in average household size - land release policy made a significant difference to housing affordability.

\[\text{The big difference when it comes to Germany and Britain is really land use. In Britain about 10 per cent of the landmass is urban. In Germany the corresponding figure is around 14 per cent, so that is a 4 percentage point difference between the two countries. This 4 percentage point difference made all the difference in terms of land prices and house prices, because, as I said earlier, Germany managed to keep house prices stable over decades, whereas in Britain — we had figures at the time going from 1970 to 2004, I believe — the average increase in house prices, on top of the normal inflation rate, was 3.9 per cent per year. That made an enormous difference — just releasing this little bit of extra land. I think it is the same story wherever you look in relation to artificial restrictions on to land supply. The more liberal you have your land supply system — the more flexible you make it for planners to provide that housing where it is needed — the more this will be reflected in the long term affordability of housing.}^{205}\]

The Committee notes that while Vancouver’s Urban Containment Boundary (discussed in Chapter Six) has proven relatively successful in protecting the agricultural and conservation land of metropolitan Vancouver, it has also had a negative impact on housing affordability. This illustrates the inevitable trade-offs that apply with respect to growth boundaries and housing affordability.

Similarly, the Committee was informed by Mr Bob Ransford of the Urban Development Institute of British Columbia that a major reason for Vancouver’s lack of affordable housing was an insufficient supply of land.\(^{206}\)

However, Bob Birrell, Founding Director of the Centre for Population and Urban Research and Reader in Sociology at Monash University, stated that there are a range of factors in addition to the speed of land release that influence land prices. These include, the speed with which local government authorities do the necessary preliminary planning and put the required trunk services in place before developers can begin their work, and the marketing strategies of some developers.\(^{207}\)

The Australian Productivity Commission inquiry into First Home Ownership also emphasises that land supply is only one component in house price increases.\(^{208}\) Similarly, the Barker Review emphasised that the release of new land for housing is not sufficient in itself as a solution to housing affordability problems.\(^{209}\)

Finding 3.4: Land supply is only one factor, amongst several others, that impacts upon housing affordability in the outer suburbs and Interface Councils of Melbourne.
During a briefing from representatives of the City of Surrey in Vancouver, the Committee learnt that there is a significant difference in the scale of suburban subdivisions in Melbourne compared to outer suburban Vancouver. While new subdivisions in outer suburban Melbourne can include thousands of new homes, the Committee was informed that a subdivision of 100 homes would be considered a relatively large development in the City of Surrey. This contrast highlights Melbourne’s achievement in maintaining a high level of liveability while accommodating such a large number of new homes and residents in its outer suburbs.

The identification of land within the UGB or within a PSP does not necessarily mean that it is ready for development. Land within PSPs is often held by a variety of owners including developers, farmers, investors, and other private land owners, who are under no obligation to develop their land or sell it to a developer. The PSP provides a framework within which these private land owners can operate should they wish to develop the land. This has the capacity to increase delays in the development of the land, decrease the supply of housing, and exacerbate the affordability problem. In addition, developers are also entitled to retain their land until they wish to develop. The Committee notes that this situation is not unique to Victoria. Mr Lumsden, Director General, Western Australian Planning Department, stated at a public hearing in Perth, that some developers in the outer suburbs of Perth are currently holding their land back from development because they are waiting for prime market conditions. He referred to this practice as land banking, stating that in some cases it is problematic for service authorities, because it is difficult to time the provision of primary infrastructure such as trunk mains.

The Centre for Population and Urban Research at Monash University, in its 2012 report, *The End of Affordable Housing in Melbourne?*, states that although the GAA managed PSP process has increased the amount of land ready for subdivision, there are currently no mechanisms in place to ensure that the land is developed rapidly. Although developers are free to choose when land is developed, State Government can provide incentives to encourage developers to release land and begin building new residences.

According to Mr Lumsden, this system stands in contrast to practices in the United States of America:

*I know some parts of America use the approach of 'use it or lose it', so if you zone land...and you do not get commitments [from developers], the government shifts its attention to another area where people are prepared to bring on land.*

The Affordable Housing National Leading Practice Guide and Tool Kit states:

*Governments might encourage the timely release of land by, for instance, making infrastructure contributions payable over a longer period of time or providing incentives for more efficient infrastructure delivery. Punitive charges to discourage withholding of land identified for development could include the imposition of urban rates for development sites that have not been released and developed within a time period specified by the development plan. These policies can be reinforced by charges for releasing land out of sequence to offset the additional costs of providing infrastructure for the development.*

During the overseas study tour, representatives of the City of Oshawa, on the outskirts of Toronto in Canada, informed the Committee of a recently introduced plan to facilitate the staged development of land in the region and prevent leapfrogging. The plan would involve legislation aimed at preventing
leapfrogging by requiring that a certain minimum amount of a land parcel be developed before a developer is permitted to begin developing the next area. The Committee was informed that Durham Region (which includes the City of Oshawa) has proposed that the applicable minimum should be 75 per cent of all the planned units in a development area. Another possible measure for ensuring that developers do not delay developments that have been given planning permission could be to require that an agreed portion of a development is completed within a given time limit.

**Finding 3.5:** The supply of housing is affected not only by the supply of land available for development, but by the speed at which developers choose to develop their land.

**Recommendation 3.8:** That the Victorian Government considers the City of Oshawa’s plan in providing incentives and direction to developers to facilitate the systematic and staged release of land for development on the urban fringe to prevent ‘leapfrogging’ from occurring.

**Logical Inclusions Review**

In May 2011 the Minister for Planning, the Honourable Matthew Guy MLC, announced a new process to help address the shortage in land for employment and housing. Relying on input from councils, this process involved reviewing the UGB inclusions to determine whether some land located in Wyndham, Melton, Whittlesea, Hume, Mitchell, Casey, or Cardinia, could be included within the UGB. These potential land parcels were referred to as ‘logical inclusions’.

Since the introduction of the UGB in 2002, the boundary has been extended four times and in 2010 was extended by 43,000 hectares.

As part of the 2011 Logical Inclusions Review, the GAA reviewed the merits of land submissions to the 2009 UGB Review and referred certain sites to the Logical Inclusions Advisory Committee for final determination. A set of strict criteria was adopted to determine whether land constituted a logical inclusion.

On 14 June 2012, the Minister announced the conclusion of the Logical Inclusions Review of Melbourne’s UGB and released the findings of the Logical Inclusions Advisory Committee.

Overall, from the total of number of land parcels nominated by local councils, the Logical Inclusions Advisory Committee recommended 14 Assessment Areas (AAs) for inclusion; 16 AAs for further review; and 21 AAs as unsuitable for inclusion in the UGB.

The Government’s response to the Review included the approval of 5,958 hectares of land to be included in the UGB, comprising of twelve Assessment Areas. This finding was supported by the GAA and the Advisory Committee. Areas to be included are located in Hume, Whittlesea, Cardinia, Mitchell, Melton and Wyndham.
At the time of writing, the Planning Scheme Amendments to give effect to these inclusions had yet to be drafted, approved by the Minister and ratified by both Houses of Parliament.

The Committee considers that the recent addition to Melbourne's developable land supply through the Logical Inclusions Review process will improve Melbourne's land supply over the medium term and is likely to place downward pressure on the cost of housing in Melbourne's outer suburbs.

**Finding 3.6:** That the release of additional residential land through the recent Logical Inclusions Process will improve Melbourne's land supply over the medium term and is likely to place downward pressure on the cost of housing in Melbourne's outer suburbs.

### 3.6.6 National policies and Commonwealth payments

**The National Affordable Housing Agreement**

The *National Affordable Housing Agreement* (NAHA) is an agreement between the Commonwealth of Australia, the States and Territories of Australia and the Australian Local Government Association on behalf of local government. The Agreement is ongoing but may be amended as necessary by the Agreement of the Council Of Australian Governments (COAG).220

The NAHA provides the:

> … framework for the Parties to work together to improve housing affordability and homelessness outcomes for Australians. [It sets out the] aspirational objective [of] ensuring that all Australians have access to affordable, safe and sustainable housing that contributes to social and economic participation.221

Under the Agreement, the Parties commit to several outcomes, including that:

- people should be able to rent housing that meets their needs; and
- people should be able to purchase affordable housing.222

The Agreement also lists a number of performance indicators which are included to assist the community in assessing the performance of governments towards achieving these outcomes. The performance indicators for measuring the outcomes listed above include:

- a measure of the proportion of low income households in rental stress;
- the proportion of homes sold or built that are affordable by low and moderate income households; and
- the proportion of Australian households owning or purchasing a home.223
On 8 June 2011, the COAG Reform Council released its National Affordable Housing Agreement: Performance Report for 2009-10. This was the Council’s second year report on the progress made toward the objectives and outcomes contained in NAHA compared to the baseline data contained in the first Performance Report of 2008-09. The Report contained new data on the NAHA performance indicator: the proportion of homes sold or built that are affordable by low and moderate income households.

The COAG Reform Council defined a home as affordable “if a household would have to spend no more than 30 per cent of its gross income on mortgage repayments” and analysed three years (2007-08, 2008-09 and 2009-10) of new data on this indicator.

The data in the Report charts the price distribution of home sales in each capital city in 2007-08 and in 2009-10.

Housing affordability for low and moderate-income households improved in all Australian jurisdictions between 2007-08 and 2009-10, with most of the change occurring in 2008-09.

At a national level, the share of homes affordable to low-income households grew by two-thirds over the period, from 6.9 per cent to 11.5 per cent. The share of affordable to moderate-income households grew by more than half, from 27.4 per cent to 42.0 per cent. However, housing affordability grew the least in Melbourne, which dropped from the first to fourth place between 2007-08 and 2009-10.

The Council noted in the 2009-10 report that interest rate movements appear relevant to much of the national change between 2007-08 and 2009-10 in the proportion of homes affordable to low and moderate-income households.

In 2007-08 Melbourne and Darwin were the two most affordable cities but Melbourne dropped to fourth place in 2009-10. The Report stated that:

This was because Melbourne experienced relatively low growth in household income, but relatively high growth in home prices. The typical home price in Melbourne jumped from around $290 000 to around $350 000. While this figure remained below the affordable home price, the proportion of homes affordable to moderate-income households (46.6 per cent) grew by the smallest amount in Melbourne (8.0 percentage) compared with the other Australian cities.

National Partnerships and Commonwealth programs

National Partnerships are agreements in addition to the National Housing Affordability Agreement between the Commonwealth and States and Territories, in which the parties commit to particular projects, reforms or service improvements.

The Commonwealth Government has committed funds across a range of programs addressing housing issues including housing affordability, social housing and homelessness.

The National Partnership Agreement on social housing included $400 million of Commonwealth funding to construct approximately 1900 new social housing dwellings, 300 of which are designed for older people.
Chapter 3: Housing Affordability

The National Affordable Housing Specific Purpose Payment included $6.2 billion over five years to assist private renters who are (or are at risk of becoming) homeless; and first home buyers.\textsuperscript{230}

The Housing Affordability Fund is a five year, $450 million fund established in 2008 by the Commonwealth Government that aims to help reduce the cost of new homes for homebuyers.\textsuperscript{231} The fund aims to reduce the cost of new homes by providing grants to local councils and state agencies to reduce housing related infrastructure and planning costs, and to pass the savings on to new home buyers.\textsuperscript{232} The fund aims to address ‘supply-side’ barriers to housing development such as holding costs and fees and charges associated with infrastructure. A portion of the funds are intended to improve the lodgement and assessment of development applications, reducing processing times and holding costs.\textsuperscript{233}

The National Rental Affordability Scheme also aims to support affordable rental housing through Commonwealth funding.\textsuperscript{234}

The COAG Reform Council’s \textit{National Affordable Housing Agreement: Performance Report for 2009-10} does not provide a comprehensive evaluation of performance under the National Partnerships that support the objectives of the National Affordable Housing Agreement because of a lack of comparative performance information.\textsuperscript{235}

However, under the National Partnership Agreement on Social Housing, 860 social housing dwellings had been completed or acquired as of June 2010, 44 per cent of the national target to be reached by the end of June 2011. 750 of the completed dwellings had been allocated to tenants.\textsuperscript{236}

\textbf{Commonwealth payments to assist home buyers}

There are currently no Commonwealth Government payments aimed at assisting first home buyers, although there have been a number of such schemes in recent decades.

On 9 March 2001, the Commonwealth Government announced a $7,000 grant for first home buyers, the Commonwealth Additional Grant, which was payable in addition to the Victorian First Home Owner Grant discussed below). The Commonwealth Additional Grant was payable to a first homeowner who built their first home or purchased a new, but previously unoccupied, home and applied from March 2001 to June 2002.\textsuperscript{237}

To reduce the impact of the Global Financial Crisis (GFC) the Commonwealth Government introduced the First Home Owners Boost (FHOB) for homes purchased after 14 October 2008 (and before 30 June 2009). With an emphasis on stimulating construction of new dwellings, this boost was then extended to 30 September 2009, when it was halved until it ended on 31 December 2009.\textsuperscript{238}

\textbf{3.6.7 Victorian policies and payments}

\textbf{Victoria’s Housing Affordability Unit}

On 16 March 2011, the current Victorian Minister for Planning, the Honourable Matthew Guy MLC, announced the establishment of a new Housing Affordability Unit to provide the Minister for Planning with whole of government advice on policies, procedures or legislation that could be reformed to improve housing affordability in Victoria.
The Minister stated:

_Housing affordability is one of the greatest challenges facing Victoria, which is why I have set up this specific unit within the Department of Planning and Community Development._

An initial responsibility of the Unit is to develop policies and legislative reform to support the establishment of the Urban Renewal Authority which the Victorian Government envisages will have an important role in improving housing affordability in the longer term in Melbourne’s inner urban area.

The Housing Affordability Unit will also work with the Department of Treasury and Finance to ensure the COAG Housing Supply and Affordability Reform agenda is informed by Victoria’s policy directions and priorities.

**The Interstate Reform Partnership**

In December 2011, the Premiers of Victoria and New South Wales announced the establishment of the Interstate Reform Partnership between Victoria and New South Wales. A joint media release from the offices of The Honourable Ted Baillieu, MLA, Premier of Victoria and The Honourable Barry O’Farrell, MLA, Premier of New South Wales, dated 14 December 2011, stated that while both states:

…”affirmed their ongoing commitment to COAG and other national processes…where there was an opportunity to achieve reform faster, together, they would take that opportunity.”

The media release also stated that both states welcomed the participation of any other states or territories in the reform initiatives.

The Committee supports the goal of seeking opportunities to increase the pace of reforms outside of COAG and other national processes and considers that housing affordability is also an area in which such direct collaboration between the states and territories is warranted.

The Committee considers that as the two states in which housing affordability pressures have become the most extreme in recent years it may be of great benefit to Victoria and New South Wales to establish a collaborative approach to addressing the problem of housing affordability as soon as possible.

The Committee notes that a joint taskforce model has been adopted with regard to promoting economic growth and competitiveness and putting downward pressure on cost of living and running a business across the two states. The taskforce is due to report back to the Victorian and New South Wales Premiers by late 2012. The Committee considers that a similar approach may be appropriate for addressing a future housing affordability outcome.

**Cuts to stamp duty**

Stamp duty is a general tax imposed upon land title transfers as a result of selling real estate. Stamp duty can add significantly to the purchase price of a property. On 27 June 2011, the state government announced that it would progressively cut the rate of stamp duty for eligible first home buyers.

Land transfer stamp duty rates were reduced by twenty per cent on the 1st of July 2011 for eligible first homebuyers purchasing principal places of residence valued up to $600,000. There will be additional cuts
of a further ten per cent on 1 January 2013, 2014 and 1 September 2014, totalling a cumulative fifty per cent reduction by 2014-15.\textsuperscript{246} The Victorian Government remained committed to these cuts to stamp duty in the 2012-13 State Budget.\textsuperscript{247}

The REIV, in its \textit{State Budget Submission 2012-13} (March 2012) stated that there had been a small increase in first home buyers since the commencement of the cuts to stamp duty and predicted that the situation for first home buyers “should continue to improve as the discount is increased and buyers recognise the improved levels of affordability”.\textsuperscript{248} The REIV went on to advocate that the increase in the stamp duty discount for first home buyers be progressively increased to 100 per cent.\textsuperscript{249}

The Committee supports the recent cuts to stamp duty introduced by the current state government and is of the view that the initial cuts have improved housing affordability for first home buyers and will continue to do so as the additional cuts are phased in through to 2014-15. The Committee is of the view that consideration of any additional cuts to stamp duty for first home buyers should be made following an appropriate period of assessment of the effectiveness of the current scheme and would also need to be subject to careful consideration of the impact of additional cuts on state revenue.

In 2011, median house prices in the growth area Local Government Areas (LGAs) (Casey, Cardinia, Hume, Melton, Mitchell, Whittlesea and Wyndham), ranged from $293,000 to $410,000, compared to $490,000 for metropolitan Melbourne.\textsuperscript{250} Table 3.11 outlines the amount of stamp duty that would be attracted at each of the States and Territories of Australia, given the Growth Area Councils lower and higher median range values.

As can be seen in Table 3.11, Victoria currently charges the highest amount of stamp duty for homes in the lower median price of $293,000 and the second highest charges for homes in the higher median price of a home, being $410,000, compared to other States and Territories.
Table 3.11: Interstate comparison of stamp duty rates for selected purchase prices for non-first home owners.

<table>
<thead>
<tr>
<th>State / Territory of Australia</th>
<th>Stamp Duty on Purchase Price of 293,000 ($)</th>
<th>Stamp duty on Purchase price of 410,000 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Capital Territory</td>
<td>8,288</td>
<td>13,775</td>
</tr>
<tr>
<td>New South Wales</td>
<td>8,745</td>
<td>13,940</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>1,037</td>
<td>17,197</td>
</tr>
<tr>
<td>Queensland</td>
<td>2,930</td>
<td>5,600</td>
</tr>
<tr>
<td>South Australia</td>
<td>10,998</td>
<td>16,830</td>
</tr>
<tr>
<td>Tasmania</td>
<td>9,655</td>
<td>14,423</td>
</tr>
<tr>
<td>Victoria</td>
<td>11,020</td>
<td>16,870</td>
</tr>
<tr>
<td>Western Australia</td>
<td>8,569</td>
<td>13,490</td>
</tr>
<tr>
<td>Australian Average</td>
<td>8,288</td>
<td>13,775</td>
</tr>
</tbody>
</table>


Note: The figures are based upon the assumption that the residence is a Principle Place of Residence, and non-first home owners. The figures do not include duties payable on mortgages. The New South Wales, Northern Territory and Western Australia waive stamp duty for first home buyers and the Australian Capital Territory has a significant stamp duty concession for first home buyers for properties valued up to $375,000 and a partial concession for properties valued over $375,000.

Recommendation 3.9 That the government publish progressive assessments of the effectiveness of the cuts to stamp duty for first home buyers, and of the aggregate 50 per cent cut, by 2014-15.

First Home Bonus and First Home Owner Grant

The Victorian Government introduced the $13,000 First Home Bonus to stimulate the construction industry during the Global Financial Crisis. The Bonus was available for the purchase by first home buyers of newly constructed homes in metropolitan Melbourne,252 and expired on 30 June 2012, having achieved its objective.253

The First Home Owner Grant (FHOG) scheme was introduced on 1 July 2000 with the aim of offsetting the effect of the GST on home ownership. The FHOG is a national scheme, funded by the states and territories and administered under their own legislation.254

In Victoria, the FHOG scheme was established under the First Home Owner Grant Act 2000 (Vic) and is administered by the State Revenue Office (SRO).
The FHOG provides a one-off non means-tested grant of up to $7000 to first home owners where the price of the property or construction of the home does not exceed $750,000 (for contracts entered into before 1 January 2010 the grant is payable regardless of the price of the property).255

3.6.8 Urban densification

As the Committee discusses in detail in Chapter Four, strategically located increases in residential densities offer one of the key strategies for improving Melbourne’s housing affordability over the medium to longer term.

One of the key urban densification strategies discussed by the Committee in Chapter Four is the model of high rise residential living known as ‘Vancouverism’, also known as ‘podium’ high-rise development, for which the Canadian city of Vancouver has become renowned.

In addition to the comparative attractiveness of Vancouverism as a model of high-rise development, a major reason for the rise in the popularity of high-rise living in Vancouver is the significant decline that the city has experienced in the affordability of its detached housing stock. Mr Dave Crossley, of the Planning Institute of British Columbia, told the Committee that Vancouver’s extremely high housing costs had helped to build community acceptance for the development of denser town centres incorporating high-rise towers. He informed the Committee that the high price of housing in Vancouver had therefore created a market for condominiums that might not otherwise have existed.256 The Committee considers that ‘Vancouverism’, or a modified form of this model of high-rise development could play a significant role in selected Activity Areas in Melbourne.

The liveability benefits of townhouse development are also discussed in Chapter Four and the Committee notes here that such developments are typically more affordable than detached housing. Like strategically located developments around Activities Areas, which could include a combination of building heights, townhouses have an important role to play in Melbourne’s future housing affordability equation. A third urban densification strategy that the Committee considers could provide immediate housing affordability benefits is the secondary suite model.

Secondary and tertiary suites

During the overseas study tour, Members of the Committee met with representatives from a range of organisations in Vancouver who spoke of the benefits for residential density, commercial development and social cohesion associated with a form of residential development commonly referred to as secondary and tertiary suites. The Committee also received evidence on the secondary and tertiary suite model in Calgary and Toronto.

The Committee received a briefing from Mr Adrien Byrne, Communications Manager, Urban Development Institute of British Columbia, and Mr Bob Ransford, an urban designer and Member of the Urban Development Institute of British Columbia, in Vancouver on 8 May 2012. Mr Ransford informed the Committee that Vancouver now allows the construction of three residences on a single ‘family lot’ of land. Mr Ransford stated that nearly all newly constructed family houses in the metropolitan area of Vancouver now include a ‘secondary suite’, which can either adjoin the primary residence (on the lower or basement level) or may be a separate structure and that many lots also include a ‘tertiary suite’, also known as a ‘laneway house’. Mr Ransford and Mr Byrne explained that a secondary suite, which typically takes the form of a separate dwelling on the same residential property as a principal residence, is generally
constructed for the purpose of providing additional income (in the form of rent) to assist people in meeting their mortgage repayments and is often referred to as a ‘mortgage helper’. Figure 3.4 below illustrates secondary suite accommodation in Vancouver. The images at top left and top right show recently constructed dwellings in the outer suburban municipality of Surrey, which have incorporated laneway access for secondary suite accommodation. The image at bottom left illustrates a typical secondary suite entrance in Vancouver. The image at bottom right illustrates a typical suburban basement suite in Vancouver.

*Figure 3.4: Secondary, tertiary and basement suites in the City of Surrey, Vancouver.*

As Mr Ransford explained, secondary suites are self-contained dwellings with their own entries, usually situated along the side of a property, and are also increasingly being included in newly constructed townhouses. Mr Ransford also noted that in recent years many of Vancouver’s older homes had been converted to include a secondary suite by the simple expedient of a locked passage door.

Mr Ransford informed the Committee that, in addition to assisting home buyers with their mortgage repayments, secondary and tertiary suites provide a relatively affordable form of housing for young single people, divorcees, the elderly, and students.

The Committee was surprised to learn that secondary and tertiary suites were originally illegal in metropolitan Vancouver and were only legalised as recently as 2002 as a response to Vancouver’s housing affordability crisis. Mr Ransford informed the Committee that Metro Vancouver had estimated that...
approximately 30 per cent of Vancouver’s housing stock included illegal secondary suites prior to legalisation.\textsuperscript{261}

Mr Ransford noted that, from a planning perspective, an additional benefit of the secondary and tertiary suite model is the extent to which it reduces the domination of street frontages by garages. In place of a garage, one or more parking spaces may be provided as on street parking, in the form of a parking bay or angle parking, which in turn has traffic calming effects. Moreover, where such residences are located close to transit services, residents are often happy to sacrifice a car space for the benefits of living in a secondary or tertiary suite.\textsuperscript{262}

Ms Mary Beth Rondeau, Senior Planner – Area Planning and Development, City of Surrey, during a site tour of the municipality, informed the Committee that the City encourages the operation of businesses from primary, secondary and tertiary suites.\textsuperscript{263} Mr Ransford also referred to the flexibility of the City of Surrey’s zoning laws in this respect, which he described as providing significant ‘live-work flexibility’ for residents. He noted that he would like to see central Vancouver become more flexible in this respect.\textsuperscript{264}

Ms Mary Beth Rondeau also informed the Committee that although lots containing secondary and tertiary suites did sometimes experience problems with the provision of sufficient car parking, the model has provided an innovative means of achieving near instant increases in residential density in Vancouver’s outer suburbs. Ms Rondeau stated that in Vancouver, secondary and tertiary suites were typically located on the ground floor, rather than the basement, of a timber framed dwelling that could have as many as four to six storeys.\textsuperscript{265}

Similarly, Mr Craig Crawford, Vice President, BC Housing, informed the Committed during a briefing in Vancouver that although the secondary and tertiary suite model had been quite contentious when it began and did require some changes in residents’ parking practices, it had since been adopted by municipality after municipality and was now a proven way in which to ‘instantly double’ the density of a community.\textsuperscript{266}

Ms Sandy Blue, Manager Strategic Economic Initiatives, District of Maple Ridge, during a briefing attended by the Mayor of Maple Ridge, Mr Ernie Daykin, and number of senior council officers, informed the Committee that the official Community Plan for the City contains a range of policies aimed at promoting secondary and tertiary suites as a form of infill housing in existing neighbourhoods that is compatible and reflective of neighbourhood character. Ms Blue informed the Committee that, in addition to the goal of increasing residential densities, such infill housing was also seen as an important means of providing affordable rental and special needs housing in the form of secondary and tertiary suites, including both detached ‘garden suites’ and secondary suites attached to the primary dwelling.\textsuperscript{267} The Committee also viewed a number of houses with secondary suites during a tour of the City of Surrey, which is a municipality within Metro Vancouver (the governing body of the Greater Vancouver Regional District) and the second largest city by population behind the city of Vancouver. The Committee was able to see firsthand the external design principles of the secondary suite model as it has been applied in the City of Surrey and was particularly impressed by the evident ease of access to secondary suite dwellings for residents, via side and rear laneways.

Mr Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary, during the briefing from the City of Calgary, informed the Committee that Calgary has recently decided to allow secondary suites in all new suburbs. He also stated, however, that there was currently no consensus in Calgary on the question whether secondary suites should also be allowed in established areas. Mr Tita said that home
owners are currently required to complete a re-zoning process for their existing property before being allowed to construct a secondary suite.268

The Committee was impressed by Vancouver’s secondary suite model and particularly by the way in which it has been applied in the City of Surrey. The Committee notes that the model provides mortgage holders in Vancouver with an important source of additional income to assist in meeting the costs of their mortgage, as well as their everyday living expenses. The Committee notes that such financial assistance would be particularly valuable to first home owners or to those in the early years of a new mortgage.

The Committee also notes that the model has the potential to provide an additional source of affordable housing within the rental market. Moreover, the secondary suite model, particularly as implemented in the City of Surrey, has a number of additional benefits, not the least of which is that it provides a means of increasing densities within both established and new outer suburbs, with the range of benefits that flow from that, including the greater viability of public transport, increased walkability and the well-documented social, environmental, cultural and health benefits that are, on the average, associated with higher residential densities. A further benefit is that by providing a range of housing types and configurations, the secondary suite model has significant potential to enable residents of a particular neighbourhood to age in place.

Where the secondary suite model is implemented with the flexibility to allow residents to operate a business from their premises — as in the City of Surrey — it also has the potential to deliver wider economic benefits and vibrant mixed use residential neighbourhoods.

The Committee also notes that key features of the secondary and tertiary suite model are now being incorporated into PSPs released by the GAA. For example, the Officer PSP identifies the importance of maximising “opportunities for alternate living options…[such as]…studios above garages,” for residential developments of two storeys or more, in areas zoned as high density. The Committee considers that the secondary suite model represents a highly effective means of increasing residential densities. In combination with other measures, such as medium rise developments in activity areas, the promotion of a secondary suite model in Melbourne’s new and established outer suburbs would facilitate greater residential densities and may help to avoid the widespread construction of high-rise residential towers across the greater metropolitan area that has become a feature of the Greater Toronto Area. It is also notable that, in contrast to Toronto, Vancouver has to date largely succeeded in restricting high rise residential development, in the form of condominiums, to its central downtown area and in activity centres such as Burnaby.

**Finding 3.7:** The Committee acknowledges the benefits of maximising alternate living options through providing a range of secondary and tertiary suite models within housing options.
Chapter 3: Housing Affordability

**Recommendation 3.10:** That the Victorian Government encourage Melbourne’s Growth Area Councils and other local government areas to reduce the regulatory burden, both for householders and developers, associated with the construction of secondary and tertiary suites.

**Recommendation 3.11:** That the Victorian Government works with the local councils to review and reform the existing legal and insurance impediments to enable fast track applications for residential tenancies in the form of secondary and tertiary suites throughout metropolitan Melbourne.

**Recommendation 3.12:** That the Victorian Government works with the Interface Councils to develop an educative process for home owners and home buyers on the potential financial benefits of constructing a secondary or tertiary suite as well as their potential for use in home business operations.

**Recommendation 3.13:** That the Victorian Government encourages developers to include an example of a secondary suite in home display villages within new estates in Melbourne’s outer suburbs.

### 3.7 Social housing

While the Terms of Reference for the Inquiry did not require the Committee to consider the supply or affordability of social housing in Melbourne’s outer suburbs, it is an issue that is closely connected to the affordability of private housing and one in relation to which the Committee received a significant amount of evidence. Moreover, a major impact of the severe decline in the affordability of housing across Melbourne and its outer suburbs in recent years has been a significant increase in the demand for social housing.

Public housing is the main source of social housing in Victoria. Public housing is government owned housing that is rented with secure tenure at a subsidised rate of no more than 25 per cent of a tenant’s income. This differs from community housing, which is partly funded by the Government but managed by not-for-profit organisations that may set the rent at a higher rate.10

Table 3.12 illustrates the increase in public housing in each of the Interface Councils between the years 2006-2011. It is notable that in 2011, the City of Casey, the City of Hume and the Mornington Shire Peninsula provided significantly larger numbers of public housing dwellings than the other Interface Councils. The fewest number of public housing dwellings in 2011 were provided within Nillumbik, Cardinia and Mitchell, with the latter also experiencing the lowest percentage increase of all outer suburban areas, of 5.37%, over the previous five year period.
Table 3.12: Public Housing Dwellings in the Interface Councils between 2006-2011.

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Public Housing Dwellings 2006</th>
<th>Public Housing Dwellings 2011</th>
<th>Change in Number of Additional Public Housing Dwellings between the years 2006-2011</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>339</td>
<td>389</td>
<td>50</td>
<td>14.75</td>
</tr>
<tr>
<td>Casey</td>
<td>1,956</td>
<td>2,167</td>
<td>211</td>
<td>10.79</td>
</tr>
<tr>
<td>Hume</td>
<td>2,130</td>
<td>2,356</td>
<td>226</td>
<td>10.61</td>
</tr>
<tr>
<td>Melton</td>
<td>390</td>
<td>633</td>
<td>273</td>
<td>62.31</td>
</tr>
<tr>
<td>Mitchell</td>
<td>447</td>
<td>471</td>
<td>24</td>
<td>5.37</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>1,233</td>
<td>1,405</td>
<td>172</td>
<td>13.95</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>139</td>
<td>169</td>
<td>30</td>
<td>21.58</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>753</td>
<td>1,015</td>
<td>262</td>
<td>34.79</td>
</tr>
<tr>
<td>Wyndham</td>
<td>713</td>
<td>977</td>
<td>264</td>
<td>37.03</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>610</td>
<td>731</td>
<td>121</td>
<td>19.84</td>
</tr>
</tbody>
</table>


At June 2011, there were 38,244 households on the public housing waiting list in Victoria. Priority applicants are housed first but in 2009-2010 priority applicants waited an average of 8.5 months for housing. Applicants that are not high priority may wait several years or miss out on public housing.270

The Committee notes that the provision of public housing in Victoria is currently the subject of a major review by the Victorian Government. The review was announced in April 2012, following the publication of a report by the Victorian Auditor General (in March 2012) entitled Access to Public Housing, which described the state of Victorian public housing as ‘critical’ and which found that the long-term provision of public housing was at risk.271

The Auditor-General attributed this situation to:

- the absence of an overarching direction for public housing;
- the absence of a strategic and comprehensive approach to managing the portfolio.
- an economically unviable operating model under which costs are increasingly exceeding revenues.272

The 2012 Auditor-General concluded that the current operating approach for public housing in Victoria is not working and that as the cost and demand pressures are unlikely to abate there is a need to explore innovative options for the provision of public housing.273

The Victorian Government released two discussion papers in April 2012 as part of the current review: Pathways to a fair and sustainable social housing system; and Social Housing - a discussion paper on the options to improve
the supply of quality housing. The Government has since received more than 1,200 submissions and conducted consultation sessions with over 560 people, which will inform its development of a new social housing framework.

The Victorian Government has also recently announced key priorities for housing in Victoria, including: further developing Victoria’s not-for-profit housing association sector; continuing to partner with the community sector to deliver services which cater for needs of the most vulnerable Victorians; and ensuring that Victorians in need are housed more quickly in available public housing properties.

3.7.1 International evidence

The Committee received information on the provision of social housing from a number of organisations during the overseas study tour.

The Planning Institute of British Columbia informed the Committee that the City of Vancouver now mandates that developers of large housing projects (defined as containing over one thousand housing units) set aside 20 per cent of the units as social housing. The Committee was also informed that Vancouver has embraced the philosophy of integrating social and private housing, which is also commonly referred to as a ‘salt and pepper’ approach to the provision of social housing.

In London, the Committee received a joint briefing from the UK Department of Communities and Local Government (DCLG) and the Homes and Communities Agency (HAC) for the UK. Ms Terrie Alafat, Director, Housing Growth and Affordable Housing, DCLG, informed the Committee that the new UK Government is enabling local councils to bring empty homes back into use and to convert unused commercial stock into residential housing by reforming the planning rules and regulations that have previously created difficulties for councils wishing to facilitate such affordable housing projects.

While in London, the Committee was also briefed by representative of the Olympic Delivery Authority, the London Legacy Development Corporation, and Lend Lease on the Stratford City redevelopment project in east London, the site of the Olympic Park for the 2012 London Olympic Games, the Olympic Athletes Village and a large surrounding area of mixed use residential and commercial development.

Mr Steve Shaw, Chief Planner, Olympic Delivery Authority, informed the Committee that the Olympic Athletes Village includes a total of eleven, ten to twelve storey blocks, each of which contains three hundred units, including larger family units on the ground floors and large central courtyards in the centre of each block of towers. Mr Shaw informed the Committee that a total of 50 per cent of the units in the Athletes Village would be made available for social housing after the 2012 Olympic Games. He noted that this figure was high in comparison to the average proportion of social housing associated with new developments in London, which has historically been around 30 to 35 per cent.

Mr Shaw also informed the Committee that the social housing units in the former Olympic Village will be allocated on a ‘salt and pepper’ basis, such that there will be a mix of social and privately owned units in each block.

The conversion of the Athletes Village to residential housing will be managed by the London Legacy Development Corporation, which will also be responsible for the wider regeneration legacy from the London 2012 Games and which has the following stated purpose:
During a briefing and guided tour of the Olympic Athletes Village, Mr Alan Bates, Project Director, Lend Lease UK, and Mr Mario Balducci, Head of Affordable Housing, Lend Lease UK, demonstrated another key feature of the provision of social housing through the London Legacy Development Corporation, that of ‘tenancy blind’ architecture and design (see Figure 4.11 in Chapter 4).

‘Tenancy blind’ design is defined as the use of similar or identical design for private and social units within a residential development. The aim of tenure blind design is to promote social integration without impacting property prices. Tenure blind design principles can include the use of ‘buffering’ to create the appearance of a graduated range of different house types within a single street or block. Design quality has also been identified as critical to the success of tenure blind developments as well as engagement with the local community during the design stage.

Mr Bates and Mr Balducci provided the Committee with a tour of a residential block within the Olympic Athletes Village, which contained a mix of ground floor townhouses and residential apartments of varying sizes, and in which it was impossible tell the private rental and social units apart.

During the study tour to Adelaide in May 2011, the Committee received a briefing from the Mayor and senior representatives of Playford City. The briefing included information on the Imagine Playford project, which is one of the largest urban renewal projects in Australia and which includes the replacement and upgrade of 1,100 public housing properties. In common with the legacy and regeneration aims for the London Olympic Park and surrounding area, large-scale urban renewal in the City of Playford is providing the catalyst for the provision of higher quality public housing that is better integrated with surrounding areas.

The Committee notes that one of the objectives of the Housing Act 1983 is to integrate public and private housing (section 31(j)) and the Committee considers that a commitment to the principles of tenure blindness and of a ‘salt and pepper’ approach to the provision of public and private housing in developments and upgrades could do much to ensure the greater realisation of this goal.

The Committee is mindful that the level of rental social housing in all of the Interface Councils combined is lower than that in the Inner Melbourne Statistical Division. However, the Committee is strongly of the view that urban renewal in Melbourne’s established outer suburbs and the development of new communities in Melbourne’s interface suburbs both represent opportunities to increase the level of social and affordable housing, and to better integrate social housing with private housing, particularly through the principles of tenure blindness and the ‘salt and peppering’ of public and private housing.

Finding 3.8 The development of Melbourne’s Growth Areas has the potential to facilitate a significant increase in available social and affordable housing through the principles of ‘tenancy blindness’, and the ‘salt and peppering’ of public and private housing.
Recommendation 3.14: That the Victorian Government apply the principles of ‘tenancy blindness’ and ‘salt and pepper’ allocation of public and private housing tenures within both new residential developments and public housing upgrades, particularly those associated with large scale urban renewal projects.

Recommendation 3.15: That the Victorian Government provide incentives for developers to implement ‘tenancy blindness’ in the construction and sale of social housing within new housing estates in the outer suburbs and to provide a diversity of housing types for social housing.
Chapter 3 Endnotes:

1 Mr Robert Larocca, Communications Manager, Real Estate Institute of Victoria, Transcript of Evidence, Liveability Options, 2 May 2011, p.15.

2 The majority of submissions received by the Committee addressed the subject of housing affordability. Other areas of significant concern included transport infrastructure, accessibility of employment and services and social issues in new communities.


5 Real Estate Institute of Victoria, Property Update – Second Quarter, June 2012, p.7.


10 Dr Marcus Spiller, 2011, in Brotherhood of St Laurence, Submission No.56, Liveability Options, OSISDC, received 6 May 2011, p.7-8.

11 Australian Bureau of Statistics, 21 June 2012, Census QuickStat: Greater Melbourne, viewed 27 August 2012, <http://www.censusdata.abs.gov.au/census_services/getproduct/census/2011/quickstat/2GMEL?opendocument&navpos=95> The publication states that the proportion of ‘households where mortgage payments are 30 per cent, or greater, of household income’ was 11.0 per cent. However, it also states that this proportion was calculated ‘using all tenure types for occupied private dwellings’. Since the total number of occupied private dwellings was 1,430,665 and the number of households ‘owned with a mortgage’ was 526,099, it follows that the percentage of mortgagee households making payments above 30 per cent, was approximately 30 per cent (i.e. 11% x 1,430,665 = 157,373. 157,373 / 526,099 = 29.91%).

According to the 2011 Census, the median monthly mortgage repayment for all private dwellings in Greater Melbourne was $1,810 ($21,720 per annum), while the median weekly household income was $1,333 ($69,316 per annum). According to the 2006 Census, the median household weekly income for Greater Melbourne was $1,079 ($56,108 per annum), while the median monthly mortgage repayment was $1,300 ($15,600 per annum).


Eastern Affordable Housing Alliance, *Submission No.68, Liveability Options*, OSISDC, received 13 May 2011, p.4.


ibid., p.3.
ibid., p.1-2.
Inquiry into Liveability Options


25 ibid., p.3-4.

26 ibid., p.4.

27 ibid.


31 Australian Housing and Urban Research Institute, *Submission No.40, Liveability Options*, OSISDC, received 29 April 2011, p.5-6.

32 Mr Andrew MacLeod, Committee for Melbourne, *Transcript of Evidence, Liveability Options*, 6 June 2011, p.188.

33 Interface Councils, *Submission No.62, Liveability Options*, OSISDC, received 9 May 2011, p.9. Similar remarks were made by several witnesses and in submissions to the Inquiry including: Eastern Affordable Housing Alliance, *Submission No.68, Liveability Options*, OSISDC, received 13 May 2011, p.6., as follows “a decision to purchase or rent accommodation in the outer suburbs based solely on housing affordability can be based on a false economy, as individuals become more vulnerable to the burden of transport costs (particularly rising petrol expenses), and other personal costs such as time spent commuting”; See also Knox Maroondah Whitehorse, Regional Development Australia, *Submission No.70, Liveability Options*, OSISDC, received 13 May 2011, p.7.

34 Casey City Council, *Submission No.73, Liveability Options*, OSISDC, received 18 May 2011, p.6.

35 Lend Lease Communities, *Submission No.57, Liveability Options*, OSISDC, received 6 May 2011, p.5; See also Wyndham City Council, *Submission No.48, Liveability Options*, OSISDC, received 2 May 2011, p.9. See also: Dr Shae Garwood, Shelter Western Australia, *Transcript of Evidence, Liveability Options*, 18 May 2011, p.134; and Ms Judith Harley, UDIA, Western Australia, *Transcript of Evidence, Liveability Options*, 18 May 2011, p.147.


38 ibid.

Chapter 3: Housing Affordability


42 Real Estate Institute of Victoria, June 2012, Property Update – Second Quarter, June 2012, p.7.


45 Mr James Whitson, Stockland, Transcript of Evidence, Liveability Options, 12 May 2011, p.55.


47 ibid.


51 ibid., p.3.


Inquiry into Liveability Options


57. Mr Ashley Hall, 10 August 2012, ‘Power players warn price rises will persevere’ *ABC Radio, The World Today*, <http://www.abc.net.au/worldtoday/content/2012/s3564917.htm>


61. ibid.


68. ibid., p.12.

69. ibid.


76 ibid., p.2-4
84 Mr Stuart Burdack, Nillumbik Shire Council, Transcript of Evidence, Liveability Options, 10 June 2011, p.244.
85 Victorian Council of Social Services, Submission No.28, Liveability Options, OSISDC, received 29 April 2011, p.6.
86 Royal Automobile Club of Victoria, 2010, RACV’s car owning and operating costs guide, viewed 4 January 2012, <http://www.racv.com.au/wps/wcm/connect/Internet/Primary/my+car/advice+___+information/vehicle+operating+costs> The calculations are provided as a guide to the car operating costs of a vehicle over a five year, 75,000 km (15,000 km per year) period.


88 Victorian Council of Social Services, Submission No.28, Liveability Options, OSISDC, received 29 April 2011, p.9.

89 Ibid.

90 Ibid.

91 Master Builders Association of Victoria, Submission No.72, Liveability Options, OSISDC, received 16 May 2011, p.5.

92 Mr Andrew MacLeod, Committee for Melbourne, Transcript of Evidence, Liveability Options, 6 June 2011, p.189.


94 Community Indicators Victoria, Public Transport Patronage in the Outer Suburbs of Melbourne, Basic Community Profile, viewed 6 January 2012, <http://www.communityindicators.net.au/metadata_items/public_transport_patronage> The National Growth Areas Authority also provides statistics on travel to work mode in the growth areas of Melbourne. These vary slightly from the Community Indicators Victoria data. In 2006, there were 2,869 people who caught public transport to work (train, bus, tram or ferry) in the Shire of Melton, compared with 28,025 who drove in private vehicles (car – as driver, car – as passenger, motorbike, or truck). There were 4,095 who caught public transport to work in the City of Whittlesea, compared with 42,225 who drove in private vehicles; 4,338 who caught public transport to work in City of Wyndham, compared with 39,931 who drove in private vehicles; 5,787 who caught public transport to work in the City of Casey, compared with 77,476 who drove in private vehicles; and there were 1,070 people who caught public transport to work in Cardinia Shire, compared with 19,719 who drove in private vehicles. National Growth Areas Alliance, Profile id: Community Profile, Customised Data, viewed 22 November 2011, <http://profile.id.com.au/Default.aspx?id=350&pg=117&gid=180&type=enum>


98 Ibid., p.12.
Chapter 3: Housing Affordability

99 Outer Suburban/Interface Services and Development Committee Executive Officer and Associate Professor Jago Dodson, 26 October 2012, email correspondence, Liveability Options.


101 ibid.

102 Mr Chris Loader, Manager Transport Planning, Bus Association of Victoria, Transcript of Evidence, Liveability Options, 12 May 2011, p.65.

103 See for example: Mr Andrew Macleod, Chief Executive Officer, Committee for Melbourne, Transcript of Evidence, Liveability Options, 6 June 2011, p.191; and Dr Michael Kennedy, Chief Executive Officer, Mornington Peninsula Council, Transcript of Evidence, Liveability Options, 8 September 2011, p.382.


105 See: Housing Resources and Support Service, Submission No.18, Liveability Options, OSISDC, received 28 April 2011; Victorian Council of Social Services, Submission No.28, Liveability Options, OSISDC, received 29 April 2011; Banksia Gardens Community Centre, Submission No.30, Liveability Options, OSISDC, received 29 April 2011; Tenants Union of Victoria, Submission No.54, Liveability Options, OSISDC, received 6 May 2011; Brotherhood of St Laurence, Submission No.56, Liveability Options; OSISDC, received 6 May 2011; and the federal Department of Families, Housing, Community Services & Indigenous Affairs, Submission No.64, Liveability Options, OSISDC, received 10 May 2011.


107 Ms Stella Avramopoulos, Chief Executive Officer, Kildonan Community Agency, Transcript of Evidence, Liveability Options, 12 May 2011, p.47.

108 Ibid.

109 Ibid., p.46

110 Ibid., p.51.

111 Ibid., p.51.

112 Dr Shae Garwood, Research Officer, Shelter WA, Transcript of Evidence, Liveability Options, OSISDC, p.135.


117 Casey City Council, Submission No. 73, Liveability Options, OSISDC, received 18 May 2011, p.19.

118 Ibid.


Knox, Maroondah, Whitehorse, Regional Development Australia, Submission No.70, Liveability Options, OSISDC, received 13 May 2011, p.7.

Tenant’s Union of Victoria, Submission No.54, Liveability Options, OSISDC, received 6 May 2011, p.7-8. The Tenant’s Union also recommended that the Victorian Government should monitor rents, rent increases and associated charges in non-mainstream forms of accommodation (such as caravan parks, rooming houses etc) to capture accurate data about rent levels in these sub-markets.


Ms Judith Harley, UDIA, Western Australia, Transcript of Evidence, Liveability Options, OSISDC, 18 May 2011, p.148.

Housing Industry Association, Submission No.74, Liveability Options, OSISDC, received 18 May 2011, p.9.

Dr Marcus Spiller, 2011, in Brotherhood of St Laurence, Submission No.56, Liveability Options, OSISDC, received 6 May 2011, p.7-8.

Brotherhood of St Laurence, Submission No.56, Liveability Options, OSISDC, received 6 May 2011, p.7-8.


Ms Judith Harley, UDIA, Western Australia, Transcript of Evidence, Liveability Options, 18 May 2011, p.148.

Housing Industry Association, Submission No.74, Liveability Options, OSISDC, received 18 May 2011, p.9.


Ms Marion Fulker, Committee for Perth, Transcript of Evidence, Liveability Options, received 18 May 2011, p.74.

Mr Stuart Worn, Executive Director, Planning Institute of Australia, Transcript of Evidence, Liveability Options, 6 June 2011, p219.

Dr Ernest Healy, Transcript of Evidence, Liveability Options, OSISDC, 21 November 2011, p.567

Ms Marion Fulker, Committee for Perth, Transcript of Evidence, Liveability Options, received 18 May 2011, p.74.

Mr Stuart Worn, Executive Director, Planning Institute of Australia, Transcript of Evidence, Liveability Options, 6 June 2011, p219.
Chapter 3: Housing Affordability

142 Mr Andrew Macleod, Chief Executive Officer, Committee for Melbourne, Transcript of Evidence, Liveability Options, 6 June 2011, p.189.

143 Mr Andrew Whitson, General Manager, Stockland Victoria, Transcript of Evidence, Liveability Options, 12 May 2011, p.56.

144 Lend Lease Communities, Submission No.57, Liveability Options, OSISDC, received 6 May 2011, p.55.

145 Mr Steve Dunn, President, Planning Institute of Australia, Transcript of Evidence, Liveability Options, 6 June 2011, p.220.


150 ibid., p.2.

151 For evidence from these witnesses. See: Mr Eric Lumsden, West Australia Planning Department, Transcript of Evidence, Liveability Options, OSISDC, 18 May 2011, p.127; Mr Bryce Moore, Property Council of Australia, Transcript of Evidence, Liveability Options, OSISDC, p.228; and Ms Fiona Nield, NIA, Transcript of Evidence, Liveability Options, OSISDC, p.290.


153 ibid.


catchments are very similar covering the greater metropolitan area and satellite urban centres; however it should be noted that the new geography does encompass a larger area and therefore the figures from 2006 and 2011 Census data are not strictly comparable. The Statistical Division of Melbourne already included the Mornington Peninsula, Cardinia Shire and Yarra Ranges as far as Warburton. From 2011, parts of Moorabool (Bacchus Marsh), Macedon Ranges (Gisborne, Macedon, Lancefield, Riddells Creek), Mitchell (Wallan, Wandong) and Murrindindi (Kinglake) Shires will be included in Melbourne GCCSA, as well as a bit more of Yarra Ranges (Warburton East). See ID Consulting, 2011, *New ABS Geography part 5: Greater Capital Cities, are they greater?*, viewed 7 August 2012, <http://blog.id.com.au/2011/how-to/new-abs-geography-part-5-greater-capital-cities-are-they-greater/>.


160 ibid., p.5.


162 Mr Bob Ransford, Member Urban Development Institute of British Columbia and Urban Planner and Mr Adrien Byrne, Communications Manager, Urban Development Institute of British Columbia, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, p.138.


164 Housing Industry Association, *Submission No.74, Liveability Options*, OSISDC, received 18 May 2011, p.2.

165 ibid., p.4.


168 Mr Peter Levinge, Chief Executive Officer, Dennis Family Corporation, *Transcript of Evidence, Liveability Options*, 24 August 2011, p.318.

169 ibid., p.317.

170 Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, *Transcript of Evidence, Liveability Options*, 24 February 2012, p.588.


174 Housing Industry Association, *Submission No.74, Liveability Options*, OSISDC, received 18 May 2011, p.4.


176 Mr Peter Seamer, Growth Areas Authority, *Transcript of Evidence, Liveability Options*, 24 February 2012, p.577.

177 Mr Peter Levinge, Chief Executive Officer, Dennis Family Corporation, *Transcript of Evidence, Liveability Options*, 7 September 2011, p.319.
Chapter 3: Housing Affordability

178 Mr Mike Tyler, Chief Executive Officer, Casey City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.344.


184 Mr Peter Levinge, Chief Executive Officer, Dennis Family Corporation, Transcript of Evidence, Liveability Options, 7 September 2011, p.318.


188 Mr Bob Ransford, UDIA Member and Urban Planner, Urban Development Institute of British Columbia, Vancouver, 8 May 2012, Notes of Overseas Study Tour, Liveability Options, p.143.


190 Knox, Maroondah, Whitehorse, Submission No.70, Liveability Options, OSISDC, received 13 May 2011, p.7.

191 City of Casey, Submission No.73, Liveability Options, OSISDC, received 18 May 2011, p.6.

192 Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2011, p.9.

193 Dr Marcus Spiller, p.87 in Brotherhood of St Laurence, Submission No.56, Liveability Options, OSISDC, received 6 May 2011, p.8.

194 Dr Earnest Healy, Transcript of Evidence, Liveability Options, OSISDC, 21 November 2011, p.567.
195 Peter Seamer, Chief Executive Officer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.578.
197 Lend Lease Communities, Submission No.57, Liveability Options, OSISDC, received 6 May 2011, p.4.
198 ibid., p.3.
200 ibid.
204 Dr Oliver Hartwich, Research Fellow at the Centre for Independent Studies, Transcript of Evidence, Liveability Options, 24 February 2012, p.618.
205 ibid.
206 Mr Bob Ransford, Member Urban Development Institute of British Columbia and Urban Planner, Notes of Overseas Study Tour, Liveability Options, OSISDC, p.139.
210 City of Surrey, Canada, Executive Officer Notes, Liveability Options, OSISDC.
212 Mr Eric Lumsden, Western Australian Planning Department, Transcript of Evidence, Liveability Options, 18 May 2011, p.128.
Mr Eric Lumsden, Western Australian Planning Department, *Transcript of Evidence, Liveability Options*, 18 May 2011, p.129.


City of Oshawa, Toronto *Overseas Transcript, Liveability Options*, 10 May 2012, p.422.


ibid.


ibid., p.4.

ibid., p.6.


ibid., p.24.


ibid., p.32.


publications/budget-and-additional-estimates-statements/2008-09-
budget/factsheets/HousingAffordabilityFundFS14>

ibid., p.53.

Council of Australian Governments, Reform Council, Affordable Housing 2010-11: Comparing performance across

ibid.

State Revenue Office Victoria, August 2001, First Home Owner Grant and Commonwealth Additional Grant,
FHOG-001.pdf> Commonwealth Grants Commission, 2011, First Home Owners Scheme – Assessment Results,
_first_homeOwners_scheme/fixer_uppers_in_new_normal_dot_heading_2>

State Revenue Office Victoria, Overview, viewed 4 October 2012,
A718CA2575A1004420F5>; Also, Australian Bureau of Statistics, 28 January 2010, Housing Finance: subsidies for first
ument>

Minister for Planning, The Hon. Matthew Guy, MLC., 16 March 2011, Media Release, New unit aims to improve
housing-affordability.html>

ibid.

ibid.

Premier of Victoria, The Honourable Ted Baillieu, MLA, 14 December 2011, Media Release: The NSW and
Victorian governments agree to work together to drive reform, viewed 17 October 2012,
work-together-to-drive-reform.html>

Premier of Victoria, The Hon. Ted Baillieu MLA, 14 December 2011, NSW and Victorian Governments agree to work
governments-agree-to-work-together-to-drive-reform.html>

State Revenue Office Victoria, 1 July 2011, Reduction of Duty for Eligible First Home Buyers,
<http://www.sro.vic.gov.au/sro/SORnav.nsf/LinkView/C88211C9E07486F0CA2578B70001205018E490D79685-
0F8ECA2575C1008187C7>

Premier of Victoria, The Hon. Ted Baillieu MLA, 3 July 2012, Media Release: Victoria claims major share of building

Real Estate Institute of Victoria, State Budget REIV Submission,
sion%202012_2013%20FINAL_web.ashx> p.3.

ibid., p.4.


256 Mr Dave Crossley, Executive Director, Planning Institute of British Columbia, *Notes of Overseas Study Tour, Liveability Options*, p.71.

257 Mr Bob Ransford, UDIA Member and Urban Planner, Urban Development Institute of British Columbia, 8 May 2012, *Notes of Overseas Study Tour, Liveability Options*, p.132.

258 ibid.

259 ibid., p.133.

260 ibid., p.129.

261 ibid., p.133.

262 ibid., p.130.

263 Ms Mary Rondeau, Senior Planner, Area Planning and Development, City of Surrey, Vancouver, 7 May 2012, *Notes of Overseas Study Tour, Liveability Options*, p.95.

264 Mr Bob Ransford, UDIA Member and Urban Planner, Urban Development Institute of British Columbia, 8 May 2012, *Notes of Overseas Study Tour, Liveability Options*, p.131.

265 Ms Mary Rondeau, Senior Planner, Area Planning and Development, City of Surrey, Vancouver, 7 May 2012, *Notes of Overseas Study Tour, Liveability Options*, p.88.

266 Mr Craig Crawford, Vice President, BC Housing, Vancouver, 8 May 2012, *Notes of Overseas Study Tour, Liveability Options*, p.152.
Inquiry into Liveability Options

267 Ms Sandy Blue, Manager, Strategic Economic Development Initiatives, District of Maple Ridge, Vancouver, 8 May 2012, Notes of Overseas Study Tour, Liveability Options, p.185.
268 Mr Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary, 9 May 2012, Notes of Overseas Study Tour, Liveability Options, p.259.
270 ibid., p.4.
271 ibid., p.vii.
272 ibid., p.2.
273 ibid., p.viii.
276 Outer Suburban/Interface Services and Development Committee, Executive Officer Notes from Overseas Study Tour, Liveability Options, Mr Dave Crossley, Executive Director, Planning Institute of British Columbia, Vancouver, 7 May 2012, p.72.
277 Outer Suburban/Interface Services and Development Committee (OSISDC), Executive Officer Notes from Overseas Study Tour, Ms Terrie Alafat, Director, Housing Growth and Affordable Housing, Department for Communities and Local Government, London, 18 May 2012, p.919.
278 Outer Suburban/Interface Services and Development Committee (OSISDC), Executive Officer Notes from Overseas Study Tour, Liveability Options, Mr Steve Shaw, Chief Planner - Town Planning Promoter Team, Olympic Delivery Authority, London, 17 May 2012, p.858-859.
279 ibid., p.860.
282 Outer Suburban/Interface Services and Development Committee (OSISDC), Executive Officer Notes from Overseas Study Tour, Liveability Options, Mr Alan Bates, Project Director, Lend Lease UK, and Mr Mario Balducci, Head of Affordable Housing, Lend Lease UK, London, 17 May 2012, p.884.
283 City of Playford, 19 May 2011, Playford Alive Urban Renewal Project, Presentation to the Outer Suburban/Interface Services and Development Committee, slide 9.
284 The Inner Melbourne statistical division has the highest proportion of dwellings rented from the government housing authority of the statistical divisions, including those that include a number of Interface Councils. ‘Outer Suburbs Melbourne’ is not a statistical division and is calculated as the total number of dwellings and the total number of dwellings rented by the government housing authority in the ten Interface Councils listed in the Table. For more data on statistical divisions see Public Health Information Development Unit, 2011, Social Health Atlas of Victorian Local Government Areas, 2011, <http://www.publichealth.gov.au/data_online/aust_lga_online_2011/Vic_lga_data_2011.xls#Housing_Transport!A87>
CHAPTER 4: PLANNING FOR LIVEABILITY IN OUTER SUBURBAN MELBOURNE

Part A: Introduction and background

4.1 Introduction

Professor Richard Weller writes in his book, *Boomtown 2050: Scenarios for a rapidly growing city*, of the ability of cities to adapt and change to a range of situations and stimuli over time:

> History has shown that cities are very adaptable. … Cities have demonstrated a tremendous responsiveness to social, economic and environmental imperatives. For all its contemporary ills, the city still engages the senses, motivates the individual and generates new lives and lifestyles at an ever-increasing rate. Cities are living monuments to a long history.

> …the future no longer just happens - it must be designed.¹

The Committee received a significant volume of evidence during the course of this Inquiry on the impact on liveability of recent state planning policies on Melbourne’s outer suburbs. Planning policies either underpin, or are central to all six Terms of Reference for this Inquiry.

Evidence was provided by a range of stakeholders, including local councils, industry groups, and community groups, regarding the many impacts of a diverse range of planning issues in metropolitan Melbourne. Key issues identified by stakeholders included: the importance of adequate planning for communities in new Growth Areas; the need for a balance between urban consolidation and the protection of heritage values in established areas; encroachment on agricultural land; and the challenges involved in the provision of public transport and road infrastructure to Melbourne’s new outer suburbs.

Many, if not all, of these planning issues have a long history and have been the subject of various state planning policies in the past 60 years. Given this history, the Committee came to the conclusion that Victoria stands on the verge of a new era of planning change and innovation. The coming years will be an exciting time for planning, not just in Victoria but also nationally and internationally, with a range of innovative planning approaches being increasingly embraced by governments and communities.

This innovation in planning became evident during the Committee’s international study tour, particularly in Vancouver and Zurich, where the Committee met with planning professionals, government agencies and academics in those cities. The Committee learned a great deal from these cities, which it came to regard as exemplars of the successful balance between preservation and reform that is the cornerstone of best practice in urban planning. This chapter discusses a number of the urban planning policies that have in recent years established Vancouver and Zurich as two of Melbourne’s greatest rivals for the mantle of the world’s most liveable city.

The Committee was particularly impressed by Vancouver’s response to many of the common and interrelated problems faced by Melbourne, including: rapid population growth;² a decline in housing affordability;³ the encouragement of increased residential densities;⁴ and strategies for the protection of
land for agricultural and conservation purposes.\textsuperscript{5} Many important lessons were also learnt in Calgary, Toronto and London.

There is a widespread perception among many commentators and analysts that some of the outer suburbs of Melbourne, and of Australia’s other state capital cities, have historically missed out on some aspects of good planning. International liveability surveys, such as the annual survey by the Intelligence Unit of \textit{The Economist} discussed in Chapter One, have typically also focused on the liveability of inner suburbs as opposed to outer suburban areas. Others have suggested that the inner suburbs are the natural province for planning excellence and innovation.

During its local investigations, the Committee was encouraged to find that there is in fact a growing appetite for new planning approaches in Melbourne’s outer suburbs. Indeed, during the Committee’s meetings with representatives of all ten of Melbourne’s interface Local Government Areas (LGAs) and its site visits in each of those LGAs, the Committee was encouraged to see many signs that councils, developers and other stakeholders are embracing elements of international best practice in urban planning. These include greater residential densities, the inclusion of transport and wildlife corridors at the master planning stage, planning for walkability, the provision of attractive and green public open spaces and energy efficient house design. However, there is much still to be done in established outer suburbs.

The liveability of Melbourne’s outer suburbs, and of Melbourne itself, is also dependent on planning policies and actions that apply across the metropolitan area. For example, the accommodation of higher residential densities in inner and middle suburbs can play a significant role in moderating the pace of population growth in Melbourne’s outer suburbs. Similarly, planning for Melbourne’s peri-urban areas and Victoria’s regional centres can also have important implications for the liveability of Melbourne’s outer suburbs. In short, effective planning for the liveability of Melbourne’s outer suburbs does not occur in a geographic vacuum but must respond to, as well as anticipate, regional, interstate and even international changes and opportunities.

The planning system provides the primary set of policy levers by which state governments can act to address the key components of the liveability equation. It is through the planning system that governments can implement policies aimed at promoting the timely delivery of infrastructure and harnessing the benefits of population growth and demographic change in Melbourne’s new and established outer suburbs. The planning system is also crucial in addressing housing affordability (Chapter Three) and boosting locally based employment (Chapter Five).

During the course of the Committee’s extensive local, interstate and international investigations, Members of the Committee came to the view that if Melbourne is to remain one of the world’s most liveable cities, it must address the current challenges to the liveability of metropolitan Melbourne, and of the outer suburbs in particular, through planning policies that are sufficiently flexible to respond to social, economic and technological transformation. At the same time, those planning policies must be capable of preserving those features of Melbourne’s urban fabric that have consistently seen it ranked as one of the world’s most liveable cities.
Chapter 4: Planning for Liveability

4.2 An overview of the Victorian planning system

A discussion of recent state planning policies requires some understanding of the state planning system, which is briefly outlined here for the purposes of context. The Victorian planning system is highly complex and the Committee provides only a very high-level overview of some of its features in this section.

Under the Terms of Reference for this Inquiry, the Committee was asked to consider the influence of recent state planning policies, and their relationship to private housing in particular. Accordingly, this chapter is concerned with the role and impact of state planning policies and does not attempt to provide a comprehensive discussion of the structure and operation of the planning system through which those policies are implemented.

4.2.1 Legislative framework

The legislative framework for planning in Victoria today is established under a wide range of Victorian Acts and Regulations. The following list includes the most important legislation and regulations and is non-exhaustive:

- Planning and Environment Act 1987 (P&EA);
- Planning and Environment Amendment (Growth Areas Infrastructure Contribution) Act 2011;
- Planning and Environment Amendment (VicSmart Planning Assessment) Act 2012;
- Flora and Fauna Guarantee Act 1988;
- Environment Protection Act 1970 (EPA);
- Environment Effects Act 1978 (EEA);
- Subdivision Act 1988;
- Local Government Act 1989;
- Victorian Civil and Administrative Tribunal Act 1998 (VCAT Act);
- Planning and Environment Amendment (Schools) Act 2012
- Planning and Environment Regulations 2005; and
- Planning and Environment (Fees) Regulations 2000.6

In some cases, planning in Victoria is also affected by natural and cultural heritage legislation, most commonly the Victorian Heritage Act 1995 and Commonwealth legislation, typically the Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act).7
4.2.2 Planning schemes

Land use in Victorian LGAs is governed by its own individual Planning Scheme. Planning schemes include state-wide strategic planning directions, state and local policy frameworks, land use controls (zones and particular provisions) and specific local policies that regulate land use. Planning Schemes are influenced by State and Local government visions for land use, the P&EA, and state government policies such as the Victorian Transport Plan; Integrated Housing Strategy; and the Victorian Coastal Strategy.\(^8\)

4.2.3 The Victoria Planning Provisions

The P&EA empowers the Minister to prepare a set of standard provisions for planning schemes, the Victoria Planning Provisions (VPPs), which provides a template for all planning schemes.\(^9\) The Minister for Planning also issues periodic directions to planning authorities regarding the form and content of planning schemes.\(^10\)

The VPPs are a state-wide reference document, which is used as a template for the creation of planning schemes.\(^11\) It is also a central reference point for state planning policy and contains references to a number of ‘incorporated documents’, which are common to all planning schemes.\(^12\) The VPPs consist of a State Planning Policy Framework and a Local Planning Policy Framework, as well as zone, overlay and particular provisions.\(^13\)

The State Planning Policy Framework

The State Planning Policy Framework (SPPF) deals with ‘strategic issues of State importance’ and lists policies under the nine headings of: settlement, environmental and landscape values, environmental risks, natural resource management, built environment and heritage, housing, economic development, transport and infrastructure. Every planning scheme in Victoria contains the SPPF, which is identical in all schemes.\(^14\)

The SPPF also refers to a number of ‘reference documents’, which do not form part of the SPPF but are intended to be read in context with it. Reference documents do not have the same status as incorporated documents.\(^15\)

The Local Planning Policy Framework

The Local Planning Policy Framework (LPPF) contains a municipal strategic statement and local planning policies. The LPPF provides the basis for the zone and overlay requirements and particular provisions in the scheme.\(^16\) It also sets out the specific circumstances and constraints that affect land use planning in a specific LGA and a framework for making local planning decisions.\(^17\)

4.2.4 Planning policies, housing and Clause 16 of the SPPF

As part of the VPPs, Clause 16 of the SPPF sets out overarching policy guidelines for residential development. The objectives and strategies in this section of the VPPs include:

- the location of residential developments in or close to activity centres, employment corridors and other strategic redevelopment sites with good access to services and transport (Clause 16.01-2). This aims to encourage higher density housing in established areas and reduce pressure for developments on the urban fringe;
Chapter 4: Planning for Liveability

- the identification of strategic redevelopment sites for large residential developments in metropolitan Melbourne (Clause 16.01-3). Ideally, these sites should be located in or around the Melbourne Central Business District (CBD), Principal or Major Activity Centres, Neighbourhood Activity Centres served by public transport, on public transport corridors or employment corridors and major transport interchanges; and

- the delivery of more affordable housing located closer to jobs, transport and services (Clause 16.01-5). This aims to improve housing affordability by increasing the diversity of housing type, tenure and cost to meet the demands of households in different life stages, support diverse communities and to encourage a significant proportion of new development in new and existing areas to be affordable for low- and middle income households.

Clause 16 of the SPFF illustrates that planning for residential development involves a delicate balance between ensuring the supply of adequate land for new development, and ensuring strategic development around established infrastructure, transport, employment, and activity centres. It also requires Governments and planning authorities to set parameters for the market to provide a mixture of housing options at a range of densities in both new urban fringe developments and established areas.

**Finding 4.1:** Effectively balancing the objectives and strategies in Clause 16 of the State Planning Policy Framework is critical to improving housing affordability in Melbourne’s outer suburbs, and Metropolitan Melbourne in general.

**Recommendation 4.1:** That the Victorian Government continues to ensure an adequate supply of land, with the support of precinct planning, for residential development in the Interface Councils, while also encouraging urban densification in the form of mixed housing located close to existing jobs, transport and services.

### 4.2.5 Growth area planning in Melbourne

In his landmark book *Ideas for Australian Cities*, Hugh Stretton sketched a framework for planning and managing Melbourne’s growth that has remained largely intact since the Metropolitan and Melbourne Board of Works published *The Future Growth of Melbourne* report in 1967. Stretton claimed this report sketched out:

… a plan with a bit of everything. Eastern expansion – but some to the north and west too. Development corridors – but also some ‘filling in’ and ‘filling out’ and one or two satellites. … Most expansion should be out in the countryside at low density – but there could be medium and high density re-development of most of the metropolis built before 1929…
Planning for metropolitan growth in Melbourne has, since the mid-1960s sought to balance growth on the urban fringe with infill development in established suburbs. While the succession of metropolitan plans over the intervening half-century have changed the directions of growth and the ratios of ‘greenfield’ to ‘brownfield’ urban development, Melbourne’s urban planning has always needed an urban frontier for outward growth. In the last decade, Victorian Governments have attempted to plan growth in greenfield areas on Melbourne’s fringe in an orderly manner and in advance of urban development. As discussed below, Precinct Structure Plans (PSPs), have become increasingly central to such planning.

**Growth Corridor Plans**

In June 2012, the Victorian Minister for Planning, the Honourable Matthew Guy MLC, made a series of announcements regarding future planning for Melbourne’s Growth Areas. The Minister approved and released the Growth Corridor Plans (GCPs). The GCPs aim to set a strategic framework to guide future development within the growth corridors. They broadly identify land use locations in the Growth Areas, including residential areas, industrial and employment areas, as well as the location of quality environmental land and open space to be preserved. GCPs also identify the likely transport infrastructure required for planned suburban regions and identify the location of major and principal town centres. GCPs are intended to inform the precinct structure planning process.

Mr Banks, Chair of the Growth Areas Authority (GAA), informed the Committee that GCPs provide developers with a context in which to make development decisions. He also stated that GCPs reduce ad hoc development by giving developers a wider infrastructure and community context. Mr Banks stated:

> When I was first asked to be involved in this activity back in 2005 what interested me in it was that we provide a context in which the development industry, which develops most of Australia, can work constructively, whereas in all my career I have worked in a vacuum. We have just had a paddock with fences around it — there was no context. There was no infrastructure context and no idea what was going to happen. Here we are providing a context in which Melbourne can grow.

The GCPs were developed to cover the four metropolitan growth corridors, for Melbourne, namely:

- Northern (Hume/Mitchell);
- South-East (Casey/Cardinia);
- Western (Wyndham/Melton) and;
- Sunbury/Diggers Rest.

GCPs were developed over an 18-month period, including a period of public consultation. Draft corridor plans were released prior to the gazetting of the approved plans. The plans and associated maps are available on the GAA’s website.

**Precinct Structure Plans in Growth Areas**

A Precinct Structure Plan (PSP) is a document which is required to address seven elements relating to the establishment of an area designated for urban development in a GCP. Before the development process begins, detailed PSPs are developed for specific areas, in general accordance with the broad land use
framework in the GCP. PSPs are developed by the GAA in partnership with the relevant local Council. The PSP process is consultative and enables stakeholders to express their views on planning in the PSP region.

PSPs are detailed plans which identify: transport routes; detailed alignment of arterial roads; town centre locations; open space networks; estimated housing yields; proposed higher density housing areas; and mixed use areas for industry and employment. As part of the PSP process, a Precinct Infrastructure Plan (PIP), outlining the necessary State and Council infrastructure required in the region is produced. In most cases, a Development Contributions Plan (DCP) and Native Vegetation Precinct Plan (NVPP) also accompany a PSP.26

In 2012, the Minister for Planning approved six PSPs to create new communities in outer suburban Melbourne at Diggers Rest; Lockerbie; Lockerbie North; Manor Lakes; Merrifield West; and Rockbank North. These new suburbs include approximately 35,000 residential housing lots with the capacity to accommodate up to 100,000 people over the next thirty to forty years.28

According to the Urban Development Institute of Australia (UDIA), over 138,000 lots, or 90 per cent of Melbourne’s residential land supply, are located within Growth Areas. Approximately 76,000 lots, or 55 per cent of this land consists of development ready lots in Growth Areas with PSPs. UDIA argues this land supply is insufficient to meet the Victorian Government’s own benchmarks for a minimum 15-year forward supply of residential land, with a 10-year supply of residential lots available for development.29

4.3 Current State planning policies

4.3.1 Melbourne’s new Metropolitan Planning Strategy

In 2012 the Victorian Government announced that it would develop a Metropolitan Planning Strategy (the Plan) for Melbourne. The GCPs will form the basis of the planning strategy for Growth Areas within the Plan.30

The objective of the Plan is to help guide Melbourne’s growth over the next thirty to forty years and meet the future needs of Melbourne’s population. The Plan will address housing choice; transport accessibility; economic growth; environmental protection; and infrastructure and services. It is intended that the document will guide decisions about urban development, infrastructure and investment. It will ensure communities, businesses and councils can make informed decisions and provide tools and systems for informed planning decisions.32

The Plan began with a community consultation stage, which at the time of writing is ongoing and includes ministerial roundtables, online forums, community consultations and discussion with local councils.

The development of the Plan entered its second stage with the release of a Discussion Paper in October 2012, entitled Melbourne: let’s talk about the future.

Subsequent to further community consultation, the Victorian Government will release a draft strategy and final strategy before proceeding to implementation.33
In its October 2012 Discussion Paper, *Melbourne; let’s talk about the future*, the Victorian Government identified a number of opportunities and challenges, many of which directly address the issues affecting liveability in Melbourne’s outer suburbs. The projected expansion of Melbourne’s population to a level of between 5.6 million and 6.4 million by 2050 is identified in the Discussion Paper as a key driver of future demand in the areas of employment, housing, transport and other services.34

The Discussion Paper identifies nine principles for the future planning and management of Melbourne’s urban growth at a metropolitan level. Principles six to nine include a number of supporting ideas, the most important of which with respect to the Terms of Reference of this Inquiry include:

- reinforcing the role of ‘suburban job clusters’ (Idea 2);
- unlocking the capacity of established suburbs (including established outer suburbs) to play a greater role in accommodating Melbourne’s housing and economic needs (Idea 3);
- providing a sustainable transport system that moves beyond specific projects (Idea 4);
- strengthening the ‘green wedge’ planning approach through the introduction of a ‘green belt’ so that it is ‘obvious where Melbourne stops and rural areas begin’ (Idea 5);
- applying successful elements of urban design in inner Melbourne (such as Melbourne’s boulevards) to the suburbs (Idea 7); and
- developing a ‘polycentric’ urban form for Melbourne in which most residents are 20 minutes from most of their needs (Ideas 8, 9 and 10).35

The Discussion Paper states that ‘business as usual’ planning for metropolitan growth is no longer an option as population growth, demographic change, declining housing affordability, unmet infrastructure needs and the city’s changing economic geography all have an impact on Melbourne’s long-term liveability.36 The Discussion Paper notes that an additional 555,000 new dwellings will need to be built over the next 20 years to accommodate forecast population growth and demographic change and finds that the relationship between housing types and tenure, as well as the location and proximity of housing to jobs and services, will be critical factors in meeting Melbourne’s future growth needs.37

The Discussion Paper also notes that although the outer suburbs and urban fringe are seen as the location for affordable housing, increasing costs of transport and essential services makes life in the outer suburbs (based on a broader concept of ‘affordable living’) less affordable over time.38 The need to locate more of Melbourne’s population in existing urban areas and closer to jobs and services, while retaining a limited urban fringe for expansion, is identified as an important aim of a long-term metropolitan strategy.39

Containing the outward spread of Melbourne is also viewed as an important issue in managing Melbourne’s future growth. Unchecked, the further growth of Melbourne will encroach on rural land that is important for a range of reasons, either as:
• highly productive agricultural land;
• sites of high-quality supplies of construction material (such as stone and sand); and
• areas of natural beauty and amenity.40

The Discussion Paper also discusses the need to alter the focus of metropolitan strategies away from previous retail-based ‘activity centres’ towards jobs-based centres and their clustering in Melbourne by regions and functions. Some key employment centres identified in the paper that are well positioned to provide employment opportunities for the outer suburbs include:

• Melbourne Airport as a national and international gateway;
• the Monash-Clayton corridor as a nationally significant innovation and research cluster; and
• new industrial employment areas in Melbourne’s west (Derrimut, Truganina), north (Somerton, Mickleham) and south-east (Officer South) and related logistic and transport hubs.41

Such a pattern of urban growth could change Melbourne from a ‘strong-centred’ city (based around the primacy of the CBD as the location for high level jobs and services) to a ‘polycentric’ city with a number of clusters of jobs and services. The polycentric model would still retain a vibrant and expanded Melbourne CBD as the anchor of the city’s ‘global’ economy, but also develop new and existing nationally important innovation and research clusters and unlock the capacity for greater job densities in middle and outer suburbs. This would be overlaid with investment in a transport network to support a polycentric city model.42

Achieving a polycentric model of urban development for Melbourne would enable many of the benefits of a ‘20 minute city’ enjoyed by people in inner-Melbourne to be shared with residents of middle and outer suburbs. The paper identifies a need to develop higher densities of jobs and services in middle and outer suburbs, with some increase of jobs and services in Growth Areas. Both broad scale metropolitan planning is needed to place major investment (universities, hospitals, transport corridors) in Growth Areas such as Melbourne’s west, alongside changes to local planning policies to encourage greater development of retail and other services at neighbourhood level to ‘fill the gaps’ in existing networks.43

Also relevant are questions raised regarding the challenges of providing infrastructure to new settlements in Growth Areas, how this infrastructure is funded and the role infrastructure provision can play in either limiting or accelerating development in new and existing suburbs. Existing funding models (such as developer contributions and the GAIC) are discussed alongside new methods of infrastructure funding.44 Further discussion of infrastructure provision and the funding of Growth Areas is provided later in this chapter.
4.3.2 Other Planning reviews/reform

Review of the Victorian planning system

The planning system in Victoria is currently under review and a number of investigations into the effectiveness of planning in Victoria have taken place or are planned for the immediate future. The most significant of these are outlined below.

In June 2011 the Minister for Planning, the Honourable Matthew Guy MLC, established an Advisory Committee, under section 151 of the P&EA, to review the planning system in Victoria. The Committee conducted a public submission process and received over 500 submissions from a wide range of planning stakeholders.

Under the Terms of Reference, the Committee is required to provide advice on ways of improving the planning system, including: the legislative base; the structure of planning schemes, including the structure of state and local policy provisions; as well as regulations under the P&EA.

The Advisory Committee’s Initial Report and the Government’s Response was released on 11 May 2012 and a number of its key recommendations have either been implemented by the government, or are underway, including:

- the development of a Metropolitan Melbourne Planning Strategy and Regional Growth Plans;
- action to reduce the backlog of cases and waiting time at the Victorian Civil and Administrative Tribunal (VCAT);
- a review of the adequacy of the current schedule of application fees; and
- development of a new code assessment process for simple and low impact permit applications.

The new assessment process for simple and low impact permit applications (VicSmart) is discussed in detail below.

Other recommendations that the Government has indicated it will act upon include:

- a review of the permit and amendment process aimed at improving its efficiency;
- a review of aspects of the operation of planning schemes, such as the operation of local policy and planning overlays;
- a review of zoning; and
- improvements to the development contributions system.


**VicSmart permit process**

VicSmart is a new process, designed to reduce the time and cost of preparing planning permits for some development proposals in Victoria. VicSmart introduces a streamlined permit process for ‘straightforward’ and ‘low impact’ planning applications. This modifies the current system by which every planning application undergoes the same permit process regardless of whether it is simple or complex. Standardised application criteria will be included in all planning schemes so council and local communities can identify which types of planning applications might be processed more quickly.

The type of applications being considered for VicSmart make up approximately ten per cent of all permit applications. Some selective examples of the types of development to which VicSmart will apply includes:

- realigning a common boundary between two lots;
- subdividing land into two lots or buildings into two titles;
- erecting a pergola;
- managing vegetation;
- building or extending a fence within three metres of the street; building a 1.8 metre high fence;
- removing trees from a property located in an urban area; and
- subdividing land to align with the layout of a planning permit for two dwellings.

Processing periods for applications of this kind could be reduced from the current period of between forty-one and seventy-seven days, to as little as ten days. The VicSmart process does not apply to applications for high rise or high density development. VicSmart is expected to be in place by late 2012 after the necessary amendments have been applied to the P&EA and Victorian planning schemes.

**VC75 Small Lot Code**

One of the current government’s first actions in relation to the planning system was the approval of VC75 to amend the VPPs and SPPF. The gazetting of VC75 took place on 16 December 2010 and amends Clause 16 (Housing) of all Victorian planning schemes, to locate new housing developments in or close to activity centres and employment corridors and at other strategic redevelopment sites offering good access to services and transport.

**Residential zone reform package**

The Department of Planning and Community Development (DPCD) has completed a recent review of past planning policies, which found that all past attempts to enable the construction of medium and high density housing in the suburbs on a one-size-fits-all approach have been met with public objections. This is in part due to Victoria’s zoning framework.
Inquiry into Liveability Options

Stakeholders of both the Planning Review and the current Inquiry suggested that there are unnecessary limitations on permit required uses; there should be more ‘as of right’ uses for low impact uses; and there should be clear guidance about the development expectation for residential areas.57

Nillumbik Shire Council gave evidence that:

… current planning controls provide both a lack of ability to recognise the neighbourhood character of a residential area within Nillumbik and a one size fits all approach to zones that apply built form for outcomes for all Victorians. For instance, a three storey height limit imposed under the residential 3 zone is not particularly useful in Nillumbik where three storey developments are very rare and are usually not in keeping with neighbourhood character.58

The Committee notes that new multi-storey residential developments need to achieve economies of scale before developers can afford to include a lift in a development. While lifts are required for newly constructed residential developments of four storeys and above,59 there is a strong incentive for developers to offset the additional cost associated with providing a lift by building significantly higher.60 It is also important to note that multi-storey residential developments that do not include a lift do not enable residents to ‘age-in-place’. See also Recommendations 4.10 and 4.18.

The new residential zone reforms may go some way to addressing this problem. The General Residential Zone proposes to allow local neighbourhood character objectives, application requirements and decision guidelines to be specified; allow a local maximum building height to be specified that cannot be exceeded; and allow key residential siting and design requirements to be varied for different neighbourhoods.61

There are currently thirty-two standard zones in Victoria, including the following:

- Residential Zone 1- 3;
- Business Zone 1-5;
- Priority Development Zone;
- Township Zone;
- Low Density Residential Zone;
- Mixed Use Zone; and
- Activity District Zone.62

The Victorian Government has announced a zones reform package. The proposed reforms would abolish nine existing zones, including the residential zones, business zones, and priority development zone. The reform also proposes to amend several other existing zones including the low density residential zone, mixed use zone, township zone, farming zone, rural living zone.63
Chapter 4: Planning for Liveability

The zone reform package features three new residential zones that will replace the existing Residential Zones 1, 2 and 3, and two new commercial zones. These are:

- Neighbourhood Residential Zone;
- General Residential Zone;
- Residential Growth Zone; and
- Commercial Zone 1-2.

The objective of the new residential zones is to clearly define the areas of Melbourne that can grow and, protect the areas that are designed to be low rise, low density neighbourhoods.

The Neighbourhood Residential Zone will include a number of features including mandatory height controls, stricter regulations around subdivision, and the consideration of minimum lot sizes.

The General Residential Zone aims to respect and preserve urban character, allow modest housing growth and respect urban amenity. The zone will support a mixture of single dwellings, dual occupancies with some villa units and in limited circumstances town houses, where appropriate.

The Residential Growth Zone will enable growth in areas identified for greater density. The zone is intended to be used in appropriate locations near activity centres, train stations, and other areas suitable for increased housing development and will therefore support housing density and a diversity of housing stock.

Changes are also proposed to the existing Mixed Use Zone, Township Zone and Low Density Residential Zone, to align them with the features of the new residential zones. It is proposed that the existing Low Density Residential Zone be changed so that land can be subdivided into lots having a minimum area of 2000 square metres where sewerage is connected. The existing Activity Centre Zone remains unchanged.

Ms Delia Laglagaron, Interim Commissioner/Chief Administrative Officer, Metro Vancouver, informed the Committee that a decision not connect sewerage services can be used as a disincentive for residential development in areas where local authorities wish to discourage growth, such as rural interface areas in Vancouver.

The Minister for Planning, the Hon. Matthew Guy MLC, has described the intention of the new Residential Growth Zone as the provision of “a clear level of growth and change in identified areas that have clear targets for greater density”.

On 14 September 2012, the Minister for Planning announced the establishment of a Ministerial Advisory Committee to review all submissions and provide advice back to the government.

According to the submission from the Victorian Government, the reforms seek to: simplify permit requirements; allow a broader range of activities to be considered; and improve the range of zones to
better manage growth.73 The Committee notes that the local councils will retain the discretion to
determine which zone is to be applied in a particular area.74

The Committee for Wyndham stated in its submission that “many municipalities” respond to Not In My
Back Yard (NIMBY) concerns (also referred to as ‘NIMBYism’ by acting to prevent medium density infill
development through the enforcement of zoning laws.75 (NIMBYism is defined as opposition from
people who oppose a development on the basis of its proximity to their home or neighbourhood.) The
Committee for Wyndham also stated that restrictive covenants are used in “newer estates on the urban
fringe” to achieve the same results.76

Similarly, Mr Brian Morison, Executive Officer, Building Designers Association Victoria, stated:

… in the area of multi-unit developments, in the sense that certain councils will in fact have a policy
position that is far in excess of what is required, say, under the provisions of ResCode. That is then
appealed to VCAT, and invariably VCAT indicates that the particular application does comply
with ResCode and allows it to go through the system. But councils — or at least a council —
continues to have a policy that would tend to make making applications for multi-unit development
work fairly difficult, because perhaps they reflect what they see as community expectations.77

The discretion of the councils to decide which zones apply in which areas, means they may not provide a
regulatory means of directing higher density residential development. Therefore, the proposed residential
zones may not facilitate an increase in residential density and an improvement in affordability, unless the
correct zones are applied by local councils.

Finding 4.2: The application of the proposed zones to achieve the aims of increased residential densities
and housing affordability may need improved support mechanisms.

Recommendation 4.2: That the Victorian Government include support for local councils regarding the
application of the residential growth zone in the criteria accompanying its new residential zoning
framework. The support should include encouragement and incentives for councils to direct higher
density residential development to a range of areas where increased density and diversity in housing types
has the capacity to improve housing affordability.

Recommendation 4.3: That the Department of Planning and Community Development conduct a
review, at least every 24 months, of the new zones to identify challenges during the conversion of zones
and address challenges that councils may encounter during implementation of the new zones.
Recommendation 4.4: That the Department of Planning and Community Development monitor and review the application of the new zones in Growth Areas with the aim of ensuring that the new zones are contributing to an increase in housing type diversity in the outer suburbs of Melbourne.

Recommendation 4.5: That the Victorian Government undertake periodic assessment of the Urban Growth Boundary with the objective of striking a continued balance between the objectives and strategies contained in subclauses 16.01-2, 16.01-3 and 16.01-5* of the Victoria Planning Provisions, which are aimed at: locating new housing in or close to activity centres, employment corridors and strategic redevelopment sites with access to services and transport; identifying strategic redevelopment sites for large residential development in metropolitan Melbourne; and delivering more affordable housing closer to jobs, transport and services, respectively.

*See Appendix C for Clause 16 of the Victoria Planning Provisions.

Recommendation 4.6: That the Victorian Government's periodic assessment of the Urban Growth Boundary, consider:

- encroachment on viable agricultural land;
- current population growth projections in the outer suburbs of Melbourne;
- factors influencing the release of new land by developers for immediate, short-term and long-term development; and
- the use of policy levers and incentives to streamline the land supply process to provide for the more rapid release of land for development.

4.4 Past and present State planning policies

The first planning strategies as we know them today were introduced in the early 1950s. Previous plans have often dealt with consistent key themes of metropolitan planning, focusing on managing population growth; identifying areas for new suburban expansion; identifying areas of environmental value and public open space; planning transport networks and the supply of housing; and employment infrastructure.78

4.4.1 Historical State planning policies (1954-2001)

DPCD recently released a Review of Melbourne’s Metropolitan Strategic Planning over the past 60 years, with the objective of identifying lessons that can be drawn from past experiences of planning in Melbourne to better inform future planning strategies.79 The Review identified eight planning documents.
that are believed to have had the greatest impact of Melbourne’s development. A summary of these key planning documents is given in Box 1 below.

The themes from these key planning documents outline the tensions at the heart of Melbourne’s planning system caused by a range of often competing government agencies. The desire by planners to encourage urban consolidation around existing centres, infrastructure and transport corridors, has often been matched against the provision of road-based transport systems and infrastructure to service a plentiful long-term land supply on the urban fringe. This tension was exacerbated by repeated underestimation of Melbourne’s long-run population growth. Taken together, this effectively encouraged ‘catch-up’ provision of infrastructure to service Melbourne’s unconstrained growth out of existing urban centres and radial transport corridors into new Growth Areas and urban fringe locations centred on orbital, predominantly road-based transport systems.

After the passage of the *Town and Country Planning Act* in 1944 and the *Town and Country (Metropolitan Areas) Act 1949*, land-use planning in Melbourne was in the hands of local councils who could make local planning schemes and the statutory boards such as the Metropolitan and Melbourne Board of Works (MMBW). Planning legislation was largely unchanged through the era of growth after World War Two until the late 1980s, when planning legislation was remade with the passage of the P&EA.
Box 1 sets out a list of Melbourne’s key historical planning policies of recent decades.

**Box 1: Historical Planning Policies**

**1954 - The Melbourne Metropolitan Planning Scheme 1954 Report, Surveys and Analysis** led to a system of land use planning and controls based on zoning and particular provisions. It identified a hierarchy of activity centres and the beginnings of growth area planning along corridors. The report planned for a projected 1990 population of 2.5 million in the 1990s, a goal reached in the 1970s.

**1969 - The Melbourne Transportation Study** identified Melbourne’s future freeway network. Although land for freeway corridors was constrained in inner Melbourne, in undeveloped areas optimum corridors were identified and land was reserved in advance of development. Much of Melbourne’s freeway network reflects the shape of the 1969 plan. Public transport was represented by the plan for the City Loop underground railway.

**1971 - Planning Policies for the Melbourne Metropolitan Region** introduced long-term conservation and development policies through growth corridors and what are now called ‘green wedges’, trying to contain outward growth to a limited number of areas on the edge of the city. The plan also looked at the physical constraints around Melbourne for the first time.

**1970-1976 - Statements of Planning Policy** introduced the idea that specific areas had qualities worthy of recognition and protection. Regional Strategy Plans for the Upper Yarra Valley and Dandenong Ranges developed in this period continue to be recognised in Section 46F of the Planning and Environment Act 1987.

**1980-1981 - The Melbourne and Metropolitan Board of Works (MMBW)’s Metropolitan Strategy and Metropolitan Strategy: Implementation** documents encouraged urban consolidation in existing areas. They sought to concentrate housing, transport, employment and community facilities at highly accessible points. Following plans have repeated or reinforced these directions.

**1994 - Creating Prosperity: Victoria’s Capital City Policy** laid the path for revitalisation of Melbourne’s CBD. The plan identified renewal projects and emphasised urban quality and place making.

**2002 - Melbourne 2030** had a broadly similar strategic thrust to the preceding 20 years but for the first time quantified the task of urban consolidation. It also introduced an Urban Growth Boundary (UGB) to contain Melbourne’s growth.

**2009 - Delivering Melbourne’s Newest Sustainable Communities** expanded the UGB and reserved land for the Regional Rail Link, Outer Metropolitan Ring (a road and rail corridor), and grassland reserves in Melbourne’s west.
Since the introduction of the P&EA in 1987 there have been several significant developments in planning law and practice, some of which were part of the strategic plans listed in Box 1. These include:

- the ‘Day 1 Planning Schemes’ February 1988;
- the Perrott Committee Report August 1993;
- the Amalgamation of Councils into 78 (now 79) municipalities 1994;
- the Victorian Planning Provisions 1996;
- the ‘new format planning schemes’ 1999;
- introduction of the Urban Growth Boundary 2002;
- Melbourne @5 Million 2008; and
- Delivering Melbourne’s Newest Sustainable Suburbs 2009.

In addition to legislative change and the formation of new strategic land use plans, there have been several reviews of the planning system since the 1990s.

4.4.2 State Government planning policies 2002-2010

State Government planning policies during the period 2002 to 2010 were defined by the following three documents:

- Melbourne 2030: Planning for sustainable growth (2002) (Melbourne 2030);
- Melbourne 2030 a planning update – Melbourne @5 million (2008); and
- Delivering Melbourne’s newest sustainable communities.

Melbourne 2030 was released by the former Victorian Government in 2002 as a 30-year plan for managing urban growth and development across metropolitan Melbourne. Melbourne 2030 directed growth to activity centres and to five designated Growth Areas, and identified twelve green wedge zones. It also introduced the UGB, which aimed to manage the outward growth of metropolitan Melbourne.

An independent Audit of Melbourne 2030 was undertaken throughout 2007 and completed in 2008. The Audit Report provided recommendations on strategic and implementation priorities. The independent auditors found that:

Melbourne is still an extremely spread out city [and that] there is now an even greater urgency to implement the many initiatives of Melbourne 2030 if Melbourne's development is to be sustainable and the city is to remain liveable.
Chapter 4: Planning for Liveability

The 2007-2008 Audit Expert Group found that there was an absence of clarity between roles, responsibilities, and resources for Plan implementation. Local Government, though generally supportive of Melbourne 2030, reported frustration with the lack of clarity regarding the roles of local and State Governments.85

The Audit Expert Group also found that there was a need for funds to be allocated in order for the Plan to be implemented. The most frequent concern raised with the Audit Group by local government was the perceived delegation of responsibility for implementing the Plan without adequate funds to do the work. This was found to be, in part, because several disparate state government departments held the relevant funds for implementation and were effectively operating as silos.86

Released in 2008, Melbourne @5 Million was a response to the faster than expected growth of Melbourne’s population, and was intended as a complementary document to Melbourne 2030.87 Population growth between 2002 and 2008 far exceeded the population projections on which Melbourne 2030 was based in 2002. The city’s population was projected to grow by about 40,000 persons per year, but in fact peaked at 93,478 in 2008-9.88

In 2009, the former Victorian Government released Delivering Melbourne’s Newest Sustainable Communities, a consultation document produced by the Department of Planning and Community Development, Department of Transport and Department of Sustainability and Environment, alongside VicRoads and the Growth Areas Authority. The document responded to the stated aim in Melbourne @5 Million of accommodating an additional 600,000 new dwellings in Melbourne, with 284,000 of these dwellings to be located in the Growth Areas, particularly in the north and west of Melbourne.89

Part B: Planning for housing

Housing is a fundamental human need and one of the biggest investments that most people are likely to make. It is also one of a range of investment opportunities. Broadly speaking, planning for housing drives investment decisions by the public and private sectors on infrastructure to support new and existing communities and their social, environmental and economic sustainability. Housing policies most directly impact individuals by influencing the availability and diversity of housing types that people choose to live in, provide a capacity for people to live in a range of housing types over their lifetimes and influence their transport options based on access to public transport. These policies also influence key factors that drive the housing market, such as land supply in fringe areas and the affordability of housing for both purchasers and renters.

Housing affordability is a critical issue for planners. Some already claim that housing in Melbourne is verging on unaffordable (if not already so) for new households wanting to purchase housing.90 Mr Peter Seamer, Chief Executive Officer, GAA gave evidence at a public hearing in Melbourne of the importance of driving down the hidden costs of development to make housing more affordable:

… one of our key drivers is housing affordability. Often in dealing with other authorities and dealing with individuals everybody has their own particular issues to resolve, but who is actually out there fighting for housing affordability? Often that is the GAA; it is one of our basic things. Actually getting costs out of the system, making things work, getting rid of duplication and getting rid of processes that are unnecessarily expensive is part of our role and something that we always have in the forefront of our minds.91
4.5 The benefits of residential densification

Many of the benefits enjoyed by people living in the inner suburbs of Australian cities are in part due to the relatively high residential densities (by Australian standards) found in the existing housing stock. These benefits typically include greater access to employment options, transport, schools, hospitals and recreational facilities as well as increased choice in available housing types. Despite a growing awareness of such benefits, the urban densities of Australian cities remain among the lowest in the developed world. Moreover, the subject of residential densification in established middle and outer suburbs can polarise communities and, from the perspective of some, it is this polarisation that presents one of the key challenges to liveability in Melbourne.

However, increasing community support for increased residential densities is a challenge that must be met if Melbourne is to preserve its existing liveability and improve the liveability of its outer suburbs. The Committee received evidence that the most effective means of building such support is through community engagement and education, which is discussed later in this chapter under the heading of ‘Community Engagement’.

As illustrated in Figure 4.1, metropolitan Melbourne comprises one of the largest urban settlement areas in the world but has a significantly smaller population than a number of cities with comparable, as well as smaller, land areas. While this pattern of urban development is one that has delivered a high standard of living for a number of decades it is one that is increasingly presenting challenges to liveability in terms of: access to physical and community infrastructure; challenges to community wellbeing and social cohesion due to a lack of local employment, long commute times and relative isolation (discussed in Chapter Five); and the loss of land that was previously valued for agricultural, recreation and conservation purposes.

As illustrated in Figure 4.2, the typical Australian suburban density of 12 net dwellings per hectare is very low compared to many other cities around the world, including in Europe where the typical residential density is 250 net dwellings per hectare. Stated in terms of land use, Australian cities typically require almost 21 times the land area as European cities in order to house the same number of people.

The relatively low residential densities of Australian cities has a significant impact both on the natural environment and on land that could be utilised for a range of other purposes including agriculture and recreation, as illustrated in Figure 4.3.
Chapter 4: Planning for Liveability

Figure 4.1: City footprint maps of Melbourne and selected cities

Source: Richard Weller, 2009, Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, p.96. Note: 'inh.' refers to the number of inhabitants circa 2006.

Figure 4.2: Typical urban densities – dwellings per hectare

Source: Richard Weller, 2009, Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, p.342.
It is important to note that there are a range of densities and a variety of methods for increasing residential densities in selected areas and the Committee is not advocating a one-size-fits-all approach to residential densification or the adoption of particular density level or urban form illustrated in Figures 4.1, 4.2 or 4.3. Rather, the Committee considers that Melbourne’s liveability can best be preserved and enhanced through the encouragement of a gradation of densities appropriate to the neighbourhood character and uses of a particular area. Such options range from the model of secondary and tertiary suites (discussed in Chapter Three), through to townhouses and medium density apartments located near transport infrastructure. Increased residential densities also offer a potential pathway to more affordable housing through the ability to spread the cost of infrastructure provision across more households.

Chapter 4: Planning for Liveability

In the view of the Committee, there is a need for each of these densification strategies to play a greater role, within Melbourne’s new and established suburbs, if the metropolitan area is to accommodate the significant population growth that is forecast in coming decades. As the Committee discovered during the overseas study tour, a number of the world’s most liveable cities are currently implementing one or more of these densification strategies, to greater or lesser degree, to address some of their own emerging challenges to liveability. Indeed, Vancouver, which is arguably Melbourne’s main rival for the world’s most liveable city has achieved impressive results in the implementation of all three. In Melbourne, the successful combination of these densification strategies offers great potential to meet the current and future challenges to liveability — particularly the growing demand for physical and community infrastructure associated with rapid population growth — while also significantly enhancing the liveability of many existing suburbs.

As the Committee identified in Chapter Three, the relative lack of housing diversity in the outer suburbs associated with low density development, also contributes to the housing affordability problem. Through its potential to provide a greater range of more affordable housing types, residential densification therefore also represents a key strategy for improving what is for many Melburnians one of the most important measures of liveability — the opportunity to purchase a home.

The Committee received evidence from a number of stakeholders who expressed their support for increased residential densities, as well as the increased diversity of housing stock associated with higher densities, in both new and established outer suburbs. The majority of the Interface Councils that provided evidence to the Committee expressed support for the principles of increased residential densities and greater housing diversity, particularly within activity areas and in proximity to employment and transport options.

Mr Neill Hocking, Acting Chief Executive Officer, City of Whittlesea, stated that Whittlesea Council has embraced a philosophy of:

…higher densities and diversity of housing; and neighbourhood level service and facility provision…. [Mr Hocking identified such strategies as key to the] traditional neighbourhood design [approach that is favoured by the council, which aims to] …promote a sense of community and place by the creation of neighbourhoods as the fundamental building block.\(^{93}\)

Similarly, Mr Bill Forrest, Director, Advocacy, Wyndham City Council, stated that the council is:

…seeing a process with a bit more master planning and precinct structure planning whereby you are identifying medium density sites. I think part of it is a process through the precinct structure planning whereby we are asking for them [developers] to have regard to greater diversity in housing, to look for those sorts of medium density sites and to be very clear from the outset that that is what they are.\(^{94}\)

Mr Forrest went on to note that the council had on occasion found that some developers had failed to clearly identify the location of future medium density housing sites with the result that the some residents had built in close proximity to such sites without prior knowledge that they would ultimately become medium density housing. Mr Forrest suggested that there should be greater engagement with the building industry in relation to identifying such sites.\(^{95}\)

Mr Michael Tyler, Chief Executive Officer, Casey City Council, cited the Timbarra estate in the suburb of Berwick, as one of the earliest examples in Melbourne of a higher density residential development in
recent decades. The Timbarra estate was initiated in 1985 by the predecessor to VicUrban and incorporated increased residential densities and housing diversity, as well as the integration of community facilities and traffic calming principles.96

Mr Peter Fitchett, Director, Planning and Development Services, Casey City Council, cited Cranbourne West as a more recent example of a higher-density residential development in the City of Casey, which has also placed a strong emphasis on local employment, park networks and community infrastructure. Mr Fitchett noted that although the Cranbourne West development had involved more challenging negotiations with the developers than a standard development, one of the key developers had recently described the estate as an “outstanding success”, which was continuing to sell well.97

Mr Tyler went on to state:

If you look at our demographics, 10 years ago we did not have very many people in the 70 plus age group compared to other municipalities. We are now the fastest growing municipality in Victoria in that age cohort because we have people ageing in place. We are now getting a full range of the demographic profile. Because of that there is a whole range of new types of housing that is needed in order to accommodate that.

…

…I think we should be encouraging some high densities around the railway stations. That is something that is probably going to be quite a significant change in Casey into the future. Not only is that bringing density around public transport networks but it will also be providing an extension of the range of housing types that are available for Casey residents.98

Similarly, Mr Stuart Burdack, Chief Executive Officer, Nillumbik Shire Council, stated:

We also need policies that will encourage social housing, higher density and smaller housing in activity centres, and without these changes people who have grown up in Nillumbik or are ageing in Nillumbik will not be able to stay here and age in place. Our housing stock in activity centres should be responding to these changes. Government policy is required to guide these important housing requirement changes.99

Mr Burdack went on to note that the council supported increased housing density in the suburbs of Eltham and Diamond Creek, which are the major activity areas for the Shire. However, Mr Burdack also stated that the council would prefer to see a mandatory three-storey limit on buildings in those areas in order to protect the tree canopy.100

During a site tour of the Mornington Peninsula, the Committee observed an example of best practice in in-fill densification in the form of recently constructed three-storey town-house style apartments. The apartments are centrally located in the town of Mornington and incorporate undercroft/basement parking.

Mr Andrew McLeod, Chief Executive Officer, Committee for Melbourne stated at a hearing in Melbourne, that residential density has declined in Melbourne since around 1960 and that this decline is economically, socially and environmentally “dangerous”. The Committee for Melbourne stated:
Our population density has nearly halved since 1960. We used to have 23 residences per hectare; we are now down to about 13, according to state government data. ... We have got to stop this trend. Decreasing density is dangerous.

The decreasing density of Melbourne over the last 50 years is dangerous economically, socially and environmentally — economically because it is just too damned expensive to put the infrastructure out with a decreasing density in your population. Putting in the roads, putting in the sewers, putting in the power poles and the electricity cables — the less dense you are, the more expensive per person it is to put all this fundamental infrastructure out. So economically decreasing density is dangerous.

Environmentally decreasing density is dangerous. We keep on shoring up environmental lands as the urban growth boundary spreads. Plus people are travelling greater distances, usually with private transport, because you cannot economically put the public transport in place in a decreasing density environment. So environmentally it is bad.

And socially it is bad, because communities have dispersed. There is not a centre where people are coming in around — shopping centres and community facilities — in the least dense suburbs. We keep growing this way, but every indicator says it is bad.\textsuperscript{101}

Similarly, Professor Richard Weller, during a public hearing in Perth referred to the importance of increased residential densities as a means of absorbing future population growth while preserving existing agricultural and conservation land and improving the efficiency and effectiveness of infrastructure provision. Professor Weller stated that while Australian cities currently tend to “smear suburbs over our land at a certain density, generally about 12 to 15 homes per hectare”, it would be preferable to:

\textit{build new towns of 30,000 to 40,000 people at four times the current density of your suburbs, so you get a kind of English/European village, then you leave all that land free to grow food.}

Professor Weller also advocated such development as a model for the establishment of new towns outside Australia’s capital cities as a way of accommodating future population growth.\textsuperscript{102}

The growing demand for a diversity of housing types to accommodate the housing needs of people at different life stages is illustrated in Table 4.1. As the Committee discussed in Chapter Two, the predicted increase in coming decades of couple households without children and single households (or, ‘lone person households’ as referred to by the ABS), underscores the need for the provision of the wider range of housing options that is typically associated with higher residential densities.
Table 4.1: Household Types across the Lifespan

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Starting (19-24 years)</th>
<th>Emerging (25-34 years)</th>
<th>Established (35-44 years)</th>
<th>Empty Nest (45-54 years)</th>
<th>Mature (75-85 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Parent</td>
<td></td>
<td>40 years separate;</td>
<td>3.5 years divorced;</td>
<td>1 in 5 families will be left single parent.</td>
<td></td>
</tr>
<tr>
<td>Couple</td>
<td>70% of singles will form a family by 31 years and buy 1st home by 33 years. Early 40s looking to upgrade.</td>
<td>91% households desire not to downsize.</td>
<td>5.5% will enter retirement village.</td>
<td>Median Age death is 77 years; 67% probability that a person will end up in aged care at some time.</td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>Leave home at 20 years sharing homes and renting.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lone Person</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


In Chapter Three, the Committee discussed the role of secondary and tertiary suites in the provision of affordable housing in Vancouver and, to a lesser degree in Calgary and Toronto, and noted that the model has significant potential as an option for improving housing affordability across Melbourne, including the outer suburbs. The Committee notes here that the secondary and tertiary suite model also has significant potential as a means of increasing residential densities and boosting the supply of smaller (such as one and two bedroom) residences for people currently seeking this form of accommodation in Melbourne’s suburbs.

4.5.1 New urbanism, smart growth and landscape urbanism

New Urbanism and Smart Growth are urban design principles that emphasise the creation of ‘walkable’ communities with medium to high residential densities and a mixed use town or village centre. There is growing support for New Urbanism in Australia and internationally on the basis that it has a range of economic, environmental and social benefits. Economic benefits include the achievement of economies of scale in the provision of infrastructure due to increased residential densities. Environmental benefits include a reduced dependence on motor vehicles and the preservation of land that would otherwise be used for detached housing. Social benefits include the creation of increased opportunities for social interaction between residents.103

The principles of New Urbanism and Smart Growth are closely related to, and essentially encapsulated by, the planning approach known as Landscape Urbanism. Professor Richard Weller has defined landscape urbanism as a two stage process, which begins with an appraisal of cities from a “regional landscape perspective”, in order to develop different urban growth scenarios. The aim of this first step is
to create a Landscape Structure Plan for an entire city, which identifies areas for exemption from
development, such as:

existing vegetation, wetlands, flood zones, riparian buffer zones, aquifer recharge zones and steep slopes
greater than 25 %, [as well as sufficient land for a] regional network of public open space and habitat
corridors.

The resulting plan is used to determine where “horizontal development” should and should not occur,
such that decisions as to “how and what to develop” can be made with greater freedom to re-engineer
environments which “hybridise natural and cultural systems.”

Professor Weller has defined a number of horizontal and vertical developments scenarios as a result of
this approach. While Professor Weller’s scenarios are based on a Perth landscape model, some of the
scenarios, such as Food City and Treechange City, are relevant to Melbourne. The horizontal scenarios
include:

- POD City — which is based on the idea and scale of the Garden City (a planned and self-
  contained community of approximately 32,000 people in an area of large and productive open
  space comprising residential, industrial and agricultural land and surrounded by ‘greenbelts’ or
  parks);

- Food City — in which the urban and agricultural landscapes are woven together;

- Car Free City — in which development occurs within a grid of squares measuring 800 metres on
  each side bordered by roadways accessible to public transport and service vehicles only, which
  would allow 20 per cent more land for residential development and much greater access to public
  transport than existing car-oriented developments;

- Seachange City — a linear low density city in which residents live within a 25 minute walk from
  the beach; and

- Treechange City — which would be located in a band of land within approximately 1.5 hours’
  drive from the CBD and which could be used to offset the carbon emissions of the city through
  reforestation.

Professor Weller’s vertical scenarios include:

- Sky City — which is defined by high-rise or high density housing in areas of high amenity at a
density of 250 dwellings per hectare (the typical European density — see Figure 4.2 above);

- River City — which is defined by increased density along main roads framing the river, together
  with residential “finger wharves” and “residential bridges” which reach into across the river; and
Inquiry into Liveability Options

- **Surf City** — which is defined by increased density within the “view-shed” of, and walking distance to, the coastline.¹⁰⁶

Ultimately, Professor Weller advocates the combination of a number of the above scenarios to produce a city with a diverse urban form and uses, referred to as ‘Divercity’. This model is illustrated in Figure 4.4 below. The Committee notes that while a number the horizontal and vertical development scenarios identified by Professor Weller have been tailored to respond to the landscape of Perth, a number of them could be adapted to the Melbourne context, or indeed, to many large cities currently facing the challenge of sustainably managing significant population growth.

*Figure 4.4: Richard Weller’s Divercity*

*Source: Richard Weller, 2009, Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, p.390-391.*
Chapter 4: Planning for Liveability

**Figure 4.5: Green corridors in metropolitan Vancouver**

Source: Mrs Jan Kronberg MLC, Chair, Outer Suburban/Interface Services and Development Committee.

**Recommendation 4.7:** That the Victorian Government develop a Landscape Structure Plan for metropolitan Melbourne, which includes the identification of potential locations for a diversity of horizontal and vertical development scenarios.

### 4.5.2 Residential densification in Melbourne’s Growth Areas

Mr Chris Banks, Chair, GAA, referred to the increasing demand for denser and more diverse forms of residential living in Melbourne’s Growth Areas:

…we are no longer a family dominated demographic and 60 per cent of our households are of one or two people. Therefore in the housing forms we offer … we are building for a much more eclectic mix of households, as two out of three are now one or two people. That is why the apartment is becoming a more acceptable housing form, when it was not 20 years ago, and that is why [in] our growth suburbs, our new suburbs, we are encouraging more housing diversity …so that we can build houses for single women with children or couples or single men …So we have a very interesting social landscape in terms of what our marketplace is…. here is a very significant change in the types of houses being built in the growth areas.107

The Committee also received evidence from stakeholders in the development industry, which suggests that there is a growing acknowledgement of the importance of increased residential densities and housing diversity in the construction of Melbourne’s new outer suburbs. Mr Andrew Whitson, General Manager, Victoria, Stockland, stated:

*We tend to develop in a low-set configuration, so most of the housing stock that comes to market is single-storey. The percentage of two-storey homes within our community is in the single figures and below. What it means is that we utilise land very quickly as we accommodate population growth. As we utilise the land, we need to provide more and more services, facilities and amenities in an efficient*
manner, particularly when you look at transportation infrastructure. If you are utilising the land more quickly you have to extend the roads, you have to extend the public transport system and you have to extend all of the hard infrastructure — the water and sewerage — in all of those areas. We cannot continue to consume land at that rate and create what we believe are sustainable communities.108

... 

I think we have to look at the places that we are creating. ... it could be more higher density housing within one of the town centre environments so they have the true city centre convenience. ... It is about creating places that are diverse communities that have a mix of people within them.109

It is important to note that smaller residential dwellings and increased densities can include free standing dwellings as well as apartments, townhouses and dual occupancies. Mr Chris Banks, informed the Committee that smaller lots are increasingly popular with home buyers in Growth Areas due to their relative affordability and cited the example of a ‘town cottage’ home that was offered by Delfin in Golden Grove in Adelaide in 1995, which had proven particularly popular with people in the over 50 age bracket. Mr Banks stated that home buyers:

...might like to have a big backyard, but they do not need it, so they will accept a smaller lot, and progression is likely — households change... For instance, just a little case study, at Delfin in 1995 we introduced a town cottage, which was a replica of an old workers cottage, in Adelaide in Golden Grove. It was a big project there, and it was a $100 000 package... Who bought in that project? The over 50s... So you have got a very diverse market with all sorts of needs. It is very interesting who buys what and why.110

There is some indication that land developers and builders are taking time to adapt to the demand for increased diversity of housing stock at a range of price points for home buyers. For example, the Grattan Institute in its  The Housing We’d Choose report from 2011 found that the housing industry has to date been very successful and innovative in “streamlining construction costs and processes for detached houses” compared to other housing types.111

The Planning Institute of Australia also provided evidence to the Committee that the historical subdivision pattern of family housing in Melbourne’s suburbs makes it difficult to ‘retrofit’ such areas with different housing types:

The market is very good at delivering family housing. Often the subdivision pattern — the suburbs we create — makes it difficult to go back and change some of that or to retrofit different housing types.112

The Committee considers that there is a need to encourage more flexible subdivision patterns to facilitate renewal through the retro-fitting of a more diverse housing mix as the needs and demographic mix of neighbourhoods change over time.

During the course of the Liveability and Growing the Suburbs Inquiries, the Committee toured a number of established, new and partially completed housing estates in Melbourne’s growth area municipalities and found that many offered only limited medium density housing options. The Committee observed that the majority of the housing stock in each of the estates that it visited is in the form of single storey detached housing.
Chapter 4: Planning for Liveability

For example, in the Wyndham growth area, Manor Lakes and Point Cook are two examples of estates in which large three and four bedroom homes on 400 square metre blocks remain the standard housing option for new home buyers. The Committee was informed by council staff that the majority of new homes under construction in Wyndham have double garages, two bathrooms and small front yards and back yards in comparison to the lot size. The Committee was also informed that such homes require significant upkeep and are less able to accommodate small families, singles, young childless couples or the elderly. The Committee also observed a predominance of similar housing product in the other Interface Councils.

However, the Committee also observed a number of exceptions to the above, which suggests the demand for higher density residential living in the outer suburbs is growing. For example, during a bus tour of the Shire of Melton in the company of senior council staff, the Committee observed a recently constructed five storey residential building in the centre of Caroline Springs and was informed that the centre was undergoing a boom in the construction of townhouses. The Committee was also informed that a ten storey apartment complex had recently been approved in the centre of Caroline Springs.

The Committee also observed examples of more diverse housing supply in outer suburban Growth Areas, including: at the Carlisle Park estate in Casey, which includes some terrace housing with rear lane access; and at the Lakeside development in Cardinia, where the Committee observed a diverse mix of residential housing under construction close to the new railway station and town centre at Cardinia Road, priced in the $300,000-400,000 price range.

The Committee heard from local Councils that in the few cases where developers had experimented with medium density development, the uptake of medium density terrace type housing in new estates had been successful. For example, Australand undertook medium density development in Cranbourne East which sold very quickly. These were two storey terrace houses with split level ownership. These properties were sold for $250,000-$300,000 and are a model for similar medium density development in the outer suburbs of Melbourne. Casey City Council advocated the housing types in the suburbs of Cranbourne West and Timbara as existing examples of successful medium density housing. The Council suggested that 200-300 square metre housing lots were successful in Timbara because Casey’s demographic had become increasingly diverse.

In May 2011, the Committee visited the City of Joondalup, which is located approximately 26 kilometres north of the Perth CBD. Joondalup was established under state legislation in 1976 and was developed as a master-planned community by the Joondalup Development Corporation, which was headed by the late entrepreneur Robert Holmes à Court. While homes in Joondalup are relatively expensive, the suburb incorporates a number of urban design principles that represent best practice, particularly with respect to medium density development in the context of the Australian suburbs.

The Committee received a briefing from senior representatives of the Joondalup City Council and was taken on a guided tour of Joondalup during which it observed a number of the recently constructed town house developments for which Joondalup has become renowned.

Town house development in Joondalup is notable for the extent to which it has achieved activated street frontages through the ‘rear-loading’ of garages. Garages are accessed via laneways, which are markedly different from the laneways found in older inner suburban areas. Such laneways are typically part of a mews environment and are integrated with the surrounding area through paving, street furniture,
landscaping and waste disposal access. The Committee was informed that townhouses in Joondalup typically provide for the addition of studio apartments above garages, which are separately accessible to tenants and which provide an ideal residence for students and single persons. The Committee notes here that the Joondalup model of urban densification is readily adaptable to the model of secondary and tertiary suites that the Committee observed in Vancouver (Chapter Three). The Committee also notes that Joondalup is increasingly recognised as an example of the successful application of the principles of new urbanism, which the Committee has discussed in the preceding section.

Consistent with the Committee’s observations of the emergence of a greater diversity and density of housing product in Melbourne’s growth area suburbs, the Committee also notes that there are recent indications that developers are responding to market signals for more diverse housing. In the March quarter of 2012, a greater number of multi-residential dwellings (including terrace houses, town houses, flats and apartment blocks) than detached dwellings were built in metropolitan Melbourne for the first time. Included in this growth was the construction of terrace and semi-detached housing in outer suburban Growth Areas, providing more affordable housing on smaller blocks of land than traditional detached housing. Recent examples include townhouse developments at Mernda Villages and South Morang.

The Committee is of the view that the initial uptake of medium density development in new outer suburban estates demonstrates that there is potential for the uptake of medium density and smaller housing to improve affordability in the outer suburbs. In addition, if incentives are provided for the ageing population to downsize to smaller housing, an increase in medium density housing stock has the capacity to improve affordability by enabling cheaper housing options, whilst freeing up existing detached housing for young families.

**Finding 4.3:** While the construction of new housing stock in Melbourne’s outer suburbs has been dominated for decades by detached single storey dwellings of three to four bedrooms, there is evidence of an emerging trend towards an increase in the construction of medium and higher density development in Melbourne’s new outer suburbs.

This trend is an apparent response to the structural decline in housing affordability and to the market demand for a greater diversity of housing types.

**Recommendation 4.8:** That the Victorian Government provide incentives for developers to construct a diverse range of dwelling types, including medium density housing, in the growth area municipalities.

**Recommendation 4.9:** That the Department of Planning and Community Development identify, and develop strategies to remove, impediments within the planning system that prevent the development of medium density housing in the Interface Councils.
Recommendation 4.10: That the Victorian Government works with the development industry to identify and mitigate existing impediments to the development of medium density and diversified housing in the outer suburbs. This should include an investigation of strategies for reducing the cost of installing lifts in multi-storey dwellings.

4.5.3 Residential densification in established outer suburbs

Despite the evidence of a recent increase in the construction of new housing offering increased density and diversity of housing types in Melbourne’s new outer suburbs, the Committee also received evidence that such development continues to face a number of barriers in established suburbs located across outer, middle and inner Melbourne.

The Committee received evidence on a number of factors that have a bearing on residential densities in Melbourne’s established suburbs, which is also often referred to as ‘in-fill development’. These include: consumer demand; community engagement; the VCAT appeal system; construction costs; and planning regulations, each of which is discussed in this section.

**Consumer demand**

The Committee also received evidence regarding the historical lack of consumer demand for residential densification in established suburbs.

The Department of Sustainability and Environment has previously found that young couples are attracted to the outer suburbs because a free standing house and garden is more affordable than elsewhere in Melbourne, where they may only be able to live in a unit or townhouse with no private outdoor space. In addition, the majority of ‘empty nester’ homeowners in the 45-64 age brackets choose not to downsize when their children leave home. The Property Council’s AusPoll Survey of 638 people in Melbourne, which was aimed at measuring attitudes to aspects of city life, including the available options for housing, found that people do desire free standing homes in the outer suburbs.

Planning and Economics Consultant Alan Davies has suggested that one of the reasons why Melbourne 2030 did not achieve its residential density targets was that it did not give sufficient regard to the housing preferences of residents:

*It [Melbourne2030] presumed that retirees living in freestanding homes would want to downsize to urban infill apartment living; it is assumed that residents of freestanding houses in the established suburbs would not object to higher density development next door; and it assumed that new residents might choose to live in an apartment on a small block in the middle suburbs rather than move to a freestanding large block in the outer suburbs, for a lesser price.*

Similarly, recent research published by Monash University’s Centre for Population and Urban Research (CPUR) suggests that persons over 55 years of age will account for more than 70 per cent of the projected growth in both the number of couples-without-children families and single person households over the decade 2011-2021. The research also found that this age group tends not to ‘downsize’ their housing and often remain in their existing detached housing. The research concludes that unless demand
for smaller housing options grows for this demographic, the predicted need for smaller housing types will not materialise\textsuperscript{128} and that the projected increase in smaller households is too often presented as an analogue for a preference for apartment living.\textsuperscript{129}

On the other hand, the Grattan Institute’s report, \textit{The Housing We’d Choose}, reported a mismatch between Melbourne’s available housing stock and the housing people in Melbourne say they would choose. For example, people’s choices in the Institute’s survey suggest a short-fall of semi-detached houses in Melbourne’s middle and outer suburbs (which included Melbourne’s Interface Councils with the exception of Mitchell).\textsuperscript{130} According to this research, even with large changes to assumptions about the price of different housing options, such as a decrease in the price of detached houses on the urban fringe, the demand for other housing options would remain.\textsuperscript{131}

Similarly, the 2010 \textit{State of Supply Report} by the National Housing Supply Council found that there is unmet demand for semi-detached houses and apartments in Sydney and Melbourne.\textsuperscript{132}

Notably, Mr Brian Morrison of the Building Designers Association Victoria (BDAV) provided evidence at a public hearing which supports this contention. Mr Morrison stated that there is increasing demand for higher density housing from both the aged generation who want to downsize and the younger generation who are increasingly attracted to apartment living.\textsuperscript{133}

Mr Andrew Whitson, General Manager, Stockland informed the Committee that the particular model of detached housing that has existed in Australia for decades is currently undergoing a process of redefinition:

\begin{quote}
There is the great Australian dream of having a quarter-acre block. That is what we all grew up with. We are in the business now of redefining what that looks like for future generations. When we compare ourselves globally to some other countries, we can still see that the average Australian house has about 83 square metres per person. You can compare that across the globe to a place like the UK, where it is 32 square metres per person. We represent different things as a community. We are not espousing that we should be moving to that point, but that really goes to the utilisation of land within the growth area of Melbourne.\textsuperscript{134}
\end{quote}

The Property Council, in its submission to the Inquiry, referred to the results of the \textit{AusPoll Survey}, which found that Melbourne residents were “more likely to support, rather than oppose, housing development to support growth”. Notably, survey participants gave their highest level of support not only to the establishment of “new neighbourhoods of free standing houses built on the outskirts of the city but close to jobs” but also to:

- the conversion of old industrial sites to apartments and town houses; and
- increased medium density housing, such as town houses, in middle and outer suburbs.\textsuperscript{135}

The submission went on to state that the results of the survey

\begin{quote}
…indicate that Melbourne residents support activities that will manage the growth of Victoria and the Victorian Government should conduct these activities in an accelerated and simultaneous manner.\textsuperscript{136}
\end{quote}
The Tourism and Transport Forum’s submission to the Inquiry suggested that a greater emphasis on infill development should be accompanied by reforms to taxes and duties that may inhibit ‘empty nesters’ or elderly homeowners in outer suburban areas, from moving to more suitable smaller dwellings in mixed density communities.\textsuperscript{137}

The BDA V, in its submission to the Inquiry suggested that there is a need for an ongoing communications campaign to target both prospective home buyers and business owners, in order to highlight the benefits of living and working in a non-CBD Activities District. The BDAV stated that this would help to

\textit{demystify certain anxieties people may have about working and living in a district outside of the Melbourne CBD and its inner suburbs.}\textsuperscript{138}

The Committee notes that such a communications campaign could also be extended to communicating the benefits of various housing types in these locations, such as medium density townhouses or apartment living.

The Committee considers that, on balance, there is significant evidence of a growing demand for the greater housing diversity associated with densification in established suburbs. As the results of the survey conducted by the Property Council of Australia demonstrate, the continued existence of strong demand for detached housing in the new outer suburbs, is not inconsistent with the growing demand for denser and more diverse housing product in established suburbs.

\textbf{Finding 4.4:} While detached housing in new suburbs remains a strong preference for many prospective home buyers, there is also significant evidence of a growing consumer preference for the increased housing diversity and affordability associated with densification in established suburbs.

\section*{Community engagement}

The Committee received evidence that local opposition from neighbouring residents presents a significant barrier to residential densification. Such opposition is often referred to as an example of the NIMBY principle.

Professor Richard Weller, gave evidence that despite the fact that most of Australia’s planning documents include the objectives of increasing infill development to absorb up to sixty per cent of new metropolitan growth:

\textit{… we have never reached 60 per cent. We only reach about 30 per cent maximum. Infill is really hard because local communities see it as compromising their sense of place.}\textsuperscript{139}

Ms Leanne Petrides, Manager, Cranbourne Information and Support Service, at a public hearing in Narre Warren, identified opposition from local residents as a key barrier to residential densification:

\textit{The problem is…that whole NIMBY thing. You have got people who are saying, ‘No, we have purchased the great Australian dream; we can afford it, and we don’t want flats backing onto our}
Inquiry into Liveability Options

...and that sort of thing. I do not know the answer to it, except that it (higher density living) perhaps needs to be marketed really well, as well as being delivered, offered and seen as just another normal option for people. It is a really big issue.140

Mr Nik Tsardakis from the Committee for Wyndham gave evidence regarding Wyndham City Council’s experience of NIMBY responses to redevelopment proposals:

When we have had someone who has wanted to redevelop something to a higher density, be it apartments or whatever, when the development has gone on public exhibition we have always had multiple people complaining. It seems to be a common thread, and I think it is pretty much because the type of suburb that has been developed here to date has very much been the driveable one. Everyone wants a backyard of a certain size and the ability to move around as freely as they can within the estate without increasing the traffic load by continuously putting up high-density buildings.

I think the area certainly needs higher density developments. One of the areas in which that could take place would be in the employment precinct where you could build the kind of apartments that are built elsewhere around the world of about four to five levels that are continuous and snake around estates, technology precincts, CBDs and other business districts. That would be the perfect place to try that and showcase that again as a way of increasing density and making walkable suburbs rather than driveable ones.141

The evidence suggests that a NIMBY attitude to medium density development in established suburbs is a considerable disincentive for developers and can potentially reduce the availability of smaller, more affordable housing options in these areas.

The Committee is concerned that there is some misunderstanding within the community about the meaning of infill and the aim of increasing residential densities. As defined in the Glossary to this report, infill refers to housing development within an existing urban area. It may involve the use of vacant land in an already developed area or the subdivision of an existing residential property. It is important to emphasise that while increased residential densities are often associated with high-rise apartment towers, these represent just one end of the spectrum of residential densification and are typically restricted to the core of metropolitan cities.

Recommendation 4.11: That the Victorian Government undertake a communications campaign to publicise the benefits of diversifying housing choices available to Melburnians, including medium density housing within established urban environments and new suburban developments.

The importance of metropolitan planning strategies and of effective community engagement in the development of such strategies was also impressed upon the Committee during its overseas study tour. In the Canadian city of Vancouver, there is a strong tradition of metropolitan-wide planning, stretching back to the 1970s. Currently, the development of Vancouver is governed by its metropolitan planning strategy Metro Vancouver 2040. The plan was adopted in July 2011 and provides a framework to manage the estimated one million additional people and 600,000 additional jobs the region will absorb over the next...
30 years. Many of the issues affecting Vancouver’s urban growth are similar to those in Melbourne, such as protection of agricultural land on the urban fringe, increasing housing supply and affordability through higher density residential infill. In developing *Metro Vancouver 2040*, Metro Vancouver, the city’s regional planning authority engaged in an extensive public consultation process involving the 21 municipal councils in Greater Vancouver, a range of community groups and the general public.

Calgary is a Canadian city that has rediscovered regional planning, forming the Calgary Regional Partnership (CRP) in 1999 with the 15 local authorities in the Calgary region after the dissolution of its regional planning agency in 1995. The CRP has developed its *Calgary Metropolitan Plan* (CMP) built around the key principles of protecting the natural environment, fostering economic growth, absorbing urban growth in existing settlements and integrating the region’s infrastructure undertaken within a regional governance framework. The City of Calgary itself has developed a long-term vision for the city (*Imagine Calgary*) which was assembled over 18 months, with a consultation process that engaged over 18,000 people, with both long-range (100 year) projections and shorter-term (30 year) targets. It has also developed a medium-term plan (*Plan It Calgary*) that responds to growth projections of Calgary’s population increasing from just over 1 million to 2.3 million. The City of Calgary also integrates its land use planning policies within the broader regional framework of the CMP.

The Toronto Ministry of Municipal Affairs and Housing informed the Committee during its visit to Toronto that while NIMBY attitudes to medium density development are not uncommon in the Canadian city, there is a growing acceptance of the need for medium density developments. Mr Victor Doyle, Manager, Provincial Planning Policy Branch, explained that there are design solutions that reduce the effects of increased population and density on existing populations, such as ring roads that do not allow as much traffic into neighbourhoods. Mr Doyle also informed the Committee that the Ontario Municipal Board (which performs a similar role to the Victorian Civil and Administrative Tribunal), is supportive of the broader government objective of increasing densities and tends to rule in favour of density and height.

The Committee also met with senior representatives of the Ontario Ministry of Infrastructure in Toronto, who informed the Committee that the current land use plan for Toronto and the Greater Golden Horseshoe, *Places to Grow*, had proven instrumental in the recent achievement of higher densities in new suburban communities. A notable feature of the plan is that the 110 municipalities that it covers are required to record their progress against its performance standards in their own land use plans. The plan also states that municipalities are “encouraged to engage the public and stakeholders in local efforts to implement” the plan and to “provide the necessary information to ensure the informed involvement of local citizens.”

The Committee was particularly impressed by the level of community engagement in urban planning that has been embraced by the cities of Vancouver, Calgary and Toronto. The Committee considers that the obvious commitment to community engagement in those cities is a major factor in explaining the degree of acceptance of increased residential densities that have been achieved, particularly in Vancouver and Toronto, in recent years.
Recommendation 4.12: That the Victorian Government investigate the public consultation and plan making strategies of Vancouver, Calgary and Toronto, with a view to the possible incorporation of those elements that have proven successful in building community acceptance of the need for increased residential densities in the metropolitan areas of those cities.

**Streamlining the VCAT appeal system**

Community concern about medium density development can delay or prevent increased residential densities in both new and established suburbs. This is largely due to the wide third-party right of appeal to VCAT in relation to proposed developments. Objections to developments aimed at increasing residential densities are often referred to as an example of the NIMBY phenomenon. It follows that if Melbourne is to meet the challenge of increasing residential densities in strategically selected locations, governments at all levels must make greater efforts to address local concerns through effective community engagement and the application of world-class urban design principles.

Mr Robert Larocca, Real Estate Institute Victoria, explained during a public hearing that there is a degree of dynamism inherent in the planning and VCAT appeals process — particularly due to the possibility of changed economic conditions — that can lead to significant delays in the completion of residential developments:

> The difficulty is that the planning process is an uncertain one...I know where I live you see developments where they go through the development process, they go through the negotiation then on to VCAT, the person gets a permit, something changes in the economy, it takes them longer to deliver that, and the whole community suffers in some respects as a result.153

According to the Grattan Institute, the greatest area of concern for developers undertaking medium density projects is Melbourne’s wide ranging third party appeal rights. Anyone can appeal and take decisions to VCAT creating significant uncertainty and time delays for developers. In Victoria, 1 in 10 applications are appealed, compared to 1 in 83 in NSW and 1 in 1000 in Queensland. The median length of the Victorian appeals process is 21 weeks.154

There have been large increases in the number of cases lodged at VCAT in the last few years. In 2010-11 VCAT received 3,775 cases, a 13 per cent increase from 2009-10. In the first six months of 2011-12 there was a 9 per cent increase in the number of cases before VCAT and in February there were 1,824 cases pending.155

Appeals to VCAT result in delays, increased holding costs for developers, and increased house prices for the consumer. Therefore, delays resulting from appeals to VCAT have a direct effect on housing affordability in Victoria.

On 15 February 2012 the Minister for Planning, Mr Matthew Guy MLC, announced that $1 million in funding would be provided to reduce the backlog of VCAT cases. The funding is intended to reduce the waiting list by up to six months and ease the burden on the development sector, local councils and the community. As part of the reform the Minister will establish a working group consisting of members of
VCAT and departmental officers to review long term funding options for VCAT and other possible reforms.\textsuperscript{156}

In a paper, delivered to a seminar hosted by the Victorian Planning and Environmental Law Association, on 24 July 2012, the President of VCAT, Justice Greg Garde stated that the additional funds would provide VCAT sessional members with the equivalent of one thousand more writing or sitting days in the Planning and Environment list. He also stated that in July 2012, approximately twenty-five per cent of the funding had been used to expedite cases and provide additional hearings. It is intended that the remaining seventy-five per cent of the funding be used by the end of 2012 for the same purpose of expedition of cases and reduced delays.\textsuperscript{157} The Planning and Environment list had 1,997 as of 30 June 2012. According to Justice Garde, there would have been 2,217 cases listed at the same date if the DPCD funding had not been made available.\textsuperscript{158} In addition to supplementary funding, Justice Garde suggested legislative and procedural measures for reducing delays at VCAT.\textsuperscript{159}

The Committee notes that developers may avoid undertaking medium density development, or provide it at a higher price, because of the costs associated with longer holding periods arising from VCAT appeals.

As noted above, the Victorian Government, in its response to the recommendations of the Victorian Planning System Ministerial Advisory Committee, has committed to increasing the resourcing of VCAT to reduce the current waiting list for all matters in the Planning and Environment list and to streamline permit applications, so that fewer matters are referred to VCAT for determination.\textsuperscript{160}

\textbf{Finding 4.5:} The rate of appeal against development applications is significantly higher in Victoria than in comparable states, such as New South Wales and Queensland.

While the Committee supports the Government’s move to reduce waiting times at VCAT and speed up approval periods, it considers that there is also a need to review the VCAT appeal system with a view to addressing the significantly higher rate of appeal against development applications in Victoria compared to other Australian states. Particular consideration should be given to reviewing the scope of third party appeal rights.

\textbf{Recommendation 4.13:} That the Victorian Government investigate the reasons for the high rate of appeal against development applications in Victoria compared to other Australian states.

\textbf{Addressing construction costs}

The National Housing Supply Council, in its 2010 report, \textit{National Dwelling Costs Study Report}, found that it was much less expensive to construct greenfield dwellings than infill dwellings in all of Australia’s major cities. The report found that construction costs are the most significant cost for infill development,
typically comprising over 50 per cent of the total costs. The report also found that it was approximately 24 to 34 per cent cheaper to build a three bedroom, single storey detached house in a greenfield site compared to a two bedroom unit in a multi-storey (5 levels or higher) infill development.

The report found that the higher construction costs for infill development were due to increased costs in “safety, union requirements, basement car parking, lifts, excavation, and foundations”. These costs include for the need to use cranes and scaffolding, the costs of excavating out underground car parks and elevator requirements for developments more than four storeys in height. While there is a requirement for lifts to be included in developments above four storeys (discussed in this chapter under the heading ‘Residential zone reform package’), the Committee considers that there is also a need for the provision of lifts in three storey multi-residential buildings to enable residents to age in place.

The National Dwelling Costs Study Report also found that construction costs have increased in recent years due to increased demand for labour and materials, and increased sustainability and safety regulations. This was also noted in the Housing Industry Association’s (HIA) submission to the Inquiry.

The National Housing Supply Council, in its 2010 State of Supply Report, also identified more time-consuming planning regulations and compliance costs in more established areas as adding to the cost and risk of medium-density infill developments. The costs of land acquisition and demolition are also higher for infill development.

The Grattan Institute, in its 2011 report, The Housing We’d Choose, also found that greenfield construction was cheaper in terms of time and money and represented lower risk than construction on brownfield sites in established suburbs. The report identified the need for an independent report which would provide a break-down of construction costs in both greenfield and infill development, in order to establish the major cost factors in construction and assist in establishing measures to reduce costs.

Since the costs of materials are a significant factor in the high cost of construction, the increased use of alternative construction materials represent a possible avenue for the reduction of costs in the construction industry. The National Dwelling Costs Study Report suggested that governments could provide incentives for the mass production of innovative and more affordable materials to be used in construction.

The Victorian Association of Forest Industries, in its Sustainability Report 2011, reported that over the next decade over one million new homes will be built and therefore sustainable use of materials such as timber is extremely important. Life cycle and whole-of-home approaches to sustainable building recognise the value of using natural materials such as timber to build new homes. The report found that timber-framed 180m² homes store at least 7.5 tonnes of carbon, taking into account the energy used to obtain, manufacture and transport materials. Comparatively, 180m² steel-framed homes emit 2.9 tonnes of carbon into the atmosphere. Importantly, the Report also found that natural materials such as timber can now be used for building higher density developments, including buildings up to ten storeys high.

The Forté tower, which is planned for construction in Melbourne’s Docklands, provides a local example of the use of timber in higher density developments. At more than ten storeys, the Forté tower will be the tallest timber apartment building in the world. The tower will utilise Cross Laminated Timber (CLT) and will reduce Carbon Dioxide (CO₂) equivalent emissions by more than 1,400 tonnes compared to a concrete and steel structure of the same size. CLT is used to produce timber panels that have an
equivalent strength to concrete panels and which, because they are designed and produced in a factory, enable faster and more cost effective construction.\textsuperscript{170}

The Committee also notes that the greater use of timber could play an important role in the construction of dwellings based on the secondary and tertiary suite model in Melbourne’s suburbs. As illustrated in Figures 3.4 and 3.5 in the preceding chapter, the use of timber is a significant feature of the construction of secondary and tertiary suites in the City of Surrey, Vancouver.

**Recommendation 4.14:** That the Victorian Government initiate an independent review into the comparative costs of construction in greenfield and infill development with the aim of identifying a range of measures for reducing the costs of infill construction.

**Recommendation 4.15:** That the Victorian Government investigate the provision of incentives to encourage the mass production of innovative and more affordable materials — such as timber and recycled materials — for use in infill developments.

**Planning regulations**

The Committee received evidence from a number of stakeholders which highlighted the extent to which planning regulations have acted as a disincentive to increased residential densification.

According to the National Housing Supply Council, in its 2011 *State of Supply Report*, while higher rates of infill development are widely supported, it will be difficult to achieve the required volumes without interventions relating to the planning and development approval process.\textsuperscript{171}

Mr Brian Morison, Executive Officer, BDAV, described the delays and costs associated with developing brownfield sites, and the resulting disincentive for developers to pursue brownfield development, in the following terms:

> Certainly there are challenges, and there are significant costs associated with them. It is one of the reasons why, I suppose, from a developer’s point of view the brownfields option is sometimes not seen as anywhere near as attractive as going down the greenfields option. … there can be significant planning issues involved that create significant delays, and that obviously impacts upon holding charges.

Mr Morison went on to state that consideration should be given to providing developers with incentives to make brownfield developments more viable, including: reviewing contribution charges; investigating measures for fast-tracking brownfield developments; reviewing permit fees; and assisting developers with land site remediation fees.\textsuperscript{172}
The Grattan Institute, in its 2011 report, *The Housing We’d Choose*, also identified planning regulations as an important disincentive for the construction of semi-detached townhouses and for infill development in established areas of middle and outer Melbourne.173

The Committee also notes that labour costs represent a significant component of the costs of construction associated with infill and brownfield developments. The National Housing Supply Council, in its 2011 report, *National Dwelling Cost Study*, found that construction — comprising labour costs, materials and sub-contractor rates — represents the largest cost component of infill construction, at between 45 per cent and 60 per cent of total costs. The report also identified “additional labour costs associated with unionisation”, together with environmental and safety requirements, as among the factors that have resulted in greater construction costs for infill dwellings over greenfield dwellings.174

In September 2012, the Minister for Planning, The Hon. Matthew Guy, MLC, announced a new set of statutory timeframes for streamlining the exhibition, decision making and approval processes for planning scheme amendments aimed at addressing the issue of planning delays.175 Local councils amend planning schemes to alter the zoning or an overlay on land and require a period of public exhibition and ministerial approval before taking effect.176

The Planning Institute of Australia suggested at a public hearing that changes to the planning system that would facilitate diversification of housing stock in the outer suburbs of Melbourne. For example, Mr Steve Dunn, President of the Planning Institute, stated at a public hearing that the requirement under the planning system for planning permits for building on lots under 300 square metres adds time and costs developers, such that it is more attractive to construct a standard house on a standard lot.177

On 14 July 2011, the Minister for Planning, The Hon. Matthew Guy, MLC, announced that precinct structure plans approved after that date, would include provisions that will remove the need for planning permits for lots under 300 square metres, provided that the dwelling complies with the *Small Lot Housing Code*.178 The Code includes design prescriptions in relation to setbacks to streets, building height, the extent of walls on boundaries, overlooking, car parking, open space and building articulation.179

Previous regulations required long and costly approval processes for lots less than 300 square metres. The Government’s objective in introducing the new Code is to accelerate development of smaller houses, and remove the impediment to the development of housing on smaller lots.180 The Growth Areas Authority, which prepared the *Small Lot Housing Code*, described the aim of the code as the facilitation and encouragement of:

… a broader range of housing that better meets the housing needs of residents moving into Melbourne’s growth areas.181

The *Small Lot Housing Code* applies to land identified within Precinct Structure Plans for a broader range of higher density housing types. Often this land will be in high activity centres, close to town centres, near or adjacent to parks.182 Single dwellings that comply with prescribed standards do not require planning approval or attract a planning fee in Victoria. In addition, in both Melbourne and Sydney, multi-residential and sub-divisions are significantly more likely to be decided outside the statutory time, which incurs increased holding costs. This is in part because such developments are associated with a higher rate of appeal to VCAT and its equivalent in New South Wales. The Committee is supportive of the *Small Lot
Chapter 4: Planning for Liveability

Housing Code’s objectives and considers that it will provide developers with an important incentive to build higher density, more diverse and more affordable housing.\textsuperscript{183}

**Recommendation 4.16:** That the Growth Areas Authority closely monitors the implementation of the Small Lot Housing Code and reviews its effectiveness in encouraging smaller housing development in the outer suburbs of Melbourne.

**Recommendation 4.17:** That the Department of Planning and Community Development examine and review existing planning regulations with the aim of reducing the costs to developers of infill and brownfield developments.

**Recommendation 4.18:** That the Victorian Government initiate a review of the costs of construction, and the options for reducing construction costs, of infill and brownfield development. The review should include consideration of the options for retro-fitting residential dwellings to accommodate the aged cohort and for reducing the costs of installing lifts for dwellings of three or more storeys.

In addition to changes in planning regulations, the Planning Institute of Australia suggested the Victorian Government identify good examples of medium density development, talk to the industry, and send the message that they would like this type of development reproduced.\textsuperscript{184}

### 4.5.4 International evidence on residential densification

The Committee’s research, together with the information that it gathered during the overseas study tour, revealed that many of the world’s cities are also grappling with the aim of increasing the density of their residential areas. The Committee gathered a wealth of information from organisations during the overseas study tour regarding the strategies that have been adopted to deliver higher residential densities that improve, rather than detract from, neighbourhood character.

**Vancouver**

During the Vancouver leg of the international study tour, the Committee received information on three strategies that have proven highly successful in enabling metropolitan Vancouver to increase the density of its residential areas in order to accommodate a rapidly growing population. The first of these strategies — the secondary and tertiary suite model — was discussed in Chapter Three. In this section, the two other main strategies used in Vancouver are discussed: the distinctive form of high-rise development known as ‘Vancouverism’ (defined in Chapter One) and the encouragement of townhouse construction.
In Vancouver, the Committee was briefed by Ms Delia Laglagaron, Interim Commissioner / Chief Administrative Officer, Metro Vancouver and Mr Gaetan Royer, Manager, Metropolitan Planning, Environment and Parks, Metro Vancouver. Metro Vancouver is the entity which delivers regional services, policy and political leadership on behalf of 24 local authorities across metropolitan Vancouver.

Mr Royer informed the Committee that the decision not to extend sewerage services into rural areas could also be used as a tool to prevent the loss of agricultural land to urban development. This is reminiscent of approaches used elsewhere in North America, where some United States jurisdictions control urban growth by withholding the provision of public water supplies to areas beyond the boundaries of existing urban areas. In Vancouver, suburban expansion is also constrained by an ‘Urban Containment Boundary’ (as opposed to Melbourne’s ‘Urban Growth Boundary’), which is notable for the emphasis that it places upon the containment of metropolitan Vancouver. This issue is discussed further in Chapter Six.

Both Mr Royer and Ms Laglagaron discussed the principles of ‘Vancouverism’ and referred to examples of its application. Mr Royer informed the Committee that Vancouver had seen a number of examples in recent years where the creation of compact urban areas with associated public transportation had proven highly successful as way of creating “complete communities”. Mr Royer told the Committee that a commitment to quality had proven to be one of the key ingredients to building community acceptance of increased densities in the form of high rise residential accommodation in Vancouver. Mr Royer said that the most successful high rise developments were those with high quality building exteriors and which created pedestrian friendly environments. He referred to the construction of four storey ‘walk-up’ apartments, with high rise residential towers of over 20 storeys recessed behind them, as a particularly successful model in Vancouver. Mr Royer said that such developments were able to create neighbourhoods with significant ‘kerb appeal’ with narrow pedestrian-friendly streets and features such as village centres, enclosed food markets and underground parking for apartment residents.

Ms Laglagaron and Mr Royer referred to Central City, a mixed use high rise development in the metropolitan City of Surrey, which houses a university but which also includes retail and university housing on its lower floors. Mr Royer informed the Committee that the site had been converted from a sprawling shopping centre, which was now being absorbed into the lower floors of the high-rise. The Committee observed Central City during a guided tour of the City of Surrey with municipal officers and was impressed by its design and integration with the surrounding streets. The development includes a brand new library which the Committee was informed had become a focus for the local community.

Mr Royer also informed the Committee that Vancouver is now aiming to increase the proportion of future metropolitan growth that occurs in its downtown and outer urban centres to 50 per cent and 27 per cent respectively. Mr Royer referred to the example of the outer metropolitan centre of Port Moody, which has achieved a density of two thirds of its residents living in multi-family dwellings in towers and four storey apartments. He also noted, however, that growth in Port Moody had since slowed due to the unfulfilled promise to extend the SkyTrain to the suburb.

Similarly, Mr Jim Charlebois, Manager of Community Planning, District of Maple Ridge, informed the Committee during the briefing in Maple Ridge that Port Moody began as a single family and ‘sleepy’ residential suburb. He said that within a generation, the suburb had been transformed by the construction of a dozen high rise towers and an urban village. Mr Charlebois informed the Committee that the first of the towers had achieved a ‘tipping point’ with regard to community acceptance of increased density and
support for additional towers. Mr Charlebois also said that the local economy had benefited greatly from
the increased population density and the establishment of new restaurants and cafes. He noted that the
towers had proved a catalyst for the provision of a range of services and amenities that are otherwise only
found in inner city areas.\textsuperscript{193}

Mr Charlebois went on to note the growing community acceptance of smart growth principles in British
Columbia, particularly the need for transit hubs and urban villages, and the importance of such principles
in ensuring the sustainability of the community. He noted that the West Coast Express regional rail
service, which has stations in Maple Ridge and West Maple Ridge, effectively provided a proof of concept
for the future provision of a the Skytrain light rail service, which would be within walking distance of
thousands of residents.\textsuperscript{194}

Mr Charlebois also explained the role of the Maple Ridge Town Centre Area Plan in promoting increased
density. He stated that the District was seeking a minimum of three storeys in the town centre and the
‘Vancouverism’ or ‘podium’ model for taller developments to prevent a sense of enclosure at street level
and create pedestrian friendly spaces.\textsuperscript{195}

In Vancouver, the Committee also received a briefing from Mr Dave Crossley, Executive Director, and
Ms Dear Manityakul, Council Member, Planning Institute of British Columbia. Mr Crossley informed the
Committee that, like Melbourne, the current challenge for planning in Vancouver is to address the city’s
historic post-war planning pattern of low-density outer suburban residential expansion. He also referred
to the City of Surrey as an example of an outer municipality of Vancouver that has recently made
significant progress in increasing the density of its urban core and thereby reducing the extent to which its
residents are required to commute for work or shopping.\textsuperscript{196} The City of Surrey, which the Committee
visited during its time in Vancouver, is discussed further below.

Ms Manityakul informed the Committee that there remained a degree of disconnect between planning for
land-use, transportation and housing in Vancouver. Ms Manityakul said that reduced housing affordability
closer to central Vancouver meant that a significant proportion of the population had little option but to
reside in ‘bedroom communities’ located far from the city centre and from the majority of employment
options. Moreover, Ms Manityakul explained that it was often difficult for developers in Vancouver to
justify high density development in financial terms due to the expense of developing particular parcels of
land and of providing rapid public transit infrastructure without the guarantee of sufficient ridership in
the early stages of a development.\textsuperscript{197} As the Committee discusses below, similar barriers to the
development of Activity Areas in Melbourne have meant that developers have historically found it more
viable to continue patterns of low density residential development in greenfield sites.

The committee was also informed that a boom in the construction of townhouses has contributed to
higher residential densities in Vancouver. For example, Ms Mary Beth Rondeau, Senior Planner – Area
Planning and Development, City of Surrey, informed the Committee during a site tour of the City of
Surrey that townhouses proved to be an extremely successful form of development in the municipality.
Ms Rondeau stated that two and three storey townhouse development in Surrey typically achieves
densities of 25 dwellings per acre while also providing residents with more private outdoor space than a
condominium. Ms Rondeau also stated that such dwellings are highly affordable, typically selling for
approximately CAD$200,000 compared to CAD$800,000 for a detached house in the city of Vancouver,
and now account for approximately one quarter of residential dwellings in metropolitan Vancouver. Ms
Rondeau also informed the Committee that such townhouse developments are specifically designed so
that any residence can be used as a ‘live-work’ dwelling, which enables residents to operate a business from their premises.198

The Committee’s view is that Vancouver has successfully deployed a range of strategies aimed at increasing residential density in existing urban areas. These strategies were shaped by a range of forces, both similar to those in Melbourne, such as dramatic increases in the price of land and housing, and, unlike Melbourne, by its geographical constraints, located between the Pacific Ocean and the North Shore Mountains. The range of strategies includes high rise developments in the Activity Centres and increased medium-density development (such as townhouses) and infill development with secondary and tertiary suites providing multiple occupancy on single lots. Vancouver has embraced this range of approaches to residential density at the same time that it has retained its place as one of the world’s most liveable cities.

The Committee considers that the model of high rise development described by Metro Vancouver and by the Planning Institute of British Columbia, which is widely referred to as ‘Vancouverism’, may have significant potential for application in selected Activity Areas in Melbourne’s outer suburbs, particularly those which would benefit most from the urban renewal associated with higher residential densities. The Committee also notes that the neighbourhood character created by such developments may have significant potential as a means of delivering urban renewal within appropriate areas of Melbourne’s established outer suburbs.

Figure 4.6: Examples of Vancouverism

Source: Mrs Jan Kronberg MLC, Chair, Outer Suburban/Interface Services and Development Committee.

Recommendation 4.19: That the Victorian Government consider the applicability of ‘Vancouverism’ as a way of delivering higher residential densities in selected Activities Areas within Melbourne’s outer suburbs.
The Committee is mindful that much of the historical opposition to multi-level residential developments, particularly those above 4 storeys, has been due to the failure of many developments to respond to, or blend in with, their surrounding environment. As Richard Weller states in *Boomtown 2050*, “when built quickly, cheaply and in areas of low amenity”, such developments have given rise to “some of the 20th Century's worst urbanism”. Professor Weller concludes, however, that the Australian mindset of outright opposition to medium and high density living is changing, due both to increasing population pressures and the geographical extent to which many Australian cities have now spread. Professor Weller states that:

…”if designed with attention to the users’ real needs, and to public space, transportation links, microclimate and view-sheds, then high-rise development, which is close to good cultural or natural amenity, can be a successful method of housing large numbers of people."200

Following is a series of high-rise development images. The first of these (Figure 4.6), illustrates the vision of high-rise development described by Professor Weller. The second (Figure 4.7), is a futuristic image which illustrates the potential of high rise developments to create “vertical landscapes” for a “wide range of sporting and recreational activities, vertical farming, gardens and associated retail spaces.”201 The third image (Figure 4.8) is of the Athletes Village for the 2012 London Olympics, which is currently being converted to a mix of private and social housing and which is discussed in the following section as well as in Chapter Three.

In the view of the Committee, high quality high-rise development, which incorporates design principles such as those inherent in Vancouverism and the 2012 London Olympics Athletes Village, is part of the mosaic of urban forms that cities such as Melbourne will need to increasingly embrace in order to preserve liveability into the future. In order to build and retain public support for such developments, it is also crucial that careful consideration be given to their placement, such as in Activities Areas, in order to minimise the impact on existing detached housing.
Figure 4.7: High density development with high amenity

Source: Richard Weller, 2009, Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, p.346.
Calgary

Mr Matthias Tita, Acting Director, Land Use Planning and Policy City of Calgary, informed the Committee that Calgary currently has 24 developing suburban communities, all of which are built around a central community hub, which typically contains local services and public open space but which are predominantly low density housing. Mr Tita said that the typical density ratios for these developments are approximately 30 per cent multi-unit development and 70 per cent detached and semi-detached housing.202

Professor Nancy Pollock-Ellwand, Dean, Faculty of Environmental Design, University of Calgary informed the Committee during a briefing in Calgary, about the Garrison Woods residential development, located approximately 10 minutes from downtown Calgary. Garrison Woods was redeveloped from a former military base and is now a mixed-use residential community which includes a variety of medium density housing types. The development is close to bus transit services, includes a village centre and is considered a standout example of the principles of new urbanism, smart growth and sustainable development.203

Mr Michael Flynn, Executive Director, Urban Development Institute Calgary, during a briefing in Calgary, informed the Committee of an interesting approach to achieving greater residential densities and
increased green space in new suburban developments in Calgary, which involves the narrowing of roads where it is efficient to do so. Mr Flynn stated this approach is based on European models and targets existing roads with excess space. Additional benefits of this approach include traffic calming and an improved environment through the creation of additional space for footpaths and trees.204

Interestingly, Mr Flynn also informed the Committee that houses with front driveways are becoming increasingly difficult to build in Calgary, despite consumer preferences, and are increasingly being replaced by rear lane access to a garage. Mr Flynn noted that although this model of development means that people have a much reduced rear yard, the front porch in such residences becomes the focus for interaction between neighbours.205

The Committee notes the ‘rear-loading’ model has also proven successful as a means of increasing residential densities and creating additional public space in the Perth suburb of Joondalup.206 The Committee also notes that the model of rear lane access produces pedestrian friendly environments at the front of such properties and additional public space which can contribute to social cohesion. As discussed in the section on London below, such space is commonly referred to in the United Kingdom as ‘public realm’. The Committee also notes dispensing with front driveways also opens up the option of innovations such as individual garages housed within a shared structure.

**Toronto**

The Committee found one of the most striking features of downtown Toronto and the Greater Toronto Area (GTA) to be the significant number of high-rise residential buildings of 30 to 40 storeys. High-rise residential development in Toronto is both typically higher and more concentrated than in Vancouver. High rise developments of this scale are also located in a number of suburban centres beyond the CBD. For example, Markham, which is located approximately 30 kilometres from downtown Toronto, has a number of 30 plus storey residential high rises.207 The fact that Toronto is currently the centre of the greatest amount of construction activity in North America is largely due to the ‘condo-isation’ of Toronto.208

Ms Pamela Kanter, Manager, International U.S. and European Union, International Trade Branch, Ministry of Economic Development and Innovation, Ontario, informed the Committee during a briefing in Toronto that the city has also recently redeveloped a number of mixed use neighbourhoods relatively close to the CBD — such as Liberty Village and Regent Park — that have achieved relatively high residential densities with low-rise buildings.

Ms Kanter also informed the Committee that there is currently a trend of professionals moving back to the city from the suburbs to avoid commuting times of up to three hours and because central Toronto is able to provide a wide range of price points for purchasers.209 The Committee was informed that the entry level purchase price of a typical new condominium in the downtown area is approximately CAD$285,000.210 The condominium market in the downtown area also caters for a range of households of varying socio-economic status, with specific policies in place to ensure that gentrification does not push out lower income groups by retaining affordable housing, with prices ranging from CAD$250,000 and up.211

The Committee notes that urban renewal of brownfield sites close to Melbourne’s CBD has also been identified as a priority by the Victorian Government, with the Fishermen’s Bend redevelopment the most notable project.
Similarly, Mr Victor Doyle, Manager, Provincial Planning Policy Branch, Ministry of Municipal Affairs and Housing, Ontario, informed the Committee during a briefing in Toronto that the desire to reduce traffic congestion and commuting times was a major impetus for plans to increase residential densities across the GTA and the Greater Golden Horseshoe. (As noted in Chapter One, the Greater Golden Horseshoe stretches from the Niagara Falls escarpment to the east Toronto municipality of Oshawa and has a population of almost 9 million. The area is a major residential and industrial region and is currently growing by approximately 100,000 people each year.) Mr Doyle referred to the billions of dollars lost each year due to delayed freight on the roads, as well as the cost in greenhouse gases, energy, lost productivity and lost social time. Mr Doyle referred to the Ontario government’s current plan for growth and development under the Places to Grow program, the *Growth Plan for the Greater Golden Horseshoe (2006)*, which contains the goal that from the year 2015 onwards a minimum of 40 per cent of all annual residential development within each municipality will be within built up areas, as well as density targets for greenfield sites. For example, Mr Richard Cockfield, Director, Strategic Planning and Policy, Regional Municipality of Halton, informed the Committee during a briefing that Ontario has set a target of 50 persons per hectare in greenfield sites.

Mr Doyle also informed the Committee that the Ontario Municipal Board has a tendency to rule in favour of increased density and height. Mr Doyle also noted that while there is some resistance to this trend — including in the municipality of Toronto itself, which is seeking to contain intensification along transit corridors and around the transit stations and which has restricted such development to 25 per cent of the municipality — Ontario is increasingly embracing such intensification as a society. Mr Doyle also referred to the role of design solutions, which can soften such intensification, such as podium style towers and ring roads which direct some traffic flow away from neighbourhoods. Mr Doyle also noted that increasing residential densities also provides a double dividend of reduced infrastructure costs and developer charges on the one hand and improved housing affordability on the other hand. Mr Doyle also identified increased residential densities and secondary suites as the primary means of achieving affordability for purchasers and condominiums as the central component of the new rental market.

The Committee considers that the experience of Toronto in accommodating a population of approximately 6 million, which Melbourne is forecast to reach during the mid-21st Century, provides an important lesson. Of particular interest, the Committee formed an impression that the height, density and the widespread nature of high-rise residential developments across the GTA is a consequence of the fact that Toronto had failed to plan for and embrace increased residential densities in response to population growth and had to play ‘catch up’ by increasing pockets of extremely high density, rather than spreading it more uniformly as in Vancouver.
Finding 4.6: The recent experience of Toronto provides a valuable lesson for Melbourne. As a consequence of failing to adequately plan for and embrace increased residential densities in response to population growth, Toronto has been compelled to develop pockets of extremely high density.

Zurich

Both the City of Zurich and the Canton of Zurich, which includes the city and the surrounding metropolitan area, have low population densities by European standards. However, the Committee received information during its briefings that the Cantonal Government of Zurich is currently aiming to significantly increase residential densities in order to protect remaining agricultural and conservation land.

Mr Wilhelm Natrup, Cantonal Planner and Head, Office for Spatial Development, Government of the Canton of Zurich, informed the Committee during a briefing in Zurich that the City of Zurich has a population density of approximately 7,000 people per square kilometre, much lower than cities such as Paris and Vienna, with 25,000 and 20,000 people per square kilometre respectively. (Vienna is regularly ranked within the top five of the world’s most liveable cities by both the Economist Intelligence Unit and the Mercer Quality of Living Survey.) Mr Natrup also informed the Committee that the city has a 40 metre height restriction, which is equivalent to approximately 11 or 12 storeys.\textsuperscript{216}
Mr Natrup also informed the Committee that the recently revised 15-year Cantonal Structure Plan (Kantonaler Richtplan) for Zurich, the Canton would not rezone any additional land for urban development but would use the existing 30,000 hectares zoned for this purpose. Mr Natrup informed the Committee that this would reduce the proportion of population growth accommodated in greenfield sites to 25 per cent during the next decade, while the remaining 75 per cent of population growth would be accommodated through the redevelopment of brownfield sites and urban renewal. Mr Natrup also informed the Committee that such increased urban densities were being achieved through the replacement or renewal of two per cent of all buildings in Zurich each year and that the Cantonal Government had set a target of increasing this figure to three per cent.217

Similarly, Professor Dr. Marc Angélil, Deputy Director, Network City and Landscape (NSL), ETH Zurich (Swiss Federal Institute of Technology Zurich), informed the Committee during a briefing in Zurich that the Institute has made a number of recent recommendations to the Cantonal Government aimed at containing urban development within its existing boundaries. Professor Angélil informed the Committee that the Institute is advocating a ‘double form of density’ through avoiding further encroachment on the natural landscape and through increasing residential building heights in existing urban areas. Professor Angélil also referred to the fact that such increased residential or “physical” density also delivered a dividend in the form of greater “social density”.

Figure 4.10 illustrates an example of a shared public realm in Zurich, in the form of a park that is shared between a commercial hotel and residential apartments (in the background) and which adjoins a cafe.

In common with a number of planning experts and government representatives that the Committee met during the overseas study tour, Professor Angélil stated that an important means of containing urban ‘sprawl’ is to avoid the construction of new infrastructure, particularly transport infrastructure, beyond existing urban areas. Professor Angélil encapsulated this concept with the advice that the Cantonal Government and Zurich’s municipalities should seek to “contain mobility”.218

**Figure 4.10: Shared public realm in Zurich**

Source: Mrs Jan Kronberg MLC, Chair, Outer Suburban/Interface Services and Development Committee.

**London**

Greater London has a population of approximately 7.8 million and an average population density of just under 5,000 people per square kilometre.219 London is a relatively compact city, with most urban
development contained within a 20-kilometre radius of the city centre. However, there is also extensive urban development beyond the boundaries of London, from which many people commute to Greater London for work. There are a variety of definitions of this wider area, including the United Nation’s definition of the ‘urban agglomeration’, which had an estimated population in 2011 of approximately nine million. The Committee has adopted this definition of London for the purposes of this report.

Notably, London has succeeded in accommodating a population almost twice the size of Melbourne’s population and approximately one third larger than that of Toronto, primarily through medium density development. The metropolitan area is relatively free of high-rise residential towers of the scale that the Committee observed in Toronto. Unlike Toronto, London has been able to delay the necessity of developing condominium style dwellings of 12 storeys and above the former 2012 Olympic Athletes Village will provide residential housing of up to 12 storeys. London also has residential high-rise in parts of its Docklands area to service areas such as Canary Wharf, the London Excel Centre, through Stratford, outside the Olympic site, and increasingly through areas of renewal in London’s east.

Mr Mark Bradbury, Head of Development Asset Transfer – London Thames Gateway, Housing & Land Directorate, Greater London Authority, informed the Committee during a briefing in London that while there are pockets of high rise residential living of the scale seen in Toronto around Canary Wharf, near central London, such developments generally do not represent affordable housing for families, but are largely used as a base for professionals who work in London during the week and return to their homes outside of London during the weekend.

Mr Bradbury also informed the Committee that one of the ways in which London has been able to maintain a relatively compact and dense metropolitan area has been through the construction of a number of commuter rail links to neighbouring regional centres. The Committee has discussed the importance of promoting Melbourne’s neighbouring regional centres as attractive places in which to live and work in Chapter Two and notes here that improved commuter rail services would make enable these areas to accommodate a greater proportion of Melbourne’s working population, and transfer some employment from Melbourne to regional centres.

Adaptive re-use of brownfields sites have been two key elements in managing the growth of London. By the 1980s, long-term changes wrought by the globalisation of the world economy and technological change created large, vacant former transport and industrial sites in London’s East End and Thames Valley that were ready for redevelopment. The redevelopment of the Docklands in the East End began in the 1980s, turning the docks, rendered obsolete by the advent of shipping containers into new commercial and residential sites, supported by the construction of the automated Docklands Light Rail from 1987 and the London Underground, with the extension of the Jubilee line in 1999.

By the 1990s, the impact of the newly-opened Channel Tunnel, linking London to Europe brought areas east of London along the River Thames into focus as greenfields areas for London’s expansion, with the area designated by the United Kingdom (UK) Government as the ‘Thames Gateway’. Development along the Thames Gateway was expected to create some 200,000 new homes, with major growth centres such as Barking Riverside accommodating 10,000 of these new homes.

London’s hosting of the 2012 Summer Olympic Games created other opportunities for redevelopment in the Thames Gateway. The siting of the Olympic Village at Stratford and its re-use as affordable housing with between 6,000 to 7,000 homes is an important legacy of the Games. The development also
includes the application of ‘blind tenancy’ principles to the provision of social housing (see the discussion on social housing in Chapter 3), which aims to create a diverse socio-economic mix in the village. The village is strongly oriented around transit, located near commuter rail and light rail stations at Stratford as well as the high-speed rail station connecting the UK to Europe through the Channel Tunnel. There is also a large shopping mall built by Australian property developer Westfield located in the middle of the transport hub.

**Figure 4.11: 2012 London Olympics Athletes Village**

*Source: Mrs Jan Kronberg MLC, Chair, Outer Suburban/Interface Services and Development Committee.*
4.5.5 Activities Areas

Melbourne’s Activities Areas (previously known as Activity Centres) represent possibly the best known strategy for residential densification.

The Victorian Government, through DPCD, has identified Activities Areas as:

- the focus of major urban change over the next 30 years [and as] areas that encourage development to foster more sustainable and vibrant communities.227

The Victorian Government has also stated its commitment to increasing the concentration of activities in a network of existing and planned Activities Areas, connected by public transport. Under this model, the catchments of Activities Areas may overlap in order to provide the maximum number of people with the maximum choice in services, employment and social interaction.228

DPCD has defined the following five categories of Activities areas:

- **Central Activities Areas (CAAs)** — There are seven CAAs, which will be the focus of a large proportion of future employment growth and public investment in Melbourne and regional centres. Melbourne’s CAAs are: the municipality of Melbourne; Box Hill; Broadmeadows; Dandenong; Footscray; Frankston and Ringwood. While Melbourne is the largest of the CAAs, “with the greatest variety of uses and the most intense concentration of development”, the intention is for the other six CAAs to become “mini-CBDs in the suburbs and regional centres.”

- **Principal Activities Areas (PAAs)** — There are 20 PAAs, which are defined as “large centres with a mix of activities that are well served by public transport”, with “an especially important role to play as a focus for community activity, services and investment”.

- **Major Activities Areas (MAAs)** — There are 94 MAAs, which are defined as having a similar role to PAAs but as serving smaller catchment areas.

- **Specialised Activities Areas (SAAs)** — There are ten SAAs, which are defined as important economic precincts, such as Monash University/Health Research Precinct and Melbourne Airport, which “provide a mix of economic activities that generate high numbers of work and visitor trips”.

- **Neighbourhood Activities Areas (NAAs)** — NAAs are defined as centres that offer a limited mix of uses to meet local needs, primarily through businesses, shops and limited community services.229

Stakeholders expressed almost universal support for the Activities Areas model.230 However, a number of stakeholders were critical of aspects of the former Activity Centres model. For example, BDAV suggested that the former model would have benefited from greater clarity in defining the boundaries of
Activity Centres in order to provide certainty to residents and developers regarding where new construction might take place.\textsuperscript{231}

According to Dr Bob Birrell, co-director of the Centre for Population and Urban Research and Reader in Sociology at Monash University, the \textit{Melbourne 2030} strategy for increased housing density in activity centres did not clearly define the boundaries of activity centres, or their capacity to accommodate significant increases in dwellings. \textit{Melbourne 2030} left it to municipal Councils to:

\begin{quote}
\ldots review each of their activity centres and its directions for growth and change [to] ensure that strategic objectives at the local level are consistent with the key directions and policies in Melbourne 2030.\textsuperscript{232}
\end{quote}

Similarly, Dr Ernest Healy, also based at the Centre for Population and Urban Research, stated at a public hearing that \textit{Melbourne 2030}:

\begin{quote}
\ldots had for the most part failed particularly in terms of confining higher density residential development to activity centres, linking increased urban densities to housing affordability and containing residential development on the metropolitan fringe.
\end{quote}

\textit{Melbourne 2030} aimed to open up a wide range of residential development opportunities for medium and high density dwellings across Melbourne to really unlock the inherited urban landscape for redevelopment. The policy goal was a more compact city — activity centres within established suburban areas would accommodate a significant share of the additional 1 million people expected at that time between the year 2000 and 2030. It was foreseen that activity centres would accommodate something around 47 per cent of that additional population; greenfield, largely fringe locations, were expected to accommodate around 31 per cent of additional residents.

In 2008, by the time of the \textit{Melbourne @5 Million} policy revision of \textit{Melbourne 2030} — described as a refinement and complement to \textit{Melbourne 2030} — the activity centre target had clearly been diluted. ‘Established areas’ were allocated 53 per cent of additional dwellings, and the allocation for fringe areas had been increased to 47 per cent — from 31 per cent in the original document. Here we also see emphasis on medium and higher density residential development in locations proximate to activity centres; so there is an emerging emphasis upon medium and higher density residential development outside of activity centres. This is really introduced in the audit of the \textit{Melbourne 2030} policy, and the recommendations taken up by the then Labor government really accepted this focus on building higher density residential development outside of the designated activity centres.\textsuperscript{233}

Planning and Economics Consultant, Mr Alan Davies, has expressed the view, that \textit{Melbourne @5 Million} significantly reduced the target for population growth absorption in established areas so that “it merely echoed the way the market had behaved over the preceding four years.”\textsuperscript{234}

\textit{Melbourne 2030} signalled that new development would be encouraged in and around named activity centres, and would not be allowed outside the urban growth boundary. However, a 2010 study demonstrated that the strategy had little impact on directing new housing construction towards nominated activity centres. The study found that only a small number of activity centres close to the CBD had experienced growth in new housing, particularly apartments housing.\textsuperscript{235} The study also suggested that the former policy had failed to prescribe which centres were suitable for future development\textsuperscript{236} and did not provide guidelines for dealing with ‘out of activity centre’ development proposals, which left open
Inquiry into Liveability Options

the potential for broad interpretations of which centres would be developed, which ‘out of centre’ proposals would be approved, and what type of development was appropriate.237

According to Associate Professor Robin Goodman, Director of the Australian Housing Urban Research Institute at Royal Melbourne Institute of Technology:

> The strength of activity centre planning is not only the degree to which activities can be directed to locate in particular centres, but the degree to which activities are restricted from locating outside centres. In the English policy known as Planning Policy Statement Four it is incumbent upon the proponent of development to argue for why they cannot locate within a centre, while in Melbourne the onus of proof is reversed with developers only needing to argue why locating outside a centre “is of net benefit to the community in the region served by the proposal”.238

The Master Builders Association (MBA), in its submission to the Inquiry, recommended a renewed State Government effort, facilitated by changes to the planning system, to increase density and mixed use developments around central activity districts.

The MBA advocated that the government include ‘as-of-right development zones’ for activity districts within the new Metropolitan Planning Strategy. The new zone would enable infill development of low rise townhouses, dual occupancy, apartments and other forms of medium density housing within PAAs.239 The Interface Council’s submission was also supportive of increased residential density within Activities Areas.240

The Victorian Government, in its submission to the Inquiry, stated that it will lead a number of initiatives to support development in Activities Areas, including:

- requiring the boundaries of all Central, Principal and Major Activities Areas to be fully defined in to provide certainty regarding the location of large-scale urban change;

- introducing VicSmart assessment in activities areas in order to clarify what can built and where and to reduce regulatory delay; and

- requiring all councils, in partnership with the Victorian Government, to develop new population strategies for all Central, Principal and Major Activity Areas, which define service requirements, infrastructure requirements and open space provisions to accommodate population growth in each Activities Area.241

The Victorian Government also emphasised the close connection between urban renewal in the outer suburbs and Activity Areas. The Victorian Government informed the Committee that DPCD has a

...place based partnership approach to achieving urban renewal in specific established outer suburbs through the Central Activities Area program.

The submission noted that this program is currently applied to the seven suburbs of Dandenong, Broadmeadows, Box Hill, Frankston, Ringwood, Footscray and Geelong and that it has demonstrated the importance of:
• commonly owned objectives;

• clear accountabilities between agencies;

• the role of an urban renewal framework in identifying appropriate place based projects and actions; and

• providing support through tools and publications.\textsuperscript{242}

The submission also stated that DPCD has created a number of planning tools to assist local councils in their Activities Area planning, as well as funding to local councils for public realm projects.\textsuperscript{243}

The Committee is encouraged by the Victorian Government’s commitment to the Activities Area model and considers that its planned initiatives have the potential to both build community support for the role of Activities Areas and to significantly increase the role of Activities Areas in accommodating future population growth. The Committee is also encouraged by the Victorian Government’s commitment to the aim of urban renewal in established outer suburbs through the vehicle of the Activities Area model. In this regard, the Committee considers that there is a need for the identification of urban renewal opportunities in Activities Areas beyond the seven suburbs currently identified in DPCD’s Central Activities Area program. Of the five categories of Activities Areas, the Committee considers that urban renewal opportunities should also be explored in the principal activities areas and major activities areas in established outer suburbs as a matter of priority. The Committee considers that principal activities areas and major activities in established outer suburbs have the greatest potential to provide affordable housing options and relieve pressures on outer suburban infrastructure while significant boosting the economic and cultural vibrancy of the outer suburbs.

**Recommendation 4.20:** That the Department of Planning and Community Development identify those Principal Activities Areas and Major Activities Areas in Melbourne’s established outer suburbs with the greatest potential for urban renewal (as discussed below), based on factors such as their proximity to the Principal Public Transport Network (PPTN) (as discussed at 4.6.1) and availability of land for mixed used development, including medium density residential and commercial accommodation.

### 4.5.6 Urban renewal

The urban renewal of established outer suburbs represents an important means of increasing residential densities in such areas and thereby absorbing future population growth while providing improved access to infrastructure. Urban renewal projects are therefore often closely associated with Activity areas (discussed at 4.5.4) and with Transit oriented development (discussed below at 4.6.3).

The Victorian Urban Renewal Authority (URA) defines urban renewal as “the redevelopment of large scale urban neighbourhoods to improve the amenity for residential and mixed-use purposes”. The URA also describes urban renewal as a process that is generally long-term and precinct-wide and which
involves the transformation of unused or underutilised land in established areas to create new homes and businesses. According to the URA, the aim of urban renewal is to build upon the existing strengths of a particular area to more fully utilise land that is located close to jobs, services and transport and to thereby provide opportunities for future growth.244

According to BDAV, the advantages of urban renewal include better access to employment, services, retail, entertainment, and cheaper housing options, as well as enabling people to stay in their suburb if they need to downsize to smaller dwellings.245

Although urban renewal has traditionally been confined to established inner city areas in need of redevelopment, the Committee heard that urban renewal is just as significant for established outer suburbs, particularly in light of Melbourne’s rapidly growing population and the shortage of infrastructure in the outer suburbs.246

During the mid-1990s, the Commonwealth Government’s ‘Building Better Cities’ (BBC) program sought to improve the urban environment in Australian cities both in inner and outer suburbs. Working in partnership with the states and territories, the Commonwealth co-funded a range of initiatives based around ‘area strategies’. In Victoria, there were four area strategies, based around one inner city renewal area and three growth corridors (Plenty Road, South-west and South-east).247 The Victorian area strategies revolved around improving public transport infrastructure, preparation of brownfields sites for redevelopment, refurbishment of public housing and provision of strategic infrastructure.

Beyond the best known examples of urban renewal in Australia, namely the broad scale ‘slum clearances’ in inner-city Sydney and Melbourne in the decades after the Second World War and their legacy of high-rise public housing towers, there are examples of urban renewal that are more sensitive to the urban environment and have achieved arguably better outcomes. One notable example of urban renewal success from the BBC era was the Kensington Banks estate in inner Melbourne, developed on the 38 hectare site of the former State cattle saleyards at Kensington, seen as a model for how urban renewal could be conducted elsewhere in Melbourne.248

Another success of the BBC program from this period was the redevelopment of a 120-hectare contaminated former industrial site in East Perth. The success of the Northbridge development saw its lessons deployed in the renewal of the area around Subiaco railway station in the following decade.249

The Committee received evidence from Mr Brian Morison of the BDAV on the success of Northbridge urban renewal project in East Perth in the 1990s. He said:

> The East Perth Redevelopment Authority’s Northbridge urban renewal project had at the time, when it was first being mooted, a community of about 350 or less. As a result of being able to introduce urban consolidation it was able to have something in the order of about 460 residences, housing 1,600 odd people, plus something of the order of about 17,000 square metres for commercial-industrial or for business activities. That particular project is seen as quite a model project for urban development, and is perhaps a classic Australian example.250

The Tourism and Transport Forum (TTF), in its submission to the Inquiry, advocated changes to land uses around railway stations as a means of creating urban renewal opportunities. The TTF stated:
The concentration of activity around mass transit hubs to open up opportunities for urban renewal which can vastly improve the amenity of public spaces.251

BDAV submission was also highly supportive of urban renewal in the outer suburbs:

The BDAV welcomes the [Logical Inclusions] initiative, as long as there is an equal commitment to assessing possible urban renewal sites. The BDAV is a strong advocate for the focus on urban consolidation, including in existing outer suburban areas, as developments within these urban areas are supported with already-established infrastructure and existing communities. Infill development within urban consolidation areas not only creates more accommodation but can also engender lifestyle advantages and substantial cost-savings.252

The Interface Councils,253 in their submission to the Inquiry, identified Epping in Whittlesea and Broadmeadows in Hume, and Lilydale and Rosebud in Mornington Peninsula, as older established suburbs that now require urban renewal to address the inadequacies of the original infrastructure in these communities.254

According to the Victorian Council of Social Services (VC OSS), research suggests that commitment and coordination of investment from state government agencies is crucial to supporting renewal activity as:

… councils are unwilling to facilitate large-scale renewal activity in the absence of greater infrastructure provision channelled through other state departments.255

The Revitalising Central Dandenong (RCD) project, a partnership between the Victorian State Government, VicUrban and the City of Greater Dandenong, is one of a few examples of urban revitalisation in an outer suburban area, and one which may also provide a means of addressing the problem identified by VCOSS. The RCD involves new housing development, remodelling of urban space including greater pedestrian access and improved road connectivity, and revitalising the civic centre over a 15-20 year timeframe. Although some key projects have already been delivered as part of RCD, it is still too early to determine whether the urban renewal of central Dandenong has been successful.

The Committee notes that the Officer Town Centre is also being developed by Places Victoria — in partnership with the private sector, industry and government partners — as an urban renewal precinct project.256

The Committee considers that there is a need for Places Victoria to adopt a systematic approach to the identification of potential urban renewal sites in Melbourne’s established outer suburbs aimed at identifying those sites with the greatest potential to for renewal in combination with the achievement of increased residential densities in close proximity to public transport. Such a process might best be undertaken in the form of an audit with the aim of producing and outer suburban urban renewal priority list.

Recommendation 4.21: That Places Victoria undertake an audit of potential urban renewal sites in Melbourne’s established outer suburbs to identify those sites with the greatest potential for renewal and for the delivery of increased residential densities in close proximity to public transport.
Recommendation 4.22: That in order to attract and facilitate investment in outer suburban urban renewal projects identified as having greatest potential for renewal, the Victorian Government considers the formation of further partnerships with Places Victoria, relevant Interface Councils and the private sector.

Part C: Planning for infrastructure

The Committee received a significant volume of evidence on the need for better planning and increased funding for transport and community infrastructure. However, if there is a single issue on which the Committee received the most - as well as the most passionate - evidence, it was the provision of transport infrastructure in Melbourne's outer suburbs.

In this section, the Committee discusses the evidence that it received on the acute need for improved transport infrastructure in a number of Melbourne's outer LGAs. Community infrastructure, such as schools, preschools, community halls and libraries, is discussed in Chapter Five.

The Committee then discusses the importance of urban renewal and related planning principles, such as Activity Areas and Transit-Oriented Development, and their applicability to both established and new outer suburbs and finds that, in addition to the prospect of delivering more integrated transport infrastructure, such principles also offer a range of dividends for the liveability of Melbourne's outer suburbs. The section then turns to a discussion of the existing funding sources and mechanisms for infrastructure, including developer contributions and the Growth Areas Infrastructure Charge (GAIC). The section concludes with a discussion of possible alternative funding sources and models, some of which may have the potential to significantly boost the available funding for both transport and community infrastructure.

4.6 Transport infrastructure in the outer suburbs

Transport infrastructure in the outer suburbs tends to lag behind urban development and population growth. As new areas are developed, existing roads are unable to cope with increased traffic volumes, while bus and rail services often lack a sufficiently dense residential catchment to provide services that meet the transport needs of the new population. The Committee has found that the lag between the need for transport infrastructure and its provision is a phenomenon not limited to Victoria. Other Australian and overseas cities struggle with similar problems of planning, funding and delivering transport infrastructure in a timely and effective manner.

The vast majority of stakeholders who provided evidence to the Inquiry referred to a shortage of road and public transport infrastructure in Melbourne’s outer suburban locations. Aside from a lack of basic transport infrastructure, stakeholders also reported issues with: the frequency of existing public transport services; a lack of integration between transport modes; and severe road congestion in Interface Councils.

The Committee notes that while a lack of transport infrastructure is a particularly acute problem for many of Melbourne’s newest suburbs, it is also a problem for many established outer suburbs. The Committee
also notes that this legacy of underinvestment in transport infrastructure is not unique to Melbourne or other Australian capital cities.

For example, in Toronto, Mr Chris Giannekos, Assistant Deputy Minister, Infrastructure Policy and Planning Division at the Ontario Infrastructure Ministry, told the Committee that Toronto’s metropolitan area is also struggling to catch-up with a legacy of decades of underinvestment in transport infrastructure. He explained that while the population of Greater Toronto had continued to grow and spread out, capital funding for transport infrastructure to serve urban growth went through cycles of peaks and troughs, with the 1950s to 1970s and the 2000s to the present as funding peaks; and the 1980s and 1990s as a funding trough. The cyclical nature of funding made it difficult for the Ministry to adequately plan to service urban growth with transport infrastructure and much recent spending was to ‘catch up’ with past urban growth. 257

This narrative of an unsteady long-term investment pipeline for Toronto’s urban transport infrastructure was echoed by Mr Gary McNeil, President of GO Transit, the Ontario government’s transport authority covering the Greater Toronto metropolitan area. He noted that the expanding budget for transport infrastructure in the past decade was catching up with the ‘deficit’ in infrastructure investment in greater Toronto. Meanwhile, there remains a significant backlog of investment needed to cope with planned growth over the next 10 years before addressing other transport infrastructure needs for the region. 258

### 4.6.1 Public transport

Public transport is viewed as an important component to improving liveability in Melbourne’s outer suburban Growth Areas. Public transport that is fast, efficient, direct and frequent can improve accessibility to a range of education, employment, medical and social services for residents in Growth Areas. It can also provide an alternative to car use and improve mobility for the one in five Victorians who are unable to drive and the one in three Melburnians who do not have a driver’s licence.259

Local governments responsible for Growth Areas referred to the inadequacy of their area’s public transport infrastructure and services both in submissions and at public hearings. Mitchell Shire Council, in its submission to the Inquiry, stated that transport infrastructure is inadequate for servicing new and existing communities in the region:

> Infrastructure provisions are currently of a very minimal standard to cater for the likes of Beveridge. The only service provided to Wallan CBD is a local bus service. The train is distant from town and serviced poorly by bus links. In terms of main road arterials the Hume Highway is the only infrastructure that services the community of Wallan for travelling to Melbourne. The ongoing challenge will be to ensure that infrastructure provision plans that set a framework for transport are provided in a timely fashion, as current road infrastructure is unsustainable for the communities being proposed via the Beveridge corridor.260

In its submission, Casey City Council described a significant shortage of transport infrastructure in the region, stating that 70 per cent of Casey residents travel by car to work, whilst only 5 per cent use a train service, and less than two per cent use buses, cycle or walk. Casey City Council stated there has been long term under-investment in transport infrastructure in the LGA.261
Inquiry into Liveability Options

The Shire of Yarra Ranges, in its submission, also stated that there is limited access to public transport across the municipality, particularly for residents of older suburbs. The submission called for a review of the delivery and frequency of public transport in the municipality and the expansion of bus services.

Dr Michael Kennedy OAM, Chief Executive Officer of Mornington Peninsula Shire Council gave evidence to the Inquiry that described public transport as “the glue that holds it all together” in terms of liveability on the Peninsula.

Mr Luke Shannon, General Manager Planning and Development for Melton Shire Council stated that there had been a significant lag in expansion of the Shire’s bus network. Mr Shannon stated:

…a new suburb might be established, whether it be in Melton, Caroline Springs, or somewhere, that initially, for the first two, three, four or five years, has no readily accessible bus network and no bus stops, because of the lag in providing an ongoing review.

Councillor Rex Griffin, Mayor of the City of Whittlesea stated at a public hearing that when transport planning is poorly integrated with residential development, the results are severe road congestion as the population grows. Mayor Griffin stated:

…we have the new station with South Morang, but that is not really in South Morang; that is Mill Park. It is so important that that goes into South Morang and into Mernda. Our area here at the moment is gridlocked every day. With schools open, trying to get through it is so difficult of a morning and a night-time. You have a lot of people who come from north of the City of Whittlesea who come through, and of a daytime they cannot get through this area, so they are even going across Donnybrook Road and out to the Hume Highway that way. The growth is fantastic in parts, and there is infrastructure that needs to go with it. Our residents love the city of Whittlesea. They love what is being built out here in the various developments, but we are starting to be clogged in moving around the City of Whittlesea.

The Interface Councils, in their submission to the Inquiry, stated that all ten of the Interface Councils are ranked within the bottom third of Melbourne councils for per capita access to transport services and noted that all 189 Census Collection Districts in the Melbourne Statistical Division that without public transport are located in interface areas.

**Public transport infrastructure options**

There are a range of public transport infrastructure options that are available for use in Melbourne’s outer suburbs. These range from regular buses operating on local and arterial roads, through light rail, either running on-street or in the medians of arterial roads, up to heavy rail suburban services and interurban commuter rail services. The common thread uniting these different modes together as public transport (or in North American usage ‘transit’) is that they are “transport systems with fixed routes and schedules, available for use by all persons who pay the established fare.”

A number of stakeholders suggested that the provision of improved public transport infrastructure in Melbourne’s outer suburbs would provide an alternative to car use and reduce congestion on outer suburban roads.
The Tourism and Transport Forum, in its submission, advocates that transport planners adopt an integrated multi-modal approach, ideally including heavy rail for commuting to CBDs and major activity districts, supported by light rail, and bus services to connect transit hubs with surrounding suburbs. Multimodal transport is transport that offers users diverse transport options that are effectively integrated, in order to provide a high degree of accessibility even for non-drivers.

In recent years, transport planning has become more multimodal and comprehensive and increasingly gives consideration to a wider range of options and transport impacts. However, transport planning continues to favour the construction and expansion of roads before public transport and encourages car travel.

The Metropolitan Transport Forum (MTF) (a Melbourne advocacy group comprising members from the Victorian and local government, as well as community, environment and local government organisations and transport companies) found in a 2005 report that interchange hubs, where modes converge and provide convenient transfer to each other, are critical elements in the world’s most successful transport systems. However, the MTF also found that in Melbourne integration between trams, trains and buses is rare and transfer between modes is usually cumbersome, with timetables rarely synchronised. However, given the serious shortage of public transport infrastructure in the outer suburbs and the rate of growth projected in the coming years, short to medium term solutions are a priority.

Mr Chris Loader, Manager of Transport Planning, Bus Association of Victoria (BAV), gave evidence to the Committee that, traditionally public transport infrastructure means heavy rail and light rail, but in many cases the cost of building rail infrastructure is prohibitive in the outer suburbs of Melbourne. He stated that this situation had led to the consideration of other infrastructure alternatives, such as Bus Rapid Transit (BRT).

**Heavy rail**

Over the past three decades, Melbourne’s electrified suburban heavy rail network has been extended into outer suburban Growth Areas to provide rail services to new suburbs. These new services have been provided almost exclusively by electrifying existing railway lines, replacing diesel-hauled commuter services. Electrification has allowed successive Victorian governments to take advantage of the strong network of railway lines radiating out from Melbourne, a legacy of the expansion of the railways in the late 19th and early 20th centuries. Electrification has been extended along existing lines from Dandenong to Cranbourne (1995), St Albans to Sydenham (2002), Broadmeadows to Craigieburn (2006) and most recently from Sydenham to Sunbury (2012). Electrified rail services were also extended from Epping to South Morang in early 2012, requiring extensive reconstruction of part of the abandoned Whittlesea rail corridor.

New stations have also been constructed on existing lines to serve communities in Growth Areas. Coolaroo station on the Craigieburn line was opened in 2010 to serve communities in the Hume growth area. In 2012, two new stations opened in Melbourne’s south-east: Cardinia Road on the Pakenham line and Lynbrook on the Cranbourne line. In the Wyndham growth corridor, a new station at Williams Landing on the Werribee line is under construction, while another new station is planned in the Melton growth corridor at Caroline Springs. In addition, electric train services were extended from Watergardens to Sunbury in November 2012 at a cost of $270 million, providing residents with a 64 per cent increase in train services.
**Regular buses**

Linking local communities in Melbourne’s Growth Areas to the PPTN is a particularly important task and one that falls largely to the regular bus system. (As discussed below, the PPTN is defined as a public transport network connecting Principal and Major Activity Centres.) Critical to the success of linking Growth Areas to the PPTN is creating local bus networks that are straighter, faster and more resource efficient. Improved local bus networks can then provide more frequent services across a wider span of operating hours and timely connections to local activity centres and to other activity centres in metropolitan Melbourne through interchange with bus and train services on the PPTN.

In recent years, a major upgrade of metropolitan bus routes saw minimum service standards applied to regular bus routes and the introduction of higher-frequency SmartBus services. These upgrades led to:

> unprecedented growth of bus services in Melbourne suburbs; seven day, early evening and public holiday running is now widespread. New routes extended coverage of outer growth areas… Minimum standards upgrades and SmartBus were the two strong 'quantity of service' programs responsible for most of this increase. The number of passenger boardings is now at 40 year highs.278

Despite the positive changes to service quantity, public transport network planning, particularly for bus services in Growth Areas has meant that service quality (directness of routes, service frequencies, connectivity to other modes) has lagged behind service provision. A number of submissions from Growth Area Councils point to the design of their network and service quality as a barrier to increased use of public transport.

Casey City Council’s submission stated that a number of bus routes in the LGA are unnecessarily lengthy and infrequent, citing the example of the single north-south bus route (Route 841) that runs every 45 minutes between Cranbourne and Fountain Gate Shopping Centre in Narre Warren. This journey takes 56 minutes, compared to a more direct north-south route which would take 21 minutes.279

Dr Michael Kennedy OAM, Chief Executive Officer of Mornington Peninsula Shire Council gave evidence to the Inquiry on the poor design of the bus network on the Peninsula, which includes low frequencies and indirect and lengthy routes. Dr Kennedy stated that there is a lack of direct connections between Hastings and Mornington, requiring public transport users to go into Frankston and out again in order to travel between the two destinations, a return journey of up to half a day.280

Perth has established a successful model of using its suburban bus network to act as a feeder into its heavy rail system. During the Committee’s study tour to Perth, the Committee travelled to the outer north-eastern suburb of Ellenbrook, approximately 26 kilometres from the Perth CBD. In the 2008 Western Australian state election, both parties promised to build a heavy rail link to Ellenbrook, a promise that has since been deferred indefinitely. In the interim, feeder bus services have been provided to link Ellenbrook to Perth’s heavy rail network at Bassendean station on 15-minute weekday frequencies that synchronise with train services, while a future rail corridor has been preserved.281

While at Ellenbrook, the Committee met with Mr Danny Murphy, Managing Director of the LWP Property Group Pty Ltd, which is the developer for Ellenbrook. Mr Murphy told the Committee that bus patronage for Ellenbrook residents is higher than the Perth average because the local bus service, which is subsidised by LWP Property Group, has been in place since the suburb was first established.282
Chapter 4: Planning for Liveability

Recommendation 4.23: That the Victorian Government establish guidelines for multimodal transport planning in order to promote improved connectivity between transport modes.

Bus Rapid Transit

A definition of BRT would include a diverse range of bus systems with characteristics different from regular buses, including higher capacity, better performance, different marketing and branding. Defining characteristics of BRT may include:

- defined rights of way (a centre median, designated bus lanes) that provide some separation for buses from other road traffic;
- clearly designated bus stops or stations with spacings between stops of at least 300-500 metres;
- distinctively branded regular or articulated buses with good ride comfort, easily accessible with multiple doors for easy and fast boarding and alighting;
- quality service offered on regular headways across a wide span of operating hours, rather than peak-period commuter transit; and
- use of Intelligent Transport Systems (ITS) to better organise and control movement of buses en route and to provide accurate passenger information to ensure high reliability.

Using these criteria, Melbourne’s 233km long orbital network of SmartBus routes that operates mostly on arterial roads in Melbourne’s middle and outer suburbs qualifies as a form of BRT. Although not travelling on dedicated rights of way, there is sufficient infrastructure (dedicated bus lanes, traffic light priority) that provide some journey time improvements. More advanced examples of BRT systems exist in Australia and New Zealand, most notably Australia’s largest busway network in Brisbane, running largely on segregated rights-of-way; a similar system in Auckland, Adelaide’s O-Bahn guided busway system and the two T-Way routes in Sydney.

Notably, the Urban Development Institute of British Columbia (UDIBC), during a briefing to the Committee in Vancouver, described BRT as an alternative to heavy rail transport infrastructure. Similarly, Mr Doug Kelsey, Chief Operating Officer, Translink (the Greater Vancouver Transportation Authority), also told the Committee that bus rapid transit can make bus travel more attractive to outer suburban residents, and that bus rapid transit is a way to reach the outer suburbs sooner. Mr Mac Logan, General Manager Transportation at the City of Calgary spoke of the value of BRT in moving the city’s public transport system away from its traditional hub-and-spoke network design by providing ‘cross-town’ routes.

One advantage of BRT in modified on-road environments is that it can provide an intermediate stage between regular bus public transport and the significant investment required for dedicated public transport infrastructure, either BRT, Light Rail Transit (LRT) or heavy rail.
Mr Bob Ransford of the UDIBC informed the Committee of the efforts currently underway in Vancouver to increase residential density and spur mixed-use development in advance of the retrofitting of high-capacity public transport infrastructure, in particular at Newport Village at Port Moody which will be served from 2016 by Skytrain’s Evergreen Line, which is currently under construction.

In advance of the Evergreen Line, TransLink operates the Route 97 B-Line BRT service to connect the Skytrain station at Lougheed to growing town centres at Coquitlam and Port Moody. Route 97 services operate on-street, using a range of BRT characteristics to provide a high-quality (10 minute peak frequency) service over a long span of hours. Patronage growth has been strong over the last decade, with average weekday boardings of 6,000 people in 2004 rising to 10,750 people in 2011. The three B-Line routes were designed as ‘precursors’ to heavy rail services and operate in corridors planned for heavy rail construction.

The second B-Line service, Route 98 was replaced in 2009 with the opening of the Canada Line Skytrain, while Route 99 serves the University of British Columbia which is planned for long-term conversion into a high-capacity transit corridor.

In the Melbourne context, BRT has been proposed as a relatively low-cost public transport infrastructure option for Growth Areas in outer metropolitan Melbourne to provide a medium capacity public transport service for these communities. Mr Chris Loader, Manager Transport Planning, BAV gave evidence that BRT represents a more financially feasible alternative to rail in the short to medium term and described a proposal for a BRT service for the rapidly growing suburb of Mernda in Melbourne’s north.

Mr Loader stated:

…and we see bus rapid transit as a low-cost solution for the growth areas…What we are talking about is a roadway that is dedicated to buses and buses only so that they are not caught in congestion. You would have relatively larger stop spacing so that the buses move quickly between those places, and where they cross the road network you would have traffic signal priority so that the bus does not have to wait for traffic. You would have a public transport system where you only have to wait for passengers, and that is probably as fast as you could hope for it to operate.

Mr Loader estimated that such a service would cost only 10 per cent of the amount for a heavy rail service to Mernda on the Whittlesea growth corridor. BAV has identified two other potential BRT routes, along existing corridors, in the northern Growth Areas, to Epping North, and along Aitken Boulevard in the City of Hume.

On the 6 March 2012, the Committee travelled to the City of Hume for a Public Hearing hosted by the Council and undertook a bus tour of the municipality with council representatives, Mr Aaron Chiles, Coordinator Strategic Planning, and Mr Michael Sharp, Manager of Strategy Planning. Council representatives described the plans for a BRT service along Aitken Boulevard, located in Broadmeadows. The proposed BRT would service a new town centre planned for the area, which is located near the Hume Freeway, and Outer Metropolitan Ring Road corridor. The council representatives informed the Committee that the proposed BRT corridor would cost one third of a rail corridor, and would have the added benefit of being scalable. The proposed BRT route would have the capacity to service the new estate of Merrifield, which is planned to become Victoria’s largest mixed use development, combining employment and residential precincts.
Adelaide’s O-Bahn provides an interesting example of a high-end BRT system. The system, which is 12 kilometres long, is the longest and fastest guided bus service in the world, capable of reaching speeds of up to 100 kilometres per hour. The O-Bahn carries over 7 million passengers per year and has the capacity to move 18,000 people an hour in each direction. The busway runs in a dedicated right of way and includes 25 bridges, 8 pedestrian overpasses and a 60 metre-long tunnel. According to Adelaide Metro, the O-Bahn is almost 50 per cent cheaper to operate than equivalent rail systems (e.g. LRT) and is faster and more flexible than many other public transit systems. A notable feature of the O-Bahn is that buses can operate on both local roads and on the dedicated busway, providing greater flexibility than LRT.

Finding 4.7: Bus rapid transit is a suitable model for servicing the growing population of outer suburban Melbourne in the short-term.

Recommendation 4.24: That the Victorian Government consider proposals to secure corridors for Bus Rapid Transit routes in the outer suburbs of Melbourne.

Light Rail Transit

LRT systems are often seen as an important type of public transport infrastructure, providing an alternative to regular bus and BRT systems in urban environments, without the high capital costs and visual impact of heavy rail routes. LRT has been used successfully throughout Europe and North America as an urban planning tool to rejuvenate urban areas and to signify urban vitality and redevelopment.

As part of the Committee’s overseas study tour, Members received a briefing in Zurich from Mr Hannes Schneebeli, Manager, Infrastructure and Deputy Project Manager, Verkehrsbetriebe Glattal on 15 May 2012. Mr Schneebeli briefed the Committee on Zurich’s highly successful Glattalbahn LRT service and provided the Committee with a guided tour of the system that connects central Zurich to Zurich Airport and the recently completed Glattbrugg interchange. Professor Ulrich Weidman, who holds the Chair in Transport Systems at the Swiss Federal Institute of Technology in Zurich informed the Committee that the Glattalbahn had been constructed to support changes in land uses along the corridor.

The Members of the Committee touring the Glattalbahn were impressed by the extent to which the LRT corridor has been integrated with its urban surroundings through the use of high quality, minimalist but innovative street furniture and landscaping that serve to soften the LRT line’s visual impact. For example, extended sections of the Glattalbahn line are planted with native alpine grass, which grows in the gaps between specially-designed concrete paving. This feature, together with extended sections of native vegetation along the Glattalbahn corridor, effectively makes sections of the system both a transport and vegetation corridor.
While in Vancouver, the Committee travelled on that city’s Skytrain system, which uses a form of Automated LRT (ALRT) that, unlike most other LRT systems operates on a fully separated alignment (either at grade, elevated or tunnelled) and is driverless. The network of three lines connects major metropolitan centres in Vancouver and the airport and is claimed to be partly responsible for activating urban renewal and development around the stations and regional centres it serves. 302 Mr Doug Kelsey, Chief Operating Officer of TransLink, told the Committee that the new Evergreen Line extension is due to be completed in 2016 and will connect a number of existing town centres, while a further extension of the network to the University of British Columbia is also being planned as a long term option. 303

Source: Mrs Jan Kronberg MLC, Chair, Outer Suburban/Interface Services and Development Committee.
The Committee experienced a similar ALRT system in London’s Docklands area. The Docklands Light Rail (DLR) was originally commissioned in 1987 to serve as a low-cost transport system to stimulate the redevelopment of the Docklands area in London’s East End. As development of the East End has continued, DLR has been progressively extended and augmented, connecting with heavy rail (London Overground) and the metro (London Underground) routes at a range of locations and the HS1 High Speed Rail line to Europe at Stratford International. Further extensions are planned to new developments in Growth Areas (such as Barking Riverside) as part of the wider Thames Gateway redevelopment strategy.304

Melbourne has a recent history of extending its street tramway system into middle and outer suburbs and a demonstrated capacity to plan and deliver LRT projects. A number of extensions have been constructed in the centre median of arterial roads or in freeway corridors, providing rights-of-way that are more reminiscent of LRT than traditional street tramways. In the last 30 years, tramways have been extended along growth corridors in the Melbourne’s north along the Tullamarine Freeway corridor (Essendon Airport - Airport West) and Plenty Road (East Preston - Bundoora) and along the Burwood Highway in Melbourne’s outer east (East Burwood - Vermont South). In the last decade, a middle suburban extension was built in the median of Whitehorse Road from Mont Albert to Box Hill, while new street tramway construction has occurred as part of brownfields redevelopment in Docklands on the CBD fringe.305

The Committee considers that BRT and LRT are fundamentally sound short and medium term options to boost access to public transport in Melbourne’s outer suburbs. In the longer term, BRT and LRT
corridors can be converted to heavy rail as new outer suburban areas attain the population densities necessary to make heavy rail economically viable. A key to the implementation of this strategy is the identification and preservation of suitable BRT and LRT corridors during the land use planning process. In this respect, the Committee is very encouraged by the support of growth area councils such as Hume to the identification of likely BRT corridors as part of future greenfield developments.

**Paratransit**

Paratransit is defined as transport that fills the space between private transport and public transport, representing modes of semi-public and public transport, including taxis, ‘dial-a-ride’, community buses, car and vanpools, car rental and car sharing schemes.306

Mr Marc Logan from City of Calgary informed the Committee about an innovative system by which developer subsidised, small 15-person community buses are introduced in new outer suburban communities when 500 to 1000 homes are occupied.307 In Mr Logan's experience, the cost of running smaller shuttle buses was 50 or 60 per cent of the cost of running larger, standard buses, enabling the City of Calgary to introduce buses much earlier than they would have been able otherwise. The scheme involved negotiation between the developer, the Council, and unions, which resulted in bus drivers accepting lower salaries for driving community shuttle buses compared to regular buses.308

The City of Calgary informed the Committee that community buses had proven particularly beneficial in the case of ‘leap-frog’ development — such as Sky View Ranch, an outer suburban community twenty kilometres from downtown Calgary and two or three miles from existing developments — where the provision of transit services is not economically viable. At Sky View Ranch, the City of Calgary worked with the developers to introduce a staged transit service to establish transport options within new communities sooner.309 While developers subsidised community bus services, the presence of which made the community more attractive to consumers, the City of Calgary reduced the cost to the developer by contributing the funds collected through bus fares. The negotiation included a condition that larger buses will replace the community buses as the community grows and there is adequate ridership to fill larger, more frequent bus services. Once the community is established sufficiently, the City of Calgary plans to take over the full cost of running transport in new communities.310 Mr Logan was of the view that this system has the capacity to introduce public transport early and gave evidence that extended family members, who often do not own or cannot drive a car, are captive users to the early provision of public transport.311 Community buses are particularly valuable for this demographic since they link up with the closest light rail or other public transport, local employment and services.312

The Committee considers that this model has potential to address many of the challenges associated with transport infrastructure in Melbourne's outer suburbs. Community buses provided early to new residents have the potential to: influence the early travel behaviour of new residents and prevent car dependence; reduce isolation by linking residents with employment and services early; and improve PPTNs by linking new communities with activity centres.

**Finding 4.8:** The early provision of public transport is important in providing alternatives to car transport in outer suburban residential communities. Paratransit services, such as community buses, are a suitable model for the provision of these services.
Chapter 4: Planning for Liveability

4.6.2 Integrating land use and transport planning

The Committee strongly agrees with views expressed in the course of this inquiry that planning for transport services and infrastructure has not received sufficient priority in Melbourne's land use planning over recent decades. While this is true of planning for both new road and public transport infrastructure, planning for public transport infrastructure has been a particular blind spot. The effects of this 'blind spot' in Melbourne's land use planning have been and continue to be felt most acutely in Melbourne's outer suburbs.

Recent years have seen a growing recognition of the need to integrate the provision of transport infrastructure and services at the heart of land use planning rather than as a separate process after land use decisions have already been made.

The Regional Rail Link (RRL) project provides an example of this growing recognition of the need to integrate transport and land use planning by both State and Federal governments. By separating regional and metropolitan trains, RRL will provide regional trains from Geelong, Bendigo and Ballarat with separate tracks through the metropolitan rail system; create additional capacity for suburban train services on the Werribee, Sunbury and Craigieburn lines and provide a new rail corridor and stations to serve Melbourne's western Growth Areas in Wyndham and Melton.313

The Committee is also encouraged by the new prominence that has been given to transport planning in the six new PSPs approved by the Minister for Planning in June 2012. The new PSPs provide the blueprint for new communities at Diggers Rest, Lockerbie, Lockerbie North, Manor Lakes, Merrifield West and Rockbank North.314

The Lockerbie PSP estimates the precinct will house approximately 29,000 people when fully developed and identifies “complete integration with the Principal Public Transport Network” among its outcomes.315 The PSP identifies the future role for the existing regional rail station at Donnybrook, as well as a potential future rail station at Lockerbie, which would be “fully integrated with the surrounding road network” via the Hume Freeway, Outer Metropolitan Ring Road and the construction of a new road interchange. Notably, the PSP also identifies the importance of connected open spaces and off-road pedestrian and cycle links to the station.316

The Committee notes that the greater centrality of transport planning evident in the Lockerbie PSP is also a feature of the PSPs for Diggers Rest, Lockerbie North, Manor Lakes, Merrifield West and Rockbank North that were also released in June 2012.

The Committee notes that among the goals of Melbourne 2030 was that the development of activity areas would encourage people to either find employment within the activity area near their home, or utilise public transport to reach employment clusters in other activity areas.317 However, as the Municipal Association of Victoria has noted, various metropolitan transport plans in Melbourne since 2002 have been widely criticised for failing to clearly identify and commit the necessary transport infrastructure funds to achieve the goals of Melbourne 2030, particularly in the growth and outer areas and for heavy and light rail transit.318

The need for transport to be given greater priority in land use planning has also been identified by a number of stakeholders. The Tourism and Transport Forum’s submission to the Inquiry stated that
transport planning, and transit oriented development in particular, should be given greater prominence in land use planning.319

Similarly, the Victorian Council of Social Services, in its submission to the Inquiry, stated:

Liveability is directly affected by how well transport is planned and provided for. While numerous Government documents, including the Victorian Transport Plan, the Transport Integration Act 2010, and Melbourne @5 million incorporate the idea that land use should support the development of public transport corridors, in practice transport provision attempts to respond to past land use decisions. Planning for new growth areas provides the opportunity for this process to be reversed, so that the provision of public transport is not always racing to catch up with urban growth.320

However, the Committee notes that the early planning and delivery of public transport does not on its own guarantee the medium density mixed use residential and commercial development which represents the other side of the Transit-Oriented Development (TOD) equation. The Committee observed an example of this when it visited the Village at Wellard, a new suburb located approximately 37 kilometres south of the Perth CBD. While the Village at Wellard includes a newly constructed train station which opened in 2007, the land for the planned town centre immediately adjacent to the train station remained vacant at the time of the Committee’s visit in May 2011. The Committee was informed by Peet Ltd that it had been unable to secure an anchor tenant for the site due to the 2007-08 Global Financial Crisis. As a result, the land set aside for a supermarket, cafes, medical services, child care centre and community centre had yet to be developed.321

According to Associate Professor Robin Goodman and Dr Susie Maloney, of the Australian Housing and Urban Research Institute (AHURI), the central objectives of activity centre policies (reducing car trips and increasing public transport trips) cannot be achieved without effective transport planning and policies. Goodman and Maloney have argued that Melbourne 2030 focused on locating higher-density housing in activity centres at the expense of broader objectives to cluster employment, retail and housing into locations that are well serviced by public transport.322

**Finding 4.9: The success of Activities Areas is dependent on integrated transport planning to connect outlying areas to the services and transport nodes found in activity centres.**

The Committee notes that Melbourne 2030 identified transport planning as an important aspect of land use planning and activity centre success and introduced the concept of the PPTN. The PPTN was defined as

_a high quality public transport network that connects Principal and Major Activity Centres, comprising the existing radial fixed-rail network, extensions to this radial network and new cross-town bus routes._323

In 2009-2010 the Victorian Department of Transport (DoT) undertook a review of the PPTN in consultation with the Department of Planning and Community Development, the Growth Areas Authority and VicRoads to better focus the PPTN on connections to Activity Areas in addition to links between Activity Areas.
The report noted that:

… population growth has tended to be greater in the growth areas to the west, north and south-east of Melbourne. These areas are acknowledged as having had lesser PPTN coverage than the inner and eastern suburbs, with the review actively seeking to increase access to the PPTN for this outwardly expanding population base.\(^{324}\)

**Finding 4.10:** There is a need for the provision of new or retrofitted high quality public transport connections to the Principal Public Transport Network in the Interface Councils.

**Recommendation 4.25:** That the Principal Public Transport Network and the public transport routes that feed into the Principal Public Transport Network be reviewed with a view to optimising connections to and between Activities Areas in the Interface Councils.

**Recommendation 4.26:** That the Victorian Government’s Metropolitan Melbourne Plan includes a focus on public transport infrastructure provision as a central tenet of Melbourne’s planning policy.

### 4.6.3 Transit-Oriented Developments

TODs utilise proximity to a public transport node (usually a heavy rail station) to foster increased densities and a diversity of uses that are conducive to increasing the utilisation of public transport. Railway stations and sites near stations on rail corridors have long been viewed as strong re-development and urban renewal opportunities because of their close proximity to good public transport links and community services.\(^{325}\) Patronage on Melbourne’s metropolitan train network grew by 40% between 2004-5 and 2010-11.\(^{326}\) However, the Committee heard from numerous witnesses that train stations and bus and train lines in the outer suburbs are inadequate for serving the population, are not well integrated with other forms of transport, and are not well integrated with wider commercial and residential development.

Ms Leslie Woo, Vice President, Policy, Planning & Innovation at Metrolinx (an agency of the Government of Ontario with responsibility for all modes of transportation in the Greater Toronto and Hamilton Area) informed the Committee that the agency’s Regional Transportation Plan has identified locations where existing or planned rapid transit currently, or will, intersect as places of significant economic potential. Ms Woo noted that this potential is due to the presence of large numbers of people transferring modes at such areas, which in turn creates opportunities for retail, public services and community services.\(^{327}\)
The notion of integrating transport planning with economic planning was raised by Mr Neill Hocking, Acting Chief Executive Officer (CEO), City of Whittlesea, in relation to businesses failing to relocate to areas where transport links are inadequate:

\[
\text{We have seen and we spoke of the growth of the Cooper Street area, which now has good transport links with the Craigieburn bypass and the ring-road. But there are other parts of our municipality where those transport links are not as efficient and therefore are perhaps causing businesses not to locate in those areas.}\]

The Committee heard evidence in Calgary regarding the redevelopment of railway stations as part of urban renewal and transit-oriented developments. Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary informed the Committee about developments around existing railway stations in Calgary based on the concept of integrating urban density with mobility networks and adjacent communities. The City of Calgary uses the principles from the TOD planning framework for rail station redevelopments, rather than creating a new planning framework each time there is interest in rail station urban renewal developments.

**Recommendation 4.27:** That the Department of Planning and Community Development work with Public Transport Victoria and VicTrack to negotiate, collaborate and prioritise identified urban renewal projects around existing rail stations and adjacent land in the outer suburbs of Melbourne.

**Recommendation 4.28:** That the Victorian Government establishes a panel of experts to make recommendations to the Minister for Planning regarding outer suburban train stations in Activity Areas, that are suitable for Transit Oriented Developments.

### 4.6.4 Level crossings

The need to grade separate level crossings on Melbourne’s metropolitan rail network has become more apparent in recent years due to both increased congestion on the city’s road network and strong growth in public transport patronage. The economic costs of transport congestion in Melbourne were estimated at $3 billion a year in 2007 and are forecast to double by 2020. The Committee for Melbourne informed the Committee that there are 172 level crossings on Melbourne’s metropolitan rail network.

Increased train frequencies and additional suburban and regional train services on metropolitan railway lines means level crossing boom gates are down for long periods of time, particularly during the AM and PM peaks. Grade separation is therefore important for the effective and efficient operation of both Melbourne’s road and rail network.
Chapter 4: Planning for Liveability

The Victorian Government currently has three level crossing removal programs underway, at: Springvale Road, Springvale; Mountain Highway and Scoresby Road, Bayswater; and Blackburn Road, Blackburn, which are projected to be completed by 2014.332

The Committee for Melbourne gave the following evidence to the Committee on the need for grade separation of Melbourne’s road and rail networks and the benefits in terms of improved public transport service provision:

*If we want more people to use public transport — and we all do — to reduce road congestion, we need to put more trains on the network and we need the frequency of service to be such that the timetable does not matter. That is really what happens in places like London and Geneva — the timetable does not matter as people just rock up to the station. The timetable matters in Melbourne. If you are going to rock up and you miss the train, the next one is not for 30 minutes. All of the surveys show that for the timetable not to matter the frequency of service needs to be every 8 minutes or more frequent. That would mean that at every level crossing in Melbourne you would have a train going in one direction or the other every 4 minutes. That means every level crossing would be shut for probably 2 out of every 4 minutes.*333

In recent times, the South Morang rail extension was completely grade separated, with sections of the line lowered into a trench and three road/rail overpasses constructed as part of the extension works.

In 2008, the previous Victorian Government announced a $440 million grade separation program as part of its *Victorian Transport Plan*.334 During the 2010 state election campaign, the current Government announced a ‘Metro level crossing blitz’ as part of its policy platform, pledging $379 million in its first term of government to grade separate level crossings at two locations and a plan for grade separating another six level crossings on the metropolitan rail network in a subsequent term of government.335

In funding its program of grade separations, the Victorian Government has indicated that it may examine offsetting the cost by seeking Commonwealth Government co-funding, either through future rounds of its *Nation Building* program (which partly-funded the Nunawading grade separation) or through Infrastructure Australia. Other joint venture arrangements may be considered whereby private firms invest in grade separations, in exchange for development rights on the land above and adjacent. This model has been considered in the past but may now be more viable given changes in land values in some corridors and a recognition of the value of air space above rail corridors.336

The Committee for Melbourne has called for a policy of complete removal of level crossings within Metropolitan Melbourne. Its ‘Future Growth’ policy document recommends a $17.2 billion program to grade separate all level crossings inside the Urban Growth Boundary. This program would be completed using a mixture of public and private funding.337

The transport and congestion issues generated by level crossings in Melbourne may present an opportunity to redevelop land on and around grade separations, particularly where land values and expected development yields would support grade separation or trenching of rail corridors. In 2006-7, a consortium proposed to the Victorian Government that it would pay for the ‘sinking’ of a long section of the Glen Waverley railway line in return for the airspace development rights above the corridor in a $4 billion project dubbed ‘Operation Double Fault’.338 In November 2012, the proponents of this project
again approached the Victorian Government with a modified version of this project linking the rail corridor to the Dandenong rail line via Chadstone shopping centre.339

The Committee considers that such a model may provide a viable alternative to government funding of an estimated $100 million for each level crossing removal and could be designed to ensure that private enterprise meets all or most of the cost. The Committee notes that such a model could also be integrated as part of an asset sales program by the Victorian Government and could be realised most effectively and efficiently through the creation of an agency specifically created to oversee the bundling of such projects.

The Committee also considers that such redevelopment could be combined with the creation of underground or multi-level car parking at train stations where existing car parking is either insufficient or does not make efficient use of otherwise valuable land. Mr Gary McNeil, President of GO Transit in Toronto, informed the Committee that the agency is currently considering the construction of “parking garages” at train stations in order to free up land that is currently being used for surface parking.340 Similarly, Councillor Tom Melican, Chairperson of the Metropolitan Transport Forum and Mayor of the City of Banyule, advocated the more efficient use of the “massive tracts of land” that are currently being used for surface parking at a number of train stations in Melbourne’s middle and outer suburbs.341

The Committee notes that the revenue collected from commuters using well designed multi-level parking stations — which would need to be based on a moderate charge that commuters would be willing to pay for the convenience and amenity of additional undercover parking located close to train station platforms — could also be directed towards the costs of level crossing removal.

**Recommendation 4.29:** That the Victorian Government investigates grade separations of railway lines through commercialisation of the airspace rights above rail corridors. This may include selling or leasing the air rights to developers to build residential, commercial services and retail developments.

### 4.6.5 Roads

Roads take up a significant proportion of land in Melbourne’s outer suburbs and Growth Areas. As the full range of roads from local collector roads through arterial roads to freeways are used by a range of vehicles, managing road use to achieve optimum performance to carry passengers and freight is vital.

The economic cost of transport congestion (noted above at section 4.6.5) imposes real costs on Victoria’s economy. Moreover, the planning problem of providing for and allocating road space is an important issue, particularly if, on-road public transport modes such as regular buses, BRT or LRT are provided in advance of heavy rail infrastructure in outer suburban and Growth Areas. The allocation of road space to provide optimum outcomes for the movement of people and goods is one of planning’s more intractable problems, where all options to increase road supply (road widening, elevating or sinking roads) or to manage demand for road space (tolling, congestion charging, reallocation of road space) have high economic, social and environmental costs.
The Committee’s overseas study tour afforded the opportunity to hear and see how other cities were dealing with the issue of road supply and road space allocation. In London, the Committee heard that in the wake of the Congestion Charge’s introduction, car use had fallen by 19 per cent, but road congestion remained between buses, cyclists, freight vehicles and pedestrians. The challenge for Transport for London now is to determine how to allocate this road space efficiently without having to expand the road network. In Zurich, while a decision was made to reallocate road space from motor vehicles and provide two lanes for the Glattalbahn LRT corridor, road intersections on the corridor had to be reorganised or augmented to maintain the capacity for all road users.

A number of local councils in Melbourne’s Growth Areas gave evidence to the Committee regarding the urgent need for road upgrades and duplications to cope with the growth of the population in their respective municipalities.

Councillor John Menegazzo, Mayor of Wyndham City Council, stated that there are ten stretches of arterial road in the municipality that require duplication to cope with growing traffic volumes.

Mr Peter Fitchett, Director of Planning and Development Services, Casey City Council, stated that, although Thompsons Road in Casey had been considerably upgraded, the road requires further upgrade to ensure the safety of pedestrians and drivers as the road becomes a more centrally utilised transport route. The Council cited several other arterial roads and interchanges that require upgrading and duplication as well as the need for the construction and upgrading of bypasses of town centres.

Mitchell Shire Council stated in its submission that the roads in Mitchell simply will not cope with population growth, as many roads are unsealed and sealed roads are at a narrow sealed standard. Those roads will be unable to service the large block communities that are proposed in Mitchell Shire.

Mr Brian Murray of Nillumbik Rate Payers Association gave evidence that roads in Nillumbik would require upgrading, including further upgrading of Yan Yean Road, in order to support any increase in population and to enable residents to leave the area safely in the event of bushfire.

The Committee considers that there is a pressing need to increase the capacity of the arterial road network in Melbourne’s Interface Councils and that both established and alternative infrastructure funding sources should be explored to achieve this. The Committee discusses a number of possible infrastructure funding sources in the following section.

**Finding 4.11:** A number of arterial roads in Melbourne’s growth area suburbs are currently at or well beyond capacity, which has a significant adverse impact on the mobility of residents and on the liveability of those suburbs.

**Recommendation 4.30:** That the Victorian Government explore all possible infrastructure funding options as a means of boosting funding for the arterial road network in the growth area municipalities.
Inquiry into Liveability Options

4.7 Funding for infrastructure

Underinvestment in transport infrastructure is a theme on which the Committee received a significant volume of evidence from stakeholders. The Committee received evidence during the overseas study tour that Melbourne is not alone in dealing with a history of underinvestment in infrastructure, compounded by a rapidly growing population. For example, in Toronto, the Committee heard of a period of systematic underinvestment in infrastructure and corresponding cycles of ‘catch up’ spending on deferred infrastructure investment. 349

There are two main sources of private funding for the provision of public infrastructure in Melbourne’s outer suburbs. These are developer contributions and the GAIC, both of which — as the Committee has discussed in Chapter Three — also represent costs to developers, and therefore to homebuyers.

As the Committee has discussed previously, existing sources of infrastructure funding, including in the form of development contributions and the GAIC, have historically proven insufficient to meet the infrastructure needs of Melbourne’s new outer suburbs. This has placed ongoing pressure on the budgets of Interface Councils, as well as on the budgets of the Victorian and Federal governments. In this section, the Committee considers a number of alternatives to the traditional infrastructure funding mix and finds that some of these have the potential to boost the available pool of funding for the provision of infrastructure in Melbourne’s outer suburbs.

Traditionally in Australia, most infrastructure funding has come from Commonwealth Government grants, often resulting in little or no financial return and often increasing overall government debt. 350 There is a growing consensus that such models of government-funded infrastructure are out-dated, inefficient and will fail to meet the infrastructure needs of the nation’s projected population increase. 351 This is particularly relevant in Melbourne’s outer suburban areas, which already experience significant infrastructure problems and anticipate further rapid growth in the coming decades.

Infrastructure Australia (IA), in a June 2012 report to the Council of Australian Governments (COAG), stated that current infrastructure planning:

...remains focussed on major projects rather than what infrastructure projects can do to improve Australians’ lives. 352

IA went on to state that

...governance issues that span infrastructure planning, policy, regulation, financing, procurement and management underlie the problems in Australia’s infrastructure challenges. 353

At an international level, the World Economic Forum’s 2008-09 Global Competitiveness Report found that Australia’s infrastructure performance placed it 21st out of 134 countries by the 2011-12 report, this position had dropped to 24th of 142 countries. 355

Infrastructure funding frameworks in Australia are increasingly under pressure, particularly following the Global Financial Crisis and the more recent European debt crisis. 356 This is coupled with a general lack of long-term planning in infrastructure investment such that:
... infrastructure funds effectively have to compete with a range of short-term distractions and competing interests – for example, political expediency may mean that funds previously earmarked for an infrastructure project are instead diverted to another source, considered more pressing in the short-term.  

With respect to road infrastructure funding, a 2010 report by the Victorian Parliament’s Road Safety Committee found that road building and maintenance needs have put increasing pressure on local governments to finance such works despite declining Federal government funding.  

Dr Oliver Hartwich of the Centre for Independent Studies told the Committee that current infrastructure processes result in growth area councils being financially punished for their growth rather than rewarded. A study by the Centre found that:  

... mayors and senior management of local governments believe financial constraints are impeding their ability to manage the inflow of people.  

Local governments are generally supportive of new methods of financing infrastructure. The submission from Wyndham City Council stated:  

Adequate financing and timely delivery of infrastructure is essential and needs commitment from all three levels of government. The burden on families and communities on the urban fringes of our major cities becomes unacceptable without this. Infrastructure bonds or other investment instruments that would be of attraction to superannuation funds looking for investment opportunities should be actively pursued.  

Cr Rex Griffin, Mayor of Whittlesea, stated:  

We... need to look at alternative funding models for infrastructure and we are keen to do that with the state government.  

4.7.1 Development contributions

The role of Development contributions

Development contributions can take the form of cash payments or in-kind works, facilities, services or land, provided by developers as a contribution toward the provision of infrastructure for new developments. Development contributions can be provided through DCPs, conditions on planning permits, or voluntary agreements. DCPs enable levies to be raised to fund local and state government infrastructure such as schools, transport, parks, roads, storm water run-off, and community facilities.

DCPs are incorporated into local government planning schemes as amendments and therefore must be approved by the Minister for Planning. The DCP is implemented through a Development Contributions Plan Overlay which indicates the area covered by the DCP and the levies that apply. Part 3B of the P&EA provides for the use of DCPs to fund the provision of infrastructure and the administration of DCPs.

Development contributions may also be provided under planning permits which are documents required under Planning Schemes, to allow particular types of development. Planning permits are often granted
with conditions which include the provision of infrastructure or developer contributions of another kind. The Council is usually the responsible authority for granting planning permits under the relevant planning scheme. Section 62 of the P&EA sets out the circumstances in which conditions can be included in a permit.367

Section 173 of the P&EA enables developers and councils to negotiate development contributions on a case by case basis at the time of a development proposal under a voluntary agreement. The agreement places obligations on a developer to provide specific infrastructure.368

Mr Steve Dunn, President of the Planning Institute of Australia, gave evidence about the important role of developer contributions in funding infrastructure.

*I think developer contributions in these new suburbs are an integral part of funding...local infrastructure in particular...what we would say is that it is essential that they pay for that early infrastructure, otherwise there can often be a lag of many years before some basic infrastructure is provided.*369

Mr Hocking, Acting Chief Executive Officer, at the City of Whittlesea, described the typical role of development contributions within the current infrastructure funding model. Mr Hocking stated:

*All of the residential road infrastructure is provided through the developers and the development as well as drainage, sewer, power and other services. In a number of developments there are what we would call connector roads or collector roads and council may need to fund in part future lanes or future duplication of those down the track. The development industry is now providing a higher level of embellishment to open space that is handed over to council. But when it comes to the provision of buildings for community services on those open spaces...a large portion of that cost is up to council; or in a number of instances we have succeeded in having a partnership with state government towards funding some of that infrastructure. This has been a critical model for council.*370

Mr Hocking also stated, however, that it was not unusual for the City to fund 50 per cent or more of the cost of community infrastructure from council rates and that the City was facing an estimated annual funding deficit of approximately $175 million over the next five to six years.371

Mitchell Shire Council’s submission suggested that developer contributions have a role to play in establishing community facilities and that developers need encouragement to contribute to a sense of place when developing new communities.372

Mr Luke Shannon, General Manager of Planning and Development, Melton Shire Council, gave evidence that some types of infrastructure such as an upgrade to the Western Highway or the Melton Highway, or the delivery of a new train station should be funded by the State Government because such infrastructure has regional and state benefits.373

Similarly, Mr Michael Tyler, Chief Executive Officer, Casey City Council, stated that development contributions represent a financial cost to developers and purchasers in Growth Areas and that greater consideration should be given to the role of state funding for infrastructure.

Mr Tyler stated:
For decades and decades central government has provided for a range of facilities as Melbourne has grown. In the last 20 years there has been a bit of a focus on development contributions. You would have to question, I think, why the people of Victoria generally funded government infrastructure in the past and now there is an expectation that the developer or subsequently the purchaser will shoulder a greater burden, particularly when, as a general rule, the people who are moving into the growth areas are probably the least able to afford the infrastructure provision. So when you talk about development contributions, perhaps there should be a greater focus on state funding rather than developer contributions.374

Similarly, the Mayor of Wyndham City Council, John Menegazzo stated that Wyndham ratepayers cover between thirty and forty per cent of the bill for the provision of infrastructure to new communities because there is inadequate State and Federal funding, and councils are not allowed to recoup the full cost of infrastructure provision through developer contributions. In addition, he stated that councils are unable to recoup funds from developers for certain types of social infrastructure, such as aquatic centres or indoor sports courts.375

Ms Fiona Nield, Director of Government Programs and Communications at the Housing Industry Association, gave evidence that development contributions are designed to fund basic local infrastructure that is necessary for the development to proceed, such as local roads and drainage, as opposed to broader regional facilities that serve the whole community. In common with Mr Tyler and Mr Shannon, Ms Nield identified a potentially greater role for state funding, as well as local rates, in the provision of community infrastructure.

HIA's view is that those broader and community-based items of infrastructure should be funded through either a broad, state-backed taxation base or local rates, because they are facilities from which the whole community derives benefit and which are intergenerational and will be enjoyed by future residents who live in that area, not just the ones who have contributed through their housing costs to pay for them in the initial stages376.

The Productivity Commission’s 2004 Report, First Home Ownership, found that developer contributions were most appropriate where the associated social and economic infrastructure was used to service a specific development or location, rather than being shared among the broader community.377

The Productivity Commission found that Victoria had the second lowest development contributions (residential infrastructure charges) for Greenfield development, and the lowest charges for infill development of the mainland state capital cities.378 This is illustrated in Table 4.2.

<table>
<thead>
<tr>
<th>Benchmark</th>
<th>NSW</th>
<th>VIC</th>
<th>QLD</th>
<th>WA</th>
<th>SA</th>
<th>TAS</th>
<th>ACT</th>
<th>NT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infill</td>
<td>15,000</td>
<td>1,609</td>
<td>25,000</td>
<td>5,000</td>
<td>5,577</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Greenfield</td>
<td>37,300</td>
<td>11,000</td>
<td>27,000</td>
<td>20,000</td>
<td>3,693</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Source: Performance Benchmarking of Australian Business Regulation: Planning, Zoning and Development Assessments (Productivity Commission, April 2011) vol 1, p.xxxi; n/a=not applicable.
Inquiry into Liveability Options

The Commission also found, however, that Victoria’s planning system, as well as those of Queensland and South Australia, had several features that facilitated infrastructure delivery, including a level of committed state budget funding and committed delivery timeframes.379

The Committee acknowledges that the DCS has funded many important projects in the past. However, the weight of evidence provided to the Committee supports the finding that the development contributions system has in recent years proven an inadequate source of funding for infrastructure in Growth Areas.

Finding 4.12: The development contributions system has in recent years proven an inadequate source of funding for infrastructure in Growth Areas.

Delays due to Development Contributions

The Committee received evidence that the process of negotiating the Development Contributions (DC) process creates delays in the planning process. Mr Bryce Moore, Chairman of the Property Council of Australia told the Committee:

If you dig into the delays in each of the precinct structure plans, you will find that a number of them are delayed by arguments around developer contributions and what is the level of developer funding that can be extracted.380

Mr Moore also stated:

Development contributions are intended as a contribution, not the total cost thereof, so one of the initiatives that the Property Council has proposed is that development contributions be fixed: just fix the charge, and all of a sudden if you fix the charge, you do not have to go through all of this detail in your precinct structure planning process. You do not have to go through a big argument with VicRoads, the council, the State, the GAA and the developer.381

The issue of DCP negotiations delaying development was also raised in Lend Lease’s submission to the Inquiry.

One of the most significant issues impacting housing affordability is the lag between Project acquisition and commencing works. Lend Lease understands that there is consideration for a standard Development Contributions across metropolitan Melbourne. Lend Lease are of the opinion that standardizing Development Contributions will reduce the time-lag in taking land to the market, and thus positively impact on housing affordability. Lend Lease accepts that each growth area and (in turn PSP) has different servicing requirements. As such, a DC for each Growth Area may be a mechanism to address this.382

Dr Oliver Hartwich, who was at the time a Research Fellow at the Centre for Independent Studies (CIS)383 gave evidence that he had conducted a survey of Australian local government Mayors and Chief
Executives, which had revealed a strong desire for more certainty in the funding system. Dr Hartwich stated:

_Above all they wanted more certainty… In a number of cases you are dealing with developers, for example, on an ad hoc basis. You are trying to negotiate compensation from developers, but they felt that there was not enough certainty about these negotiations and they would rather like to have a system that provided greater certainty to councils actually engaging in population growth._384

Mr Luke Shannon, General Manager of Planning and Development, Shire of Melton, also advocated DCPs that incorporate certainty regarding the contributions to be made. Mr Shannon expressed support for the DCP in place for the Toolern growth area, which is the south-eastern expansion of the Melton township planned to cater for 20,000 new homes over a 15-20 year timeframe. The DCP was developed by the council and the GAA by assessing all types of infrastructure that would be required across the whole area.385

Mr Shannon said that both developers and the council considered the DCP to be transparent and fair because all developers working in the area were made aware “up-front” of the specific purposes of their contributions. Mr Shannon also advised the Committee that the council has encouraged developers to undertake work in-kind, such as key roads or new bridges, thereby easing the infrastructure funding burden on councils.386 However Mr Shannon went on to state that the development contributions process remained complicated and that there was scope for it to be further refined and streamlined.387

In May 2011, the Minister for Planning, Matthew Guy MLC, established a stakeholder reference group to provide advice on a framework for a new development contributions system.388 On 24 May 2012, the Minister for Planning announced that the Victorian Government had chosen a preferred framework for local DCPs, following consultation with industry representatives and stakeholders, which would standardise and simplify the contributions process.389

The Minister announced that the new system will comprise standardised levies based on five infrastructure categories:

- community facilities;
- open space facilities;
- transport infrastructure;
- drainage infrastructure; and
- public land.390

Different levies will apply depending on whether development is residential or non-residential, greenfield, metropolitan infill, or rural and regional. The levy amounts are yet to be set by an independent Advisory Committee to be established by the Minister. Another key detail to be finalised is the scope of works within each infrastructure category. The Advisory Committee is required to report to the Minister by the
end of 2012.\textsuperscript{391} Councils will be able to continue using the current approach to local DCPs where one of the future ‘off the shelf’ schedules is not suitable.\textsuperscript{392}

The Committee welcomes the Minister's decision to standardise and simplify the local DCP process. The Committee considers that the reformed framework is designed to provide greater certainty for both councils and developers and to help to reduce delays in the provision of infrastructure for new suburbs.

The Committee also notes that the new levy amounts, which are yet to be determined by an Advisory Committee, will be a critical factor in determining whether the new framework also delivers increased funding for the identified categories of infrastructure. The Committee considers that regular review of the new levy amounts by an Advisory Committee comprising representatives from both councils and developers will also be crucial in this respect.

\textbf{Finding 4.13:} The preferred framework for local development contributions plans, announced by the Minister for Planning in May 2012 is designed to provide greater certainty for councils and developers and is likely to reduce delays in the provision of infrastructure for new suburbs.

\textbf{Recommendation 4.31:} That the provision of increased overall funding for the five key infrastructure categories should be a central consideration of the Advisory Committee that sets the new levy amounts. The levy amounts should also be the subject of regular review by the Advisory Committee.

\section*{4.7.2 The Growth Areas Infrastructure Charge}

The GAIC is an infrastructure charge paid by purchasers of land in the growth area municipalities of Cardinia, Casey, Hume, Melton, Mitchell, Whittlesea and Wyndham. The GAIC scheme was established in July 2010 to help fund development in the growth area municipalities. GAIC funding rates for the 2012-2013 financial year range from $84,960 to $100,890 per hectare, depending on the type of land.\textsuperscript{393}

Half of the GAIC collected is intended to be spent on transport infrastructure and core community infrastructure such as health and education facilities, environmental and economic infrastructure.\textsuperscript{394} The GAA suggested that GAIC could be used strategically to fund key transport infrastructure.\textsuperscript{395}

The \textit{Planning and Environment (Growth Areas Infrastructure Charge) Act 2011} allows for 100 per cent deferral of the GAIC to the end of the subdivision process, and provides for in-kind work agreements as part of full payment of the GAIC.\textsuperscript{396}

The GAIC is expected to contribute up to 15 per cent of the cost of providing state infrastructure and services in Growth Areas. The reforms are intended to reduce developer holding costs and in turn improve affordability, as well, as increase the speed with which infrastructure is provided in Growth Areas. The in-kind works provisions enable an agreement between the Government and a developer to fund state infrastructure in a growth area.\textsuperscript{397}
Mr Peter Seamer, Chief Executive Officer, GAA stated:

…it is actually generating some money for government to pay for some of the much needed infrastructure, particularly with the Minister making decisions about having works in kind, offsets for that, which we think is a great innovation and will allow a lot of infrastructure to be provided a lot earlier than it otherwise would be.

At the moment we are looking at, for example, the possibility of new railway stations being funded out of this, which would happen years earlier than it otherwise would.\(^{398}\)

Mr Chris Banks, Chair of the GAA stated:

…the whole concept of liveability is about urban infrastructure, and having been involved as a developer/builder for 50 years I know the difficulty of getting that infrastructure built when you want it. The move we have been able to engineer in the recent year or so in getting the works in kind approach accepted has been a huge step forward for both the government and the private sector.

… GAIC money going into some fund which may be used later in infrastructure is one thing, but enabling a large development company to offer to build that road or to create that child centre as part of an offset to the infrastructure contribution is a huge step.\(^{399}\)

Mr Banks stated that the in-kind provisions have a particularly important role to play in the early provision of transport infrastructure. Mr Banks stated:

… with the work in-kind provisions you can negotiate with someone to use their GAIC to build that transport interchange or that railway station early on and it is in the developers’ interest to do that because they can say, ‘Hey, we have a railway station, and it’s not 30 years away! See? They are actually building something’.\(^{400}\)

GAIC with work in kind gives the development industry an incentive, because you have to give the developers an incentive. They will use it. We have to get whole of government support in work in kind. That is a key issue to make GAIC as effective as it can be.\(^{401}\)

4.7.3 Alternative sources of infrastructure funding

Aside from the funding of infrastructure directly from Treasury, Victoria has a little-known history of using alternative sources of funding to pay for new infrastructure.

Metropolitan-wide institutions like the former MMBW had legislative power to levy ‘Metropolitan Improvement Rates’ on almost all properties within its boundaries, providing much-needed essential services such as water supply, sewerage and drainage.\(^{402}\) This rate still survives in a modified form as Melbourne Water’s ‘Waterways and Drainage Charge’, levied on all property owners within Melbourne Water’s area of operations.\(^{403}\)

In the transport sphere, construction of Melbourne’s City Loop was funded in the 1970s and 1980s through a mix of direct funding from the Victorian Government, increased suburban rail fares, a metropolitan-wide rates levy and a rates levy on CBD properties.\(^{404}\) In the 1950s and 1960s, grade separations and level crossing improvements were partially funded through a ‘Level Crossings Fund’
established under the *Country Roads and Level Crossings Act 1954*, financed by a surcharge on registration of new motor vehicles and on changes of ownership of used motor vehicles.\(^{405}\)

The Committee now outlines three proposed alternative infrastructure financing models and assesses their feasibility within the Victorian planning context: Public-Private-Partnerships; Infrastructure and superannuation bonds; and Tax Increment Financing.

**Public-Private-Partnerships**

Many commentators and analysts have called for greater private sector involvement and partnership with government to fund infrastructure in Growth Areas.\(^{406}\)

Public-Private-Partnerships (PPPs) are one method of facilitating private sector funding of infrastructure, and have been used with some success in Australia and Victoria.\(^{407}\) A study by Infrastructure Partnerships Australia found that when compared with traditional procurement processes, PPPs show significantly superior cost efficiency, are more likely to deliver completed projects on or ahead of time, and that ‘the PPP advantage increases (in absolute terms) with the size and complexity of projects.’\(^{408}\)

Partnerships Victoria (a division of the Victorian Government’s Department of Treasury and Finance) provides frameworks for PPPs and is currently overseeing 22 infrastructure projects worth approximately $11.5 billion in capital investment.\(^{409}\) These include projects such as the Victorian Desalination Plant (valued at $5.72 billion), the Casey Community Hospital (valued at $120 million) and Eastlink (valued at $2.5 billion).\(^{410}\)

However, a number of high-profile failures of PPP funded road projects, most notably in New South Wales, have cast some doubt over the utility of PPPs to fund much needed transport infrastructure. On the other hand, it has also been argued that while transport infrastructure PPPs must be carefully designed in order to address issues of revenue risk sharing and over-optimistic patronage forecasts, such concerns do not apply to the same for the funding of social infrastructure such as hospitals.\(^{411}\)

**Infrastructure and superannuation bonds**

Another alternative funding mechanism is the use of infrastructure and superannuation bonds. Infrastructure bonds can be issued by a local government to obtain funds to be used for infrastructure in developing land in their area. IA Chairman Sir Rod Eddington has publicly supported using infrastructure bonds, particularly for road, rail and port networks. He stated that a:

> … comprehensive bond market in Australia was the ‘missing link’ in the country’s financial services sector that needs to be filled.\(^{412}\)

UDIA also supports the use of bonds issued by IA to fund projects.\(^{413}\)

Use of superannuation bonds provides a scheme whereby invested superannuation funds can be drawn upon to finance long-term infrastructure projects. The benefits of using superannuation capital are that such funds tend to be stable over the long-term and, since the 1980s, the superannuation industry in Australia has boomed, from a total value of $95 billion in 1988 (equivalent to 21 per cent of Gross Domestic Product (GDP)) to $628 billion in 2004 (equivalent to 80 per cent of GDP).\(^{414}\)

Wyndham City Council's submission stated their support for using superannuation bonds:
Adequate financing and timely delivery of infrastructure is essential and needs commitment from all three levels of government. The burden on families and communities on the urban fringes of our major cities becomes unacceptable without this. Infrastructure bonds or other investment instruments that would be of attraction to superannuation funds looking for investment opportunities should be actively pursued.\textsuperscript{415}

Australian superannuation funds have been used before within PPPs in both greenfield and brownfield contexts.\textsuperscript{416} However, there is considerable capacity for increasing infrastructure finance through superannuation funds.\textsuperscript{417} This potential capacity is based on activities of superannuation (or pension) funds in peer countries such as Canada. Canadian pension funds have been heavily involved in Australia as investors in tollroad operator Transurban and in the Sydney Airport Corporation.\textsuperscript{418}

In July 2012, the UK government signed a memorandum of understanding with the National Association of Pension Funds and Pension Protection Fund to finance around 230 infrastructure projects underwritten by the Treasury, including greenfield developments.\textsuperscript{419} They have developed a plan to fund a £2 billion pension infrastructure platform to begin in 2013.\textsuperscript{420} The Infrastructure Finance Working Group (IFWG), which was formed in 2011 by the Federal Minister for Infrastructure and Transport has recommend that the Australian government monitor this process as it develops.\textsuperscript{421}

\textbf{Recommendation 4.32:} That the Victorian Government collaborate with Australian superannuation funds with the aim of significantly increasing their investment in the provision of infrastructure — including roads, rail, medical and community infrastructure — in Melbourne’s growth area municipalities.

\textbf{Tax Increment Financing}

An alternative infrastructure funding mechanism discussed during the Inquiry is Tax Increment Financing (TIF), a system that is as yet untested in Australia. The TIF system works:

\begin{quote}
… by allowing local authorities to borrow money for infrastructure projects against the anticipated increase in business rates income expected as a result of the said infrastructure project.\textsuperscript{422}
\end{quote}

Under TIF, the sponsoring government usually issues bonds to provide the funds necessary for the large upfront urban renewal and infrastructure costs. As these works improve amenity and liveability of the TIF over time, and stimulate further property development in the area, property values (and hence property tax revenues) rise.\textsuperscript{423}

TIF has been widely used in the United States since the 1950s to fund infrastructure and development projects\textsuperscript{424} through the ability to borrow against future increases in land value caused by the new infrastructure or urban renewal. TIF can also help infrastructure project development through acquisition and assembly of land and funding the clean-up of contaminated land. TIF has proven particularly useful for funding public transport improvements in a number of US cities including San Francisco, Atlanta, Portland and Baltimore.\textsuperscript{425}
The UK government is in the process of enacting legislation under the Local Government Finance Bill 2010-12 to allow TIF infrastructure financing.426

A 2008 PricewaterhouseCoopers report on TIF’s feasibility in funding infrastructure in Australia recommended that:

*State Governments, drawing on relevant work of Infrastructure Australia and COAG, establish TIF Working Groups to determine how the TIF model could be structured to meet Australian infrastructure funding needs.427*

The Property Council of Australia has stated its support for implementing a TIF system in Australia and its:

*… potential to ensure the timely delivery of much needed public infrastructure to areas where it is most needed and promote economic development.428*

Mr Martin Musgrave, Deputy Director - Policy, UDIA expressed UDIA’s support for the use of TIF in Victoria during a public hearing for the Committee’s Inquiry on Growing the Suburbs:

*What it allows is the infrastructure going in early because you have the money up front based on future revenues. It should not affect credit ratings because it is a contained scheme that is backed by that value uplift. It allows the land value to rise early and allows people to have their amenity up front. One thing that I would say is that what it tends to encourage is business growth in the area because what it does is, by providing transport infrastructure early it means that businesses can connect with their customers.*429

However the IFWG point out that TIF can have drawbacks in that any revenue returns based on expected increments cannot be guaranteed, and that ‘the price of borrowing may be higher than standard government debt.’430

The Committee considers that TIF may represent a means of significantly increasing funding for infrastructure in Melbourne’s outer suburbs. The Committee is mindful that while the system does not provide a guarantee of revenue returns, it has proven successful in a number of international contexts and is of the view that greater consideration should be given to its potential in the context of Melbourne’s outer suburbs.

**Recommendation 4.33:** That the Victorian Government investigate the applicability of the Tax Increment Financing model as a means of boosting funding for infrastructure in Melbourne’s new and established outer suburbs.
Chapter 4: Planning for Liveability

Chapter 4 Endnotes:

1 Weller, R., 2009, *Boomtown 2050: Scenarios for a Rapidly Growing City*, Crawley, University of Western Australia.
2 Mr Chris Crawford, Vice President, BC Housing, Vancouver, *Notes from Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p.159.
3 Mr Adrien Byrne, Communications Manager and Mr Bob Ransford, Urban Planner, Urban Development Institute of British Columbia, Vancouver, *Notes from Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p.137-9.
4 Mr Gaetan Royer, Manager, Metropolitan Planning, Environment and Parks, Metro Vancouver, Vancouver, *Notes from Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p.27.
5 Mr Bob Ransford, Urban Planner, Urban Development Institute of British Columbia, Vancouver, *Notes from Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p.118.
10 ibid.
11 ibid.
12 ibid.
14 ibid., p.1.
22 Mr Chris Banks, Chair, Growth Areas Authority, *Transcript of Evidence, Liveability Options*, 24 February 2012, p.586.
23 ibid.
Inquiry into Liveability Options


35 ibid., p.vii-viii.

36 ibid., p.4.

37 ibid., p.6.

38 ibid., p.38.

39 ibid., p.38.

40 ibid., p.44, 58, 60.

41 ibid., p.24.

42 ibid., p.48-57.

43 ibid., p.64-8.

44 ibid., p.76-8.


46 ibid., p.1.

47 ibid.

Chapter 4: Planning for Liveability

49 ibid.
50 Department of Planning and Community Development, 2011, Fact Sheet: VicSmart, A simpler planning permit process, p.1.
51 ibid., p.2.
52 ibid., p.5.
53 Minister for Planning, The Hon Matthew Guy, MLC, 7 June 2012, Media Release: A smarter way for planning permit applications.
54 Department of Planning and Community Development, 2011, Fact Sheet: VicSmart, A simpler planning permit process, p.5.
56 Department of Planning and Community Development, April 2012, Managing Melbourne: Review of Melbourne Metropolitan Strategic Planning, p.7.
58 Mr Stuart Burdack, Nillumbik Shire Council, Transcript of Evidence, Liveability Options, 10 June 2011, p.240.
60 Professor Earnest Healy, Monash University, Transcript of Evidence, Liveability Options, 21 November 2011, p.570.
63 ibid; Other zones proposed for amendment include the Green Wedge Zones, Rural Conservation Zone, Rural Activity Zone, and Industrial Zones 1-3.
Inquiry into Liveability Options


70 Ms Delia Laglagaron, Interim Commissioner / Chief Administrative Officer, Overseas Transcript, Liveability Options, Metro Vancouver, 7 May 2012, p.19.


73 Government of Victoria, Submission No.80, Liveability Options, OSISDC, received 29 October 2012, p.9.


75 Committee for Wyndham, Submission No.16, Liveability Options, OSISDC, received 28 April 2011, p.15.

76 ibid.

77 Mr Brian Morison, Executive Officer, Building Designers Association, Transcript of Evidence, Liveability Options, 6 June 2011, p.197.

78 Department of Planning and Community Development, April 2012, Managing Melbourne: Review of Melbourne Metropolitan Strategic Planning, p.6.

79 ibid., p.5.

80 ibid., p.11.

81 Department of Planning and Community Development, December 2011, Victorian Planning System, Ministerial Advisory Committee Initial Report, December 2011, p.5.


Chapter 4: Planning for Liveability


85 ibid., p.27.

86 ibid.


91 Mr Peter Seamer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.579.


93 Mr Neill Hocking, Acting Chief Executive Officer, City of Whittlesea, Transcript of Evidence, Liveability Options, OSISDC, p.29.

94 Mr Bill Forrest, Director, Advocacy, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.305.

95 ibid.


97 Mr Peter Fitchett, Director, Planning and Development Services, Casey City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.347.
Inquiry into Liveability Options

98 Mr Michael Tyler, Chief Executive Officer, Casey City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.347.
99 Mr Stuart Burdack, Chief Executive Officer, Nillumbik Shire Council, Transcript of Evidence, Liveability Options, 10 June 2011, p.240.
100 ibid., p.243.
101 Mr Andrew MacLeod, Chief Executive Officer, Committee for Melbourne, Transcript of Evidence, Liveability Options, Melbourne, 6 June 2011, p.187.
102 Professor Richard Weller, Winthrop Professor of Landscape Architecture at the University of Western Australia, Director of Urban Design Centre of Western Australia, Transcript of Evidence, Liveability Options, Perth, 18 May 2011, p.107.
104 Weller, R., Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, p.167-176.
105 ibid., p.265, 275, 291, 297, 305.
106 ibid., p.341, 361, 375.
107 Mr Chris Banks, Chair, Growth Areas Authority, Transcript of Evidence Liveability Options, 24 February 2012, p.582-583.
108 Mr Andrew Whitson, Stockland, Transcript of Evidence, Liveability Options, 12 May 2011, p.55.
109 ibid., p.59.
110 Mr Gary Banks, Chair, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.600.
112 Mr Steve Dunn, Planning Institute Australia, Transcript of Evidence, Liveability Options, 6 June 2011, p.220.
113 Ms Charlotte Frew, 24 August 2011, Wyndham City Council Site Visit Notes, Liveability Options, OSISDC.
114 ibid.
115 Mr Nathan Bunt, 14 November 2011, Executive Officer Notes of Bus Tour, Shire of Melton, Liveability Options, OSISDC.
116 Casey City Council, Site Visit Notes, Liveability Options, OSISDC, 7 September 2011.
117 ibid.
118 Ms Charlotte Frew, 7 September 2011, Casey City Council Site Visit Notes, Liveability Options, OSISDC.
119 Ms Charlotte Frew, 7 September 2011, Casey City Council Public Hearing Notes, Liveability Options, OSISDC.
120 Mitchell Shire Council, Submission No.23, Liveability Options, OSISDC, received 29 April 2011, p.13.
121 Interface Group of Councils, Submission No.62, Liveability Options, OSISDC, received 9 May 2011, p.2.
122 Ruming KJ., Randolph B., Pinnegar S., and Judd B., 2007, Delivering sustainable renewal in Australia’s middle and outer suburbs: Council reflections, The University of New South Wales, City Futures Research Centre.
124 Building Designers Association, Submission No.11, Liveability Options, OSISDC, received 28 April 2011, p.5.
125 Ruming KJ., Randolph B., Pinnegar S., and Judd B., 2007, Delivering sustainable renewal in Australia’s middle and outer suburbs: Council reflections, The University of New South Wales, City Futures Research Centre, p.6.
Chapter 4: Planning for Liveability

120 Executive Officer Notes, *Perth Site Visit Notes, Liveability Options*, OSISDC, 18 May 2011.


128 Ibid., p.1.

129 Ibid., p.27-29.

130 Frances-Kelly, J., 2011, ‘The Housing We’d Choose’, *Grattan Institute*, <http://grattan.edu.au/static/files/assets/e62ba29d/090_cities_report_housing_market.pdf> p.19. Both Sydney and Melbourne were split into four zones based on land prices of Statistical Local Areas. Broadly speaking, land price increased with proximity to the city centre. Notable exceptions were related to infrastructure, especially train lines, and proximity to water.

131 Ibid., p.23.


135 Property Council of Australia, *Submission No.12, Liveability Options*, OSISDC, received 28 April 2011, p.4.

136 Ibid.


138 Building Designers Association, *Submission No.11, Liveability Options*, OSISDC, received 28 April 2011, p.4.

139 Professor Richard Weller, University of Western Australia, *Transcript of Evidence, Liveability Options*, 18 May 2011, p.108.


141 Mr Nik Tsardakis, Executive Director, Committee for Wyndham, *Transcript of Evidence, Liveability Options*, p.335.

143 Outer Suburban/Interface Services and Development Committee (OSISDC), *Executive Officer Notes from Overseas Study Tour, Liveability Options*, Mr Jim Charlebois, Manager of Community Planning, District of Maple Ridge, Vancouver, 8 May 2012, p.184-5.


145 Mr Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary, *Notes from Overseas Study Tour, Liveability Options*, OSISDC, 9 May 2012, p.244-5.


147 Mr Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary, *Notes from Overseas Study Tour, Liveability Options*, OSISDC, 9 May 2012, p.285-6.

148 Ibid., p.246.

149 Toronto Ministry of Municipal Affairs and Housing, *Notes from Overseas Study Tour, Liveability Options*, OSISDC, 11 May 2012, p.518.

150 Ms Hannah Evans, Director, Partnerships & Consultation Ontario Ministry of Infrastructure, Toronto, *Notes from Overseas Study Tour, Liveability Options*, OSISDC, 10 May 2012, p.352.


156 Ibid, *$1 million VCAT blitz to reduce planning delays.*


158 Ibid., p.5.

159 Ibid.


Chapter 4: Planning for Liveability

164 National Housing Supply Council, 2011, State of Supply Report, 
p.97.

165 National Housing Supply Council, 2010, 2nd State of Supply Report,  

166 Kelly, J-F., 2011, ‘The Housing We’d Choose’, Grattan Institute, viewed 22 October 2012, 

167 National Housing Supply Council, May 2011, National Dwelling Cost Study,  

168 ibid.

169 Victorian Association of Forest Industries, 2011, Sustainability Report,  

170 Planet Arc, 2012, Make it Wood: Forté, Docklands, Melbourne, viewed 8 November 2012, 
<http://makeitwood.org/made-from-wood/Forte.cfm>

171 National Housing Supply Council, 2011, State of Supply Report,  
p.97.

172 Mr Brian Morison, Executive Officer, Building Designers Association of Victoria, Transcript of Evidence, Liveability Options, 6 June 2011, p.202.

173 Kelly, J F., 2011, ‘The Housing We’d Choose’, Grattan Institute,  

174 National Housing Supply Council, May 2011, National Dwelling Cost Study,  


177 Mr Steve Dunn, President, Planning Institute of Australia, Transcript of Evidence, Liveability Options, 6 June 2011, p.220.

178 Premier of Victoria, Ted Baillieu, MLA, 14 July 2011 Media Release, Red tape reduction to help housing affordability,  

179 Growth Areas Authority, August 2011, Information Sheet: Small Lot Housing Code,  
p.2.


181 ibid.

182 ibid., p.2.


Mr Gaetan Royer, Manager, Metropolitan Planning, Environment and Parks, and Ms Delia Laglagaron, Interim Commissioner / Chief Administrative Officer, Metro Vancouver, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p.16.


Mr Gaetan Royer, Manager, Metropolitan Planning, Environment and Parks, Metro Vancouver, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p.32.

*ibid.*, p.29-30.


*ibid.*, p.190.

*ibid.*, p.197.

Mr Dave Crossley, Executive Director, Planning Institute of British Columbia, Vancouver, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p.70.


Ms Mary Beth Rondeau, Senior Planner – Area Planning and Development, City of Surrey, Vancouver, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p. 92-94.


*ibid.*

*ibid.*, p.348.

Mr Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 9 May 2012, p.255-256.


Mr Michael Flynn, Executive Director, Urban Development Institute Calgary, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 9 May 2012, p.327.

*ibid.*, p.327-328.

Ms Marion Fulker, CEO, Committee for Perth, *Transcript of Evidence, Liveability Options*, 18 May 2011, p.75.

Ms Hannah Evans, Director, Partnerships & Consultation, Ministry of Infrastructure Ontario, Toronto, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 10 May 2012 p.353.


ibid., p.384.

ibid., p.385.


Mr Richard Cockfield, Director, Strategic Planning and Policy, Regional Municipality of Halton, Toronto, Notes of Overseas Study Tour, Liveability Options, OSISDC, 11 May 2012, p.561.

Mr Victor Doyle, Manager, Provincial Planning Policy Branch, Ministry of Municipal Affairs and Housing, Toronto, Notes of Overseas Study Tour, Liveability Options, OSISDC, 11 May 2012, p.519-520, 522.

ibid., p.523.

Mr Wilhelm Natrup, Cantonal Planner and Head, Office for Spatial Development, Government of the Canton of Zurich, Notes of Overseas Study Tour, Liveability Options, OSISDC, 14 May 2012, p.596-597.

ibid., p.595-595.

Professor Dr. Marc Angélil, Deputy Director, Network City and Landscape (NSL), ETH Zurich (Swiss Federal Institute of Technology Zurich), Notes of Overseas Study Tour, Liveability Options, OSISDC, 15 May 2012, p.629.


Mr Mark Bradbury, Head of Development Asset Transfer – London Thames Gateway, Housing & Land Directorate, Greater London Authority, Notes of Overseas Study Tour, Liveability Options, OSISDC, 16 May 2012, p.739.


ibid., p.739-740.


Mr Steve Oakes, Director of Development, London Thames Gateway Development Corporation, Notes of Overseas Study Tour, Liveability Options, OSISDC, 16 May 2012, p.752.


ibid.

ibid.
Inquiry into Liveability Options

230. See for example: Mr Allan Cowley, Manager, Strategic Planning, Mornington Peninsula Shire Council, Transcript of Evidence, Liveability Options, 8 September 2011, p.383; Mr Brian Murray, Nillumbik Ratepayers Association, Transcript of Evidence, Liveability Options, 10 June 2011, p.258; and Building Designers Association, Submission No.11, Liveability Options, OSISDC, received 28 April 2011, p.3.

231. Building Designers Association, Submission No.11, Liveability Options, OSISDC, received 28 April 2011, p.3.


233. Dr Ernest Healy, Senior Research Fellow, Centre for Population and Urban Research, Monash University, Transcript of Evidence, Liveability Options, 21 November 2011, p.566.


237. ibid., p.2.


239. Master Builders Association, Submission No.72, Liveability Options, OSISDC, received 16 May 2011, p.10.


242. ibid.

243. ibid.


245. Building Designers Association, Submission No.11, Liveability Options, OSISDC, received 28 April 2011, p.5.

246. ibid.


Building Designers Association, *Submission No.11, Liveability Options*, OSISDC, received 28 April 2011, p.3.

The Interface Councils group comprises the City of Casey, Cardinia Shire Council, Hume City Council, Melton Shire Council, Mornington Peninsula Shire Council, Nillumbik Shire Council, Whittlesea City Council, Wyndham City Council, Yarra Ranges City Council.


Mitchell Shire Council, *Submission No.23, Liveability Options*, OSISDC, received 29 April 2011, p.18.

City of Casey Council, *Submission No.73, Liveability Options*, OSISDC, received 18 May 2011, p.12.

Yarra Ranges Council, *Submission No.67, Liveability Options*, OSISDC, received 13 May 2011, p.5.

Dr Michael Kennedy, Chief Executive Officer, Mornington Peninsula Shire Council, *Transcript of Evidence, Liveability Options*, 8 September 2011, p.387.


Cr Rex Griffin, Mayor, City of Whittlesea, *Transcript of Evidence, Liveability Options*, 12 May 2011, p.33.

The Interface Councils group comprises the City of Casey, Cardinia Shire Council, Hume City Council, Melton Shire Council, Mornington Peninsula Shire Council, Nillumbik Shire Council, Whittlesea City Council, Wyndham City Council, Yarra Ranges City Council.


Tourism and Transport Forum, *Submission No.15, Liveability Options*, OSISDC, received 28 April 2011, p.17.


ibid., p.5.

28Mr Chris Loader, Manager Transport Planning, Dyson Bus Services, Transcript of Evidence, Liveability Options, 12 May 2011, p.66.
27City of Casey Council, Submission No.73, Liveability Options, OSISDC, received 18 May 2011, p.16.
28Dr Michael Kennedy OAM, Chief Executive Officer, Mornington Peninsula Shire Council, Transcript of Evidence, Liveability Options, 8 September 2011, p.387.
28Mr Danny Murphy, Managing Director of the LWP Property Group Pty Ltd., Perth, Liveability Options, Notes of Perth meeting, Liveability Options, OSISDC, 16 May 2011.
28Urban Development Institute of British Columbia, Vancouver, Notes of Overseas Study Tour, Liveability Options, OSISDC, 8 May 2012, p.127.
28Mr Doug Kelsey, Chief Operating Officer, Translink British Columbia, Vancouver, Notes of Overseas Study Tour, Liveability Options, OSISDC, 7 May 2012, p.57.
28Mr Mac Logan, General Manager Transportation, City of Calgary, Calgary, Notes of Overseas Study Tour, Liveability Options, OSISDC, 9 May 2012, p.273.
28Ibid.
28Mr Chris Loader, Manager Transport Planning, Dyson’s Bus Services, Transcript of Evidence, Liveability Options, 12 May 2011, p.67.
28Ibid.
28Hume City Council, Notes of Site Visit, Liveability Options, OSISDC, 6 March 2012.
Chapter 4: Planning for Liveability


308. ibid., p.276.

309. ibid., p.275.

310. ibid.

311. ibid.

312. ibid., p.274.


316. ibid., p.5.


321. Mr Paul Lakey, State Operations Manager (WA) and Mr Craig Stuart, Senior Development Manager, Peet Ltd, *Notes of Perth meeting, Liveability Options*, OSISDC, 17 May 2011.
Inquiry into Liveability Options


Department of Planning and Community Development, December 2008, Melbourne 2030: A Planning Update - Melbourne @ 5 Million, p.5.


Ms Leslie Woo, Vice President, Policy, Planning & Innovation, Metrolinx, Toronto, Notes of Overseas Study Tour, Liveability Options, OSISDC, 11 May 2012, p.473.

Mr Neill Hocking, Acting Chief Executive Officer, City of Whittlesea, Transcript of Evidence, Liveability Options, 12 May 2011, p.34.

Mr Matthias Tita, Acting Director, Land Use Planning and Policy, City of Calgary, Calgary, Notes of Overseas Study Tour, Liveability Options, OSISDC, 9 May 2012, p.247.


Mr Andrew Macleod, Chief Executive Officer, Committee for Melbourne, Transcript of Evidence, Liveability Options, 6 June 2011, p.190.


Mr Gary McNeil, President, GO Transit, Metrolinx, Toronto, Notes of Overseas Study Tour, Liveability Options, OSISDC, 11 May 2012, p.481.


Ms Michele Dix, Managing Director, Planning, Transport for London, Notes of Overseas Study Tour, Liveability Options, OSISDC, 16 May 2012, p.694; 718.

Mr Hannes Schneebeli, Manager Infrastructure and Deputy Project Manager, Glattalbahn, Verkehrsbetreibe Glattal, Zurich, Notes of Overseas Study Tour, Liveability Options, OSISDC, 15 May 2012, p.674.

Cr John Menegazzo, Mayor, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.301.

Mr Peter Fitchett, Director, Planning and Development Services, Casey City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.341.

Mr Mike Tyler, Chief Executive Officer, Casey City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.339.

Mitchell Shire Council, Submission No.23, Liveability Options, OSISDC, received 29 April 2011, p.18.

Mr Brian Murray, Nillumbik Rate Payers Association, Transcript of Evidence, Liveability Options, 10 June 2011, p.258.

Mr Chris Giannekos, Assistant Deputy Minister, Infrastructure Policy and Planning Division, Ministry of Infrastructure Ontario, Toronto, Notes of Overseas Study Tour, Liveability Options, OSISDC, 10 May 2012, p.372-3; Mr Gary McNeil, President, GO Transit, Metrolinx, Toronto, Notes of Overseas Study Tour, Liveability Options, OSISDC, 11 May 2012, p.464-5.


Inquiry into Liveability Options

[p.71.

356 The Infrastructure Finance Working Group, April 2012, Infrastructure Finance and Funding Reform, viewed 23 July 2012,
357 Property Council of Australia, April 2008, Tax Increment Financing to fund Infrastructure in Australia, 24 July 2012,
358 The Infrastructure Finance Working Group, April 2012, Infrastructure Finance and Funding Reform, viewed 23 July 2012,
359 Dr Oliver Hartwich, Research Fellow, Economics Program, Centre for Independent Studies, Transcript of Evidence, Liveability Options, 24 February 2012, p.617.
361 Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2011, p.17.
362 Cr Rex Griffin, Mayor, City of Whittlesea, Transcript of Evidence, Liveability Options, 12 May 2011, p.30.
363 Department of Planning and Community Development, March 2007, Development Contributions, viewed 22 June 2012,
364 Department of Planning and Community Development, March 2007, Development Contributions Guidelines, p.4.
365 Mr Steve Dunn, President, Planning Institute of Australia, Transcript of Evidence, Liveability Options, 6 June 2011, p.222.
366 ibid., p.12.
367 ibid., p.7.
368 ibid., p.4.
369 Mr Neill Hocking, Acting Chief Executive Officer, City of Whittlesea, Transcript of Evidence, Liveability Options, 12 May 2011, p.31.
370 ibid., p.29 & 31.
371 Mitchell Shire Council, Submission No.23, Liveability Options, OSISDC, received 29 April 2011, p.19-20.
Chapter 4: Planning for Liveability


374 Mr Michael Tyler, Chief Executive Officer, Casey City Council, _Transcript of Evidence, Liveability Options_, 7 September 2011, p.344.

375 Cr John Menegazzo, Mayor, Wyndham City Council, _Transcript of Evidence, Liveability Options_, 24 August 2011, p.301.


378 ibid., p.xxxi.

379 ibid., p.xxxi.

380 Mr Bryce Moore, Chairman, Residential Developers Committee, Property Council of Australia, _Transcript of Evidence, Liveability Options_, 6 June 2011, p.229.

381 ibid., p.230.

382 Lend Lease Communities, _Submission No.57, Liveability Options_, OSISDC, received 6 May 2011, p.5.

383 At the time of writing Dr Hartwich was the newly appointed Executive Director of the New Zealand Initiative.

384 Dr Oliver Hartwich, Research Fellow, Economics Program, Centre for Independent Studies, _Transcript of Evidence, Liveability Options_, 24 February 2012, p.614.


386 ibid.

387 ibid.


390 ibid., p.1.

391 ibid.


Inquiry into Liveability Options

395 Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.596.
397 ibid.
398 Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.580.
399 Mr Chris Banks, Chair, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.579.
400 Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.605.
401 Mr Chris Banks, Chair, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.606.
408 ibid., p.1.
Chapter 4: Planning for Liveability

415 Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2011, p.17.
424 ibid., p.2.
428 ibid., p.49.
CHAPTER 5: COMMUNITY COHESION

What is the city but the people?

Shakespeare, Coriolanus

5.1 Introduction

The Committee received a significant volume of evidence from a range of stakeholders on the subjects of social cohesion, social inclusion, community participation, work-life balance, employment, and the importance of maintaining civic pride in the outer suburbs of Melbourne. Stakeholders who provided evidence on these issues included local councils, public health organisations, higher education representatives, charities, residents associations, social support services, and sporting groups. This chapter examines that evidence in light of Term of Reference (f), which requested the Committee to recommend options for enhanced liveability outcomes. This chapter also draws upon external research and data on these themes as they relate to Melbourne’s outer suburbs.

For the purposes of this chapter, social cohesion describes social connectedness, between family members, neighbours, community groups, and individuals within local communities. It is also referred to as a sense of belonging and connection within a community. Social inclusion refers to the inclusion of all individuals in society facilitated by the opportunity to participate in all facets of community life, as valued members of society. Community participation is the involvement of community members in community events and decision making.

The Committee heard from stakeholders across outer suburban Melbourne that ‘community’ is a key feature of liveability. Given that the outer suburbs of Melbourne are experiencing significant and rapid growth and change, the issues of building community and establishing a sense of community in new suburbs is particularly relevant. The physical location of outer suburban areas, in addition to the relative newness of some outer suburbs, makes residents particularly vulnerable to social isolation.

The Committee heard that there are a number of barriers to building community in the outer suburbs of Melbourne, such as a lack of opportunity for community engagement, and the difficulty of establishing a work-life balance due to a lack of local employment opportunities. However, evidence provided to the Committee illustrated a strong appreciation of the importance of community, and a willingness and commitment to building and supporting community in the outer suburbs of Melbourne among residents and local councils.

During the course of its local, interstate and international investigations, the Committee came to the view that growth in the outer suburbs of Melbourne provides an exciting opportunity to engage in innovative community building strategies. This chapter describes some of those strategies, including best practice examples of the facilitation of a community of arts and culture in Perth, Western Australia, and existing successful community building activities locally, such as neighbourhood renewal and engagement with sport. The chapter also examines the role of community infrastructure in facilitating community engagement.
The Committee also received evidence that the relatively low level of access to local employment options, and the consequent need for many residents to commute long distances to employment, creates a significant barrier to the development of a strong sense of community in the outer suburbs of Melbourne. The promotion of increased and more diverse local employment options will be a major focus of the Committee’s forthcoming report on the Inquiry on Growing the Suburbs.

5.2 Community participation & social cohesion

Community engagement has long been recognised as an essential ingredient of liveable communities. Research has found that those communities considered the most liveable by residents often have a strong sense of community. Relatively simple forms of social participation, such as volunteering or group membership, have been shown to create positive outcomes for individuals and communities including: improving physical health and wellbeing; reducing social isolation; improving mental health; increasing tolerance; reducing crime; and increasing community involvement in local governance and public policy.

The Committee heard from a number of stakeholders that a sense of community is a key feature of liveable communities in the outer suburbs. Various stakeholders expressed this view, ranging from residents associations to environmental organisations, business and educational representatives, and local councils. For example, residents’ associations in both Wyndham and Casey provided evidence that it was the sense of community in new estates and new suburbs that made residents feel like they were living in a rural community where everybody knew one another. It was this sense of community, facilitated by the residents’ associations, that was perceived as key to the liveability of both Manor Lakes in Wyndham and Lynbrook in Casey.

The Brotherhood of St Laurence, in its submission to the Inquiry, stated that it:

… supported the greater participation of community members in local governance structures for a number of reasons: not only do residents of a given area often—collectively—have the best knowledge of local problems and strengths, but also the opportunity for political engagement should be a fundamental right of citizens. Political engagement is bound up with, or can lead to, other forms of social inclusion: the capacities to participate in valuable activity, access necessary goods and services and achieve social integration.

Mr Ian Kett, Executive Project Officer, Deakin University stated that social inclusion, cohesion and equity are fundamental ingredients of liveability. Mr Kett stated:

It is absolutely vital that in the work we do in the outer suburbs we do not leave sections of the population behind. That was one of the phrases from one of the federal government documents, but it really says it all. We need to be bringing all the groups in the community along with us in terms of future development. We know that disadvantage is more concentrated on the fringes of major cities and certainly in the regions and rural areas. I suggest that for this inquiry this is a fundamental element that has to be looked at and that should underpin all the work that may come from this.

Mitchell Shire Council, in its submission to the Inquiry, stated:

Research by both the University of Melbourne and Monash University has demonstrated that indicators of liveability include community engagement and participation, safety, urban sociability, and community cohesion.
Mitchell Shire Council also emphasised the importance of community groups such as the Wallan and District Community Network, Better Beveridge Group, and the Friends of Wallan Creek, in facilitating community engagement.\textsuperscript{12}

Truganina Ward Councillor, Glenn Goodfellow of Wyndham City Council told the Committee:

\textit{If you have a community which feels it belongs, you are going to have a vibrant, healthy and harmonious community.}\textsuperscript{13}

The City of Whittlesea, in its submission to the Inquiry emphasised the importance of community hubs and events which bring people together to socialise and access services. The submission stated that community socialisation helps to build community and an understanding and appreciation of the City’s diversity.\textsuperscript{14}

Mornington Peninsula Shire, in its submission to the Inquiry, stated:

\textit{While liveability often focuses on aspects of the physical environment and the availability of services and facilities, it is also important to support community development and a sense of involvement and support. This sense of connection, even at a relatively low level, is arguably critical to liveability, particularly in an ageing population.}\textsuperscript{15}

The Committee for Melbourne, in its evidence to the Committee, emphasised the importance of social cohesion and the aim of achieving ‘multidemographics’ through urban renewal in order to prevent the creation of areas of concentrated disadvantage.\textsuperscript{16} The Committee for Melbourne also referred to research which has found that as cities grow to approximately 5 million people, they face challenges in relation to ghettoisation and isolation.\textsuperscript{17} These issues are of primary importance in the outer suburbs of Melbourne, given that they are home to four of Australia’s fastest growing municipalities.

The evidence provided to the Committee suggests that stakeholders perceive social cohesion, cultural diversity and community participation as interlinked. Ms Delphi Anderson, Vice President, Manor Lakes Residents Association, described the sense of belonging and social cohesion in Manor Lakes Estate, Wyndham, as resulting in part from the diversity of the Estate:

\textit{We have people who own their own homes, people who are renting and people who are boarding. The amount of cultural diversity within the estate is just amazing, and everyone seems to be really happy with it. There is a real sense of it not mattering who you are or where you come from; you are welcome.}\textsuperscript{18}

A number of other stakeholders also noted that social diversity strengthens communities.

For example, Ms Leanne Petrides, Manager of the Cranbourne Information and Support Service, stated:

\textit{My personal opinion is that it strengthens the community to have people of different cultural backgrounds, different socioeconomic backgrounds and different ages all living together.}\textsuperscript{19}

There is an extensive body of literature and research on community engagement and social cohesion and it is beyond the scope of the current Inquiry to provide a comprehensive survey of this work. The focus
of this Chapter is on the particular challenges faced by Melbourne’s outer suburban/interface suburbs with respect to community engagement and social cohesion.

Finding 5.1: In some of Melbourne’s outer suburbs there is a strong sense of community, which is an element in the liveability of such areas.

Finding 5.2: The physical location and relative newness of some of Melbourne’s outer suburbs increases the risk of social isolation for residents of those areas.

5.3 Socioeconomic circumstances

The Committee received evidence that residents who live in areas of relatively lower economic status in some of Melbourne’s outer suburbs can face additional barriers to community participation. There is extensive research which shows that people of lower socioeconomic status, who feel undervalued by society and who are not members of organised groups, are more likely to experience feelings of social isolation. As the Committee discussed in Chapter Three, there is a higher prevalence of a number of social issues — such as family violence, social isolation, financial and mortgage stress, unhealthy lifestyles, and mental health problems — in some of Melbourne’s outer suburbs.

Ms Leanne Petrides, Manager of the Cranbourne Information and Support Service, described the experience of reduced socioeconomic circumstances faced by some residents in the City of Casey and the problems of family violence and relationship and family breakdown:

Sadly there is an extremely high rate of family violence incidents reported to police in the City of Casey. While I am reluctant to draw a correlation between that and low socioeconomic status, it is actually our clients who tell us how incredibly stressful it is to live on the breadline and how, unfortunately, that does impact on their relationships and lead to fighting, family violence and, in worst-case scenarios, relationship and family breakdown.

The relationship between financial stress and social problems such as family violence is discussed in greater detail in Chapter Three of this report.

Ms Petrides also informed the Committee that the organisation often found it difficult to encourage its clients to become involved in community events and activities. Ms Petrides said that if residents’ basic needs, such as access to food and housing, are not met, they are unlikely to expend energy participating in community events or nurturing healthy relationships.

The foundational importance of the fulfilment of basic needs to the realisation of higher needs, which include those associated with community involvement, was famously stated by psychologist Abraham Maslow in his hierarchy of needs model, as illustrated below.
Ms Stella Avramopoulos, Chief Executive Officer, Kildonan Uniting Care, at a public hearing in Whittlesea, described the nature of the socioeconomic disadvantage faced by a significant number of residents in the Whittlesea region as follows:

... today we are seeing a new definition emerging of what constitutes vulnerable consumers and vulnerable clients... There are working poor, young couples with limited financial management skills, a high purchasing appetite and significant debt levels, and retirees with dwindling savings. We have seen in our work that it does not take much to tip people over. The birth of a child, an accident, a reduction in hours and loss of employment, bushfires and the global financial crisis, in fact make us all vulnerable.24

Mr John Circosta, Manager, Early Years and Youth, Wyndham City Council, at a public hearing in Wyndham, stated that:

It would be fair to say that all our services that provide support for those sorts of issues are incredibly stretched. We have very good relationships with the police. They allocate officers who work with council and with agencies, and there are numerous advocacy efforts that we are involved in that look at those mental health issues, such as violence, assault, sexual assault, et cetera. The common theme is that we just do not have the number of agencies and support services located here in the interface area — the metropolitan area. Many of the services are in the inner suburban areas; the services that are here struggle to find locations to put staff in. It is a common theme throughout all of our agencies that are dealing with those sorts of issues.25

Dr Michael Kennedy, OAM, Chief Executive Officer, Mornington Peninsula Shire Council, at a public hearing held in the Shire, informed the Committee that the socioeconomic diversity of the Shire and its
strong rate base are important factors in enabling Council to provide additional assistance to areas of relative socioeconomic disadvantage. Dr Michael Kennedy stated:

…the Peninsula is very diverse in socioeconomic terms. We have the well off and the not well off. Although there are little pockets of need everywhere, the key pockets are Hastings West Park, which is a neighbourhood renewal site; Tanti Park, just up the way; Rosebud; West Rosebud; and Tootgarook, which is a community renewal site… But again, our diversity is our strength. This is a really important point. It is a good thing that our more modest communities can live in an environment that is broadly not needy. Why? Because we can play Robin Hood. That is the reality of what happens. We have a very strong rate base and that gives us some capacity to invest in the needs of people who need a little more.26

The prevalence of lower socioeconomic areas within some outer suburban and interface areas is not unique to Melbourne, but is a pattern that is found in all of Australia’s major cities. For example, the Committee received evidence from the Committee for Perth that this pattern of disadvantage, which is also referred to as socio-spatial polarisation, also exists in some of the outer suburbs of Perth. Ms Marion Fulker, Chief Executive Officer, Committee for Perth, at the briefing in Perth, stated:

…our fact based research has identified a couple of emerging issues which go to the heart of fringe development. There has been a shift of geography of economic stress…What we had was inner areas that were quite run-down, low property values, and there has been an absolute flip to some of those areas on the fringe now becoming our lower value, lower socioeconomic areas. What we are seeing is an increasing divide between the have and the have nots… It also plays out in education attainment levels, home ownership rates… There is a real sense of disadvantage in five and 10 km dimensions.27

Similarly, Dr Shae Garwood, Research Officer at Shelter, Perth, Western Australia, at a briefing in Perth, stated:

…housing affordability and housing stress certainly influences liveability and ability to engage with the community and having the time and the money to engage in community activities and community events. … what kind of sacrifices are people needing to make in their own lives and behind closed doors to make those [mortgage] payments in terms of entertainment and that kind of thing… That does have an impact on liveability and ability to connect with your neighbours and participate in community events and being an active member of society if you are having those kinds of pressures.28

The McCaughey Centre’s report on social and economic disadvantage in Melbourne, commissioned by the Melbourne Community Foundation29, found that:

… whilst there is ongoing disadvantage and inequality across a mix of urban neighbourhoods and communities, the rapidly emerging challenges facing new growth areas combined with the acute lack of existing social and physical infrastructure makes this a particularly urgent focus for innovation and intervention.30

The Committee notes that there are significant pockets of socioeconomic disadvantage in several of Melbourne’s Interface Councils, particularly Wyndham, Mornington Peninsula, Melton, Casey, Hume and Whittlesea. The Australian Bureau of Statistics (ABS) produces four separate Socio-Economic Indexes for Area (SEIFA) which measure different aspects of relative disadvantage associated with particular areas around Australia. The Index of Relative Socio-economic Disadvantage (IRSD) is one of the four SEIFA
indexes, based on data from a range of socioeconomic variables including income, education, employment, occupation and housing collected in the 2006 Australian Census of Population and Housing. The Department of Planning and Community Development (DPCD) provides SEIFA maps for all of Melbourne’s metropolitan municipalities on its website and plans to update the SEIFA maps with 2011 Census data in 2013.31

As illustrated in Figure 5.2 below, while areas of relative socioeconomic disadvantage are not restricted to Melbourne’s outer suburbs and interface Local Government Areas (LGAs), there are comparatively large concentrations of such disadvantage (e.g. at the first and second decile) in these areas.

*Figure 5.2: Metropolitan Melbourne, showing State Government region and LGA boundaries, SEIFA Index of Relative Socioeconomic Disadvantage, 2006*

The National Centre for Social and Economic Modelling (NATSEM) defines ‘poverty’ by reference to levels of disposable household income, as shown in Figure 5.3.32 Under this definition, areas of relative poverty within Melbourne are broadly congruent with those areas that have a higher SEIFA ranking (as shown in Figure 5.2).
As illustrated in Tables 5.1 and 5.2 below, a number of the Interface Councils also have a greater proportion of their residents receiving income assistance than the Victorian average. (At the time of writing, ABS data from the 2011 Census was due for release on 30 October 2012).

**Table 5.1 Income Support Socioeconomic Indicators in ten outer suburbs municipalities as against the Victorian average.**

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>% people receiving unemployment benefit June 2009</th>
<th>% people receiving unemployment benefit long term June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>2.8</td>
<td>1.7</td>
</tr>
<tr>
<td>Casey</td>
<td>3.3</td>
<td>2.0</td>
</tr>
<tr>
<td>Hume</td>
<td>4.9</td>
<td>3.4</td>
</tr>
<tr>
<td>Melton</td>
<td>4.1</td>
<td>2.5</td>
</tr>
<tr>
<td>Mitchell</td>
<td>3.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>3.4</td>
<td>2.2</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>1.4</td>
<td>0.8</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>3.1</td>
<td>1.9</td>
</tr>
<tr>
<td>Wyndham</td>
<td>3.6</td>
<td>2.2</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>2.8</td>
<td>1.8</td>
</tr>
<tr>
<td>Victoria</td>
<td>3.4</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Source: Victorian Public Health Atlas Online 2011. Note: People receiving unemployment benefits 'long-term' refers to people receiving benefits for longer than 180 days.
Table 5.2: Percentage of young people receiving unemployment benefit 2009 & percentage of welfare dependent/low income families 2009

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>% Young people aged 15-24 receiving an unemployment benefit 2009</th>
<th>% Welfare dependant and other lower income families 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>4.2</td>
<td>10.1</td>
</tr>
<tr>
<td>Casey</td>
<td>4.4</td>
<td>10.8</td>
</tr>
<tr>
<td>Hume</td>
<td>6.4</td>
<td>16.1</td>
</tr>
<tr>
<td>Melton</td>
<td>6.6</td>
<td>15.3</td>
</tr>
<tr>
<td>Mitchell</td>
<td>5.4</td>
<td>10.9</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>4.3</td>
<td>8.9</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>2.0</td>
<td>4.2</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>4.2</td>
<td>11.2</td>
</tr>
<tr>
<td>Wyndham</td>
<td>5.4</td>
<td>13.3</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>3.4</td>
<td>8.0</td>
</tr>
<tr>
<td>Victoria</td>
<td>4.4</td>
<td>9.0</td>
</tr>
</tbody>
</table>

Source: Victorian Public Health Atlas Online 2011

The percentage of people receiving employment benefits in 2009 was higher than the Victorian average in four of the ten Interface Councils and the percentage of people receiving such benefits long term was higher than the Victorian average in three of the ten Interface Councils. The areas with the highest percentage of employment benefits were Hume, Melton, Mitchell and Wyndham respectively (Table 5.1).

Table 5.2 illustrates that these same LGAs had above average percentages of people aged 15-24 receiving unemployment benefits, with Melton having the highest percentage at 6.6 per cent. The percentage of welfare dependant and low income families was shown to be higher than the Victorian average in seven of the ten Interface Councils, two of which were more than 5 per cent above the Victorian average (Melton 15.3 per cent & Hume 16.1 per cent as compared to the Victorian average of 9.0 per cent).

It is important to note that the rate of unemployment in 2009 was higher, both for Victoria and for the Interface Councils, than the percentage of people receiving unemployment benefits shown in Table 5.1 above. In 2009 the unemployment rate in four of the ten Interface Councils was higher than the unemployment rate for Victoria (5.1 per cent). These were Hume (6.3 per cent), Melton (7.2 per cent), Wyndham (6.4 per cent), and marginally above the Victorian average in Whittlesea (5.2 per cent). 35 Though not statistically representative of Melbourne's inner suburban LGAs, it is interesting to note that the LGA of Melbourne had a rate of unemployment in 2009 of 4.2 per cent, which was below the Victorian average.36 The fact that the outer suburban interface areas face considerable socioeconomic stress makes support for community engagement all the more important in these areas.

At the Federal level, the Australian Social Inclusion Board (the Board) has identified place-based approaches to addressing disadvantage as one key element of the social inclusion agenda and has developed advice on governance models to address locational disadvantage.
The Board was established in May 2008 as the primary advisory body to the Federal Government on options for improving the outcomes for the highly disadvantaged. The Board works with all levels of government, as well as with the community, business, non-profit sector, academics and advisory groups. The Board recommended that location-based initiatives, defined in the report as limited to relatively small locations of 5,000 inhabitants or less, are based on significant local involvement and include accountability mechanisms designed to support the whole-of-government and community aims of the initiative.

The evidence provided to the Committee confirms that there are significant pockets of locational disadvantage in several of Melbourne’s Interface Councils and that such locational and socioeconomic disadvantage increases the risks of social isolation for residents of these areas. Community participation programs are an important means of mitigating the effects of locational and socioeconomic disadvantage and the Committee found that all of Melbourne’s Interface Councils have appropriate and well-targeted programs in place in this regard. However, the Committee also found that very few of the Interface Councils, with the possible exceptions of the Mornington Peninsula Shire and Nillumbik Shire, currently have sufficient funding to allocate to such programs. The Committee considers that all levels of government should work together with the aim of increasing the targeted funding available for community programs aimed at mitigating the impacts of socioeconomic disadvantage in Melbourne’s outer suburban and interface areas. This goal is particularly important in the context of the housing affordability and cost of living pressures that are currently being faced by residents of Melbourne’s Interface Councils.

**Recommendation 5.1:** That the Victorian Government initiates and collaborates with the Interface Councils with the greatest need to develop location-based and tailored community programs specifically aimed at alleviating the impacts of socioeconomic disadvantage in Melbourne’s Interface Councils.

### 5.4 Social isolation and measures of community in the outer suburbs

Both the physical location of outer suburban areas — which fall in the gap between middle suburbs and rural suburbs and the services and facilities that they provide — as well as the relative newness of many new outer suburbs, places residents in a vulnerable position for social isolation. A lack of public transport, car dependence, greater distances to employment, and the infancy of new communities, were all identified by witnesses to the Inquiry as contributing to social isolation in Melbourne’s outer suburbs.

Ms Leanne Petrides of the Cranbourne Information and Support Service described social isolation as one of the most common problems for clients of the support service. Ms Petrides stated:
It can be physical and social isolation through being in newer estates particularly, where there is little infrastructure and community support. I also think there is family isolation. There is not as much of that neighbourhood community connection. People are often moving further away from their families to relatively cheaper areas, whether it be in the west or the south-east, and perhaps not thinking through some of the flow-on effects of what that it’s going to be like. There certainly is an absolute lack of that connectedness and support.40

Ms Petrides also described social isolation as one of the most common elements in the lives of clients who access financial or social counselling services:

…the more isolated people are, the less likely they are to feel able to connect. It becomes almost cyclical. They will have low self-esteem, and then they are less likely to participate even in things like playgroups or community house classes. We have had phone calls and visits from people who talk about feeling embarrassed and ashamed about their situation.41

Ms Stella Avramopoulos, Chief Executive Officer at Kildonan Uniting Care, stated that:

Families who move into new estates experience isolation from families and friends. It is a long way out for families and friends to pop in and visit for a coffee.42

Ms Avramopoulos went on to state that community development and engagement activities would help to reduce social isolation and that residents moving into new estates would benefit from outreach services as a way of introducing them to the services and community activities in their municipality.43

The Committee also received evidence that young mothers in new housing estates can face significant isolation44 and notes that outreach services can play an important role in reducing such isolation.

Mitchell Shire Council, in its submission, stated that a lack of transport options leaves Mitchell residents socially isolated, which can lead to:

…exclusion from education, work, health services, shops, family and community life. The implications for young people, people with disabilities and other key groups can be severe.45

Residents of Craigieburn interviewed for the McCaughey Centres ‘Building Lives’ study also expressed strong feelings of isolation, and stated that the area lacks a strong sense of community, such that it is easy to feel isolated.46 The study found that breaking down isolation was a challenge for many service providers in the area and that in many families, both parents worked outside the area and were not connected to their local community.47

The Committee also received evidence on the strong link between social isolation and mental health issues.

For example, Dr Joe Garra, Chairperson, Westgate General Practice Network, described the interrelationships between social isolation, family violence and mental health concerns, such as depression and anxiety, in Melbourne’s outer west in the following terms:
A lot of people are what I call socially isolated. Even though there are lots of people out there, often if you ask, both old or young families, ‘Where is your nearest family member’, they could be on the other side of town or 20 kilometres away.

I know from just talking to patients who are policemen that one of their biggest call outs in the city of Wyndham is for domestic violence rather than other crimes. There are a huge amount of domestic violence issues in the west. Again that leads to social isolation and the depression that follows on from that and the anxiety, and they do not have the ability to access that care; it is not easy to access because it is under so much demand in that area.

Although the Committee received evidence that socioeconomic disadvantage, coupled with social isolation and car dependence, are of concern in outer suburban areas, it was evident that residents of the outer suburbs typically place a high value on community participation. The Committee received a significant amount of evidence that many residents choose to live in the outer suburbs because of the relative affordability of housing (in terms of purchase prices) and the often rural or semi-rural and spacious atmosphere. The Committee also received evidence that many of Melbourne’s new suburbs in fact do enjoy a strong sense of community.

For example, the Building Lives study by the McCaughey Centre found that a number of Craigieburn residents reported friendships with neighbours, which increased their sense of safety at home, and that their children made friends in the neighbourhood and were able play out on the street together.

The Committee also received evidence from a number of residents associations of significant community interest and involvement.

For example, Ms Delphi Anderson, Vice President of the Manor Lakes Residents Association (Manor Lakes is located in the suburb of Wyndham Vale in the Wyndham LGA) described her love for her local area:

Living in Manor Lakes is the closest thing to living rurally. It is quiet. You can hear the nature, the birds. There is wildlife all over the place…I have started a walking group. We were doing a walk the other day around it and there were pelicans in the lake…it is just beautiful. It is a lovely place.

Councillor Glenn Goodfellow, of Wyndham City Council, Truganina Ward, who has lived in the community for over forty years told the Committee that Wyndham:

… has always had a sense of community. It has always prided itself on being the country suburb in metropolitan Melbourne where if you walk down the street, you know everybody. We still have elements of that today.

Community Indicators Victoria (CIV) provides data and reports on the wellbeing of Victorians based on a broad range of measures designed to identify and communicate economic, social, environmental, democratic and cultural trends and outcomes. Community Indicators Victoria is funded by VicHealth and hosted by the McCaughey Centre, School of Population Health, at the University of Melbourne.
The most recently conducted CIV wellbeing survey dates from 2007 and includes reports for each LGA on the measures of: feeling part of a community; social support; and volunteering. Table 5.3 provides the index scores for the Interface Councils and for metropolitan Melbourne for these three measures — from completely dissatisfied (represented by a score of 0) to completely satisfied (represented by a score of 100)53

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Feeling part of a community</th>
<th>Social support</th>
<th>Volunteering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>69.6</td>
<td>92.6</td>
<td>37.9</td>
</tr>
<tr>
<td>Casey</td>
<td>68.0</td>
<td>89.5</td>
<td>28.7</td>
</tr>
<tr>
<td>Hume</td>
<td>67.1</td>
<td>91.0</td>
<td>26.2</td>
</tr>
<tr>
<td>Melton</td>
<td>68.3</td>
<td>89.6</td>
<td>23.2</td>
</tr>
<tr>
<td>Mitchell</td>
<td>74.1</td>
<td>91.3</td>
<td>31.8</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>72.5</td>
<td>94.2</td>
<td>36.9</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>72.5</td>
<td>90.7</td>
<td>39.1</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>67.7</td>
<td>89.8</td>
<td>23.1</td>
</tr>
<tr>
<td>Wyndham</td>
<td>67.4</td>
<td>92.4</td>
<td>25.9</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>70.6</td>
<td>91.4</td>
<td>32.8</td>
</tr>
<tr>
<td>Metro Melbourne</td>
<td>68.9</td>
<td>90.9</td>
<td>28.7</td>
</tr>
</tbody>
</table>

Source: Community Indicators Victoria, 2007, Community Indicators Victoria Survey 2007.54

These scores indicate that in most of Melbourne’s Interface Councils the scores for: satisfaction with Feeling part of a community; Social support; and Volunteering, are close to the scores for metropolitan Melbourne. However, there is room for improvement in a number of Interface Councils against the above measures, particularly with respect to levels of volunteering.

5.5 Opportunities for community engagement

The Committee received a significant amount of evidence regarding the important role of sporting groups, youth and community services, programs for Culturally And Linguistically Diverse (CALD) communities, and arts and culture in improving liveability in the outer suburbs by reducing social isolation and encouraging community engagement.

5.5.1 Youth services and facilities

As the Committee has noted above, people are more likely to become involved in their local community when their basic socioeconomic needs are being met and where community activities are available and accessible. A key issue identified by stakeholders who provided evidence to the Inquiry was the need to engage youth in community activities. The Committee heard evidence from a number of stakeholders that the engagement of youth is particularly important in the outer suburbs of Melbourne. This is due in part to the large numbers of youth residing in outer suburban areas; the isolation of some areas; the difficulty for youth in accessing facilities via public transport; and the relative lack of youth activities available in outer suburban areas compared to inner city areas.
The Youth Affairs Council of Victoria produced a report in 2004 on young people on the urban fringe, which called for increased funding of youth service providers and improved public transport.\textsuperscript{55}

The Interface Council commissioned a report in 2006, which confirmed that youth in interface areas were relatively more likely to leave school earlier, less likely to attend secondary education, and more likely to disengage from employment, or be involved with anti-social behaviour.\textsuperscript{56}

Parents and their children in Whittlesea and Hume have identified a gap in activities and part time work opportunities for young people in the local area. Many young people and their parents expressed concern that a lack of activities for youth in the local area had resulted in some young people engaging in anti-social behaviour.\textsuperscript{57}

A number of other stakeholders expressed similar concerns to the Committee during this Inquiry, citing evidence of problems with youth crime and misbehaviour believed to be resulting from boredom. As Ms Delphi Anderson, Vice President of Manor Lakes Residence Association in Wyndham, explained:

\begin{quote}
\textit{... we have a problem with the youth. I am talking to more teenagers and pre-teens. There are a lot of issues with them, because there is not a lot for them to do either. The new community centre is going to be doing a youth resource facility as well; however, that is not going to be available all the time. There is a skate park ...in the pipeline, but there is nothing else. We had a problem over the Christmas, December–January, holidays last year. We had a lot of gang fighting ...in one of our parks. It all stemmed pretty much from boredom, because there is just nothing for them to do. We have a basketball court in one section of the estate, but that is about it.} \textsuperscript{58}
\end{quote}

The Committee heard from Mr David Pedley, President of the Mornington Chamber of Commerce and Industry, that youth drunkenness, crime, vandalism and graffiti is a growing problem in that area\textsuperscript{59} and that young people who travel from across the Peninsula to attend nightclubs in the area:

\begin{quote}
\textit{...are out and about up until 5 o’clock in the morning. They cannot get out of town because of the lack of transport. There is no way they can get out of town, so they just park in town.} \textsuperscript{60}
\end{quote}

Research on youth and crime has found that boredom and a lack of opportunity to engage in other activities are common triggers for anti-social behaviour. Therefore, crime involving youth is often ‘opportunity-led’ and may not have occurred had the individual been occupied in other structured activities.\textsuperscript{61} Further research has demonstrated that boredom is linked to smoking, alcohol use and deviant behaviour at school.\textsuperscript{62} On the other hand, lower levels of juvenile criminality have been associated with participation in sport.\textsuperscript{63} The Committee heard that physical infrastructure to support youth engagement is essential. Cr Glenn Goodfellow from the City of Wyndham Truganina Ward, gave evidence about community infrastructure in the Point Cook community:

\begin{quote}
\textit{In Point Cook we are delivering on a new sports facility on Point Cook Road, 3 AFL ovals, 4 soccer fields, 12 netball courts and a couple of other things. We are making big investments in that to provide areas where new community groups and new sporting facilities, that you can come to, can start and create a sense of community, because we need to have those groups there and that infrastructure there to actually create a community. If we do not have it, all we find is we just have — as in the picture still up there of Point Cook — a row of houses with no sense of community nor a sense of belonging. We are about making a sense of belonging.} \textsuperscript{64}
\end{quote}
Ms Delphi Anderson of the Manor Lakes Residents Association agreed that better facilities for youth would help to keep young people off the streets and engaged in community activities. The association advocated gathering places for youth to ‘let off steam’ and ‘do what they want to do’ in a safe place.65

Representatives from Basketball Victoria informed the Committee that the provision of basketball ‘half-courts’ in Growth Areas would provide an increasingly popular avenue for the social engagement of youth in Melbourne’s outer suburbs. Mr Brian Mott, Board Member, Basketball Victoria, stated at a public hearing that:

There are a massive number of our members who do what we call ‘shoot around’ on outdoor courts. They play three-on-three half courts. They are very popular, and in a lot of the growth areas that is the thing that stimulates the interest for people to go to play it indoors.66

The Committee received evidence that suggests that Melbourne’s Interface Councils all make significant investments in youth services, particularly in the provision of youth outreach programs and youth facilities.

For example, Melton Shire Council provides the Launchpad program, which is a social and skills development program delivered three nights per week at the youth centre. Two other programs targeted specifically at boys and girls run at the youth centre on the remaining two nights of the week. The programs have had considerable success, with 945 attendees in the month of October 2011.67 The Council has also built band rehearsal rooms into their youth facilities to enable young people to play music in a safe environment without disturbing neighbours and the local community.68

The Committee also notes that Hume Council’s Craigieburn Youth Centre and Roxburgh Park Youth Centre also provide important sites for recreation and social connection; although there is evidence to suggest that there is a need for additional safe places in which youth can meet.69

Research into the opening hours of public libraries in Melbourne’s outer suburbs by the Committee identified that opening times vary greatly between each library and area of operation. Operating times of individual libraries varied between the hours of 9am to 9pm on most days. As an example of some of the longest opening hours, Cranbourne library in the outer suburban area of Casey is open four days a week from 10am to 8pm, until 6pm on Fridays, 4pm on Saturdays and closed on Sundays. Not all outer suburban libraries are closed Sundays, although many are. Many outer suburban libraries are also open for only half a day on Saturdays and close at around 5pm on Fridays. These opening hours are comparable to those for the main public libraries in the inner city of Melbourne, with the exception that most of the main inner city libraries are open on Sundays.

By way of further example, Mornington library is closed on Sundays, but opens every other day at 9am, closing on Mondays at 2pm, Tuesdays and Thursdays at 8pm, Wednesdays and Fridays at 6pm, and Saturdays at 2pm. The Committee is mindful of the value of public library facilities to the community as a whole, and considers that youth, as well as other demographic groups, would benefit from extended and more consistent opening hours of libraries in Melbourne’s outer suburbs.

It is important to note that there is often a lack of youth community facilities available after hours and at night. The Committee considers that this situation could be addressed through a review of current operating hours at government supported and council-run facilities. This could make a significant impact...
on the incidence of anti-social behaviour associated with youth boredom, particularly in Melbourne’s outer suburbs which typically have a larger youth demographic than inner and middle suburbs.

**Finding 5.3:** Extending the opening hours of libraries, neighbourhood houses and youth community centres, and making opening hours more consistent between service providers, has the potential to improve the liveability options of youth in Melbourne’s outer suburbs.

**Recommendation 5.2:** That the Victorian Government works collaboratively with the Interface Councils, the Municipal Association of Victoria and other relevant stakeholders to develop a mechanism of review of operating hours in libraries, youth community centres and neighbourhood houses, with a view to encouraging more flexible operating hours to enable such facilities to be accessible for extended periods outside of usual business hours.

The current State Government’s web-based initiative for young people aged 12-25 provides a useful tool for engaging with youth in outer suburban areas. *Involve* is a program associated with the YouthCentral initiative. It aims to involve youth in local communities by offering opportunities such as involvement in volunteering and decision-making at local, community and state level. Participants are invited to organise a local gig, work with local government on youth issues or in a youth parliament. At the time of writing, the website YouthCentral offered a range of information and advice on issues such as jobs, study, travel, money and events in local areas throughout Victoria. However, the Committee notes that the provision of specific information for local areas is limited and could be expanded in partnership with local councils.

**Recommendation 5.3:** That the Victorian Government evaluate the YouthCentral website for its effectiveness as a portal for serving and engaging youth who live in Melbourne’s outer suburbs.

### 5.5.2 Sport

Victoria is renowned for its sporting culture and sports participation. Many sporting activities take place in association with schools, or within the local community, after school and in school holidays. Research shows that these kinds of programs have crime prevention outcomes.

The Committee received evidence that there is a shortage of facilities and grounds in the outer suburbs of Melbourne to meet the growing demand for participation in sport. The Committee also heard from a number of sporting associations who referred to the relationship between liveability and sporting activity.
Ms Maria Berry of the Football Federation Victoria (FFV) informed the Committee that football (soccer) grounds were often used for over thirty hours each week, which subjects the grounds to significant wear and tear. Ms Berry suggested that there is a significant level of unmet demand because of the inadequacy of the current infrastructure, and that there would be a fifty per cent increase in football (soccer) participation growth across Victoria if there was sufficient infrastructure to service that growth. Ms Berry also informed the Committee that the FFV also promotes participation in football by both genders and has increasing female participation.\(^72\)

Ms Berry also stated that football participation can have a special significant for young men aged 18 to 25, many of whom benefit from a structured, regular activity within a team context. Ms Berry also noted that parental involvement through volunteering and coaching triggers positive intergenerational dialogue. Ms Berry provided evidence to the Committee about the role of the sports club environment in encouraging community engagement and a sense of belonging in the following terms:

\[
\text{...the opportunity to have a club where parents can engage with their children and their children’s friends and the other parents on the sidelines on a Sunday is one of the pleasures of my week, and I know it is the pleasure of the week for thousands of others ...}
\]

That tying up of club and facility and community engagement I think ends up leading to those health outcomes and leads to that social glue that keeps people engaged, and it is one of the reasons we keep wanting to offer not just junior soccer but football for older kids. We know there is a drop out of both boys and girls, but there are critical times in young people’s lives when structured activities are so important for them.\(^73\)

The Australian Football League (AFL) Victoria expressed a similar view in its submission to the Inquiry:

\[
\text{The sporting environment is one of the best places for new communities to interact and to build networks and bonds important for social cohesion. Community spirit is developed through supporting the local Auskick Centre or Football Club every weekend over the winter months. Football activities become the talking point of the coming week, giving everybody something in common.}\)
\[
\]

Mr Wayne Bird, Chief Executive Officer, Basketball Victoria, also gave evidence of a shortage of basketball courts to meet demand for participation. Mr Bird gave the example of a small association in Warrandyte that may need to turn away 80-100 new players because there is inadequate court space to facilitate participation of further player numbers. Mr Bird went on to inform the Committee that Wyndham City Council has a six court stadium that is currently at 98 per cent capacity.\(^75\) Basketball Victoria also informed the Committee that Victoria is the strongest state in Australia for the sport with 51 per cent of Australia’s participation. The sport is played by both males and females\(^76\) and therefore promotes equality and inclusion.

Mr James Russell, Chief Operating Officer at Netball Victoria stated that 89 per cent of participants in netball in Victoria are under thirty-five years of age and that there is significant potential for engaging the large demographic of young women in the outer suburbs of Melbourne through netball.\(^77\)

Research demonstrates that the most successful sporting programs are those that cater to youth who are at risk of antisocial behaviour as well as those who are not and which include a community involvement component.\(^78\) Research consistently reports lower levels of substance misuse among youth engaged in
Partnership between sport and education has led to a number of programs in outer suburban areas that facilitate youth training and education through sport. For example, the Western Bulldogs FRESH Program is a community education service for young people aged 15-20 who have experienced difficulties with mainstream education. It offers participants the opportunity to complete senior secondary equivalent qualifications in a flexible and supportive environment. FRESH seeks to develop academic, social and work related skills in young people. Participants have the opportunity to attend camps, Technical and Further Education (TAFE) courses, and to undertake a range of arts based workshops. All programs are provided to students free of charge. In December 2011, 44 students graduated from the Western Bulldogs Fresh Program, each receiving a full or partial completion of their Victorian Certificate of Applied Learning (VCAL).

The Committee notes that sporting clubs already use school sporting fields and facilities to some extent. However, the committee considers that there is a need to increase the shared use of such facilities between schools and sporting clubs. This issue is discussed further at section 5.7.1 of this chapter.

Sports Education and Development Australia (SEDA) provides education and training to young people in partnership with sporting associations and schools. The disengagement of young people in the senior years often results in lack of attendance and motivation. Schools and SEDA have responded to the needs of many young people through a program that engages them in their study. The programs offered operate in conjunction with the Department of Education and Early Childhood Development, Victoria University and Victoria's major sporting bodies. Students have the opportunity to link with Cricket Victoria, AFL Victoria, Melbourne Victory Football Club, Life Saving Victoria, Netball Victoria, Basketball Victoria, Hockey Victoria, Swimming Victoria, Yachting Victoria, Gymnastics Victoria or Tennis Victoria whilst completing their education in a sporting environment. SEDA is the first non-school senior secondary provider to be registered with the Victorian Registration and Qualifications Authority (VRQA).

At the commencement of 2011, 1,044 Students were enrolled in the SEDA program. Over ninety per cent of those enrolled completed the course successfully. Many students who successfully completed their Diploma with SEDA went on to achieve pathways to further education, training and employment in a variety of sectors. Fifty-eight per cent of graduates went on to university and eighteen per cent to full time employment. The remainder went on the TAFE, apprenticeships, or part-time work, with only two per cent left unplaced.

The evidence provided to the Committee, as well as supporting research, demonstrates the strong connection between sport, community, education and individual achievement. Sporting associations who provided evidence to the Committee emphasised the effectiveness of sport in engaging youth, empowering communities and in reducing social isolation. The Committee considers the relationship between sporting associations and other community organisations such as schools, and higher education bodies, as central to harnessing the potential of sporting activity to deliver community well-being.

The Committee considers that there is an important role for programs that facilitate relationships between sporting associations and other community organisations and believes that educational institutions are particularly well placed to encourage sporting activity among youth.
The Committee notes that the Victorian DPCD has established a state-wide Community Sport and Recreation Awards program. In 2012, the program includes the following eight awards categories:

- Community Sporting Club of the Year;
- Community Participation;
- Young Sportsperson of the Year;
- Senior Sportsperson of the Year;
- Service to Sport and Active Recreation;
- Diversity;
- Local Sporting Hero of the Year; and
- Community Coach of the Year.

The program also includes an award to be presented by the Minister for Sport and Recreation to the Victorian Sportsperson of the Year. Nominations for the 2012 program close on the 24 October 2012.

The Committee considers that the Community Sport and Recreation Awards program represents an important form of recognition and encouragement for community sport in Victoria. While the Committee is mindful of the important role of community sport across the state, it is also of the view that there is a place for greater recognition of its particular importance in Melbourne’s outer suburban communities. This could be achieved through the creation of a further set of awards, under each of the existing eight categories, for sporting clubs and participants based in Melbourne’s ten Interface Councils.

**Recommendation 5.4:** That the Department of Planning and Community Development works with the Interface Councils and sporting associations to address the acute need for sporting infrastructure in Melbourne’s outer suburbs.

**Recommendation 5.5:** That the Department of Planning and Community Development conducts and publishes needs analysis planning for sporting infrastructure in new outer suburbs prior to the finalisation of the relevant Precinct Structure Plan. Such planning should catalogue existing sporting infrastructure, as well as the level of current and future demand for different types of sporting infrastructure, within the area. The planning should consider both local needs and regional needs (for example, the sporting infrastructure needs that exist across two or three neighbouring Interface Councils).

The Committee is mindful that more effective lobbying by particular sporting groups, and by particular areas, can result in higher funding allocations for those groups or areas. For example, Brimbank Council
holds training and information sessions and grant writing support, especially for new and emerging
groups. The council assists with project ideas and the preparation of on-line applications. The
Committee considers that the Interface Councils may benefit from the implementation of a similar
model.

5.5.3 Culturally and linguistically diverse (CALD) communities

During the course of the Inquiry the Committee received evidence on the expansion of immigrant
populations in many of Melbourne's interface areas, and the specific needs of such communities with
regard to liveability. Table 5.4 below illustrates for each interface LGA: the total population; the
percentage of the Australian-born population; the percentage of the population born elsewhere; and the
diversity of the LGA based on the proportion of the total population born outside Australia.

Table 5.4: CALD Communities

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Total Population (2011)</th>
<th>Born in Australia</th>
<th>Born Elsewhere</th>
<th>% Diversity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>74,176</td>
<td>58,634</td>
<td>15,542</td>
<td>20.9</td>
</tr>
<tr>
<td>Casey</td>
<td>252,382</td>
<td>153,516</td>
<td>98,866</td>
<td>39.2</td>
</tr>
<tr>
<td>Hume</td>
<td>167,563</td>
<td>103,990</td>
<td>63,573</td>
<td>38.0</td>
</tr>
<tr>
<td>Melton</td>
<td>109,259</td>
<td>73,253</td>
<td>36,003</td>
<td>32.9</td>
</tr>
<tr>
<td>Mitchell</td>
<td>34,638</td>
<td>28,829</td>
<td>5,809</td>
<td>16.8</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>144,607</td>
<td>110,391</td>
<td>34,216</td>
<td>23.7</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>60,342</td>
<td>49,456</td>
<td>10,886</td>
<td>18.0</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>154,880</td>
<td>95,567</td>
<td>59,313</td>
<td>38.3</td>
</tr>
<tr>
<td>Wyndham</td>
<td>161,575</td>
<td>98,655</td>
<td>62,920</td>
<td>38.9</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>144,540</td>
<td>114,891</td>
<td>29,649</td>
<td>20.5</td>
</tr>
<tr>
<td>Greater Melbourne</td>
<td>3,999,981</td>
<td>2,530,775</td>
<td>1,469,206</td>
<td>36.7</td>
</tr>
</tbody>
</table>

Source: Australian Bureau of Statistics, 2011 Census Community Profiles

As illustrated in Table 5.4, four of the Interface Councils had a higher level of population diversity than
Greater Melbourne in 2011. These four Growth Area Councils have significantly higher population
diversity than the green wedge Interface Councils, which all fall below the Greater Melbourne average.

Mr Robert Larocca, Communications Manager, Real Estate Institute of Victoria, at a public hearing in
Melbourne, stated that newly arrived immigrants, like first home buyers, generally seek the most
affordable properties when purchasing a home, which tend to be located on the fringe of Metropolitan
Melbourne. However, Mr Larocca also informed the Committee that over the past ten years the
proliferation of units and apartments in the inner city has provided new migrants with affordable housing
options.

Dr Ernest Healy of Monash Universities' Centre for Population and Urban Research told the Committee
that several of Melbourne’s outer suburbs are either initial settlement areas or secondary settlement areas
for migrants. He also stated that migrants tend to settle in established migrant communities, which in
many cases are located in the inner suburbs of Melbourne. Once economically established, Dr Healy said, migrants often move to areas where they have the opportunity to buy a house.\(^90\)

This is consistent with evidence from the City of Wyndham that Wyndham is usually a destination of secondary settlement, with new arrivals moving to Wyndham from the inner and middle-west in search of larger and more affordable housing. The Council’s submission stated that secondary migration is a particular issue in the area because settlement services are funded according to primary place of arrival in Australia.\(^91\)

Councillor Marcel Mahfoud, Wyndham City Council, gave evidence to the Committee that there are large numbers of Indian, Sudanese, Somalian and Burmese migrants settling in the area. He suggested that the migrant base is very broad and that the need for support is quite pronounced.\(^92\) Mr John Circosta, Manager Early Years and Youth, Wyndham City Council, said the area has some excellent support services for migrants but that services are inadequate for the number of migrants settling in the region.\(^93\)

The McCaughey study also revealed this pattern of secondary settlement in the outer suburbs. A group of Arabic speaking women in Roxburgh Park, in the City of Hume, considered that one of the reasons the area had been so popular for new arrivals was that while refugees and migrants initially settled closer to the city in places like Coburg, they had the opportunity to ‘buy land and build big houses’ in suburbs located further from Melbourne’s Central Business District (CBD). This group reported that they felt happy about having family close by, but they expressed some concern that their children would be tempted to engage in anti-social behaviours, that they felt were characteristic of youth culture in the area. These parents hoped their children would find employment and social acceptance in the local area.\(^94\)

The City of Whittlesea has the third largest population of people from CALD backgrounds in Victoria with 43.1 per cent of residents speaking a language other than English at home.\(^95\) In 2006 Whittlesea had the lowest percentage of people born in Australia and the highest percentage of people born in non-English speaking countries, out of all the Growth Areas in Victoria. Whittlesea also had the highest percentage of people born in non-English speaking countries reporting poor or no English proficiency (7.5%).\(^96\)

The Committee considers that there is a need for additional support services in outer suburban Growth Area Councils where there is a high volume of migrant settlers, such as Whittlesea, Wyndham, Casey, and Hume. The Committee is also of the view that there is a need for better recognition of migration patterns and strains on outer metropolitan communities, which have higher proportions of refugees and new settlers than the metropolitan average. While there has been an increase in local settlement support services in recent years, it is important that funding for settlement and associated support services takes account of both primary and secondary settlement patterns. Such funding should be targeted towards language education, training, employment and support services in schools.\(^97\)

**Finding 5.4:** There is a need for improved ‘secondary settlement’ services for migrants who move to Melbourne’s Interface Councils from inner and middle-ring suburbs.
Apart from the need for provision of settlement, language, education and support services for new migrants, the Committee heard evidence of the impact of growing migrant populations on community connectedness. The Community Indicators Victoria Survey measured the percentage of the population in outer suburban communities who agreed that ‘it is a good thing for a society to be made up of people from different cultures’. The survey results demonstrate high levels of community support for diversity, with 89.4 per cent of the Victorian population agreeing that it is a good thing for society to be made up of a range of different cultures. In Nillumbik, Whittlesea and Wyndham an even higher percentage of the population agreed (91.1, 91.3 & 90.2 respectively). In the remaining seven outer suburban areas, the percentage of the population agreeing that cultural diversity is a positive thing for society, ranged from 81.1 per cent in Mitchell to 87.9 per cent in Mornington Peninsula.  

However, the City of Whittlesea gave evidence that intense competition for jobs, housing and other resources is widely understood as a factor that can exacerbate race-based discrimination in the area. Limited employment opportunities and a lack of community infrastructure and services were identified as factors that could have a negative impact on future community cohesion in the City of Whittlesea. The City of Whittlesea applauded the adoption of multi-agency holistic approaches to inclusion policy as a way of addressing such challenges. The City of Whittlesea also stated that cultural diversity is a great strength of the area, which is reflected in the choice of the City as a site for a three-year VicHealth funded program titled LOCALITIES EMBRACING AND ACCEPTING DIVERSITY (LEAD).  

The Committee heard evidence that involvement in sport plays a special role in reducing barriers and integrating people of diverse cultures in community activity. AFL Victoria’s submission described the:  

... multidimensional character of football and its capacity to bring people together, breakdown barriers, transcend diverse population groups [offering] enormous potential for people relocating into new emerging communities and growth corridors …  

The existence of a number of programs targeted at increasing multicultural participation in various sports is testament to the capacity of sport to break down barriers and improve social cohesion in diverse communities.  

The Victorian Rugby Union (VRU) facilitates a development program called BACKYARD RUGBY in three outer suburban areas. The targeted areas are the City of Dandenong, Hume and Melton. The Program targets youth from CALD backgrounds and engages them in Rugby related activities. The program has had some positive results over the past three years and has contributed to the increase in junior participation in these regions.  

The Western Bulldogs Australian Football Rules Club runs a number of community based sports programs through SpiritWest Services including Friendly Auskick Centres and Bulldogs Friendly Clubs programs. These programs aim to support local football organisations, whilst enhancing the experience of
participants in the municipalities of Brimbank, Hobson’s Bay, Maribyrnong, Melton and Wyndham. In addition, SpiritWest Services runs a multicultural program funded by the Department of Immigration and Citizenship (DIAC) to assist newly arrived migrants to settle in Australia through sport and physical activity.\footnote{102}

Mr Russell James, Chief Operating Officer, Netball Victoria gave evidence that netball has traditionally been a game with majority Anglo-Saxon participation and with a limited presence internationally. However, Mr James informed the Committee that Netball Victoria has been working towards increasing culturally diverse participation, particularly in outer suburban areas.\footnote{103}

Mr James stated:

\begin{quote}
\textit{We have been working closely with School Sport Victoria and increasing our presence in a meaningful way, trying to embed netball in schools more than we have before, particularly in those areas. Our presence in schools over the last 5 to 10 years has been on a fairly ad hoc basis, which has been relatively problematic. If you look at our participation base over the last 10 years, the make-up of it has not really changed at all, which is obviously a challenge for us going forward.}\footnote{104}
\end{quote}

Mr James gave evidence to the Committee about Netball Victoria’s NetSetGO! Program, which aims to increase the participation of Indigenous and new migrants in netball. The program is an introductory course for netball specifically aimed at those who may not previously have been exposed to the sport and has 10,500 participants state-wide.\footnote{105}

Tennis Australia’s \textit{North West Tennis Strategy} includes multicultural and indigenous programs. Tennis Victoria provides information, resources and links to disability, multicultural, and indigenous networks, and assistance with the promotion for any club that is interested in developing a tennis program. However, only one club is running Tennis Victoria programs targeted at CALD groups and people with a disability.\footnote{106}

The Committee notes that there is a wide range of sporting programs currently targeted at increasing the participation of CALD communities, which play an important role in facilitating social cohesion in the outer suburbs of Melbourne. Given the success of existing programs, the Committee believes that sporting organisations in outer suburban locations should be provided with further incentives to pursue new multicultural programs for the promotion of social participation and social cohesion.

\begin{center}
\begin{boxed}{Recommendation 5.7:} That the Victorian Government consider the provision of incentives for sporting organisations in the outer suburbs of Melbourne to develop additional multicultural programs.
\end{boxed}
\end{center}

A final issue that arose with regard to CALD communities in the outer suburbs was the need for diversified housing. House design in outer suburban areas predominantly caters to the model of the traditional nuclear family, which can often be unsuitable for other family types.
The *Building Lives, Building Community* study showed that the physical size of houses can set limits on how a community can accommodate diversity. For example, the Chaldean community (predominantly from Iraq and Syria), typically found that the houses were not big enough to accommodate the large number of family members who wished to live together, such as eight to ten children, as well as extended family members. On the other hand, an Australian born resident taking part in the study said that there was a need for smaller dwellings to attract a more diverse set of people to the area.\(^\text{107}\) The issue of accessibility to different housing types is discussed further in Chapter Four.

### 5.5.4 Arts and culture

Community Indicators Victoria has described the relationship between the arts and community in the following terms:

> Most types of arts involvement have a social dimension that is an important basis for building social capital and community identity. The arts, through their communicative power, enhance individual engagement with the world in ways that have both personal and public benefits. These effects are instrumental in that they can open people to experiences and create the fabric of shared values and meanings that improves the public sphere. Collective artistic activity has the potential to provide a forum for voice, affect social change, or promote a community’s unique cultural identity. Participation builds social cohesion and connectedness, thereby reducing isolation. Through building a collective identity, event and cultural facilities also build community strength. Community and cultural events provide a range of socially inclusive activities that contribute to overall community well-being.\(^\text{108}\)

Ms Anita Buczkowsky, Executive Officer, Southern Melbourne Regional Development Australia told the Committee that liveability includes access to services such as recreational facilities, the arts and entertainment.\(^\text{109}\) Participation in arts and culture was measured in the 2007 *Community Indicators Victoria Survey*. Respondents were asked if they had participated in a range of activities in the previous month, including painting, drawing, art and craft, playing musical instruments, singing, writing and performing. The results were broadly consistent across the Interface Councils as shown in Table 5.5.

**Table 5.5: Percentage of respondents for each outer suburban LGA who participated in at least one of the selected artistic and cultural activities in the previous month.**

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>% of respondents participating in artistic &amp; cultural activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>48.0</td>
</tr>
<tr>
<td>Casey</td>
<td>45.2</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>43.6</td>
</tr>
<tr>
<td>Hume</td>
<td>40.6</td>
</tr>
<tr>
<td>Melton</td>
<td>47.1</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>42.3</td>
</tr>
<tr>
<td>Mitchell</td>
<td>46.0</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>35.3</td>
</tr>
<tr>
<td>Wyndham</td>
<td>41.5</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>52.7</td>
</tr>
<tr>
<td>Melbourne Metropolitan</td>
<td>46.2</td>
</tr>
</tbody>
</table>

*Source: Community Indicators Victoria Survey, 2007.*
These figures indicate an interest in the arts in these regions and a level of participation that is close to the Melbourne Metropolitan average in most of the Interface Councils. Whittlesea had the lowest percentage of participation in the arts and the Yarra Ranges had the highest percentage of participation.

The 2007 Community Indicators Victoria Survey also asked respondents if they agreed or disagreed that ‘there were enough opportunities in your local area for you to participate in arts and related activities?’ The responses were measured according to a scale from 'strongly agree' to 'strongly disagree' to this question. The responses indicated that in nine out of ten Interface Councils over sixty per cent of the respective populations agreed that there were sufficient opportunities in the local area to enable participation in arts and related activities.

Nillumbik and Mornington Peninsula had the highest percentages of respondents who stated that there was sufficient opportunity to participate in the arts within the municipality, at 85.5 per cent and 81.2 per cent respectively, followed by Yarra Ranges at 71 per cent. The Committee notes that there are a number of tourist attractions in Nillumbik based on arts and craft and that this culture of the arts is likely to have contributed to the relatively high percentage of the population who were satisfied with opportunities for arts involvement in that LGA. The percentage of people who agreed that there are sufficient opportunities for arts involvement in the remaining LGAs, excluding Mitchell, were between 61.6 per cent (Wyndham) and 69.8 per cent (Hume). Seven of the eight LGAs had a lower percentage of respondents in agreement than the Melbourne Metropolitan average of 72.9 per cent. In Mitchell, 51.2 per cent of respondents stated that there was sufficient opportunity to participate in the arts within the municipality.

The percentage of the population aged 55 years and over who agreed that they had sufficient opportunity to participate in the arts locally was higher in all of the LGAs than the percentage of the general population expressing this view, excluding Nillumbik, where more than 80 per cent of both the general population and people over 55 were satisfied with the level of opportunity.

However, as shown in Table 5.6 the number of people in the over 55 age bracket who were satisfied with opportunities was higher across Melbourne Metropolitan than in seven of the nine Interface Councils, namely Cardinia, Casey, Hume, Melton, Nillumbik, Whittlesea, and Yarra Ranges.

Across metropolitan Melbourne, people aged between 18 and 34 years were significantly less likely to agree that they had sufficient opportunity in their local area to engage in the arts (62 per cent) than people over 55 years (83.9 per cent). In seven of the ten Interface Councils the percentage of young people holding this view was below the average for metropolitan Melbourne. These were Wyndham (53.2 per cent), Whittlesea (53.7 per cent), Mitchell (56.5 per cent), Melton (55 per cent), Casey (56.4 per cent), Nillumbik (31.6 per cent), and Cardinia (60.8 per cent).
Table 5.6: Percentage of respondents 18-34 years of age and over 55 years of age who agreed they had sufficient opportunity to participate in the arts locally.

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Over 55 Years of Age</th>
<th>Between 18-34 Years of Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>78.3</td>
<td>60.8</td>
</tr>
<tr>
<td>Casey</td>
<td>75.4</td>
<td>56.4</td>
</tr>
<tr>
<td>Hume</td>
<td>82.9</td>
<td>78.0</td>
</tr>
<tr>
<td>Melton</td>
<td>90.5</td>
<td>55.0</td>
</tr>
<tr>
<td>Mitchell</td>
<td>76.3</td>
<td>56.5</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>92.2</td>
<td>67.9</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>71.0</td>
<td>31.6</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>66.7</td>
<td>53.7</td>
</tr>
<tr>
<td>Wyndham</td>
<td>84.1</td>
<td>53.2</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>75.1</td>
<td>62.9</td>
</tr>
<tr>
<td>Metropolitan Melbourne</td>
<td>83.9</td>
<td>62.0</td>
</tr>
</tbody>
</table>

Source: Community Indicators Victoria, Opportunities for Participation in Arts and Cultural Activities in the Outer Suburbs of Melbourne, 2007.117

These figures indicate that large numbers of younger people in the outer suburbs do not perceive there to be adequate opportunities for involvement in the arts and that the over 55 age demographic is better catered for in the area of the arts than the 18-34 demographic, both in the outer suburbs and across Melbourne more generally. This highlights the importance of providing activities and facilities in the arts for the younger demographic in outer suburban areas, as well as across Melbourne more generally.118

Finding 5.5: There is evidence to suggest that the proportion of younger people who consider that they have adequate opportunity to participate in the arts locally is significantly lower in many of the Interface Councils than is the case for Greater Melbourne.

The Rosebud West Neighbourhood Renewal Arts Theatre project provides a notable model for the encouragement of youth participation in the arts. The establishment of the Dreamhouse Theatre Company, as part of a Neighbourhood Renewal program, was funded by the Department of Planning and Community Development in partnership with the Mornington Peninsula Shire. Ms Kaarin Fairfax, Director of the project made the following comments regarding the success of the project.

I have watched the young members of the company grow into beautiful adolescence and feel incredibly privileged to have been part of their lives during this 2 year period. I have witnessed a strengthening of the bonds between the younger members of this community and our seniors through the sharing of tales and laughter. I have watched the company, young and our senior members blossom with confidence as their performance and theatre skills grew and their imaginations became ignited. It has been a long and wonderful journey and I am so incredibly proud of this project and all the wonderful people involved.119
The Committee considers that theatre projects associated with neighbourhood renewal have significant potential to boost participation in the arts in Melbourne’s outer suburbs. The Rosebud West Neighbourhood Renewal Arts Theatre project provides a model of state and local Government support for such programs that could be replicated throughout Melbourne’s outer suburbs.

Melton Youth Advisory Network gave evidence to the Committee about the success of their partnership with the State Government Office for Youth, in accessing FreeZA program funding to encourage the musical pursuits of young residents. The FreeZA program provides youth between the ages of 12 and 25 with the opportunity to attend and participate in music and cultural events. The FreeZA program website reports that the program:

- attracts over 140,000 young people each year to events that take place in safe, fully supervised, drug, alcohol and smoke-free venues across Victoria.120

Mr Matthew Wilson, Manager of Family, Youth and Housing, Melton Youth Advisory Network, Shire of Melton, described the success of the program in Melton:

... we had 350 young people attend our most recent Battle of the Bands event in July, and that gives you some insight into the popularity of that program and also the effectiveness of it in providing opportunities for young people to engage with the community. We run that program both in the eastern corridor growth area of council and also in the established township of Melton... there is a great network of local bands and emerging artists that engage with our FReeZA committee at night around opportunities within the shire but also out of the shire as well.121

Mr Wilson went on to state:

...as a direct result of the FReeZA funding initiative over the period of time that program has been in place what typically evolved as a subculture of young people heavily involved in the live music scene really came to the fore. Young people got to know each other, meet each other, get involved in committees and organising, demonstrated leadership and then socialised through the programs themselves.122

The Committee heard that in areas where leisure facilities are limited, the infrastructure most likely to be present or planned was that designed for sporting pursuits. The Interface Council’s submission stated that cultural centres and performing arts facilities were “desperately needed” in interface Growth Areas.123

A 2009 study by Dr Kevin Johnson, an economic geographer and partner at Geografia consultants, found that expenditure on arts and culture by metropolitan municipalities in Victoria represents approximately one per cent of total council operating expenditure. However, the study also found a clear difference in expenditure on arts and culture between inner and outer metropolitan councils: a median of $12.40 per capita for inner Melbourne; and a median of $6.70 per capita for outer Melbourne.124 In other words, inner metropolitan councils spend almost twice as much per head of population on arts and culture than outer metropolitan councils. Given the difficulty of quantifying the benefits of local government investment in arts and culture it is not surprising that expenditure in this area is low. However, there is substantial evidence that art and culture has a positive impact on a number of well-being indicators, and therefore on liveability. High levels of interest in the arts and relatively low levels of arts expenditure...
indicate that there is a need for greater investment in artistic and cultural pursuits in the outer suburbs of Melbourne.

Arts Victoria provides funding through a number of programs designed to improve accessibility and participation in the arts in Victoria. Funding through the Community Partnerships Program supports collaborations between professional artists, art companies and communities. The Education Partnerships Program supports collaborations between artists and Victorian schools. The Committee encourages local councils to pursue funding available to them through Arts Victoria, in order to facilitate arts opportunities and participation in their local areas.

**Finding 5.6:** There is evidence to suggest that Melbourne’s inner metropolitan councils are able to spend twice as much per head of population on arts and culture as the Interface Councils.

**Recommendation 5.8:** That the Victorian Government works with the Interface Councils to devise a means of steadily increasing the level of per capita expenditure on arts and culture to a level commensurate with Melbourne’s inner metropolitan areas.

**Recommendation 5.9:** That the Victorian Government initiates a study to determine strategies for increasing the engagement of younger people in arts and cultural activities in the Interface Councils. This should include consideration of the establishment of an arts and culture outreach or touring program to the outer suburbs.

The Committee’s interstate study tour to Perth revealed some enlightening examples of arts and culture facilitation in the suburb of Ellenbrook and the metropolitan City of Joondalup.

Ellenbrook is a planned community located 25km north-east of Perth CBD, which began as a joint venture between the Western Australian Department of Housing and the LWP Property Group. The Committee visited Ellenbrook during an interstate study tour on 16 May 2011.

Ellenbrook Arts Headquarters is located on Main Street, Ellenbrook and includes an Art Gallery and Community Arts Centre. The Art Gallery is in a prominent location on the main street of the town centre and is accessible, inviting and well utilised. Ellenbrook Arts’ aim is to assist with the development of an arts based culture within the Swan Valley Region. Ellenbrook Arts delivers an annual program of professional and community based arts activities, exhibitions and events. It is a not for profit organisation established by the Ellenbrook Joint Venture to promote arts and culture within the suburb. Notably, the decision to use the available space as an Art Gallery and Community Arts Centre was made by the residents of Ellenbrook.
Chapter 5: Community Cohesion

Figure 5.4: Ellenbrook Art Gallery

Source: Photo courtesy of Executive Officer, Outer Suburban/Interface Services and Development Committee

Recommendation 5.10: That the Victorian Government work with the Growth Areas Authority to establish mechanisms to enable residents of new estates in Melbourne’s outer suburbs to have input into the purposes for which public space and public buildings are to be used. Such purposes could include the establishment of arts and cultural precincts.

Joondalup is located 27km north of the Perth CBD. It is an award winning outer suburban town centre built in the early 1990s along ‘new urbanist’ principles. The Committee visited Joondalup on 16 May 2011 during an interstate study tour to Perth.

The City has a strong focus on the facilitation of arts and culture and hosts an impressive number of festivals, concerts and other events. The City also boasts a number of high quality libraries and spaces for performing arts and is currently planning the Joondalup Performing Arts and Cultural Facility, which is designed to meet the needs of the City’s rapidly growing urban population and to reduce the need for residents to access arts and culture facilities outside Joondalup.128
Inquiry into Liveability Options

During the Committee’s visit to the District of Maple Ridge in Vancouver, Canada, the Committee heard about the various strategies that the District has implemented in order to increase the prominence of arts and culture in community life. Ms Kelly Swift, General Manager, Community Development, Parks and Recreation Services, informed the Committee of the important role of the Maple Ridge Centre for Arts and Culture, which includes an art gallery and 500 seat theatre operated by a non-profit society under a fee for service agreement. Ms Swift also informed the Committee that the District has a public arts program which is aimed at the creation of locally made public art pieces.

During the international study tour, the Committee also undertook a guided tour of the Robert McLaughlin Gallery, in the City of Oshawa, which is an eastern municipality of the Greater Toronto Area and part of the Region of Durham. The Robert McLaughlin Gallery is the largest public gallery in Durham Region and features a Permanent Collection of more than 4,000 works of art contained in four galleries. The building also includes a function space, gallery shop, library, and studios. Mayor John Henry of the City of Oshawa informed the Committee during the tour that the Robert McLaughlin Gallery contains the fifth largest publicly owned collection of art in Ontario. The Committee was particularly impressed by the gallery, which is located next to the Oshawa City Hall and main library and which forms an important part of Oshawa’s civic hub and is a successful tourist attraction.

5.5.5 Community safety

The Committee is mindful that the preservation of law and order is an important element of liveability. As in cities around the world, the maintenance of law and order in Melbourne’s outer suburbs is crucial to the preservation of personal safety and property, as well as to residents’ sense of safety and to social cohesion.

Metropolitan Melbourne rates very highly with regard to law and order on a global scale. This is reflected in Melbourne’s ranking as the world’s most liveable city by the Economist Intelligence Unit (EIU) in both 2011 and 2012, since the relative ranking of the cities in the survey includes a rating for ‘stability’, which includes the prevalence of petty and violent crime.

The Committee received little evidence regarding the prevalence of crime in Melbourne’s outer suburbs. However, as Victoria Police has recently noted, “young people continue to be over represented in crime statistics, as both offenders and victims of crime in Victoria”. Moreover, while the Committee did not receive specific evidence on the prevalence of youth crime in Melbourne’s outer suburbs, it is mindful of the fact that adolescents and teenagers comprise a significantly higher proportion of the demographic makeup of many outer suburbs.

Programs aimed at preventing youth crime by boosting mutual understanding and social engagement in Melbourne’s outer suburbs are of particular importance. Victoria Police has developed a number of youth programs, which are aimed at achieving these outcomes, including:

- Blue Light — under which off duty Police and members of the community provide safe, alcohol and drug-free entertainment for metropolitan and country youth;
- High Challenge — which specialises in programs for ‘at risk’ young people and operational Victoria Police members by fostering interaction aimed at developing teamwork, leadership and self-development skills;
• Victoria Police Youth Corps (VPYC) — which operates in government schools and provides year nine and ten students with the opportunity to complete a two-year school based program in partnership with Victoria Police; and

• Victoria Police Youth Leadership Program (VLP) — which fosters increased youth engagement with police and community leaders.\textsuperscript{133}

To improve relations between Victoria Police and Culturally and Linguistically Diverse (CALD) communities, the Multicultural Liaison Officer program was established in 2000 and has recruited 15 sworn police officers from CALD backgrounds to work across the state’s five policing regions. These officers staffed six Regional Multicultural Liaison Units, whose locations (in Melbourne’s CBD, Footscray, Broadmeadows, Nunawading, Dandenong and Swan Hill) were determined through consultation with local communities, Victoria Police and through census data.\textsuperscript{134} Victoria Police have also created the \textit{New and Emerging Communities Liaison Officer Program} to help break down barriers between these groups and Police in areas with large numbers of newly arrived migrant groups.\textsuperscript{135}

In the past decade, Victoria Police have made significant efforts to improve rates of recruitment and retention of officers from CALD backgrounds. However, the majority of Victoria Police recruits and officers still come from Anglo-Saxon and European backgrounds.\textsuperscript{136} Between 2006 and 2009 an Australian Research Council project studied ways to improve attraction and retention of Victoria Police officers from CALD backgrounds.\textsuperscript{137}

The Committee considers that it is also incumbent on local communities to work together in addressing the root causes of youth crime through increased efforts at social engagement and education, of both native-born and recently arrived young Australians. In this respect, the Committee was encouraged by the evidence that it received from the Shire of Melton regarding its programs for engaging with multicultural youth. Ms Francesca Carlton, Coordinator, Youth Services, and Chairperson Melton Youth Advisory Network, Shire of Melton, at a public hearing in Melton stated:

\textit{We have some very strong partnerships with the Centre for Multicultural Youth (CMY), and we have delivered quite a number of programs over recent years in partnership with CMY, including the Voices of Young Australia Program, which is a leadership program that we delivered last year and we are looking at delivering again next year. That program specifically targeted young people in developing leadership skills to be able to then deliver programs to their peers in school settings and non-school settings around issues of racism and localised issues that the young people were experiencing in the area. So that is a key program area that we have been working with.}

\textit{We also work on the premise of all our programs being inclusive and accessible for all young people of diverse backgrounds, and we do that through, again, tapping into networks around MYAN [the Multicultural Youth Advocacy Network], membership in MYAN and exploring opportunities as they arise in how we might be able to support and partner with specific opportunities. An example of that at the moment is supporting one of the schools in applying for funding to undertake a beautification project with the Sudanese young people in their school around creating that sense of place and belonging to the school.}\textsuperscript{138}

As the Committee has noted above, engagement in sport provides an important means of reducing cultural barriers and promoting mutual understanding and respect of cultural difference.
Ms Maria Berry, government relationship manager, Football Federation Victoria (FFV), described FFV’s role in the recent launch of the United Through Football program, and the capacity of soccer more generally, to provide an avenue for social engagement for recently arrived residents from Africa and other countries. Ms Berry stated:

_We in fact are partnering VicHealth in a major program called United Through Football, which had a launch over at Heidelberg Stars a few months ago, and the aim of that is to engage young people, both boys and girls, from recently arrived migrant community groups in football in all sorts of ways, especially by engaging them, help supporting clubs that support access by those communities._

As outlined in Chapter Two, the newly established Office of Multicultural Affairs and Citizenship (OMAC), within the Department of Premier and Cabinet, and the Victorian Multicultural Commission (VMC) are responsible for fostering unity, understanding, mutual respect and harmony among Victoria’s diverse communities.

**Finding 5.7:** There is scope for the Office of Multicultural Affairs and Citizenship and for the Victorian Multicultural Commission to work together to identify additional opportunities for promoting understanding and mutual respect of cultural difference between native born and newly arrived young Australians, with the specific aim of addressing the conditions that can result in violent crime and criminal behaviour more generally.

In October 2012, The Victorian Government awarded family violence prevention funding to bodies across Victoria, including in Melbourne’s outer suburbs, under the Reducing Violence Against Women and their Children (RVAWC) grants program. Each body received a grant of up to $600,000 over three years to fund prevention and early intervention programs. The $7.2 million RVAWC funding is part of the Victorian Government’s $39 million state-wide _Community Crime Prevention Program._

During the overseas study tour, the Committee received a briefing in Vancouver from Mr Doug Kelsey, Chief Operating Officer of Translink, which is Vancouver’s regional public transportation authority. Mr Kelsey informed the Committee about a number of innovative strategies that Translink has implemented to improve public safety on transit systems and in public places. The Translink transit system is perceived as safe because it is well-lit, well-populated and includes innovations such as a 150 language interpretation service on trains and stations, facilitated by translation phone handsets that enable tourists or new migrants to access information in their language. Mr Kelsey informed the Committee that the language interpretation service was the result of a system that was trialled during the Vancouver 2010 Winter Olympics and which utilised the existing hospital language service and therefore did not entail any infrastructure establishment costs for Translink. Mr Kelsey also referred to Translink’s commitment to the principle of Crime Prevention Through Environmental Design (CPTED), which includes measures such as real time links to assistance and surveillance systems on public transport. During its site visit to the Wellard train station in outer suburban Perth, the Committee observed and was briefed on the use of similar design principles.
During the overseas study tour, the Committee also received a briefing from representatives of the Toronto Transit Commission (TTO). Mr Chris Upfold, Chief Service Officer, TTO, informed the Committee about a program that is aimed at improving the public safety of bus passengers at night. Under the ‘request stop’ program, any passenger can request that the bus on which they are riding between 9.00 pm and 6.00 am stop on demand so that they can alight at any point between designated bus stops. Mr Upfold also informed the Committee that the program was implemented following extensive consultation with community groups.144

The Committee considers that there is significant potential for the development of innovative public transport safety and assistance strategies — such as those noted in relation to Vancouver and Toronto above — through consultation between the Victorian Department of Transport and organisations such as local councils, police, schools, and other community organisations.

Recommendation 5.11: That the Victorian Department of Transport work with local councils, police, schools and community organisations to ensure public transport safety and assistance strategies, which should include a focus on the principle of crime prevention through environmental design, including measures such as bright lighting and real time surveillance and assistance systems.

Specific consideration should also be given to the introduction of a language interpretation service, such as the model that has been implemented in Vancouver and to the introduction of a ‘request stop’ program for night buses, based on the model that operates in Toronto.

5.6 Models for building communities through participation

5.6.1 Residents associations

The Committee received evidence that a sense of community in outer suburban areas often derives from the presence of a strong community organisation or a community group that has a relationship with the council or the developer. The Committee heard that residents associations are a particularly effective means of involving residents in community activity, building community spirit, encouraging social inclusion and for residents to develop a sense of ownership of new communities.

Mr Scott Watson, President of the Lynbrook Residents Association described Lynbrook as an amazing little community which has become a true community where people can be proud to live to raise their families.145

Lynbrook is an eleven year old master-planned VicUrban estate situated on both sides of the South Gippsland Highway. The Lynbrook Residents Association was seeded by VicUrban when the estate was first established and has been self-funded since then. Mr Scott Watson described the role of the association in developing community in Lynbrook and the importance of community by reference to his past experience as a police officer:
There have been a couple of days in the last few years that we have run which have been really well attended. In the past we have had carols by candlelight and sports days with egg-and-spoon races. It is the old-fashioned things which are really good in a community that we want to get back to. I believe we are in a really good and unique position. The school is right behind us, and it wants to do things like that and it will advertise them. We are in a really good position to build that true sense of community, which I know is what we all want and which, unfortunately, in my previous experience, having spent 10 years in the police force, is lacking in a lot of areas; it is not there. That is why I joined the Lynbrook Residents Association — to try to get that sort of stuff happening... At the moment we are planning to have outdoor theatre with an inflatable cinema at the school. They have the equipment and the toilets and all that sort of stuff, so we can just bring it in and do it as a community, which will be wonderful.146

Ms Delphi Anderson, Vice President of Manor Lakes Residents Association, described the role of the Association in building up the community in Manor Lakes as follows:

The residents association has monthly meetings. We also have subcommittees. At the moment we are organising the Christmas carols, which we do every year, where we have events. We try to make it an afternoon event. We have things for kids and for adults. We try to make things special. We also help out in the community — for example, with Clean Up Australia Day. We have a regular newsletter. Our secretary is very big on the communication side of things, regularly touching base with our members. Unfortunately we have the usual situation that most groups and organisations have where our member base is growing, but you have to work at it, get yourself out there and get yourself known, and that is what we are trying to do. We have a walking group that is affiliated. The secretary and I are organising that. That is just starting off. It is basically just trying to build things up and get people out there, involved, communicating and welcoming each other.147

The key to a successful residents association appears to be collaboration between the association, local schools, local council and other community groups. Ms Anderson went on to describe the Manor Lakes Residents Association as:

… very active [and] supported by council, Victoria Police, Dennis Family Homes and local businesses. We are very active in the community. We are organising the Christmas carols, and we meet every month. We also presented one of the largest petitions to state Parliament to change the alignment of the new Regional Rail Link, which we have been very active about.148

The Committee is of the view that residents associations make a significant contribution to community building in new suburbs. The increasing diversity of outer suburban areas, as discussed earlier in this chapter, in addition to the rapid growth of new outer suburbs, makes residents association activities such as community events, sports days, and the celebration of cultural holidays, all the more important.

**Finding 5.8:** The early establishment of residents associations is a highly effective means of community building in new housing developments in Melbourne’s outer suburbs.
Chapter 5: Community Cohesion

The Committee notes that the early establishment of residents associations is highly dependent on the support of local councils, developers, and local residents. In addition, community facilities play an important role in facilitating residents associations and community activities.

The Committee considers that developer involvement enables residents associations to form early at a time when new residents are arriving in new suburban estates. The Committee also considers that local council support in encouraging association formation and supporting association activities has a central role to play in developing successful residents associations across the outer suburbs of Melbourne.

Recommendation 5.12: That the Victorian Government works with Local Government and developers to facilitate the early establishment of residents’ associations within future housing developments in Melbourne’s outer suburbs.

The Committee notes that the Growth Area Councils typically possess a relative absence of links to their past history and reduced opportunities for intergenerational dialogue due to their relative young age profile and recently constructed housing. Unlike many of Melbourne’s inner LGAs, many of Melbourne’s new outer suburbs do not have historic buildings, laneways and other features, with the result that residents may have a reduced sense of the local history of their environment. The Committee considers that both the Government and the Growth Area Councils could play a role in the establishment of programs aimed at addressing this situation.

One such program could involve funding to encourage the establishment of local campuses of the University of the Third Age (U3A). The U3A is an international organisation, which represents the principles of life-long education and the love of knowledge in and of itself. Each U3A is designed to provide learning opportunities to people who are active in retirement. There are 97 U3As in Victoria with nearly 25,000 members.149

Another such program could involve funding for the establishment of additional Men’s Sheds in the Growth Area Councils. The Australian Men’s Sheds Association describes a Men’s Shed as:

...any community-based, non-profit, non-commercial organization that is accessible to all men and whose primary activity is the provision of a safe, friendly and healing environment where men are able to work on meaningful projects at their own pace in their own time in the company of other men. A major objective is to advance the well-being and health of their male members and to encourage social inclusion.150

During a guided tour of the Shire of Melton, members of the Melton Men’s Shed hosted a visit by the Committee and demonstrated a number of the activities in which members were involved. At the time of writing, the range of available activities for members included woodworking, cooking, gardening and social bicycle riding. The Melton Men’s Shed is also involved in raising awareness about, and reducing risks to, men’s health and well-being.151
**Recommendation 5.13:** That the Victorian Government provides seed funding for programs aimed at encouraging local seniors to collaborate with residents and stakeholders of the Interface Councils as a way of promoting intergenerational dialogue and linkages. This could include funding aimed at encouraging the establishment of local campuses of the University of the Third Age, additional Men’s Sheds, or other entities, in the Growth Area Councils.

**Recommendation 5.14:** That the Victorian Government works with the Interface Councils to establish programs aimed at the promotion of intergenerational links and at fostering an appreciation of the past and built heritage by local youth.

**Recommendation 5.15:** That the Victorian Government and the Interface Councils work together to develop a program based on the provision of ‘Retirement Kits’, for local residents who are considering retirement in the outer suburbs, containing information aimed at enabling the recipients to apply their individual skills in voluntary and related roles.

### 5.6.2 Neighbourhood renewal

Neighbourhood renewal comprises either urban renewal, such as the physical refurbishment of properties, community renewal, which is aimed at making social improvements, or a combination of the two. Urban renewal, including international examples of urban renewal presented to the Committee in Vancouver and Zurich during the overseas study tour, is discussed in Chapter Four of this Report. This chapter primarily examines the ‘community renewal’ branch of neighbourhood renewal with some discussion of the physical urban renewal projects that are a part of community renewal activities.

Neighbourhood Renewal takes place when the local community, local businesses, schools, police, service providers, and local government work together with the aim of reducing social disadvantage in their neighbourhood. The local neighbourhood team facilitates a coordinated response to local priorities, and may establish neighbourhood renewal projects that are run by local residents, in conjunction with other stakeholders. Over the past decade, a number of Neighbourhood Renewal programs have been undertaken in Melbourne’s Growth Areas, including at Broadmeadows (Hume), Werribee (Wyndham), Doveton-Eumemmerring (Casey) and Hastings (Mornington Peninsula).

During the interstate study tour to Adelaide, South Australia, the Committee met with Councillors and staff of the City of Playford. Michael White, General Manager of Community Strategy and Renewal at the City of Playford, described a number of models of neighbourhood renewal contained in an international study that he produced for the Council. This included the Asset Based Community Development (ABCD) model, which is aimed at reframing perceptions of a community as a unique set of skills rather than a complex mass of needs and problems. Specifically, the ABCD model encourages the strengthening of an individual’s resources and networks through undertaking projects in mentoring,
volunteering and a broad range of education programs within the local community.\textsuperscript{156} The National Growth Areas Alliance (NGAA), in its submission to the Inquiry also stated that there is a need to focus on opportunities rather than dwell on problems. The NGAA submitted that the identification of opportunities for action is the only way to change communities.\textsuperscript{157} Similarly, Michael White suggested that focusing on a community’s unique skills is a sound basis for community engaged urban development and helps to shift the way people think about those who are labelled as marginalised. This enables the skills within marginalised groups to be recognised, and for those members of the community to play a central role in local renewal projects, empowering members of the community, whilst bringing about changes.\textsuperscript{158}

**Recommendation 5.16:** That the Victorian Government works with the Interface Councils to explore the applicability of the Asset Based Community Development Model as a model of neighbourhood renewal for Melbourne’s outer suburbs.

**Recommendation 5.17:** That the Victorian Government encourages the Interface Councils to implement models of neighbourhood renewal aimed at empowering marginalised residents of the Interface Councils by recognising and utilising the unique and individual skills that they can bring to the process of neighbourhood renewal.

The Brotherhood of St Laurence, in its submission to the Inquiry, cited findings of the Australian Social Inclusion Board (the Board) with regard to the best strategies for including the wider community in decision making. The Board has advocated community based governance, which may include a formal council for representation made up of local residents. The Brotherhood of St Laurence warns against placing excessive emphasis on community leaders because of the potential to exclude members of the broader community and rely on local elites. According to the Brotherhood of St Laurence, broad engagement and consultation with a diversity of community members, rather than with local elites, government, or private sector partners, guards against the ‘disempowerment’ of the community.\textsuperscript{159}

During the overseas study tour, the Committee heard from Ms Kelly Swift, General Manager, Community Development, Parks and Recreation Services, District of Maple Ridge, about the community development philosophy that the District follows in providing parks and leisure services to the local community. Ms Swift explained that rather than acting as a separate service provider of community facilities and events, the District works with the community, engages volunteers and builds leaders to support events such as festivals that are developed by the community. Ms Swift informed the Committee that building leaders from within the community through education workshops, has been a big contributor to community development.\textsuperscript{160}

A 2003 study by the Australian Housing and Urban Research Institute on resident participation in urban renewal in Australia found that encouraging community participation in renewal can be challenging, particularly in disadvantaged areas. The study also found that the key factors in promoting participation in
renewal include: starting with local people; identifying local issues; and giving residents the confidence and skills to influence their circumstances.\textsuperscript{161}

The study also reported on the results of six renewal projects in three Australian states and found that the basic participation structures involved forums to represent the views of the wider community. However, public participation in these meetings was limited and resident involvement in the physical elements of urban renewal was restricted to consultation exercises. In contrast, the social and community elements of renewal typically allowed residents to determine renewal agendas. There were several barriers to participation identified. Residents often felt excluded from the process or found it difficult to participate because they already felt stigmatised, had low morale, were intimidated by the formality of the process or held cynical views resulting from previously unsuccessful community engagement. Finally, the life experiences of local residents had sometimes resulted in high levels of dependency and apathy, which often prevented their involvement in the renewal process.\textsuperscript{162} The study concluded that providing residents with the skills to participate in renewal programs is a key element in successful community engagement and that the creation of participation structures that allow for a wide range of representation is also important.\textsuperscript{163}

Michael White’s paper on international approaches to urban renewal also included some notable findings on the achievements of the Department of Neighbourhoods (DON) in the City of Seattle. Seattle has thirteen neighbourhoods and a DON which acts as a steward of community engaged urban renewal projects. The projects delivered by the DON are not owned by them but the DON assists local residents to achieve community building objectives. For example, the Neighbourhood Matching Fund administered by the DON supports local grass roots action in neighbourhoods by providing funds to chosen proposals that address a specific need and strengthen community. The funds are matched by the communities’ contribution of volunteer labour, donated materials, supplies, services or cash.\textsuperscript{164}

One of the outcomes of the Neighbourhood Matching Fund was the ‘Pea Patch’ program, under which a network of over seventy community gardens across the city were established to provide plots of land for individual households to grow produce and/or flowers.\textsuperscript{165} Michael White of Playford recommends that similar local government or community grant programmes in urban renewal areas, including a matching fund component, be set up in Australia to build community capacity.\textsuperscript{166}

Similarly, Adelaide’s \textit{Playford Alive} program includes strategies to support members of the community as the urban renewal project accelerates by providing opportunities, activities and services to increase community participation (social and economic) across the whole project area.\textsuperscript{167}

There have been a number of successful neighbourhood renewal programs in outer suburban Melbourne that can also be used as models for further neighbourhood renewal projects across the outer suburbs. For example, Mornington Peninsula Shire initiated a neighbourhood renewal in Hastings in 2006, which will continue until 2013. Approximately 5,805 people live in the Hastings Neighbourhood Renewal area and approximately 13 per cent of these live in public housing.\textsuperscript{168} In 2006-7, Neighbourhood Renewal allocated more than $1.2 million to fund upgrades and immediate improvements to approximately 90 properties in Hastings.

During a bus tour facilitated by the Shire of Mornington Peninsula, the Committee was particularly impressed by some of the achievements of the Hastings Renewal Projects, including the construction of front garden fences and the establishment of new gardens to improve the physical attractiveness of the
local area and encourage ‘pride of place’. The Committee considers that the establishment and maintenance of private and public gardens and open spaces is fundamental in terms of building community pride and cohesion and in adding financial value to properties. The Committee considers that local government in Melbourne’s outer suburbs should adopt a coordinated approach to encouraging the establishment and maintenance of private and public gardens as a key objective of neighbourhood renewal. Options for increasing the engagement of local residents in these activities could include the establishment of a partnership with the Keep Australia Beautiful organisation to provide awards for categories such as ‘Best Street’ and to encourage the provision of gardening courses and workshops.

**Recommendation 5.18:** That the Victorian Government work with the Interface Councils to facilitate a coordinated approach to encouraging residents to establish and maintain private gardens, community gardens and open spaces, as a means of engaging residents and of enhancing civic pride in local communities.

Hastings Neighbourhood Renewal funding was also utilised for the renovation and conversion of the old Hastings Leisure Centre into the new Hastings Community Hub.169

Other recent renewal initiatives in Hastings include the Employment Support Initiative which assisted nine Hastings residents into employment in 2007 and the You Can Do it Program which aims to build self-awareness and self-esteem in young people.170

Rosebud Community Renewal has also had success in a number of areas, including: obtaining funds for the construction of a community hub; circulating a community newsletter; establishing a local arts project; and establishing additional lighting in public spaces.171

The Committee appreciates that neighbourhood renewal programs are a key priority area for a number of Melbourne’s Interface Councils and that there is regular collaboration, for example through the Victorian Local Governance Association, on such programs.172

### 5.7 Community infrastructure

The Committee received a significant amount of evidence in support of the view that the provision of community infrastructure should be considered during the planning stages for all new communities. The Committee also received a large amount of evidence that there is a shortage of community infrastructure in the outer suburbs, such as community centres, pre-schools, schools, and outdoor recreation spaces for children.

The submission from the Interface Councils stated that community facilities, including: community buildings; buildings containing maternal and child health services; kindergartens; community meeting rooms and learning facilities; cultural centres and performing arts facilities; and large scale recreational facilities, such as aquatic centres and indoor sports complexes, are desperately needed in the interface suburbs.173 The submission also stated that there is a major shortfall in both physical and social infrastructure in Growth Areas, which hinders community building in new suburbs.174 The submission...
also stated that there is a need to identify funding solutions for both urban renewal projects and to halt the growing gap between community needs and community infrastructure in Growth Areas. While it is an issue on which the Committee did not receive any direct local evidence, the Committee is concerned about the relative lack of philanthropical funding for community infrastructure in Melbourne’s outer suburbs. The Committee considers that there is a need to encourage philanthropy, which could include both donations of land to local communities and investment in local infrastructure, in Melbourne’s outer suburbs.

Recommendation 5.19: That the Victorian Government provides the Interface Councils with the resources necessary to promote their unique features, such as parks and historic homes, with the aim of encouraging and recognising philanthropists who provide support in the Interface Councils.

5.7.1 Schools

A number of stakeholders provided evidence to the Committee of a historic and ongoing shortfall in the both the number and capacity of schools required to meet the demands of Melbourne’s rapidly growing outer suburban populations.

Councillor Justin Mammarella, Mayor, Shire of Melton, described the anticipated shortage of secondary schools in Melton’s Growth Areas as follows:

…one thing we do need within the growth areas of the municipality and one concern our residents consistently and constantly raise is high schools. We have principals within the municipality who, every time I meet with them, always ask the same question: ‘Where will these kids go when they are of secondary age?’ We do not have the high schools to cater for the significant growth we are experiencing.

The submission from Casey City Council stated that the municipality will require six to seven additional state primary schools, two secondary schools, and a range of independent schools — including three catholic primary schools and one catholic secondary school — to accommodate growth in the municipality.

Mr Michael Tyler, Chief Executive Officer, Casey City Council, identified deferred funding commitments by the state government as the primary cause of delay in the construction of new schools to service new suburbs. Mr Tyler stated:

I think funding is the key. I think most state government agencies tend to put off the commitment of funds to a service until they pass some threshold…As a general rule you will find that schools in growth areas have very high enrolments until the state government constructs the relief school, and the pressure on the existing schools becomes quite intolerable until the new school opens, as the school enrolments grow. The existing facilities can manage and cope, but they are not providing the optimal solution for people and communities in growth areas, firstly by having overcrowded schools and secondly by not having schools in the right locations.
Mr Tyler also referred to the example of the delay in constructing a government primary school in Narre Warren South, during which time approximately 600 students were required to travel outside of the suburb to attend school.

Mr Tyler stated that:

…it is a common trait to put off the day of funding for as long as possible. That might be the financial approach, but certainly in terms of community development and liveability it is not the approach that is going to make our communities places that are acceptable communities.\footnote{179}

Mr Tyler went on to state that the funding for the early provision of schools in new suburbs should be drawn from consolidated revenue, which would:

…provide the better community by accelerating the provision of services that are otherwise going to be provided — just provide them at a time that meets the expectations of the community and makes those communities liveable from the outset.\footnote{180}

Mr John Circosta, Manager, Early Years and Youth, Wyndham City Council, also referred to the future need for additional kindergartens and primary schools in the City of Wyndham. Mr Circosta stated:

Our maternal and child health figures actually indicate that we have 59 babies born here each week at the moment. That is a very large number when you translate that to how it impacts on kindergartens, how many primary schools we need and so forth.\footnote{181}

\textbf{Recommendation 5.20:}\hspace{1em} That the Victorian Government and Interface Councils investigate models for accelerating the provision of schools, with the aim of providing sufficient school facilities from the time that a new suburb is established.

\textbf{Recommendation 5.21:}\hspace{1em} That the Victorian Government facilitates an investigation into the timing of the provision of new schools that have been identified in Precinct Structure Plans.

\textbf{Shared use of school facilities}

The Committee heard from a number of stakeholders that multi-utilisation of school infrastructure has a role to play in making the best use of existing school infrastructure and in meeting the challenge of funding community spaces. Victorian schools have become important spaces for community connection. Collaboration between the Department of Education and local government has, in many cases, facilitated the use of school spaces for both education and other community needs.

Mr Chris Banks, Chair, Growth Areas Authority, described the successful shared use of facilities at Caroline Springs:
Inquiry into Liveability Options

Caroline Springs — [is] a 24/7 learning centre. It does not finish at 3 o’clock — it has adult things in the evening, it has a library and it has an internal basketball stadium and a café. It is a 24/7 place for that community to meet, and that is where the school becomes the hub of the community, as it is for most families.¹⁸²

Mr Banks suggested that much more could be done to facilitate the shared use of school campuses:

To me, shared campuses and shared facilities schools and learning sectors are the way of the future. The individual 9.00 to 3.00 campuses are like dinosaurs. We do not want them, but we have made no progress in trying to get the Department of Education to cooperate with us and the private sector to create a much more forward thinking approach to learning sectors — 24/7 learning centres. Caroline Springs was a minute example. It works pretty well. It got some critics, but it works pretty well compared to separate campus old style schools. I think it is an area in terms of your work on liveability that shows the learning centre is the core of the community.¹⁸³

Such collaboration has resulted in some school infrastructure doubling as community spaces, such as community halls, local area sporting facilities, or adult learning centres. The collaboration is a way of injecting State Government funding into projects that are beneficial for schools as well as whole communities. The Committee notes that more flexible school staffing practices could also facilitate the wider adoption of shared-use arrangements.

School facility sharing requires the preparation of a legal agreement, outlining the terms of use and management responsibilities for school facilities. Such agreements may be: hire agreements for one time use; licence agreements for regular use; or development and joint use agreements when more detailed arrangements that apply when a school and/or the community contribute to the construction of a new facility or the modernisation of an existing one.¹⁸⁴

The Department of Planning and Community Development, in its 2010 document A Guide to Governing Shared Community Facilities, states that it:

…recognises the complexity of developing a model for operating shared community facilities, given the competing budgets, interests, policies and visions of involved parties and the substantial amount of time taken to bring shared community facility projects to fruition.¹⁸⁵

The Guide is intended for use in conjunction with the Guidelines for Assessing Requests for Community Use of School Facilities (developed by the Department of Education and Early Childhood Development (DEECD)), during the negotiation process.¹⁸⁶

One of the concerns for schools is security and vandalism, which has resulted in some schools erecting fences and prohibiting the use of school grounds and facilities outside of school uses and hours. However, these issues can be overcome to some extent and the Committee advocates the continuation of collaboration between schools, local and state government and private enterprise, for the most efficient utilisation of school infrastructure in new and established areas.

Despite the difficulties involved, the Committee received evidence that there is growing support within DEECD for shared use agreements. For example, Mr Circosta, stated during a public hearing:
I would like to add, if I may, an example that the council is currently involved in in relation to education and co-locating community facilities, particularly kindergarten facilities, on school sites. There is an example where the role that we see the state government can play is to work with us on a coordinated and integrated approach. The rhetoric has been there for many years, but we are now just starting to see that put into practice. We are now getting to the pointy end of talking to the regional director and key people in the department and realistically and practically looking at how we can work together in resolving some of the challenges we have got with the growth we are dealing with. There is just that simple example. For years and years we have all had the discussions, but the state government at the moment is playing a very key role — that is, DEECD — in making that happen.\textsuperscript{187}

The Committee also notes that the expansion of programs such as Adopt a School, which is administered by the Commonwealth Department of Education, Employment and Workplace Relations (DEEWR) would help to reduce the problem of school vandalism by providing students with a stronger sense of connection to their local community. Under the Adopt a School program, businesses are encouraged to ‘adopt’ a school or schools and to provide students with hands-on learning experiences in a specific industry sector, particularly emerging sectors or sectors in which there is a skills need.\textsuperscript{188}

\textbf{Recommendation 5.22:} That the Victorian Department of Education and Early Childhood Development, in conjunction with State School Councils in the Interface Councils, develop a set of guidelines aimed at preventing the vandalism of shared school facilities, including the consideration of programs such as the ‘Adopt a School’ model and youth leadership/mentoring programs.

During the Committee’s visit to the District of Maple Ridge in Vancouver, Canada, Ms Kelly Swift, General Manager, Community Development, Parks and Recreation Services, informed the Committee of the policy of co-location of parkland and schools that has been adopted by the District. Ms Swift informed the Committee that the District has a strong relationship with the local school board and a Master Agreement under which schools and the District can work together in the planning and maintenance of co-located parks and schools. Ms Swift described schools as great partners because they are located in every neighbourhood throughout the community and noted that the partnership enables the District to purchase less land, make better use of the land, and combine funds to bring park developments up to a higher standard.\textsuperscript{189} The Committee considers that the co-location of parkland and schools, in addition to the shared use of school facilities, represents an innovative and efficient use of space and funds.

The Committee notes that the Australian Linkage Council is currently conducting a collaborative three year project, entitled \textit{Opportunity Spaces}, which is researching the shared use of school facilities in Victoria. A research team at Swinburne University, in association with DEECD, will aim to identify and investigate conceptual and practical questions associated with shared school facilities. The research will focus on local communities as participants in the planning, use and management of shared facilities and will also assess Australian and international developments in shared or extended-use school facilities. The project is due for completion in 2014.\textsuperscript{190} The Committee considers that the research findings of the \textit{Opportunity Spaces} project will be highly informative in the development of models for the more efficient and effective
shared use of schools and encourages both DEECD and Melbourne’s Interface Councils to monitor and act on its findings. In the meantime, the Committee considers that DEECD and Melbourne’s Interface Councils should actively promote negotiations with interested parties for the shared use of school facilities during the planning phase of new schools and for schools that are currently operating.

**Recommendation 5.23:** That the Victorian Department of Education and Early Childhood Development and Melbourne’s Interface Councils monitor the findings of the Opportunity Spaces research project and, in the event that a decision is made to adopt its key findings, collaborate on the development of strategies aimed at the implementation of those findings.

**Recommendation 5.24:** That the Victorian Department of Education and Early Childhood Development and Melbourne’s Interface Councils actively promote negotiations with interested parties for the shared use of school facilities on a routine basis, when new schools are planned in interface suburbs.

**Recommendation 5.25:** That the Victorian Department of Education and Early Childhood Development and Melbourne’s Interface Councils review the use of public school infrastructure in interface areas, with a view to negotiating shared community use for facilities that are currently only utilised for school activities in school hours.

**The schools in houses project**

Mr Danny Murphy, Managing Director of the LWP Property Group Pty Ltd, which developed the northeastern Perth suburb of Ellenbrook, informed the Committee of an innovative model for the early provision of school facilities, known as the Ellenbrook *Schools in Houses Project*. The project involved the temporary use of six ordinary residential houses as classrooms and related school infrastructure for the children of Ellenbrook’s first residents. The adjoining street was also closed to traffic to provide a play area. Mr Murphy informed the Committee that the project had enabled parents to send their children to a local school from the time that they first moved into Ellenbrook, which would not otherwise have been possible. Mr Murphy noted that while the Ellenbrook *Schools in Houses Project* was able to commence with an initial intake of 49 students, Western Australian State Government policy required a minimum of 300 students as a trigger for the construction of a new school. Mr Murphy informed the Committee that the Ellenbrook *Schools in Houses Project* had proven successful and was now a model for other developments.

The Ellenbrook Schools in Houses project catered to local primary school students for approximately two years prior to the opening of the Ellenbrook Primary School in 1998. The houses used for the
project then reverted to residential housing and were sold. Notably, the houses were also used by community groups, outside of school hours, during the life of the project. A similar principle was adopted in Coolamon, one of the seven original villages in the Ellenbrook development, in 2000. At Coolamon, the temporary school was situated in office buildings, which were later reconverted to office accommodation when the local primary school opened in 2004.\textsuperscript{192}

The Committee considers that the Ellenbrook \textit{Schools in Houses Project} and the \textit{Coolamon Project} represent innovative and cost effective models for the early provision of school infrastructure in new outer suburbs.

On several of its visits to Melbourne’s Interface Councils during the Inquiry, the Committee heard about the long waiting times that many school aged children and their parents have endured, and continue to endure, for the provision of local schools. The Committee considers that there is a compelling need for the ‘up front’ provision of social infrastructure, such as schools, that is currently not being met. The Committee is also mindful that consolidated revenue is a limited resource, particularly in the current economic climate, and one which is subject to many and competing demands. It is therefore unlikely that consolidated revenue will ever provide an entirely adequate pool of funds for the early provision of school and other social infrastructure in new suburbs. It follows that there is a clear need for developers in Melbourne’s outer suburbs to adopt similarly innovative approaches to the provision of schools and other forms of social infrastructure as those employed in Ellenbrook and Coolamon in Perth, Western Australia. Such innovative approaches should also be encouraged by all levels of government.

The Committee considers that the development contributions system (discussed in Chapter Four) may provide an effective avenue for encouraging the interim use of residential and office buildings as schools, and possibly for other purposes such as community centres, in newly constructed suburbs. The earlier, and preferably immediate, provision of such interim school infrastructure by developers in new suburbs would no doubt prove a selling point for prospective residents in an increasingly competitive market. However, the Committee also acknowledges that the interim provision of residential or office buildings for schooling would amount to a financial contribution by the developer. Accordingly, it may be appropriate for the Victorian Government, and possibly the relevant local council, to enter into partnerships with developers to assist in meeting some of the financial costs of providing such interim in-kind infrastructure.

\textbf{Recommendation 5.26}: That the Victorian Government encourages developers, through the development contributions system or by other means, to make residential and/or commercial buildings in new suburbs available for use as schools, and for other community purposes, from the time that the first residents move in to a new suburb or estate.

Where the financial burden on the developer of providing such interim infrastructure is deemed too high, particularly in light of the developer’s total financial and in-kind contributions for a given development, the Government should consider supporting the formation of a partnership with the developer and/or the local council aimed at meeting the funding shortfall.
The independent schools sector

The Committee is mindful of the important role that the independent school sector plays in meeting the educational needs of students living in Melbourne’s new and rapidly growing outer suburbs. During a number of its site tours of Melbourne’s Interface Councils, the Committee was impressed by the extent to which the independent school sector has achieved the early provision of school infrastructure.

During a guided site tour of Whittlesea in Melbourne’s outer north, the Committee was advised by council officers of the important role of St Joseph’s Catholic Primary School located at Mernda and the Plenty Campus of Ivanhoe Grammar School, an Anglican Prep to Year 12 co-educational School located in Doreen, in catering to students of these rapidly growing suburbs.

During a guided tour of Cardinia, in Melbourne’s outer southeast, the Committee was briefed on the role of the Berwick Grammar School and Minaret College in catering to the growing demand for schooling in the municipality and in the new suburb of Officer in particular. Located in Officer, the Berwick Grammar School is a Catholic school which was established in 2009 and which provides Primary (Years 5 and 6) and Secondary (Years 7 to 12) school education to boys. The Minaret School, which is an Islamic coeducational school with its main campus in Springvale, opened a campus in Officer in 2009, which offers classes from Prep to Year 8. The Minaret School is currently also developing a kindergarten to cater for three and four year old children.

During its guided tour of Cardinia, the Committee was briefed on the Building Harmony project, which is a joint partnership between Cardinia Shire Council, Windermere Child and Family Services and Monash University, as well as five local faith based, public and private schools in the suburb of Officer. The primary goal of the program is to prevent racism by bringing students from different faiths and cultures together through a range of activities. The Building Harmony project was awarded first place at the Rotary Community Services Awards in May 2011. The Committee was informed during the guided tour that the interaction between Berwick Boys School and Minaret College (Officer campus) under the Building Harmony project (the schools are located on either side of Tivendale Road) had proven highly successful.

During the Committee’s visit to South Australia it undertook a guided tour of the municipality of Playford, located in the outer northern suburbs of Adelaide, in the company of Mayor Glenn Docherty and a number of senior council officers. The Committee observed and was briefed on the St Columba College in the suburb of Andrews Farm. The College, which is located near Stebonheath Park, is Australia’s first combined Anglican Catholic P-12 College. The College was established as an ecumenical initiative by His Grace, Archbishop Ian George and His Grace, Archbishop Leonard Faulkner, the then Anglican and Catholic Archbishops of Adelaide, and was opened in 1997 as a primary school with approximately 200 students. The College has since grown rapidly into a major P-12 school with more than 1,400 students and 160 staff. The College is governed by a Council comprised of equal representation from the Anglican Church, the Catholic Church and the College's Parent body.

The Committee considers that the independent schools sector performs a vital role in meeting the demand for school education in Melbourne’s newest suburbs. The Committee was also impressed by the evidence it received on the potential for independent schools to promote social cohesion and understanding through models such as the Building Harmony project in Cardinia and through the innovative co-location model of combined Anglican and Catholic schooling at St Columba College in Playford, Adelaide. The Committee considers that the concept of co-location of new school
infrastructure, exemplified by St Columba College, has the potential to provide economically viable infrastructure at an earlier point in time than might otherwise be possible.

**Recommendation 5.27:** That the Government, through the Department of Education and Early Childhood Development, explore options for the implementation of an initiative based on the principles, for example, the Building Harmony Program in Cardinia Shire, throughout Melbourne’s Interface Councils.

**Recommendation 5.28:** That the Victorian Government, through the Department of Education and Early Childhood Development, explore options for the promotion of a multi-faith independent school model as a means of both promoting social cohesion in Melbourne’s Interface Councils and of achieving the earlier provision of school infrastructure in new suburbs.

**Public private partnerships**

The Committee also received evidence on the success of a number of public private partnerships in delivering new schools in Melbourne’s outer suburbs in recent years. During a guided tour of Wyndham City in the company of senior council officers, the Committee heard about the success of the Truganina South Primary School (located near the Arndell Park estate) which has doubled in size since opening.198

The Committee notes that the Truganina South Primary School is one of 12 government schools that have been constructed in recent years under the Partnerships Victoria in Schools Project, which is a Public Private Partnership (PPP) administered by Partnerships Victoria, an agency of the Victorian Government. Under the PPP, which was announced in 2008, Axiom Education Victoria Consortium was engaged by DEECD to design, build, finance and maintain the new schools located in Melbourne’s West, South and North for a 25-year period. All twelve schools have now opened. The other 11 schools are: Alkira Casey Central Secondary College, Cranbourne North East Primary School, Derrimut Primary School, Point Cook North P-9 School, Taylors Hill Primary School, Aitken Creek Primary School, Cranbourne East Primary, Cranbourne East Secondary, Kororoit Creek Primary School, Lyndhurst Primary School, and Mernda Primary School.199

The Committee considers that the current PPP model has ensured the delivery of much needed primary and secondary school infrastructure in Melbourne’s interface suburbs and that, subject to detailed financial assessment, consideration should be given to the construction of additional schools in those areas where they are most needed.

The Committee is aware that the PPP model has delivered on a number of quality buildings and facilities for schools in the outer suburbs.
Recommendation 5.29: That the Victorian Government, as a matter of priority, consider the formation of a new funding model, which may include Public Private Partnerships, as a means of designing, constructing, financing and maintaining new government schools in Melbourne’s growth and Interface Councils.

5.7.2 Community centres and neighbourhood houses

Ms Iris Iwanicki, State President, Planning Institute of Australia, South Australia, at a public hearing in Adelaide, stated that building community is not simply about providing community facilities but requires good design to provide a sense of local ownership of community facilities and public spaces. Ms Iwanicki stated:

To me it is partly really good design, but if you analyse what happens out on the fringe you can see where it goes wrong because often the main social place is the privately owned shopping complex which is privatised space, and anything that happens in that privatised space is at the behest of the owner of the land.

Whereas if you have public libraries that are located in parks and combine all those library services which include computing, and many opportunities that people may not have in their own home, with the open space and…activities, then I think it would work better.200

Mr Scott Watson of Lynbrook Residents Association, in the City of Casey, told the Committee that the association could function more efficiently if Lynbrook had a community centre for meetings and other community activities.201

Cr Glenn Goodfellow of Wyndham City Council gave evidence to the Committee about the importance of a community centre in building a sense of community in Point Cook in Wyndham:

I think in terms of creating communities, and Point Cook is a good example, you will go down and see we have got the town centre and we have got a community centre plus the library right in the heart of the town centre. So it actually brings the town together…You can come down for shopping, you can take the kids over to the library and you can do whatever. That is a sense of community.202

Mr Bill Forrest, Director of Advocacy at Wyndham City Council told the Committee that a sense of belonging is facilitated by places where people can assemble, meet and interact such as community centres and churches. He pointed out that commercial centres are also valuable community spaces where people will congregate. ‘Those sorts of things are all part of the place-making we need’, Mr Forrest said.203

The Interface Councils stated in its submission that all communities require spaces to access services and to participate in community life and that ‘communities without public spaces, recreational facilities and community centres are disconnected and isolated.’204

Casey City Council stated in its submission to the Inquiry that the municipality requires the provision of six additional neighbourhood Houses within its new urban growth area.205
During a site tour hosted by the City of Casey Council, the Committee toured the Selandra Rise estate, which is a master-planned residential community that is being developed by Stockland in the suburb of Clyde North. The estate includes the Selandra Community Place, which is an ‘eight-star’, zero energy home that showcases a number of sustainability ideas through its design.

Selandra Community Place, provides a setting in which new residents can learn about community activities and meet their neighbours. In addition to information, education and community development resources, a small business centre provides computer access and meeting rooms. Selandra Community Place was jointly implemented by the City of Casey, Stockland, Henley Properties Group and the South East Councils Climate Change Alliance (SECCCA).

VicHealth and the Royal Melbourne Institute of Technology (RMIT) are conducting a research project to explore how the planning and design of Selandra Rise can influence the health and wellbeing of residents. The research is being carried out from 2011 to 2015 and involves activities such as interviews and surveys with participating households.

Selandra Community Place is unique in that it was established to serve the residents of Selandra Rise exclusively and prior to the arrival of the estate’s first residents. Selandra Community Place is a neighbourhood house with the specific objective of meeting the needs of new residents in the estate and showcases best practice for new residents who are building new homes.

The Committee considers that Selandra Community Place provides a good example with regard to the early provision of many of the facilities that may not otherwise be provided until the construction of a nearby community centre and local library, which in many cases can be delayed for several years. The Committee considers that the Interface Councils, particularly the Growth Area Councils, should consider Selandra Community Place as a possible model for the earlier provision of neighbourhood and community centres in new suburbs.

**Recommendation 5.30:** That the Victorian Government evaluate the Selandra Rise model with a view to working with the Interface Councils to promote the adoption of a model as a means of providing early provision to residents of new housing estates with community centre or neighbourhood house facilities.

**Recommendation 5.31:** That the Victorian Government develop a program aimed at offering planning employees of local councils and the property development sector to undertake periods of professional development at the Department of Planning and Community Development, and vice-versa, for policy officers to gain insight into local council and property development functions and applications. Insights, knowledge, experience, and mutual understanding, could be developed through exchanges between the relative bodies.
5.7.3 Child care and pre-school facilities

The Committee heard from a number of stakeholders that child care and pre-school services are in high demand in the outer suburbs of Melbourne and that there is a shortage of facilities as well as a need to renew older facilities to meet the demand of growing populations in many areas.

Evidence provided to the Committee established that the greatest demand for new child care and pre-school facilities is in the Growth Area Councils.

Mr Circosta, informed the Committee during a public hearing that the high number of babies currently being born in the Shire will have a significant impact on the demand for kindergartens. With an average of 57 births each week to Wyndham mothers, it is the fastest growing LGA in Victoria and this high birth rate creates significant demand for child care and pre-school services.

Casey City Council stated in its submission to the Inquiry that the City currently requires the provision of six additional pre-schools in its new urban growth area.

Mitchell Shire Council, in its submission to the Inquiry stated that it regards development contributions as a means of partly funding a new child care centre and a kindergarten in the municipality.

The Committee also received evidence that there is a need for significant investment in the maintenance of existing child care and pre-school facilities in the non-growth Interface Councils.

5.7.4 Outdoor community spaces

The Committee received evidence that playgrounds and outdoor community spaces improve the liveability of residents by providing places for community interaction. The Committee heard that the provision of adequate facilities, the design of playgrounds and outdoor spaces, and the renewal of existing facilities are all important elements for preserving the positive contribution that such spaces make to the liveability of Melbourne’s outer suburbs.

The Committee recognises that as residential densities increase, backyards become smaller and children have less access to remnant pockets of bushland. Well-designed playgrounds that can cater to a wide range of ages and provide children with opportunities for exploration - both of their environment and their physical abilities - become ever more important.

Mr Watson, Lynbrook Residents Association, told the Committee that parks must be designed with a clear range of purposes in mind. For example, parks without a playground and seating will not meet the needs of a community made up of young families who wish to use community open spaces to spend time with children.

Mr Des Commerford, State Manager, Planning Institute of Australia, South Australia gave evidence about the importance of a sense of community ownership over outdoor spaces:

> My experience has been...that if local government has to provide bigger open space, well, the community is not going to mow the lawns and paint the fences. If they have something that they feel ownership, whether it is a wetland or whether it is a community centre or whether it is a market garden or a common garden or something where they have hands-on, my experience has been—and I have worked in a lot of country towns—they take ownership, they take responsibility and they take...
away a lot of the costs of local government. If you provide an open space and a playground up in one corner with some trees, it is not part of your community.

...if people feel they are part of the public realm they will take ownership. Once they take ownership it becomes very generational and it flows on, and they will take away that cost of local government.216

The Committee agrees with the view that the development of a sense of community ownership through active engagement with outdoor space is a crucial element in the successful provision of such spaces. The Committee is also of the view that such an approach can play a significant role in reducing the costs of maintaining outdoor spaces that are currently borne by local councils. The Committee considers that there is scope for the Victorian Government to work with the Interface Councils on the investigation and promotion of such models in both new and established suburbs.

**Recommendation 5.32:** That the Victorian Government works with the Interface Councils to investigate and promote models catering to all ages and diverse interests, in the provision of outdoor community spaces for new and established suburbs.

The Committee considers that there is significant scope for the improvement of many local parks in the Interface Councils, particularly those that do not currently reflect the change of seasons or which may be lacking in native vegetation. Such parks could be improved through the introduction of native vegetation, which would increase their attractiveness and provide new opportunities, such as the facilitation of science classes by local schools.

During the overseas study tour Ms Kelly Swift, General Manager, Community Development, Parks and Recreation Services, District of Maple Ridge, Vancouver, informed the Committee about a successful model for developing a sense of ownership of the public realm. The District of Maple Ridge developed the Youth Action Park model, which is associated with a youth mentorship program, in response to community concern about negative activity in parks that had occurred in other areas. Youth mentors participate in a training program and are trained to guide appropriate use of the skate park, model the wearing of helmets, and reward good behaviour by awarding coupons. The Committee heard that the mentorship program has been highly successful, providing youth with a sense of ownership over the park, and preventing graffiti, and is now being implemented for a second park in the City of Pitt Meadows in Maple Ridge.217

In some cases, the position of a playground or outdoor community space within a community is central to establishing a sense of ownership. Mr Garry Brennan, Public Affairs, Bicycle Network Victoria, told the Committee about a design model for incorporating playgrounds into communities:

> You might be interested in a new development that I heard about...called Play Street. A council had a terrible problem of too many cars dropping off kids — there was congestion and all sorts of problems. So they went to the council, had the street closed and put playground equipment in the street outside the school. Parents cannot physically get in there to drop their kids off, and it is now called
During a site visit in the Shire of Yarra Ranges, Melbourne, the Committee inspected the new adventure playground at McKenzie Reserve in Yarra Glen. The playground development is located outside an integrated community centre. The integrated community centre includes a community hall, historical society, aged residents services, maternal and child health, toy library, and library station and acts as a central meeting place for local residents.

The playground was constructed after extensive consultation with children of all ages and includes equipment such as interactive artworks, fully enclosed slides, a seven metre spiral climbing frame, landscaped gardens and several seating areas and picnic areas for parental supervision. This playground is an example of the shift that has occurred in recent years towards increasingly interactive and accessible playground equipment. The playground development was funded by Yarra Ranges Shire Council and the Victorian Government, together with donations from private enterprise, in response to the 2009 bushfires in the Yarra Ranges. The Committee is of the view that the project is a good model for playground development in Melbourne’s outer suburbs, in terms of the collaborative approach between the public and private sector, the design and equipment, and the location of the development outside the integrated community centre.

Adventure playgrounds are often made more accessible for children with a disability by the addition of some accessible equipment such as the liberty swing, installed at the PB Ronald Reserve Adventure Playground in John Street, Pakenham, Cardinia Shire. Children who use a wheelchair are able to use the swing, either by remaining in their wheelchair, or by being assisted onto the swing’s capsule.

5.8 Employment infrastructure and employment options

The Committee will consider the issue of locally based employment in Melbourne’s outer suburbs in greater detail in its final report for the Inquiry on Growing the Suburbs: Infrastructure and Business Development in Outer Suburban Melbourne. The Committee’s final report on the Growing the Suburbs Inquiry will include a discussion of a number of strategies aimed at increasing the level and diversity of local employment options in Melbourne’s outer suburbs and for increasing the access of residents to employment in existing employment hubs throughout the metropolitan area.

The Committee received evidence from a significant number of stakeholders during the Inquiry that the relatively low concentration of local employment opportunities in some outer suburban areas has a negative impact on the liveability of those areas. In addition to reducing the prospect for building a strong sense of community, a lack of locally-based employment impacts on several other aspects of liveability, including car dependency and long work commutes, reduced health and wellbeing outcomes, time poverty, traffic congestion and air pollution. Moreover, many residents of Melbourne’s outer suburbs face a greater challenge in maintaining a ‘work life balance’ and have significantly less time to spend with family and for recreation than residents of Melbourne who live close to work. Many stakeholders expressed the concern that the Growth Areas of Melbourne often have poor options for local employment, lack the infrastructure to encourage new local enterprises and do not provide the right incentives for established businesses to relocate there. As discussed in Chapter Two, the rapid population growth in many outer suburban areas makes the provision of local employment all the more important.
The Commonwealth Bureau of Infrastructure, Transport and Regional Economics (BITRE), in its 2011 report, *Population growth, jobs growth and commuting flows in Melbourne*, found that although 46 per cent of Melbourne’s population lives more than 20 kilometres from the CBD, only 32 per cent of jobs are located in this area. In addition, although 25 per cent of the population lives more than 30 kilometres from the CBD, the area accounts for only 16 per cent of Melbourne’s jobs. The report also found that Melbourne’s Outer and Peri Urban sectors have less than 100 jobs per square kilometre, compared to more than 5,000 jobs per square kilometre in Inner Melbourne and over 650 in Middle Melbourne. (The Outer Melbourne sector defined by BITRE essentially comprises Melbourne’s Interface Councils but excludes Mitchell and part of the Yarra Ranges).

BITRE also noted that Melbourne’s recently developed outer suburbs offered relatively few job opportunities for local residents and cited the examples of Melton East and Wyndham West in Melbourne’s outer west, which offered less than one job for every five employed residents. However, the report also noted that Melton East and Wyndham West increased their employment by more than 50 per cent between 2001 and 2006 and that Melbourne’s Outer sector accounted for 51 per cent of Melbourne’s jobs growth over the same period, with jobs growth of 2.5 per cent per annum, which was higher than the Melbourne average of 1.5 per cent.

Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, at a public hearing in Melbourne, referred to the problem of a lack of locally based employment in Melbourne’s Growth Areas as follows:

> *Melbourne cannot continue simply expecting people from the suburbs to be commuting into the centre of town every day; it just will not work. We basically have to be incorporating employment and getting more employment out into those areas all the time. The need for that is not a recent thing; it has been happening for many years. We think that there is not enough emphasis placed on employment in the outer areas, and that is something that we all have to work very hard on.*

Casey City Council, in its submission to the Inquiry, stated that the municipality expected demand for an additional 102,700 jobs in the next 25 years to meet their population growth.

Wyndham City Council, in its submission to the Inquiry, stated that the dependence of Melbourne’s west on the CBD for employment has continued as the region has grown and that the region has not yet developed the major suburban business nodes that exist in the outer-east and outer-south of Melbourne.

Mr Peter Hudson, Chairman, Committee for Wyndham stated that residents of Wyndham’s outer suburbs may ‘end up in a lovely suburb or a lovely street, but then they have limited public transport, terrible accessibility and limited options of getting a job within their city.’

Mr Luke Shannon of the Melton Shire Council informed the Committee:

> *The flow-on effects for people working outside their local area are numerous, firstly in terms of the cost impost on young families, congestion to the roads and the social fabric of the community.*

However, the problem of a relative lack of a locally based employment is not restricted to Melbourne’s west. Mitchell Shire Council, in its submission to the Inquiry, also emphasised the need for increased employment opportunities within the local municipality.
Approximately 55% of people in the growth areas of Mitchell Shire travel outside the Shire for work (Journey to Work data, Australian Bureau of Statistics (ABS) 2006). The majority of these are moving to the south obviously to access employment in metropolitan Melbourne. To address this issue...it is clear that the attraction of industry closer to the source of the growth areas, as well as planning for improved transport options (both private and public) are important.232

Similarly, the City of Casey, in its submission to the Inquiry, also referred to both the relative lack of local jobs, and the lack of diversity in available employment in the municipality, a feature which the Committee notes is common to Interface Councils:

Of greatest concern to the future liveability of the City are the lack and diversity of local employment opportunities and the dominance of a ‘population growth-led’ economy that is characterised by retail, health care, education and construction and manufacturing jobs.233

The submission from the City of Casey also stated that approximately 75% of Casey’s resident labour force leaves the municipality to travel to their place of work each day.234

The City of Whittlesea, in its submission to the Inquiry, stated that limited employment opportunities could impact on future community cohesion in the City of Whittlesea. The submission also stated that there is a need for State Government support for social and economic policies which enhance access to local employment.235

The challenge of providing additional local employment opportunities in Melbourne’s Interface Councils was acknowledged by residential housing developers. For example Mr Andrew Whitson, General Manager, Stockland, stated at a public hearing that:

In our view the creation of local employment in the growth areas of Melbourne is probably one of the greatest challenges as we continue to grow outwards and create the new suburbs in growth area Melbourne. It is essential if we are going to be able to provide and create what we believe are sustainable communities.236

Ms Anita Buczkowsky from Southern Melbourne Regional Development Australia cited the example of the population rise in Melbourne’s southeast:

… there were approximately 11 000 households in Casey and Cardinia in 2010 and that number is expected to double over the next 10 years. Clearly this has really large implications for planning and for employment. Where are these people going to work? Where are the jobs that they are going to take up?237

Professor Richard Weller stated during the public hearing in Perth that the lag between residential development in outer suburban areas and local job creation is a situation that has existed for some time and is only now beginning to be addressed through the creation of activity centres:

The issue of jobs in these suburbs is perplexing because we always say we will chase them with jobs and we will put jobs in there, but we do not. Most of them are dormitory suburbs. Now what is happening is we are saying we will go back into the suburban environment, pick these activity centres and try and consolidate those as nodes of employment, so you only have to drive five K’s [kilometres] to your local village centre rather than into the CBD.238
The Committee notes that problem of car dependency, particularly the relatively greater amount of time spent by residents of the outer suburbs travelling to and from work and its impact on the time that they have available for family and for engagement with their local community, is not unique to the outer suburbs of Melbourne. Mr Gaetan Royer of Metro Vancouver told the Committee during a briefing in Vancouver that the agency faces a significant challenge in seeking to convince people that traffic congestion is not outside of them but that they are the traffic congestion.239

The Committee heard that limited public transport infrastructure in Melbourne’s growth and outer suburbs is another key factor which limits the employment options of local residents and which can also discourage businesses from locating in these areas. The extent to which the residents of Melbourne’s Interface Councils are required to travel comparatively greater distances to access employment is discussed in Chapter Three.

Much of the focus on public transport provision concentrates on radial travel routes between outer suburban and inner Melbourne. However many people living in Growth Areas work in outer suburban areas, and would benefit from increased inter-suburban public transport links.240 This is underscored by the fact that between 2001 and 2006, the fastest rise in commuting journeys was from one outer suburban area to another.241

Mr Chris Loader, Manager, Transport Planning and Policy, of the Bus Association of Victoria, provided a compelling example of such inter-suburban transport for employment in the South Dandenong industrial area:

There are approximately 30,000 jobs in that area, and a large part of the workforce comes from Casey, which is to the east. There are no east–west bus routes that connect Casey with the South Dandenong jobs area.242

Similarly, Mr Luke Shannon, General Manager of Planning and Development at Melton Shire Council gave evidence that a substantial number of Melton residents travel to the western and north-western suburbs of Brimbank and Hume for employment purposes.243 The submission from the Yarra Ranges Shire Council also referred to a lack of public transport within the municipality.244

Lack of public transport can also limit local residents’ access to education and skills training for future employment. La Trobe University informed the Committee that a five-year survey of undergraduate students revealed that 30 per cent of those students who had considered deferring or discontinuing enrolment during their first semester cited problems with daily travel.245

The Committee considers that the provision of public transport infrastructure along employment corridors, as well as inter-suburban public transport connections, has a significant role to play in boosting access to existing employment in the outer suburbs and in encouraging business to locate in the outer suburbs.
Chapter 5 Endnotes:


2Heart Foundation, *Submission No. 77, Liveability Options*, OSISDC, received 23 May 2011, p.18.


4Ms Liz de Chastel, April 2011, ‘Capitalising on Community’, *Canberra’s Child*, p.16.


8Brotherhood of St Laurence, *Submission No.56, Liveability Options*, OSISDC, received 6 May 2011, p.16.

9Mr Ian Kett, Executive Project Officer, Deakin University, *Transcript of Evidence, Liveability Options*, 6 June 2012, p.209.

10Ibid., p.208.


12Ibid.


14City of Whittlesea, *Submission No. 39, Liveability Options*, OSISDC, received 6 May 2011, p.12.

15Mornington Peninsula Shire Council, *Submission No. 55, Liveability Options*, OSISDC, received 6 May 2011, p.3.

16Mr Andrew MacLeod, Chief Executive Officer, Committee for Melbourne, *Transcript of Evidence, Liveability Options*, 6 June 211, p.192.

17Mr Andrew MacLeod, Chief Executive Officer, Committee for Melbourne, *Transcript of Evidence, Liveability Options*, 6 June 2011, p.192.

Chapter 5: Community Cohesion

19 Ms Leanne Petrides, Manager, Cranbourne Information and Support Service, Transcript of Evidence, Liveability Options, 7 September 2011, p.373.
21 This evidence is discussed in Chapter Three due to the strong association between financial hardship and many of the above mentioned social issues.
22 Ms Leanne Petrides, Manager, Cranbourne Information and Support Service, Transcript of Evidence, Liveability Options, 7 September 2011, p.370.
23 Ibid., p.375.
24 Ms Stella Avramopoulos, Chief Executive Officer, Kildonan Uniting Care, Transcript of Evidence, Liveability Options, 12 May 2011, p.46.
25 Mr John Ciricosta, Manager Early Years and Youth, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.306.
26 Dr Michael Kennedy OAM, Chief Executive Officer, Mornington Peninsula Shire Council, Transcript of Evidence, Liveability Options, 8 September 2011, p.382.
27 Ms Marion Fulker, Committee for Perth, Transcript of Evidence, Liveability Options, 18 May 2011, p.75.
28 Dr Shae Garwood, Research Officer, Shelter Western Australia, Transcript of Evidence, Liveability Options, 2011, 18 May 2011, p.141.
29 The McCaughey Centre was established in the School of Population Health, University of Melbourne, in June 2006 with core funding provided by VicHealth and the Faculty of Medicine, Dentistry and Health Sciences. The McCaughey Centre in conjunction with local partners has completed research on building communities in growth areas with a focus on Hume and Whittlesea.
33 Public Health Information Development Unit, 2011, University of Adelaide, Social Health Atlas of Victorian LGAs, University of Adelaide, Income Support Indicators (The relevant stats for the Interface Councils were extracted from the Health Atlas database). The Victorian Public Health Atlas was established by the Victorian Department of Health and provides interactive data on the health of Victorian communities including community participation.
34 Note the data shown in column two is the proportion of the 15-24 years population receiving unemployment benefits including Newstart or Youth Allowance paid by Centrelink. The data shown in column three represents the


39 Department of Prime Minister and Cabinet: Australian Social Inclusion Board, 2011, Governance Models for Location Based Initiatives, Department of Prime Minister and Cabinet, Canberra, p.31, cited in Brotherhood of St Laurence, Submission No. 56, Liveability Options, OSISDC, received 6 May 2011, p.15-16.

40 Ms Leanne Petrides, Manager, Cranbourne Information and Support Services, Transcript of Evidence, Liveability Options, 7 September 2011, p.371.

41 ibid.

42 Ms Stella Avramopoulos, Chief Executive Officer, Kildonan Uniting Care, Transcript of Evidence, Liveability Options, 12 May 2011, p.47.

43 ibid.

44 See for example: Mitchell Shire Council, Submission No.23, Liveability Options, OSISDC, received 29 April 2011, p.10.

45 Mitchell Shire Council, Submission No. 23, Liveability Options, OSISDC, received 29 April 2011, p.32.


47 ibid., p.16.

48 Dr Joe Garra, Westgate General Practice Network, Transcript of Evidence, Liveability Options, 2 May 2011, p. 8.


50 Ms Delphi Anderson, Vice President, Manor Lakes Residents Association, Transcript of Evidence, Liveability Options, 24 August 2011, p.312.

51 Cr Glenn Goodfellow, Mayor, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.308.

52 Community Indicators Victoria, About Us, viewed 19 September 2012, <http://www.communityindicators.net.au/about_us>

53 The Community Indicators Victoria Survey selected households at random using random digit dialling. Trained interviewers conducted the survey over the telephone using Computer Assisted Telephone Interviewing (CATI). Approximately 24,000 Victorians completed the survey. Postcodes localities of respondents were confirmed to ensure that the sample included 300 respondents aged 18 years or older in each of the 79 Victorian LGAs.
Interviewing was conducted from late January until early April in 2007. One person in each household completed a telephone interview. In order to avoid over-representation of females in older age groups, interviewers first asked to speak to the youngest household members before approaching older members. On average, each survey telephone interview took 11.5 minutes and interviewers attempted to make contact with a household by making up to six calls.


54 ibid.
56 ibid.; Interface Councils, 2006, Staying Connected Solutions for addressing service gaps for young people Living at the Interface, Melbourne.
57 Dr Belinda Robson, Building Lives, Building Community in Craigieburn and Roxburgh Park, McCaughey Centre: Victorian Health Centre for the Promotion of Mental Health and Community Wellbeing, p.5.
59 Mr David Pedley, President, Mornington Chamber of Commerce and Industry, Transcript of Evidence, Liveability Options, 8 September 2011, p.412.
60 Mr David Pedley, Mornington Chamber of Commerce, Transcript of Evidence, Liveability Options, 8 September 2011, p.412.
63 F Coalter, M Allison and J Taylor, 2000, The Role of Sport in Regeneration Deprived Urban Areas.
64 Cr Glenn Goodfellow, Truganina Ward, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.309.
66 Mr Brian Mott, Board Member, Basketball Victoria, Transcript of Evidence, Liveability Options, 24 October 2011, p.478.
67 Melton Shire Council, Transcript of Evidence, Liveability Options, 14 November 2011, p.556.
74 Australian Football League, *Submission No.32, Liveability Options*, OSISDC, received 29 April 2011, p1.
75 Mr Wayne Bird, Chief Executive Officer, Basketball Victoria, *Transcript of Evidence, Liveability Options*, 24 October 2011, p.476.
76 Mr Wayne Bird, Chief Executive Officer, Basketball Victoria, *Transcript of Evidence, Liveability Options*, 24 October 2011, p.474.
77 Mr Russell James, Chief Operating Officer, Netball Victoria, *Transcript of Evidence, Liveability Options*, 24 October 2011, p.470.
84 ibid.
Chapter 5: Community Cohesion

89 Mr Robert Larocca, Communications Manager, Real Estate Institute of Victoria, Transcript of Evidence, Liveability Options, 2 May 2011, p.15.
90 Dr Earnest Healy, Senior Research Fellow, Centre for Population and Urban Research, Monash University, Transcript of Evidence, Liveability Options, 21 November 2011, p.568.
91 Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2011, p.13.
92 Councillor Marcel Mahfoud, Chaffey Ward, Wyndham City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.307.
93 Mr John Circosta, Manager, Early Years and Youth, Wyndham City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p. 307.
95 City of Whittlesea, Submission No.59, Liveability Options, OSISDC, received 6 May 2011, p.6.
96 ibid.
97 Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2012, p.13.
99 City of Whittlesea, Submission No.59, Liveability Options, OSISDC, received 6 May 2011, p.6.
100 Australian Football League, Submission No.32, Liveability Options, OSISDC, received 29 April 2011, p1.
101 Victorian Rugby Union, Submission No.53, Liveability Options, OSISDC, received 5 May 2011, p.1.
103 Mr Russell James, Chief Operating Officer, Netball Victoria, Transcript of Evidence, Liveability Options, 24 October 2011, p.471.
104 ibid., p.477.
105 ibid., p.472.
106 Tennis Victoria, Submission No.14, Liveability Options, OSISDC, received 28 April 2012, p.137.
Inquiry into Liveability Options

109 Ms Anita Buczkowsky, Southern Melbourne Regional Development Australia, Transcript of Evidence, Liveability Options, 7 September 2011, p.361.

110 If a respondent indicated that he or she didn’t participate in arts and related activities, survey interviewers coded that response as if it were a ‘don’t know’ response. No additional questions were asked regarding the reasons why the respondent didn’t participate in arts and related activities. Community Indicators Victoria, 2007, Opportunities to Participate in Arts and Cultural Activities, viewed 29 October 2011, <http://www.communityindicators.net.au/metadata_items/opportunities_to_participate_in_arts_and_cultural_activities>


112 Friends of Nillumbik, Submission No.21, Liveability Options, OSISDC, received 29 April 2011, p.4.

113 The Remaining LGAs had the following percentages: Cardinia 68.5%; Casey 65.1%; Melton 67.1%; and Whittlesea 64.1%. Community Indicators Victoria, 2007, Opportunities for Participation in Arts and Cultural Activities in the Outer Suburbs of Melbourne, viewed 29 October 2011, <http://www.communityindicators.net.au/live_reports/opportunity_to_participate_in_arts_and_cultural_activities_in_the_outer_suburbs_of_melb?spot_lga=10303&spot_measure=401011>

114 Community Indicators Victoria, 2007, Opportunities for Participation in Arts and Cultural Activities in the Outer Suburbs of Melbourne, viewed 29 October 2011, <http://www.communityindicators.net.au/live_reports/opportunity_to_participate_in_arts_and_cultural_activities_in_the_outer_suburbs_of_melb?spot_lga=10303&spot_measure=401011> The data shows the break-down of respondents in various age brackets. People in Wyndham, Mornington Peninsula, Casey and Cardinia between the ages of 35 and 54 years were less likely to agree that there were adequate opportunities than the general adult populations in these areas. In Wyndham 61.6% of the general adult population agreed there were enough opportunities to participate in arts and related activities in the local area, whilst only 59.1% of people in the 35 to 54 age group agreed. Across Victoria the percentage of adult population in agreement that there were enough opportunities for participation in the arts was almost identical to the percentage of 35 to 54 years olds in agreement with the statement. In Mornington Peninsula the figures were 81.2% general adult population compared with 76.9% of 35-54 year olds; in Casey the figures were 65.1% to 67.1%; and in Cardinia a more marginal difference of 68.5% to 68.4%. See ‘People Aged 35-54 years’ Graph.

115 Community Indicators Victoria, Art, viewed 21 August 2012,

116 Community Indicators Victoria, 2007, Opportunities for Participation in Arts and Cultural Activities in the Outer Suburbs of Melbourne, viewed 29 October 2011, <http://www.communityindicators.net.au/live_reports/opportunity_to_participate_in_arts_and_cultural_activities_in_the_outer_suburbs_of_melb?spot_lga=10303&spot_measure=401011> In Hume, Mornington Peninsula and Wyndham, a higher percentage of over 55 year olds agreed there was enough opportunity to engage in the arts in their local area, than across Victoria. Mornington Peninsula had the highest percentage of all the LGAs at 92.2% which is likely to result from the high number of retirees in the region and the resulting programs and facilities that have emerged to meet the needs of this demographic. These figures are expressed as a percentage of the relevant population in each area, for example in the above case 92.2% of the over 55 population in Mornington Peninsula.
See Community Indicators Victoria, Indicator Rationale, <http://www.communityindicators.net.au/metadata_items/opportunities_to_participate_in_arts_and_cultural_activities>

117 ibid.


121 Mr Matthew Wilson, Manager Family, Youth and Housing, Melton Youth Advisory Network, Transcript of Evidence, Liveability Options, 14 November 2011, p.557.

122 ibid., p.555.

123 Interface Group of Councils, Submission No.62, Liveability Options, OSISDC, received 9 May 2011, p.11.

124 Dr Kevin Johnson, September 2-4, 2009, ‘Why should local government pay?’ Re-generating Community: Arts, Community and Governance National Conference, Melbourne, Australia, p.3.

125 ibid., p.5.


128 City of Joondalup, Strategic Plan 2008-2011, Joondalup Performing Arts and Cultural Facility public hearing handout, p.17.

129 Ms Kelly Swift, General Manager, Community Development, Parks and Recreation Services, District of Maple Ridge, Overseas Transcript, Vancouver, 8 May 2012, p.203.


131 Mr John Henry, Mayor, City of Oshawa, Overseas Transcript, Liveability Options, Toronto, 10 May 2012, p.417.


140 ibid.


143 Mr Paul Lakey, State Operations Manager (WA) and Mr Craig Stuart, Senior Development Manager, Peet Ltd, *Notes of Perth meeting, Liveability Options*, OSISDC, 17 May 2011.

144 Mr Chris Upfold, Chief Service Officer, Toronto Transit Commission, *Overseas Transcript, Liveability Options*, 11 May 2012, p.503.


146 ibid., p.365.


148 ibid., p.312.


157 National Growth Areas Alliance, *Submission No.50, Liveability Options*, OSISDC, received 3 August 2011, p.4.


159 Brotherhood of St Laurence, *Submission No.56, Liveability Options*, OSISDC, received 6 May 2011, p.16.
Chapter 5: Community Cohesion

162. ibid.
163. ibid., p.3-4. Measures that improve access, such as the availability of childcare and interpreters, the timing of meetings, and efforts to look beyond existing community activists should be encouraged.
164. ibid., p.9.
165. ibid., p.10. The program has been in place for twenty years and has resulted in awards of over 42 million in neighbourhood matching funds with community contribution of over 64 million in volunteer labour, cash, donated materials and professional services.
173. Interface Group of Councils, Submission No.62, Liveability Options, OSISDC, received 9 May 2011, p.11.
174. ibid., p.1.
175. ibid., p.11.
176. Councillor Justin Mammarella, Mayor, Melton Shire Council, Transcript of Evidence, Liveability Options, 14 November 2011, p.533.
177. Casey City Council, Submission No.73, Liveability Options, OSISDC, received 18 May 2011, p.20.
178. Mr Michael Tyler, Chief Executive Officer, Casey City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.344.
179. ibid.
180. ibid.
181. Mr John Circosta, Manager Early Years and Youth, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.306.
182. Mr Chris Banks, Chair, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.587.
183. ibid.
17 September 2012,


---

200. Ms Iris Iwanicki, State President, Planning Institute of Australia, South Australia, Transcript of Evidence, Liveability Options, 19 May 2011, p.182.

201. Mr Scott Watson, Lynbrook Residents Association, Transcript of Evidence, Liveability Options, 7 September 2011, p.366.


203. Mr Bill Forrest, Director of Advocacy, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.309.

204. Interface Group of Councils, Submission No.62, Liveability Options, OSISDC, received 9 May 2011, p.11.

205. City of Casey Council, Submission No.73, Liveability Options, OSISDC, received 18 May 2011, p.20.

206. ‘eight-star’ is a level of sustainable building design practices which include home features such as solar orientation, double glazing, insulation and air sealing. City of Casey, Selandra Community Place shows of eco expertise, viewed 29 November 2012, <http://www.casey.vic.gov.au/mediareleases2012/article.asp?Item=24996>


208. ibid.


210. Mr John Circosta, Manager Early Years and Youth, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.306.

211. Wyndham City Council, Submission No.48, Liveability Options, OSISDC, received 2 May 2011, p.13.

212. City of Casey Council, Submission No.73, Liveability Options, OSISDC, received 18 May 2011, p.20.

213. Mitchell Shire Council, Submission No.23, Liveability Options, OSISDC, received 29 April 2011, p.22.

214. Mr Stuart Burdack, Nillumbik Shire Council, Transcript of Evidence, Liveability Options, 10 June 2011, p.247.

215. Mr Watson, Lynbrook Resident’s Association, Transcript of Evidence, Liveability Options, 7 September 2011, p.367.


217. Ms Kelly Swift, General Manager, Community Development, Parks and Recreation Services, District of Maple Ridge, Overseas Transcript, Vancouver, 8 May 2012, p.201.


219. Yarra Ranges Shire Council, Liveability Options, OSISDC Site Visit, 16 April 2012.


221. OSISDC Executive Officer, notes of site visit, Yarra Ranges Shire Council, Liveability Options, OSISDC, 16 April 2012.


Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.577.

225 Casey City Council, Submission No.12, Liveability Options, received 28 April 2011.

226 Wyndham City Council, Submission No.48, Liveability Options, received 2 May 2011, p.5.

227 Mr Peter Hudson, Chairman, Committee for Wyndham, Transcript of Evidence, Liveability Options, 24 August 2011, p.333.


229 Mitchell Shire Council, Submission No.23, Liveability Options, received 29 April 2011, p.21.

230 City of Casey, Submission No.73, Liveability Options, OSISDC, received 18 May 2011, p.4.

231 Mr Peter Hudson, Chairman, Committee for Wyndham, Transcript of Evidence, Liveability Options, 24 August 2011, p.333.

232 Ms A. Buczkowsky, Southern Melbourne Regional Development Australia, Transcript of Evidence, Liveability Options, p.359.

233 Professor Richard Weller, University of Western Australia, Transcript of Evidence, Liveability Options, 18 May 2011, p.114.4

234 Mr Gaetan Royer, Manager, Metropolitan Planning, Environment and Parks, Metro Vancouver, Overseas study tour, Liveability Options, OSISDC, 7 May 2012, p.27.

235 Mr Chris Loader, Manager, Transport Planning and Policy, Bus Association of Victoria, Transcript of Evidence, Liveability Options, 12 May 2011, p.68; La Trobe University, Submission No.58, Liveability Options, OSISDC, p.7.


237 Mr Chris Loader, Manager, Transport Planning and Policy, Bus Association of Victoria, Transcript of Evidence, Liveability Options, 12 May 2011, p.68.


239 Yarra ranges Council, Submission No. 67, Liveability Options, OSISDC, received 13 May 2011, p.6.

240 La Trobe University, Submission No.58, Liveability Options, OSISDC, received 6 May 2011, p.7.
Chapter 6: Liveability and the Environment

CHAPTER 6: LIVEABILITY AND THE ENVIRONMENT

...the city cannot just violently progress, it must now creatively adapt to its limits.

Professor Richard Weller

... the interface regions [of Melbourne] have a dual identity that makes them part-urban and part-rural. This presents unique challenges for planning, growth and economic development in outer urban municipal areas...

Essential Economics

6.1 Introduction

During the Inquiry, the Committee received evidence from a number of stakeholders regarding the importance of the natural environment to Melbourne’s outer suburbs. Three key themes emerged from this evidence.

Firstly, many of Melbourne’s outer suburbs, particularly in the growth area municipalities, do not enjoy the same level of access to private open space as in more established suburbs. This is due to a decline in block sizes, as well as an increase in house sizes in recent years. This evidence, which is the subject of the first part of this chapter, is of particular concern given the increasing recognition of open space as major contributors to both liveability and health outcomes. The Committee is also mindful of the natural beauty of many of Melbourne’s outer suburbs, many of which are valued by residents for the relative peace, privacy and access to nature that they provide.

The second key theme identified by the Committee is that there is a growing acknowledgement, both in Melbourne and internationally, of the need for cities to achieve continuous improvement in a range of ‘micro-level’ sustainability practices and policies. In Melbourne, such practices and policies include:

- sustainable house design and construction (which includes both improved design and the use of sustainable materials);
- the provision of more sustainable forms of both public and private transport;
- sustainability in the use of water,
- sustainable energy and waste management; and
- an efficient and effective approach to the identification of land with conservation and biodiversity values in Melbourne’s interface areas.

The above sustainability issues are the subject of the second part of this chapter.
The third theme identified by the Committee is that there is a need for the greater protection of land with agricultural and conservation value in Melbourne’s Interface Councils, through the adoption of macro-level land use strategies. The preservation of land for purposes other than residential suburban development is an issue that many cities are currently grappling with around the world. In Melbourne, as in many other cities, this goal is commonly associated with efforts to curb the outward expansion of suburban development through the establishment of a boundary beyond which suburban residential development is restricted. Many cities around the world have established such boundaries, including Melbourne, which is subject to the Urban Growth Boundary (UGB). The success or otherwise of such boundaries in limiting the expansion of suburban residential development was an issue of key interest to the Committee during the Inquiry and one on which it received particularly valuable evidence in Vancouver, which has established an ‘Urban Containment Boundary’. The goal of increasing residential densities in both new and established suburbs (which is discussed in detail in Chapter Four of this report) is often closely associated with the imposition of urban boundaries.

Efforts to transform the way in which the outer suburbs interact with agricultural and conservation land are also increasingly seen as crucial to the preservation of such land and to improving the sustainability of the outer suburbs themselves. In other words, there is a growing recognition that the sustainability of suburbia, both in Melbourne and in cities throughout the world, will depend on strategies that blur the historical distinction between suburban landscapes and landscapes that are valued for their recreational, agricultural and other commercial uses. Such strategies include the emerging approaches of agricultural urbanism and the increased utilisation of Green Wedge land through passive recreation, tourism and other sustainable enterprises.

Many commentators have identified: a transformation in the way that suburban areas relate to the landscape; an effective urban boundary; and increased residential densities, as the key macro-level strategies that will enable cities to reduce their ‘ecological footprint’ and ensure their long term sustainability. As discussed in Chapter Two, substantial population growth has been forecast for the Interface Councils in coming decades. The development of strategies that will enable Melbourne to reorient the historical pattern and form of its suburban expansion is therefore more vital than ever. Melbourne’s growth area suburbs — and particularly those green-field residential development sites that are currently in the planning phase — represent an important opportunity for the implementation of the micro- and macro-sustainability strategies outlined above. While there is evidence that Melbourne is making progress in the implementation of such strategies in its Interface Councils, there is significant scope for improvement. Further progress in the realisation of such sustainability strategies is vital not just to the sustainability of Melbourne’s new outer suburbs but in providing an example for the ‘retro-fitting’ of Melbourne’s established suburbs.

6.2 The benefits of parks and open space

While Melbourne’s inner suburbs are renowned for their legacy of well-designed and laid out parks and gardens, the Committee received evidence from various stakeholders that this is not the case for a number of Melbourne’s new and established outer suburbs. These stakeholders also highlighted the importance of parks and open space to the psychological and physical health of outer suburban residents and to the creation of ‘walkable’ neighbourhoods, which also provide a range of health and sustainability benefits.
In July 2008 the Victorian Environmental Assessment Council (VEAC) was requested to carry out an investigation of Crown land and public authority land in 29 municipalities in metropolitan Melbourne. The VEAC Metropolitan Melbourne Investigation Report was submitted to the Minister for Environment and Climate Change on 1 August 2011 and released publicly on 8 August 2011. The Victorian State Government response to the recommendations in that Report was released in March 2012 and informs some of the following discussion. VEAC’s Report, in conjunction with submissions to the current Inquiry, indicates that accessible public open space remains an important element of liveability in Melbourne today. Almost half of the submissions responding to VEAC’s investigation into the use of public land in Metropolitan Melbourne commented on the value of public land to Melbourne’s liveability.

For the purposes of this report open space refers to both private and public open space and active and passive open space. Private open space may include: cultivated and farming land; and private front and backyards. Public open space may include: street tree canopy and footpath; lawns/parks/squares; wetlands; streams; children’s playgrounds; and outdoor community spaces. Active open space refers to space used for sports, physical recreation activities and play, whilst passive open space refers to spaces used for relaxation, picnics, sitting or socialising.

### 6.2.1 Economic benefits

Research demonstrates that there are sound economic reasons alongside established environmental, aesthetic and social reasons to provide adequate open space in new and developing suburbs.

Dr Jason Byrne and Associate Professor Neil Sipe, research members of the Urban Research Program at Griffith University, have shown that green space has a number of economic benefits in a community. For example, green space can result in considerable costs-savings to local authorities by:

\[
\text{... preventing health problems, increasing worker productivity, lessening infrastructure damage, attenuating flooding or cooling urban heat islands.}^7
\]

According to Parks Victoria, 36 million premature deaths per year around the world could be averted by preventive activity addressing chronic illnesses such as obesity, diabetes and cardio-vascular disease. Victoria’s Sports and Recreation Policy cites a VicHealth study which shows that cutting physical inactivity by five per cent would save 1,000 lives nationally, and result in 3,000 fewer cases of illness every year. That amounts to $129 million per annum in savings, including $48 million in the health sector and $81 million in production and leisure. Community costs can be dramatically reduced by the use of exercise and health programs and the increased participation of peoples in physical recreation and exercise.

In addition, a number of American studies into the effect of green space on property prices found a positive impact on house prices, illustrating that proximity to open space substantially increases property prices over time. One study found increases of 20 per cent on property values for properties abutting or fronting a passive park.

Parks that act as thoroughfares or include walking trails can also attract small-scale retail businesses such as restaurants and cafes. These businesses invest in the area improving the economic outlook for the wider community. Parks are also an important attraction for tourism and recreation industries which
contribute to the local economy and Victoria’s economy. Nature and culture based tourism is the fastest growing sector in global tourism.\textsuperscript{13}

### 6.2.2 Public health: physical, psychological and social benefits of open space

Chapter Seven of this report highlights the necessity for preventative health measures in Melbourne’s outer suburbs to reduce high levels of obesity, cardiovascular disease and other lifestyle related diseases such as diabetes.

The Committee heard evidence from several stakeholders about the link between open space provision and healthy communities. The Victorian Council of Social Services pointed out in their submission that the National Preventative Health Taskforce has identified the link between community design and obesity.\textsuperscript{14} The Council’s submission states that in many communities the environment is not conducive to regular incidental exercise, particularly those communities in which residents are car dependent and drive to local schools, employment and services.\textsuperscript{15}

Incidental exercise and exercise for recreation tends to occur more frequently in urban environments that are well connected, provide adequate footpaths and cycle paths, and are designed so that services and employment can be reached on public transport or on foot.\textsuperscript{16} Research shows that in urban environments that provide recreational facilities and attractive outdoor spaces, people are more likely to exercise, and that seeing others exercise is also a motivating factor.\textsuperscript{17} This indicates that a multi-faceted approach to open space planning that integrates transport, roads, recreation and parks’ planning is conducive to the creation of built environments that encourage daily exercise.

Parks Australia’s *Healthy Parks, Healthy People* prospectus states that:

> Parks and other natural environments are a fundamental health resource, particularly in terms of disease prevention. The initial evidence documenting the positive effects of nature on blood pressure, cholesterol, outlook on life and stress-reduction is sufficient to warrant incorporation of nature into health strategies for priority areas of ‘mental health’ and ‘cardiovascular disease’.\textsuperscript{18}

The Heart Foundation argues that high quality, evidence based, ‘people’ focused environmental design is essential for protecting public health.\textsuperscript{19} The presence of parks alone has been shown to improve psychological health, and the design of parks can influence whether people engage in physical or sedentary forms of leisure.\textsuperscript{20}

The Committee for Wyndham also submitted that an increase in the size and number of passive recreation sites would also promote the better health of residents and reduce stress on the health system.\textsuperscript{21}

The Petcare Information and Advisory Service also advocated for open space provision in their submission to the Inquiry, stating that physical activity can be influenced by the availability and quality of local parks, shops and other walkable destinations, road networks, footpaths, traffic and road safety, street lighting, and the presence of nature.\textsuperscript{22} The potential benefits of pet ownership, both in terms of emotional and physical health, are well recognised. The provision of facilities such as off-leash parks for dogs can therefore play an important role in enhancing the liveability of the outer suburbs.
Many of these elements also impact on mental health. Studies have shown that park use reduces stress, anxiety and depression. Studies among a variety of residents including college students, hospital patients, public housing residents, and apartment residents, have shown that a view of nature from a window alone has considerable psychological benefits. As the Committee discussed in Chapter Five, the provision of outdoor sporting and recreational infrastructure is important as a means of engaging children and youth. This is particularly so in the context of declining residential block sizes, which have resulted in smaller and smaller backyards for children and youth.

Ms Delphi Anderson of Manor Lakes Resident’s Association in Wyndham gave evidence to the Committee that resonates with these findings:

Moving to Manor Lakes is probably one of the best things we have ever done. Living in Manor Lakes is the closest thing to living rural. It is quiet. You can hear the nature, the birds.

In addition, social connections that are generated through the use of parks, open space and public places where people can gather and engage with their communities improve mental health. Many activities in parks can facilitate social engagement, such as gathering with families and friends, volunteering, engaging in recreation or exercise, socialising or viewing art such as historical or modern sculptures. These activities support social cohesion, personal wellbeing and strengthen community. A study of public housing residents in America has also suggested that the greener a building’s surroundings, the fewer crimes, intra-family aggression, and violence reported.

6.2.3 Ecological benefits

In addition to economic and health benefits, the presence of parks and open space has a number of ecological benefits for communities. Ecosystem services provided by open space include air filtering, micro-climate regulation, noise reduction, rainwater drainage, sewage treatment, food production, erosion control, and recreational and historical values.

Air pollution is a significant health and environmental problem. Across Australia, emissions from road transport increased by 27.5 per cent, or 14.9 Million tonnes (Mt), between 1990 and 2008. Passenger cars were the largest source of transport related emissions contributing 60 per cent of emissions from road transport (41.6 Mt), an 18.2 per cent (6.4 Mt) increase between 1990 and 2008.

As discussed in Chapter Three, car dependence is a significant and growing problem in the outer suburbs of Melbourne, and it follows that improved public transport and decreased car use in outer suburban areas has the potential to reduce emissions from the use of private vehicles.

Adequate planning for open space and vegetation in developing urban suburbs is an important means of reducing emissions and improving air quality. Research shows that vegetation is better than water or open spaces at filtering air pollution. Vegetation can reduce pollution by filtering pollution and particulates from the air. It is reported that up to 85 per cent of air pollution in a park can be filtered out, and 70 per cent of pollution in an urban street can be filtered out by adequate tree canopy. During the Committee’s tour of the City of Surrey in metropolitan Vancouver, the Committee observed a positive model for including adequate tree canopy and open space within an area of significant urban development. During the Committee’s bus tour of the region, Mr Don Buchanan, Transportation Planner pointed out areas of ‘urban forest’ of iconic native conifer trees on the edge of the city centre, which provide a vegetation buffer and area of open space.
The Committee is of the view that open space has the potential to deliver significant economic, public health, and ecological benefits to outer-suburban residents, improving the liveability of the outer-suburbs. As discussed, the benefits of open space are wide-ranging and the Committee is of the view that such benefits should be encouraged through an open space strategy for metropolitan Melbourne.

Finding 6.1: Open space has the potential to enhance the liveability of the outer suburbs of Melbourne and to deliver significant economic, public health, and ecological benefits to outer-suburban residents.

Recommendation 6.1: That the Victorian Government include an open space strategy for metropolitan Melbourne within, or in addition to, the new Metropolitan Planning Strategy.

Writing in the 1970s, Hugh Stretton used the measure of per capita spending on public open space to examine the level of social and economic segregation between established suburbs and Growth Areas in some Australian cities. Then, as now, public open space was not funded evenly across metropolitan Melbourne. While established inner and middle suburbs continue to benefit from their existing stock of public open spaces, many of Melbourne’s outer suburban councils are in the position of having to purchase land for public open space and to then develop and maintain it.

The Committee heard that one of the barriers to achieving considerable tree canopy in new urban developments is water accessibility and road widths.
The standard cross-section that we are getting for arterial roads is allowing a 6-metre median, but at an 80-kilometre speed limit, traffic standards are saying you need a 6.5-metre clearance to a tree, so we are getting a median that we cannot plant a canopy tree in. It has to have a maximum diameter of 100 millimetres. Allowing for services, we are getting the Growth Areas Authority (GAA) producing material that is saying, ‘We will give you 4.7 metres’. We need 5, and if you are putting in recycled water, we need 5.5. If we end up with that, what goes is the width of the trees and then the trees end up losing out, so we cannot get sufficient space for some of the canopy trees.33

Wyndham City Council submitted that a lack of shade from canopy trees is impacting on the heat island effect.34 The Committee notes, however, that the basalt plain to Melbourne’s west presents challenges to the establishment of a tree canopy of the same form or height as in Melbourne’s east.

In addition, increased vegetation and lawn rather than concrete, has been shown to decrease traffic noise. Noise reduction is a significant private and public cost in many areas. High noise walls abutting freeways and rail lines are constructed at significant cost, while residents install insulated windows in their dwellings at high cost. Increased vegetation, in the form of increased tree canopy, and natural ground cover can reduce noise naturally.35

Figure 6.2: Tram lines in Zurich

![Figure 6.2: Tram lines in Zurich](image)

*Source: Mrs Jan Kronberg MLC, Chair, Outer Suburban/Interface Services and Development Committee.*

In October 2009 the Growth Areas Authority (GAA) issued guidelines for preparing Precinct Structure Plans (PSPs) in Melbourne’s Growth Areas.36 PSPs are incorporated into the local planning scheme to guide the use and development of land in the precinct over the long-term. The current GAA PSP Guidelines for open space and natural systems do not provide direct guidance in relation to the provision of adequate tree canopy and street vegetation in precinct structure plans.37

The Guidelines for open space state that: encumbered land, such as that used for drainage and electricity should be used productively for open space.38 The Guidelines for transport state that: reserves along arterial roads and connector streets are to be made available for treed boulevards.39 The Guidelines for utilities state that the design response in PSPs should consider the question as to how high-voltage power lines can be provided while also providing the opportunity for canopy trees along arterial roads.40
The Committee considers that the current guidelines do not adequately provide for the inclusion of tree canopies and vegetation in new outer suburban developments. References to tree canopy and street vegetation in the planning guidelines are limited and more comprehensive and cohesive guidelines could be developed. The Committee encourages the GAA and local councils to increase the provision of space for tree canopy and street vegetation during the PSP process.

As illustrated in Figure 6.3, the Committee observed the effective use of landscaping and plantings within building setbacks, as well as in adjoining nature-strips.

**Figure 6.3: Footpath, nature-strip and building setbacks in Vancouver**

*Source: Mrs Jan Kronberg MLC, Chair, Outer Suburban/Interface Services and Development Committee.*

**Recommendation 6.2:** That the Growth Areas Authority revise the Precinct Structure Plan Guidelines relating to open space to ensure the provision of tree canopy and street vegetation in new outer suburban developments.

**Recommendation 6.3:** That the Growth Areas Authority, in conjunction with Local Government, increase the provision of space for street tree canopy in Precinct Structure Plans for new outer suburban communities, accounting for tree clearance distance requirements and the installation of poles supporting overhead cables.
The GAA’s guidelines are an attempt to ensure that structure plans for new developments have adequate provision for open space and vegetation ‘designed in’ before construction. This leaves the issue of how to retrofit existing outer suburbs that were planned and developed around different sets of assumptions with adequate levels of open space and vegetation. This is a challenge that continues to face local government in outer suburban areas of Melbourne.

6.3 Public and private open space in new outer-suburban developments

The VEAC’s Metropolitan Melbourne Investigation Report found that there is a perception within the community that Melbourne’s increasing population will produce a decline in the quantity and quality of public open space. The report also noted that:

*Without the retention and creation of public open space on both public land and local council land, public open space per capita will decrease over time for almost all municipalities in the investigation area.*

VEAC member, Mr Ian Harris, stated that community responses to the Investigation indicated a “strong feeling that open space is essential to the liveability of Melbourne”.

Mitchell Shire Council, in its submission to the Inquiry, stated that basic infrastructure, such as roads have often come first in new developments but changes in community expectations mean that open space and recreation reserves, amongst other services and facilities, are all needed in the early days of the development.

Wyndham City Council, in its submission to the Inquiry, referred to the finding by the Australian Productivity Commission in the draft of its report, *Performance Benchmarking of Australian Business Regulation: Planning, Zoning and Development Assessments* (released 16 May 2011), that Victoria had lowest developer contributions charges of any state for greenfield development sites. Wyndham City Council’s Chief Executive Officer, Ms Kerry Thompson, recently stated in the media that developer contributions for open space are inadequate to enable Wyndham to cater to the open space and sporting needs of its growing population.

The Property Council of Australia in an *AusPoll Survey* measured Australians’ attitudes towards their cities, with the focus on capital cities and published the resulting report in January 2011. The results are based on a quantitative on-line survey of Australians who live in capital cities. The survey was conducted between 29 September and 5 October, 2010 and was completed by 4,072 persons Australia wide including 638 Melbourne residents.

Participants were asked several questions relating to open space and the natural environment including:

‘Do residents believe their cities have a wide range of recreational outdoor environments?’

All Australian cities rated well on the measure of recreational environments, with Melbourne rating the highest, with a score of 83 per cent.

However, the Committee heard from stakeholders such as Casey City Council, that there remains a problem of inadequate open recreational space provision in Melbourne’s Growth Areas.
Casey still holds concerns that uniform standards limit the ability to address local community needs and aspirations. Of particular concern is the open space guideline of 10%, a measure Casey believes in most instances to be inadequate to meet the recreational needs of its current and future communities, particularly given the significantly smaller lot sizes and more intensive development which is occurring.47

Current practice is to require the provision of passive open space land through the use of Clause 52.01 of Planning Schemes and the provision of active open space land through the developer contribution plan. The GAA benchmarks the provision of public open space at 10 per cent per net developable area:48

Based on current dwelling yields (15 dwellings per hectare), this translates into approximately 3ha / 1,000 persons for passive open space and 2ha / 1000 persons for active open space. This in Casey’s experience is not sufficient to meet the needs of new communities.49

Mr Bill Forrest, Director of Advocacy, Wyndham City Council gave evidence that State Planning Policies do not facilitate adequate open space provision for roadside cycle paths or off-road cycle paths and recreation space:

State planning policies, as can clearly be seen from aerial photographs, are letting us down in this regard. Basically the only time off-road bicycle paths are being made at the moment is when they are created in creek reserves and drainage reserves; otherwise, they are painted on the road. Council is struggling to secure sufficient road widths in its negotiations with the Growth Areas Authority for decent tree reserves and off-road bicycle paths in addition to footpaths on our arterial roads. Without such, we will only ever have a few committed cyclists using those bicycle paths. Families taking their children to school, to shopping centres or to recreational activities will not use these road paths, and we seem incapable of getting them delivered off road.50

Victorian Exercise, Recreation and Sport Survey data (ERASS) also shows that compared to other metropolitan Local Government Areas (LGAs), overall participation in sport is lowest in Melbourne’s Growth Area Councils, a finding which may be partially linked to an undersupply of active open space and sporting facilities.

Australian Football League (AFL) Victoria data similarly shows that participation in AFL is lower in Growth Areas than other Victorian municipalities. AFL Victoria’s submission to the Inquiry suggests that this is due to a lack of grounds and recreation space needed to attract participants.51

The Committee considers the provision of public open space in Growth Areas to be an important factor contributing to the liveability of outer-suburban residents. The Committee considers current dissatisfaction with the standards regulating open space provision in new outer-suburban developments, necessitates a review of the adequacy of open space requirements.

**Recommendation 6.4:** That the Victorian Government undertake a review of the adequacy of the ten per cent open space measure for outer-suburban areas, in light of population growth, housing density, and demand for sporting facilities and passive recreation, in outer suburban municipalities.
The Committee also received evidence regarding the provision of private open space is often minimal in new outer suburban developments. Wyndham City Council described the inadequacy of private open space requirements in Point Cook.

In Point Cook, one in every two households has a child under age 15; that represents 52 per cent. Also in Point Cook, 3 in every 10 people are aged less than 15 years old, which is around 9,500 children. I do not think…there is any way you could conclude that this standard of private open space provision can meet the reasonable recreation service needs of residents where there are significant numbers of children who are under the age of 15.52

Recent research has established that the amount of private open space available to residents, particularly in the form of suburban backyards, has declined significantly in new housing developments constructed since the early 1990s.53 In addition to the benefits of larger backyards, Melbourne’s older suburbs also enjoy the benefits of streets lined with established trees.

It has been argued that the trend towards smaller lot sizes in Australia is the cause of reduced private open space. However, 2010 research analysing a cross-section of new suburban development in Australia’s cities, has found that the reduction in lot size is not the cause of the diminishing backyard. Houses on large lot sizes are also large and therefore on both small and large lot sizes, houses are large and backyards are comparatively small.54 The Australian Bureau of Statistics show that between 1984-5 and 2003-4 the average floor area of a new Australian home had increased by 40 per cent. In other words, increased dwelling sizes have been a greater cause of the decline in backyard sizes than the decrease in lot sizes since the early 1990s.55

Ms Marion Fulker, Chief Executive Officer of the Committee for Perth, gave evidence about this phenomenon in Perth’s suburbs:

There was a real directive from state government through the Minister for Planning to say that lot sizes needed to shrink. If we were not going to be able to go up because community was against that, what we needed to do was make better use of land in the new housing market. House sizes did not shrink… It was about building as close to the perimeter as you possibly could and getting as much in there, most times probably 200 square metres or more, but on a smaller lot size.56

The Australian Housing Urban Research Institute’s (AHURI) submission to the Inquiry cited further research illustrating that the average lot size on the urban fringe of Victoria decreased by 89 square metres between 1990 and 2007. The research also confirms that, despite lot size reduction, floor space in new housing in Growth Areas increased 54 sq metres in the same period.57

During its visits to the outer suburban growth councils, the Committee observed that large houses on smaller blocks are the predominant housing form in new developments. In view of the physical, psychological, economic and ecological benefits of open space discussed earlier in this chapter,58 the Committee considers that the reduction in the amount of private outdoor space in outer-suburban developments is a matter of significant concern for the liveability of Melbourne’s outer-suburbs. The Committee acknowledges that the decline in the amount of private outdoor space needs to be offset by the provision of increased public outdoor space, particularly in the form of parkland for both passive and active recreation. The Committee also considers that there may be scope for the Victorian Government
to examine ways in which planning policies could encourage the creative use of housing lots and house design to maximise private open space in the outer suburbs of Melbourne.

Finding 6.2: There has been a decline in the amount of private open space available to new residents in Melbourne’s outer suburbs in recent years, which makes the provision of adequate public space increasingly important in these areas. This is due to an increasing trend of smaller lot sizes, which is related to housing affordability pressures.

Recommendation 6.5: That the Victorian Government examine ways in which planning policy could encourage the creative use of housing lots and creative housing design in order to maximise private open space in the outer suburbs of Melbourne.

6.4 The role of local government in planning for open space

VEAC’s Metropolitan Melbourne Investigation found that all seven of the Interface Councils that it surveyed had percentages of public open space within UGB, and therefore immediately accessible to most residents, that were below the average for the twenty-nine Melbourne LGAs that it surveyed.⁵⁹ The Committee also notes that while Interface Councils often have relatively large total areas of open space and of open space per capita,⁶⁰ much of this space is not very accessible.

VEAC’s Metropolitan Melbourne Investigation recommended that the State Government require metropolitan councils to prepare municipal open space strategies or update their existing strategies in accordance with a State wide open space strategy.⁶¹

Mitchell Shire Council’s submission to the Inquiry included the Council’s plans for an open space study to identify the gaps in the provision of open space across the Shire.

The study will focus upon developing a planning and development framework that achieves a balance between the equitable distribution of a diverse range of open space opportunities and facilities for all people that live, work and visit the Shire. The study will provide Council with the enhanced planning principles, policies and tools to ensure that the future provision of open space is identified, well planned and is embedded in the municipal planning scheme.⁶²

Nillumbik Shire Council undertook a consultative study for open space in that municipality, including a two year process of preparing and implementing a master plan for a major area of open space, the Eltham Lower Park. The Park has a large number of users and diverse groups and is of high regional significance. The Council determined it would be vital to consult with all user groups to ensure their needs were adequately met. The Council planned to provide spaces that would reduce social isolation by encouraging social activity, which in Eltham’s case, included providing dog friendly areas, where dog owning residents could walk and socialise.⁶³
The Committee considers that accessible public open space in Interface Councils falls below the average accessible public open space for Melbourne’s municipalities and that this has the potential to effect the liveability of the outer-suburbs. The Committee encourages local governments to undertake open space studies and public consultations to ensure the adequate and sustainable provision of open space for a diversity of residents in Growth Areas.

**Recommendation 6.6:** That the Victorian Government request the Interface Councils to undertake community consultation studies to identify gaps in the provision of open space with the aim of increasing the proportion of public open space within their UGB areas.

**Recommendation 6.7:** That the Interface Councils work in partnership with the Victorian Government to implement an open space strategy for Melbourne’s outer suburbs.

### 6.5 Sustainability measures for Melbourne’s outer suburbs

#### 6.5.1 Sustainable housing design

The embodied energy consumed in building construction is a major source of greenhouse gas emissions, through the production of raw materials as well as fabrication and construction. According to the Commonwealth Government’s *Our Cities Our Future* Report:

> … the construction and operation of buildings account for almost half of the world’s greenhouse gas emissions. It is estimated that investing in a more energy efficient building sector has the potential to reduce the sector’s greenhouse gas emissions by between 30–35 per cent by 2030.64

In Victoria, the commercial and residential building sectors account for over 40 per cent of annual greenhouse gas emissions. Sustainability in the built environment amounts to the construction of an urban environment using materials and design principles that promote energy and water efficiency and minimise pollution.65

The Committee received evidence from a number of stakeholders about sustainable housing design and energy-efficient housing design in the outer suburbs of Melbourne. Stakeholders noted the link between sustainable housing design and increased liveability, resulting from reduced household costs. There was significant support for sustainable building design practices; however some stakeholders expressed opposition to current regulatory frameworks.

The Building Designers Association Victoria (BDAV), in its submission to the Inquiry, stated that environmentally sustainable buildings “reduce public demands on utilities and grid-sourced services, thus reducing the cost to the consumer.”66 BDAV stated that the design stage is the most significant stage in which the life-cycle sustainability of a dwelling is determined and, sustainable building design is
increasingly important in Victoria because of rapid population growth. BDAV also stated that Government policy and regulation in planning should reflect a broad sustainability dynamic.67

The Tourism and Transport Forum submitted that high-density transit oriented suburbs can be more energy-efficient than low-density suburbs, through efficiencies of scale and sustainable building techniques.68

In 2005, Victoria was the first state in Australia to implement the ‘five-star’ standard as a mandatory regulation for new and renovated residential buildings. Victoria moved to a ‘six-star’ standard from May 2011, requiring all new homes and major renovations to meet this rating with stronger energy efficiency standards for lighting and hot water systems, consistent with COAG’s National Strategy on Energy Efficiency (NSEE), 2009.69

On 2 July 2009, COAG agreed to the National Partnership Agreement on Energy Efficiency (NP Agreement) which outlines a comprehensive suite of measures (called the NSEE) to provide a nationally consistent and coordinated approach to improving energy efficiency and thus the productivity of the Australian economy. One of the measures under the Agreement is the inclusion of more stringent energy efficiency standards in the 2010 Building Code of Australia, with adoption by jurisdictions of the six-star (or equivalent) standard for residential buildings.70

BDAV’s submission to the Inquiry supported the five-star standard and applauded the move to the six star standard.71 The standards ensure that buildings achieve a high level of thermal energy performance, but the Victorian Council of Social Services (VC OSS) gave evidence that five-star standards were not based on the operating efficiency of the building, compromising the benefit they deliver in reducing greenhouse gas emissions or energy costs.72

The NSEE proposes national performance-based building standards with the flexibility to respond to local climatic conditions. This helps to ensure that properties are not only thermally efficient but also operate efficiently. VCOSS supports this outcome-based model for building standards as they believe it would help to reduce long term living costs for occupants.73

The Australian Building Codes Board introduced energy efficient measures for houses into the Building Code of Australia on 1st Jan 2003. It has been adopted by all Australian states and territories.74

The six-star standard for new homes, alterations and renovations was introduced in Victoria in May 2011, to align Victoria’s building regulations with the Building Code of Australia. The six-star standards apply to the thermal performance of a home, efficiency standards for lighting, and the installation of a solar hot water system or rainwater tank for toilet flushing. The rating applied to the building envelope including the floors, walls, roof and windows. There are several options for improving the energy efficiency of buildings, including a particular orientation for passive solar power; insulation; draught-proofing; better window design; shading; and use of sustainable building fabric. All new homes, renovations and additions in Victoria must comply with the six star standard.75

The Housing Industry Association (HIA) gave evidence that the requirements in the National Building Code of Australia and Victorian Building Regulations have an unfair construction cost burden. HIA suggested that their members must comply with the national and state regulations, as well as ad hoc local government Environmentally Sustainable Development (ESD) Policies, which are often inconsistent with
Chapter 6: Liveability and the Environment

one another. HIA also argued that although energy efficiency ratings had been increased over the past few decades, their effect had not been evaluated.76

However, the Association of Building Sustainability Assessors described six star ratings as:

…not green tape but a consumer protection measure which stops people being locked into the pain and cost of having to heat and cool an inefficient home.77

The Committee heard that sustainable building designers, developers, and home owners play a role in sustainable building practices. The Committee heard evidence from Landcorp in Western Australia that master planning and housing positioning is an integral part of sustainable housing design.

We think that we will be assisting… by ensuring that the lot sizes are correctly orientated, so you can get a lot of your benefits by making sure, first of all, you build the right house on the right lot.78

The Selandra Community Place initiative at Selandra Rise in Casey provides new homeowners with information about environmental sustainability, including ways to save water, decrease energy use, and cost save when building or renovating a home. Residents can locate information on energy efficient appliances, double glazing, water saving tips, and sustainable waste ideas.According to Selandra Community Place’s ‘double glazing’ fact sheet: up to 40 per cent of energy used to heat or cool a home can be lost through standard windows fitted with single glazed glass. Double glazing can earn residents a yearly saving on electricity of $300 – and up to 1,000kg of carbon dioxide per year for an average family.79

The Building Designers Association Victoria (BDAV) believes that:

… the government should investigate additional and innovative incentives to encourage consumers to transform their homes into environmentally-friendly buildings, particularly through incorporating effective design elements.80

As such, Selandra Community Place may be a model for providing sustainable design and living information resources for new and existing residents of greenfields developments across Melbourne.

6.5.2 Sustainable transport

Transport emits about 16 per cent of Victoria’s greenhouse gases, with private cars producing about half of the emissions from road-based transport. Transport modelling shows Growth Areas have more carbon intensive transport than other parts of Melbourne.81 A range of disincentives and incentives (rising fuel costs, increased road congestion, carbon pricing, changing attitudes, environmental awareness) to reduce carbon emissions is expected to promote a use of more sustainable transport modes (public transport, walking and cycling), along with replacement of existing motor vehicles with more fuel efficient and electric-powered vehicles. There has been a modest decline in emissions from private cars since 2004, with around 40 per cent of this decline is due to a reduction in vehicle kilometres travelled.82

In this report, sustainable transport in the context of development in the outer suburbs falls into two categories. The first consists of truly sustainable or ‘Active’ transport modes such as walking and cycling. The second involves efforts to make car use more ‘sustainable’ through the development of electric vehicle technologies and the deployment of car sharing schemes. The importance of these forms of transport, particularly active transport in promoting sustainable development in Melbourne’s outer
suburbs should not be understated. Achieving the high levels of walking, cycling and public transport uses necessary for successful Transit-Oriented Developments (TOD) are the keys of sustainable urban development. This requires reductions in car use and replacement with alternative transport systems. Public transport technologies and systems and TODs are discussed in Chapter 4 of this report.

‘Active’ transport (walking and cycling)

The provision of facilities and infrastructure that promote sustainable transport in Melbourne’s outer suburbs is important for a range of reasons. The amount and quality of accessible, pleasant, safe and attractive pedestrian infrastructure connecting origins and destinations in Melbourne’s outer suburbs has an important impact on rates of walking. Equally, provision of safe, high-quality cycling infrastructure similarly has an impact on cycling participation rates, both for recreational purposes and journeys to school, work and public transport nodes.

Figures 6.4 and 6.5 below illustrate an innovative landscape design feature of a new suburban development in Perth, Western Australia, known as the Wungong Urban Water Project (WUW). A key aspect of the Landscape Structure Plan for the site, which was developed by the University of Western Australia for the Armadale Redevelopment Authority, is the inclusion of ‘linear swales’ or ‘park avenues’ which will run in straight lines from north to south and which will provide the primary public open spaces in the development. The ‘park avenues’, which will be framed by rows of eucalypts, as well as vehicle, pedestrian and cycle routes, will also play a key role in retaining and cleaning stormwater before returning it to the Wungong River.

Figure 6.4: Park avenue in the Wungong Urban Water Project

Source: Richard Weller, 2009, Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, p.248-249.
Figure 6.5: Wungong Urban Water Project — park avenue in cross-section view.

Source: Richard Weller, 2009, Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, p.246.

Where good quality public transport services exist, the ability to walk or ride to bus stops and railway stations can increase the catchment of existing services, reduce pressure on car parking and provide an incidental benefit of increased physical activity. Improving rates of walking and cycling is also seen as important to improving public health outcomes, particularly for dealing with obesity and chronic diseases such as diabetes, alongside building social connectedness, enhancing local economic activity and reducing car dependence. Improving children’s rates of walking and cycling to school has a range of short-term benefits (reduced traffic congestion around schools) and long-term benefits (greater levels of physical activity and developing lifelong walking and cycling habits).

Generally, the provision of active transport infrastructure in Melbourne has tended to lag behind the level of demand. Similarly, the recognition of active transport’s role in Melbourne’s urban planning has also lagged, with formal recognition of cycling taking place in strategic planning as late as 2002. Previous greenfield developments in outer suburbs have largely ignored active transport infrastructure, with local transport networks designed around car use. This has created high cost and potential for conflict between different transport users in retrofitting these developments with improved active transport infrastructure. In its submission, the City of Whittlesea claims providing new and existing outer suburbs with improved active transport infrastructure is often beyond the ability of councils to implement on their own, while developer contributions cannot fully augment council funding to build a comprehensive active transport network.

There are signs that more thought is being given to including this infrastructure when new communities are being planned and constructed. The Victorian Government’s recently released Growth Corridor Plans (GCPs) and Precinct Structure Plans (PSPs) have acknowledged the need for greenfield developments on
Melbourne’s fringes to have improved active transport access to new town centres and within precincts ‘planned in’ from the start. GCPs and PSPs are discussed further in section 4.2.5 of Chapter 4.

**Walking**

American transport engineer Mr Vukan Vuchic places walking as the most fundamental transport system, as “the basic mode of travel for short trips”\(^9\). In Melbourne’s outer suburbs, walking can also provide a low-cost form of physical exercise that can connect people to public open space, local schools, community facilities and public transport stops.

The reality is that many of Melbourne’s outer suburbs are not designed as walkable places, but are instead designed around cars as the dominant mode of transport. The prioritisation of car travel over active transport is one of many factors (including lack of shade and weather protection, narrow footpaths and crossing conflicts with cars) that have adverse impacts on rates of walking in residential areas.

The Committee heard evidence that many new and existing outer suburbs are not designed for walkability. Ms Corinne Siebel, CEO Westgate General Practice Network told of the health impacts of the lack of public open space, coupled with an absence of walking and cycling paths that affect levels of physical activity\(^9\).

If the dominant type of transport technology dictates the urban form of cities\(^9\), the design of Melbourne’s outer suburbs for driveability rather than walkability has long-term impacts, not only on public health, but on liveability in general.

Mr Peter Seamer, CEO of the Growth Areas Authority (GAA) spoke of the need to address questions of liveability for today and future generations. He critiqued many recently-constructed outer suburban developments as having activity centres with its supermarkets and other services designed only to service high levels of car use, stating:

> It is all driving based. You just drive down to these areas and it is car park after car park. No-one is walking around there. No-one is walking to these things. So what the GAA is saying is, ‘Yes, sure, we need supermarkets to be efficient, but the efficiency of the supermarket or what someone can build today is not the whole of the question’. This is going to be here for the next 200 or 400 years. Everything we are doing is going to be here for hundreds of years. Think about Roman roads and all of that sort of thing. So if we get the planning of these things wrong and we do not provide these things and we are solely car based, we are making a very difficult society in the future if we actually get this wrong\(^9\).

The car dependence found in the design of Melbourne’s outer suburbs is also seen in the suburbs of other Australian cities such as Perth. Ms Marion Fulker, CEO of the Committee for Perth gave evidence that growth area suburbs are highly car dependent, particularly for one-car households with stay-at-home parents:

> …in terms of social isolation, some of those subdivisions that you might have seen in the north-west, what we hear anecdotally is there is one car in the family. Dad will typically take that to work. Mum is then reliant on her very near community, because there is not much public transport. She is relying on mothers group or something that happens around the primary school. There is not a lot in her day-
to-day world. Even getting shopping might be challenging if it is not something she can walk to. There is not a lot—you would have seen—of walking to anything, it is about driving to everything.  

Dr Vanessa Rice, Chair of Exercise and Sport Science Australia, stated:

I would go back to trying to set up communities that would support that, so having resources close to — within walking distance of — your home.

...We could set up our communities so that we have green belts through them and so we have grocery stores that are close by that can be walked to rather than having the shopping centre here, where you have to get in your car and drive there to pick up your groceries and things like that. To me all roads lead there, and they all lead by foot.

The design of roads and the allocation of road space to different uses is a critical factor in making suburbs more amenable to walking and cycling. Mr Tim Cottrell, Senior Traffic Engineer at Wyndham City Council referred to the range of expectations around the use of road corridors:

Road width is an interesting issue. There is a diversity of expectations in terms of one side pushing to narrow the streets down and slow them down and reduce speed, while on the other side a number of older residents tend to want wider streets in order to have cars parked and so forth.

...

One of the big issues we have had is that we have gone with fairly standard streets of about 7 metres with pavements, but when you get lots being subdivided further you end up creating more driveways and crossovers...

Some developers are attempting to design in opportunities to increase physical activity by creating public open space within walking distance of residential areas. Mr Andrew Whitson, General Manager Victoria for Stockland gave evidence of his company’s efforts to develop alternative land use options for new outer suburban communities. In conjunction with the GAA and other partners, Stockland is developing the Selandra Rise estate at Clyde North, in Melbourne’s Casey growth area as a demonstration project to test development models that support higher levels of physical activity:

To give you an example, (at Selandra Rise) it will be things like within our communities we try to have parks within 400 metres walking distance of every home. Is that leading to people recreating more? Is that reducing the level of childhood obesity? Is that reducing the level of type 2 diabetes within these communities? We are going to be tracking this over a period of time so that we can determine if these decisions that we are making at the planning stage are really resulting in a healthier and happy community that we deliver over a long period of time. There are going to be some really interesting results that are going to emerge there over a period of time.

Stockland’s demonstration project at Selandra Rise echoed the principles that promote improved physical activity and public health outcomes through providing public open space close to residential areas that the Committee observed in Vancouver on its visit to the District of Maple Ridge and the City of Surrey. See also the discussion at section 6.2.3 (and Figure 6.1 in that section) regarding the role of the ‘urban forest’ in the City of Surrey.
Cycling

In recent years, cycling has grown in popularity in Australia. The popularity of cycling is underscored by Australian bicycle sales, with over 1.3 million sold in 2010, an increase of 67% over 2001 sales figures. The sale of new bicycles continually outpaced car sales over the same period, with over 11.5 million bicycles sold since 2001, which represented two million more bicycle sales than car sales over that period.101

Since 1994, Melbourne has featured a ‘Principal Bicycle Network’ (PBN) as both a network in being as well as a network planning tool for future investment.102 Initially based around on-road paths on arterial roads, the PBN has also grown to encompass a range of on- and off-road infrastructure across metropolitan Melbourne and a number of ‘Bicycle Priority Routes’ (BPR) which provide priority access to key destinations and carry sufficient traffic to be integrated into VicRoads’ road management system. The PBN was comprehensively reviewed by VicRoads between 2009 and 2012 in consultation with a range of stakeholders.103 The PBN is funded from a range of sources, including: through VicRoads’ Bicycle Infrastructure program; as part of VicRoads’ road construction projects; by local councils as part of their own bicycle infrastructure programs; and through Commonwealth government funding for specific projects.104

Melbourne’s recent boom in commuter cycling is largely derived from the inner suburbs, where cyclists are highly visible and a network infrastructure is in place to service high levels of commuter cycling. In the middle and outer suburbs, cyclists are less visible and the network infrastructure for cycling is less well defined, often with significant gaps.

Bicycle Victoria (BV) view the lack of integration of cycling into the planning system as a key failure in developing better cycling infrastructure in Melbourne’s outer suburbs. BV claim that planning laws require that planning schemes only require ‘consideration’ of cycling infrastructure rather than setting minimum standards for providing new infrastructure or connections to the existing network. BV claim this leads to some strange outcomes in infrastructure and network outcomes:

… for instance a shared path encircling a school but no connections to the wider path network. Or bike lanes being placed on high traffic and high speed roads even though off-road paths are advised in the Austroads Guidelines for such locations.105

BV’s Project Manager for Healthy New Suburbs, Mr Bart Sbeghen gave evidence that in many established outer suburbs, there has been piecemeal planning and provision of infrastructure for cycling:

…the planning for these streets and public spaces is not very systematic when it comes to active transport, particularly bicycles. We found that in some of the older outer suburbs — not the ones that are being planned and developed at the moment — there is very poor provision for cycling, so people really do not have a choice about cycling because there is no safe or comfortable place for them to ride.106

He added that in recent years the integration of cycling infrastructure into the planning of new outer suburban developments was improving, driven by the range of stakeholders involved in outer suburban development:
The Growth Areas Authority and the councils, and even the developers — the better developers — are really getting it. They are not just talking the talk, they are walking the walk. There is a lack of consistency… so you might have an off-road path from the school travelling along a connector road and then it converts into on-road lanes for a short section and then back into off-road path before it reaches the wider shared path network or the off-road path network. That lack of consistency is not in the planning scheme, so if I am going to let my child ride to school, I am not going to let them ride there, because I know they have to ride on roads. That lack of consistency is not specified well enough in the planning scheme. I can say it easily, because I know the planning scheme has had a whole myriad of planning effects that predict what is going to be on the ground. We have a growth corridor plan, a precinct structure plan and a planning permit, and from the Victorian planning scheme all the way down to when the houses get built and the streetscapes get laid out. For me it is that consistency — a checklist so you can say, ‘At this level we need to do this; at this level these are the things to consider; at the planning permit we look at street crossings and how wide it is, what it is made of’ — all that sort of stuff. For me that was the big thing. People want to do it, but they have not got enough information about how to do it consistently.107

Mr Garry Brennan, Manager of Public Affairs at Bicycle Victoria, stated at a public hearing that there are a number of significant outer suburban employment clusters that are within cycling distance of nearby suburbs but that a lack of cycling infrastructure makes riding to work an unattractive option for many workers. Mr Brennan stated:

…those suburbs, say, in the east around Cranbourne, Carrum, Dandenong, and around Dandenong South — which is becoming known as the Dandenong South industrial area — is a very good example. Already you have a lot of employment there, and in future you will probably have a massive amount more of employment. You have a number of suburbs dotted around that people consider to be within riding distance. It is the same in the area to the north [City of Hume], outside of the ring road, where once again you have high concentrations of industry and then you have nearby low-density residential suburbs.108

Increasing the number of off-road cycling routes in outer suburban Melbourne is seen as important. Off-road paths are claimed to provide greater levels of safety by separating cyclists from other road users, particularly on arterial road corridors. Mr Sbeghen gave evidence that:

For those roads that are above 80 kilometres per hour, you do not go and put a bike lane on the road because, firstly, it is not really that safe, but secondly, and most importantly, no-one is really going to use it. I might use it, because I am confident, but most people are not confident in that speed environment. You are looking for something separated from the traffic.109

Aside from the safety issues where cycling paths are located on arterial roads, there are traffic management issues with conflicts over allocation of road space, especially on already congested roads and particularly where there are competing claims for road space between sustainable modes (cycling and buses). Mr Sbeghen from BV stated that taking paths off road is often the only alternative when road corridors are constrained, stating that:

Often some of the road dimensions are quite tight — there is not much room to put a bike lane in, even if you wanted to, so we are looking for alternative corridors or space in the side of the roads, in the footpaths or something like that, to provide that off-road facility.110
Inquiry into Liveability Options

This phenomenon was also noted not only in Melbourne, but also in overseas cities, particularly London during the Committee’s overseas study tour. Ms Michele Dix, Managing Director, Planning, Transport for London, informed the Committee that the significant increase in cycling in London in recent years had added to congestion and presented a serious challenge for planners with respect to the sharing of road space between cyclists and other road users. Ms Dix noted that while the number of cars in central London had declined significantly in recent years, the city was now experiencing increasing conflict between cyclists and other sustainable modes of transport, including buses, pedestrians and freight delivery vehicles.

Mr Gary Brennan of Bicycle Victoria stated that the development of an off-road cycling path network in outer suburban Growth Areas should occur through the planning system in order to ensure the allocation of sufficient space for cycle paths within road reserves or adjacent land. He also suggested that the planning system should ensure the protection of those paths as greenfield sites are developed:

…Dandenong Council is very keen on using the creeks as ways of getting people around. The other thing is that as that land develops and those industrial estates develop, especially if the port goes ahead and the rail line down to the port goes ahead, you will have massive amounts of logistics businesses going into that area. The smart thing to do would be to require the developers to put off-road bike paths in, because that will be your opportunity. There will be too much freight on the road, so you will have to go off road, but you have good greenfield sites. It is not that difficult in a new site to put an off-road bike lane in. It just sits back behind the footpath or whatever or behind the gutters. It sits off the road. It is safe, it is straight, it is easy to get to and it has proper crossings at intersections. Those sorts of opportunities are there. It just needs people to be aware of the need and to watch carefully and make sure that as the permits are granted for each new development that the proper requirements for bike lanes are put in those plans.

The value of cycling is not purely as a form of recreation and exercise, but also as a form of transport. In its submission, Bicycle Victoria outlined the role bicycles can play in meeting the transport needs of outer suburban communities:

Bikes enable people to travel distances up to 10km quicker than they can by car. But the “sweet spot” for bikes is the 2km to 5km range, which is a bit far to walk and a bit short for most motorised trips (car, bus, tram, train).

In outer suburbs most destinations are within 5km for the majority of people. For those destinations that are not (e.g. work, tertiary education) then bikes can get people to the train (or tram or bus) station just as quickly as by car, which may allow the person at home more flexibility (or economy) about how they get about during the day.

Recommendation 6.8: That the Department of Planning and Community Development, in partnership with the Interface Councils and the Growth Areas Authority, work to increase the available cycling infrastructure in Melbourne’s outer suburbs, through improved connections between linear parks and existing cycling paths.
Making motor vehicle use more ‘sustainable’

The outer suburbs of Melbourne are largely designed around the motor vehicle, which is the dominant form of transport technology in these areas. Alongside efforts to retrofit more and better public transport and active transport infrastructure, there are some emerging technologies and services that may help to reduce some (but not all) of the impacts of car dependency in Melbourne’s outer suburbs. Of these, two will be examined briefly in this report: electric vehicle technologies and car sharing or co-operative schemes.

Electric vehicles

Electric vehicle technology has begun to move from experimental and concept cars to commercially available vehicles in recent years, with major car manufacturers such as General Motors, Nissan, Toyota and Mitsubishi importing small numbers of electric cars into the Australian market. Locally, General Motors Holden is building ‘proof of concept’ electric models of their existing ‘Commodore’ and ‘Caprice’ cars.115

Since 2010, the Victorian Government has conducted an Electric Vehicle Trial in Melbourne to provide information on the long-term operation and sustainability of electric vehicles in Australian conditions to determine the benefit of electric vehicles to individual users and the wider community. In 2010 and 2011, 120 households were selected, along with a number of fleet operators to take part in a trial assessing economic, environmental, operating and infrastructure factors of electric vehicles.116 The trial is due to conclude in mid-2014.117

The Centre for Education and Research in Environmental Strategies (CERES), located in Brunswick, has also joined the Victorian Government’s Electric Vehicle Trial. As part of the trial, the Department of Transport has loaned CERES a Mitsubishi i-Miev for use in its Education Programs. Notably, CERES is also the location of Victoria’s first solar-powered electric vehicle (EV) charging station.118

In October 2012, the Victorian Minister for Transport, the Hon Terry Mulder MLA, announced that Victorian businesses would be invited to trial electric vehicles in their car fleets as part of the Electric Vehicle Trial. The initiative is aimed at providing Victorian business, such as corporate fleet operators, car-hire companies, car-share operators, and event organisers with an opportunity to test electric vehicles, to enable them to plan how the technology may be used by their businesses in the future.119

Unlike vehicles using petrol, diesel or LPG and hybrid vehicles, electric vehicles require a new network of infrastructure to charge the batteries that provide motive power for the vehicles. Most charging by participants in the Victorian Government’s current trial occurs at homes. At the time of writing, there were 19 public charging points around Melbourne,120 including two charging stations at Federation Square which are available free to participants in the Electric Vehicle Trial.121

There is significant potential for electric vehicles to contribute to the liveability of people living and working in Melbourne’s Growth Areas. Electric vehicles have significantly lower running costs and produce less pollution than conventional vehicles. When powered by renewable electricity sources, electric vehicles emit no greenhouse gases. In addition, an electric vehicle can typically travel 100-150 kilometres on a single charge, while the average daily distance travelled by a motorist in Melbourne is 40 kilometres.122
Other Australian (Perth) and overseas (San Francisco) cities are trialling or implementing electric vehicle systems.123

**Car sharing and car cooperatives**

Car sharing is a model of car rental which sees cars rented out for short periods of time (as short as one hour). The key principle behind car sharing is that the individual can gain the benefits of using a private motor vehicle without the associated expenses and responsibilities of car ownership. Car share schemes can utilise cars more intensively over a given period of time than cars with a single owner or user. Typically, car sharing members pay a joining fee, an annual membership fee and an hourly rate for use of the car. Other running car running costs (such as petrol, maintenance, registration and insurance) are paid for by usage and membership fees.

Car sharing schemes have been operating in the City of Melbourne since 2005 and have spread in recent years to a number of adjacent inner-city LGAs including the Cities of Yarra, Moreland, Port Phillip and Moonee Valley. They also operate in Sydney and in a number of overseas cities visited by the Committee including London, Toronto and Vancouver as well as other cities in Europe and North America.124 Initial car share companies were small businesses operating with relatively small fleets. In recent years, car share companies have grown and in some cases, these small companies have been acquired by car rental companies. In December 2010, early Australian car share company Flexicar was purchased by multinational rental car operator Hertz to grow its ‘Connect by Hertz’ car share business.125

Car sharing schemes works best in higher density urban environments where a range of factors combine to ensure success. High residential densities in inner city areas create constraints to car ownership and parking, while the large residential population and good walking, cycling and public transport networks both suffices for most journeys and also provides a large catchment of potential users for car share services. Among the benefits claimed by North American proponents of car sharing is that each share care removes from 4.6 to 20 cars from the road (either as cars sold, or cars foregone or not purchased), reductions in average monthly transport costs and vehicle kilometres travelled.126 Sustainability Victoria in its submission claims the development of sustainable urban precincts would support more sustainable transport solutions such as car sharing.127

Greenfields developments on Melbourne’s fringes do not have the preconditions necessary for a successful car sharing business model. Supply of roads and parking are relatively unconstrained, residential densities are low and walking, cycling and public transport networks may not widen the catchment for a car sharing service enough to make one economically viable. For these reasons, the extent to which car sharing will form part of the sustainable transport solution that will improve liveability in the outer suburbs is currently unclear. The Committee therefore considers that a trial should be conducted, in relatively established suburbs such as Caroline Springs and Point Cook, to assess the viability of such schemes in Melbourne’s outer suburbs.

**Recommendation 6.9:** That the Victorian Government, in conjunction with Local Government, initiate a car sharing trial in one or more established outer suburbs in order to assess the current and future viability of car sharing in Melbourne’s outer suburbs.
6.5.3 Sustainable water use

In recent years, Victoria and Melbourne faced almost a decade of below-average rainfall and drought conditions. Depleted water storages and demand for water has led to a range of responses to reduce water usage. Recycling wastewater and its distribution as an alternative to drinking water for a range of uses (including crop irrigation, horticulture, industrial processes, residential use and watering public open space) played an important role in reducing consumption of water during the drought.

Providing the infrastructure to supply recycled water to users has been relatively straightforward in outer suburban Melbourne, with mains water supply to households and businesses being provided at the time of development through laying a network of 'purple pipe' that provides recycled water as part of a dual-pipe reticulated water supply. Three of Melbourne’s water retailers are either supplying or planning to supply thousands of homes in outer suburban Growth Areas in Melbourne’s north, west and south-east. This makes Melbourne the leader among Australian capital cities in the use of recycled water. The Living Victoria Ministerial Advisory Council was appointed by the State Government in early 2011 to provide independent advice for consideration by Government on the changes needed to achieve the Government’s aims for urban water. The Council has provided the Government with a Roadmap and an Implementation Plan for urban water in Victoria.

The Living Melbourne, Living Victoria Roadmap published in March 2011 presents the findings from the Council, including strategic reform priorities and the changes required to deliver the objectives of the Government’s Living Melbourne, Living Victoria policy.

The Roadmap highlighted the link between water management and urban liveability. The Roadmap found good water management can improve liveability by mitigating urban heat; enabling access to secure and safe water supply; supporting green landscapes; reducing energy consumption; nurturing quality open spaces for residents to enjoy; and acting as flood mitigation.

During the Committee’s hearings in Perth, Western Australia, it heard from Professor Weller from the Urban Design Centre at the University of Western Australia, who summed up the critical role of water in Australia’s future, in the following terms:

*Water will be the main problem because we are losing water. We still send water out into the ocean. All future developments will have to harvest water. Water is the new gold. Every surface of the city will have to harvest water and filter it.*

Urban development usually results in increased water waste because hard surfaces in built up urban areas often result in a higher proportion of rain water becoming runoff. The increased level of contaminants in run-off pollutes streams, rivers and bays and degrades water quality through the pick-up of street pollutants.

The opportunity to integrate water planning with urban planning in master-planned communities and greenfield sites presents itself early in the process and can significantly affect the water cycles in the region.

Water is an essential resource for communities, environment, industries and the economy. Rapid and significant population growth in the outer suburbs requires pre-planning for water management. It is
likely that population change and growth will put pressure on the availability of water if not appropriately managed.  

The *Living Melbourne, Living Victoria Roadmap* suggested that growth in the outer suburbs should be integrated with water planning and that new communities should be designed to minimise water usage and maximise other benefits such as amenity of open space, and the cooling effects of green streetscapes and healthy waterways. The *Roadmap* suggests that precinct scale planning provides an opportunity to integrate large scale water and energy planning into developing communities. The Committee notes that rainwater harvesting for domestic use and for use on sporting fields has become increasingly common in Melbourne’s outer suburbs over recent years. The Committee also recognises the collaborative efforts between Victorian industries, the Victorian Government and local governments in rainwater harvesting, for example from shopping centre roofs.

Wyndham City Council, in its submission to the Inquiry, provided an example of successful integrated water planning that is currently occurring in Melbourne’s Growth Areas. The Council stated that it has worked closely with City West Water on the West Werribee Dual Supply project, which aims to supply Class A recycled water to at least three large new housing estates, a number of Council’s open spaces and Werribee racecourse. Additional treatments to further reduce salt content will be undertaken by City West Water before the treated water leaves the Werribee treatment plant. This is in addition to the 300-400 million litres of recycled water currently supplied to the Werribee Employment Precinct. Wyndham City Council also stated that the greening of Wyndham and future drought proofing measures have significant environmental, public amenity and public health benefits.

Mr Bill Forrest, Director of Advocacy at Wyndham City Council, told the Committee that there is good use of recycled water and third pipe systems in Manor Lakes and the Council hopes that this will give them the capacity to water street trees and reduce the harshness of the microclimate resulting from limited vegetation around Wyndham. The Council suggested that much better water sensitive urban design would allow them to “green up the streets”.

Wyndham City also provides recycled water for the maintenance of open space and recreational facilities. Tennis Victoria, in its submission to the Inquiry, referred to the Water Security Plan that had recently been completed by Wyndham City Council, which aims to ensure an ongoing water supply for sporting and open space areas in the municipality. Council will have Class A recycled water available at a number of new facilities (and some existing facilities) which will allow the retention of porous tennis courts. The Committee for Wyndham also advocated in their submission for the provision of secure “fit for purpose” recycled water and water sensitive urban design.

Hume City Council gave evidence of a long history of using recycled water. The Council’s alternative water supplies include a range of sources including stormwater harvesting; recycled treatment plant water; and bore water.

These are all examples of local government practices that can be replicated to increase the use of recycled water across the outer suburbs.

**Finding 6.3:** Recycled water represents a valuable resource for the maintenance of open space and recreational facilities in Melbourne’s outer suburbs.
However the *Living Melbourne, Living Victoria Roadmap* points out that only 10 GigaLitres (GL) of 463 GL of available stormwater is reused and only 21 GL of 297 GL of water recycled from sewage for use in parks and gardens are actually used for that purpose. The report goes on to say:

We need to act quickly if we are to capture the benefits of more efficient development in the forward planning for Melbourne’s newest Growth Areas. Major opportunities for smarter water use are lost with every new development that is not designed with this as a critical design requirement.\(^\text{143}\)

The GAA’s *PSP Notes for Integrated Water Management* set out the issues to be considered when preparing a PSP. It does not consider detailed design issues but it requires each PSP to have an Integrated Water Management Plan (IWMP). The aim of the IWMP is:

\[
\ldots \text{to identify and bring together relevant water strategies and to consider land use impacts and opportunities as part of the overall approach.}\(^\text{144}\)
\]

The IWMP aims to show how water will be used throughout the precinct and the GAA encourages innovative ideas during the development of PSPs.\(^\text{145}\)

The GAA gave evidence to the Committee regarding the implementation of an IWMP for Cranbourne’s draft Botanic Ridge PSP. Mr Peter Seamer stated:

Rainwater falling on roofs or roads will go into a nice pond — a nice retarding basin, as engineers would call it — but which also will be a feature for the local area, and that will get fed back into purple pipe.\(^\text{146}\)

The GAA spoke to the Committee about increased surface run-off in built up areas and the importance of using this water to green the suburbs. Mr Seamer stated that it was important to reduce increases in water affordability by planning for water sensibly and early. Mr Seamer gave evidence that the GAA:

\[
\ldots \text{have been through a full economic exercise, with about 15 alternative ways of handling the water, and we have come up with what we believe is the right one, which we have agreements with the different water authorities on. This is presumably breaking new ground for Victoria, and I wanted to let you know that this is going into our planning}\(^\text{147}\)
\]

The GAA has stated that *PSP Notes for Integrated Water Management* may need to be revised to recognise any changes to integrated water management policy arising out of the *Living Melbourne, Living Victoria Roadmap*.

The Committee is of the view that planning for integrated water management in Melbourne’s Growth Areas is important for the future liveability of the outer-suburbs. Growth Area developments provide opportunities to integrate recycled water planning in communities early so that sustainable water management strategies become a part of new communities from the beginning. The Committee considers that the *PSP Notes for Integrated Water Management* should be updated in light of the recent *Living Melbourne, Living Victoria Roadmap*.

**Recommendation 6.10:** That the Growth Areas Authority updates its *Notes for Integrated Water Management* to incorporate the findings of the *Living Melbourne, Living Victoria Roadmap*. 

- 425 -
Inquiry into Liveability Options

The Committee acknowledges the positive steps that growth area councils have taken toward integrating sustainable water management practices in their municipalities. The Committee considers that commitment to the National Urban Water Planning Principles, in addition to further investment in research into new and innovative strategies, will ensure continuing commitment to sustainable practices and water use in Melbourne’s outer-suburbs.

### 6.5.4 Energy and waste

The Committee received relatively little evidence on the sustainability of current and future energy generation (such as electricity and gas) or the sustainability of current waste management and minimisation practices in Melbourne’s outer suburbs. However, these are clearly issues with profound implications for the long term sustainability of Melbourne’s outer suburbs.

During a briefing in Zurich, Mr Alexander Herzog, Expert for Energy, Office for Waste, Water, Energy and Air, Government of the Canton of Zurich, informed the Committee that energy efficiency is increasingly seen as the key strategy for minimising the need for additional power generation capacity in the Canton of Zurich. Mr Herzog outlined the MINERGIE system, which is used throughout Switzerland as a rating system for the energy efficiency of new and refurbished buildings. To meet the main MINERGIE standard, a building must consume no more than 75 per cent of the total energy consumption (and no more than 50 per cent of the fossil fuel consumption) of an average home.148

Mr Herzog informed the Committee that the State Bank of Zurich, as well as a number of other banks in Switzerland, now offer a 0.5 per cent reduction on mortgages rate for the first five years for homeowners who build a house to the MINERGIE standards. This concession is in recognition of the fact that it is easier for homeowners to pay a mortgage when they have lower heating and other utilities expenses.149

During the overseas study tour, the Committee also received information on the Energy Centre that was constructed for the 2012 Olympics, which will continue to provide power and heat for the residents of the new communities that will be established in the area after the Games. The Energy Centre uses biomass boilers (which consume sustainable fuels such as woodchips and gas) to generate both heat and low-carbon energy.150

In Zurich, the Committee received information on the Josefstrasse waste incineration power plant, which processes municipal waste to generate (CO₂ neutral) heat for the Zurich West district. The heat generated by the plant is used to heat buildings within a five kilometre radius, including Zurich’s main train station. The plant uses a modern flue gas cleaning system and operates significantly below applicable emission limits in Switzerland and Germany.151
Figure 6.6: Josefstrasse waste incineration power plant

The London Energy Centre and Zurich’s Josefstrasse waste incineration power plant provide examples of the future potential of ‘distributed generation’ (the local or on-site generation of electricity) and the sustainable use of waste in residential suburbs, particularly in greenfield sites and as part of the urban renewal of brownfield sites.

6.5.5 Biodiversity and conservation

The preservation of Australia’s biodiversity (a term which refers to the variety of plants and animals in a given area) is increasingly recognised as one of the nation’s most significant environmental challenges. Recent research has found that biodiversity in Australia is in decline, with more than 17,000 species and ecological communities currently under threat.152

Professor Weller of the Urban Design Centre of Western Australia stated during a public hearing in Perth that:

[biodiversity and loss of habitat] …is a really big issue in terms of soil quality. The country will break at a certain point if we keep pushing it. Human beings are connected to that, although we think we are not. That is a big issue. That is what is left. With the carbon economy, there is re-vegetation, and habitat restoration is not going to be a fringe, green idea. I think it might become more mainstream...153

Nillumbik Shire Council suggested that the Liveability Inquiry should:
Inquiry into Liveability Options

... respond to what is important and unique about Interface municipalities in comparison to other metropolitan councils, such as, to recognise the value of biodiversity and open space in an urban setting.154

The following section outlines the current governmental approach; and explores the evidence provided to the Committee on the issue of biodiversity.

In November 2011, the Victorian Department of Sustainability and Environment published the Biodiversity Conservation Strategy (BCS) for Melbourne’s Growth Areas Draft for public consultation. The strategy identifies land for conservation, additional to the existing conservation areas zoned Rural Conservation Zone through the Planning Scheme Amendment VC68.155

Some of the issues described in the evidence received during the Inquiry into Liveability Options in Outer-Suburban Melbourne are addressed in the BCS. The BCS was published in November 2011, after the majority of submissions to this Inquiry had been written and submitted, therefore stakeholders could not have been informed about the BCS at the time of writing their submissions.

The draft BCS applies to Melbourne’s western growth area (Melton and Wyndham); Melbourne’s north-western growth area (Hume); Melbourne’s northern growth area (Hume, Whittlesea and Mitchell); and Melbourne’s south eastern growth area (Casey and Cardinia).156

Draft Growth Corridor Plans prepared by the GAA in November 2011 set out the regional framework for the preparation of PSP within Growth Areas. These are informed by the BCS and illustrate the location of environmentally sensitive areas and important waterways.157 Draft Sub-Regional Species Strategies have also been prepared for the growling grass frog, southern brown bandicoot and golden sun moth.158

The Biodiversity Strategies for each of the Growth Areas are intended to inform the development of Growth Area Framework Plans. Each BCS must be approved by the Commonwealth Government prior to the finalisation of the Growth Area Framework Plans.159

The draft BCS establishes conservation measures for Growth Areas for matters of national and state environmental significance, including those established by Victoria’s Native Vegetation Management: A Framework for Action.160 Victoria’s Native Vegetation Management: A Framework for Action guides the assessment of any proposal to remove native vegetation. A planning permit is required for the removal of native vegetation unless an exemption applies.161

Biodiversity and delays in development

The Property Council gave evidence to the Inquiry that the delays in growth area precinct structure plans are caused, in part, by arguments around biodiversity considerations and the negotiations between landowners, developers, Department of Sustainability and Environment (DSE), Department of Planning Community Development and the GAA.162 The GAA also stated that biodiversity was one of the contentious parts of the corridor planning process.163

Mr Bryce Moore, Chairman, Property Council of Australia, stated that there is a:

... lack of certainty around what is developable land and what is not, what we will have to set aside for native vegetation or biodiversity conservation, what we can remove by paying an offset and what is simply developable.164
Mr Moore said that there is insufficient data and mapping available to strategically plan for both development and conservation:

At the moment, because there is not certainty for conservation interests or for development interests either, what is happening, particularly in a situation like Truganina South, is that we come to look at a PSP or to consider development or conservation issues in the context of one precinct structure plan area, and both of the interests are fighting as hard as they possibly can for their outcome because we are fighting for it patch by patch rather than taking a strategic approach to the identification of what can be developed across a whole region or across the north and the west, which is where the issues really exist.165

The Property Council advocates the completion of biodiversity mapping across the outer suburbs, especially in relation to the golden sun moth and the western plains grasslands. The Property Council's contention was that if such conservation areas are to be preserved, they should be declared off limits for development through a mapping exercise, and biodiversity mapping information should be made available to developers as soon as possible.166

Ms Cunich stated:

The bigger issue here at the moment...is that it has been dealt with on a precinct-by-precinct basis without looking at the whole of this north-western area, for instance. So if you knew what your reserves were for future planning, then you could fast-track the development of that land... With the land that was recently brought inside the urban growth boundary there is a very strong view that if it was just left there as native grasslands and biodiverse-sensitive areas and you were not able to develop them, we would lose possibly half of that land being brought inside the boundary that cannot be developed. So you are cutting your 50,000 hectares down to 25,000 hectares that may be able to be developed.167

The Property Council supports the intent and objectives of the strategic impact assessment concept but suggested in their hearing evidence that such assessments are currently being made on an ad hoc basis with limited information. Their evidence suggested that this process, uninformed by regional biodiversity mapping, results in reduced investment in Growth Areas, slow development by developers, and slow infrastructure provision by local and state government.168 At the time of writing, the draft BCS and draft Sub-Regional Species Strategies had yet to be finalised.

Recommendation 6.11: That the Victorian Government increase its investment in mapping technologies to ensure that the biodiversity values of developable land within the Growth Areas is determined well in advance of the planning and development phases for those areas.

The draft BCS and draft Sub-Regional Species Strategies are aimed at addressing these concerns. For example, the draft Golden Sun Moth Sub-Regional Strategic Plan is based upon the recently compiled native vegetation dataset for the Growth Areas; records of the golden sun moth’s confirmed habitat; and maps based on this analysis that identify land within Growth Areas that potentially requires protection.169
Mr Chris Banks of the GAA gave evidence to the Committee that the new Growth Corridor Plans will provide a context in which the development industry can work constructively. Biodiversity and environmental sustainability is one part of that context and the BCS and associated documents are intended to inform Growth Corridor Plans.

An important goal of the draft BCS is to further investigate the biodiversity values of land to determine whether protection for conservation is required and/or the exact protection boundaries. In addition, the draft BCS includes the identification of 'Potential Conservation Areas' that require further investigation, on the basis that complete data is as yet unavailable.

The clearing of native vegetation or threatened species habitat on land within the Growth Areas that is not identified as Conservation Area land or Potential Conservation Area land under the draft BCS will remain subject to offsets (i.e. revegetation in other areas), compensatory habitat and salvage and translocation requirements.

**Finding 6.4:** The mapping, data collection and development of a Biodiversity Conservation Strategy for Victoria should reduce uncertainty for both developers and conservationists.

The BCS does not require future protection of matters of national environmental significance and state significance that are not currently known to occur in the Growth Areas, including those not currently listed under Commonwealth or State legislation. This provides further certainty regarding future development.

However there remains some uncertainty as to whether land outside of rural conservation zones, conservation zones and potential conservation zones, can only be developed by paying an offset, or are developable immediately.

As discussed above, the Committee heard evidence during this Inquiry that indicates that further investigation of the conservation values of Melbourne's Growth Areas should occur as a matter of priority. The Committee is of the view that establishing clear conservation boundaries early has the capacity to increase investment in Growth Areas and speed up development and infrastructure provision. The Committee considers that the BCS and completion of data collection identifying biodiversity in Growth Areas will assist with delivering these outcomes.

The Committee considers that the existence of potential conservation areas reduces certainty for residents, environmental groups, and developers, and that all growth area conservation areas should be identified as soon as possible.
**Recommendation 6.12:** That, as a matter of priority, the Department of Sustainability and Environment publicise its findings regarding potential conservation areas in order to expedite the establishment of clear conservation boundaries. The effectiveness of the conservation areas and their boundaries should be subject to an annual review process, the results of which should also be published by the Department.

**A regional biodiversity approach**

During the study tour to Perth, the Committee received evidence from Professor Richard Weller of the Urban Design Centre who stated that when planners and developers are constructing a new suburb, it is important that they are provided with a geographical area that does not include pockets of conservation land in order to optimise the urban design of the suburb. Professor Weller also noted that developers generally prefer to make a financial contribution to conservation and agricultural areas such as wheat belts and national parks than develop around small areas of conservation land. Professor Weller stated:

> [Developers] also know that they need to try and protect remnant habitat. That frustrates them a lot because they lose a lot of yield. The planners say, 'Here we go, the environmentalists are telling us to save this creek line and revegetate it, but that makes it hard for us to design a really dense strong community and give it good urban form,' so there is a discrepancy. They would rather say, 'Let us bulldoze it and get on with building a real community and we will invest in a national park somewhere else and get serious about ecology, instead of trying to weave the two.'

Similarly, Mr Bryce Moore, stated:

> By allowing us to remove that vegetation area that will not be a sustainable patch in the long term — a couple of house blocks in an area — rather than setting it aside as open space, and by making me pay an offset for it, they can take the offset that I have paid and use it to fund the acquisition of a larger reserve. That is a much more sensible outcome, and you will not be left with funny little grassland reserves that in 10 years’ time are not grassland reserves at all dotted throughout the urban fabric of the city.

The establishment of the Western Grassland Reserves outside Melbourne’s UGB represents a recent example of the adoption of this approach. The intention is that the Western Grassland Reserves will offset unavoidable clearing of native vegetation in Growth Areas.

The City of Whittlesea, in its submission to the Inquiry, stated that sustainability issues are given insufficient consideration during the early stages of the strategic planning process. The submission suggested that community knowledge, attitudes, and capacity present strong barriers to achieving sustainability. In addition, financial barriers and a lack of landholder knowledge and expertise about sustainable land management practices were identified as factors that compound the issue.

The proposed Developer Contributions Plans Clyde North, Casey and Truganina South have been identified as likely to increase the cost of providing offsets, as well as conservation areas for the Golden Sun Moth and other protected species.
6.6 Containing and transforming Melbourne’s outer suburbs

6.6.1 Agricultural urbanism

Agricultural urbanism is defined as a “planning, policy, and design framework that focuses on integrating a wide range of sustainable food system elements into urban planning projects and neighbourhoods.”\textsuperscript{181} Agricultural urbanism is aimed at altering the historically strict division between urban and rural land to enable both the increased production of food within cities, as well as the preservation of extensive tracts of valuable and productive agricultural land within the metropolitan area.

The Committee heard from a number of stakeholders that the semi-rural (and in some cases predominantly rural) character of Melbourne’s Interface Councils is a highly attractive feature from the perspective of both current and prospective residents and one that makes a significant contribution to the liveability of such areas.\textsuperscript{182} However, the Committee also received evidence on the extent to which Melbourne’s suburban expansion has occurred at the expense of large tracts of previously productive agricultural land. Moreover, during its site visits to the Interface Councils, the Committee witnessed several current examples of the establishment of new housing estates, comprised of predominantly single storey detached housing, on productive agricultural land. Information provided to the Committee during the overseas study tour confirmed that many cities around the world are currently grappling with the same challenge.

According to the Australian Farm Institute, increased consumer knowledge, a preference for locally-produced and accessible food have also played a part in raising concern around food issues. Policy makers at national, state and local level have also increasingly become aware that, despite an abundance of land in Australia, there is a small, and diminishing, amount of prime agricultural land available for agricultural production.\textsuperscript{183}

Melbourne’s urban fringes contain some of state’s most highly productive agricultural land. The regions around Port Phillip and Western Port are the state’s second highest producers of agricultural products, with output per hectare four times the Victorian average.\textsuperscript{184} While agriculture forms a declining proportion of Melbourne’s economic activity and employment, it remains an important part of the Victorian economy, producing 27 per cent of Australia’s agricultural output, valued at around $10 billion (or 3.3 per cent of Victoria’s Gross State Product), employs approximately 89,000 people, occupies around 60 per cent of Victoria’s land mass (approximately 3 per cent of Australia’s arable land) and accounts for 65 per cent of the state’s annual water consumption.\textsuperscript{185}

Land in, or abutting Melbourne’s urban Growth Areas contain land of high agricultural productivity that are important to the Victorian economy. The alluvial river flats to the east of Bacchus Marsh are highly productive in fruit and vegetables;\textsuperscript{186} the irrigated agricultural ‘food bowl’ around Werribee produces fruit, vegetables, meat and dairy\textsuperscript{187} and the recently-identified ‘Bunyip food belt’ stretching through Melbourne’s south-east\textsuperscript{188} are three examples of highly-productive agricultural land in close proximity to the urban fringe. There are also a range of value-added activities that take place in these agricultural areas, including winemaking in the Melton and Hume Growth Areas and on the Mornington Peninsula; while breeding and training thoroughbred horses are major activities in the Cities of Casey (around Cranbourne) and Melton.
The preservation of productive agricultural land was one of the criteria that informed the assessment and recommendations in the November 2011 report by the Logical Inclusions Advisory Committee to the Minister for Planning. In recommending the inclusion of approximately 6,000 hectares within the UGB across all seven of the Growth Area Councils, the Advisory Committee was guided by clause 14.01-1 of the State Planning Policy (among others), the objective of which is “to protect productive farmland which is of strategic significance in the local or regional context”.

Some of the logical inclusions recommended by the Advisory Committee, all of which were subsequently endorsed by the Minister, will involve “some loss of areas of prime agricultural land” (see for example Cardinia Area 3, which is discussed in the Committee’s Report No 2: South East Growth Area).189

The Victorian Government’s recent Discussion Paper for the new Melbourne Metropolitan Planning Strategy canvassed ways in which the protection of agricultural and conservation land beyond Melbourne’s UGB could be strengthened in the future. The Discussion Paper states:

*Areas outside the current Urban Growth Boundary need to be planned in the context of the wider regions of which they are a part. These areas extend beyond Melbourne into regional Victoria. Rural areas around Melbourne need to be planned to reinforce their agricultural role and conservation values.*190

Professor Richard Weller, Director of the Urban Design Centre of Western Australia, told the Committee that the days of food production effectively being quarantined beyond metropolitan areas are over. He said there needs to be a new approach to integrating agricultural production and residential environments, which is “not the way we have done things in the twentieth century.” He also stated that residential development and agriculture need to be interwoven with natural habitat to create a complex landscape that is productive on all levels.191

On a national scale, Professor Weller stated:

*We can feed 50 million people, but we export our food. If we grow to 40 or 50 million people, we can feed them, but you need to bear in mind that we only do that by dumping 200 million tonnes of fertiliser on this country every year which ruins all the water systems and so on. The Murray Darling is in a state of palliative care. The wheat belt is full of salt in the west. We are trying to release more land up in Kununurra and the Ord but it is not a huge food bowl, not yet. Food is a big issue.*192

Professor Weller suggested that increasing the density of suburbs enables the retention of open space for food production.193 During the Committee’s visit to Vancouver in May 2012, Mr Adrien Byrne and Mr Bob Ransford, of the Urban Development Institute of British Columbia informed the Committee of the concept of ‘agricultural urbanism’ practiced in Vancouver and a number of models that support that concept. Mr Byrne and Mr Ransford described agricultural urbanism as one model for meeting the challenges posed in areas where agriculture and urban development meet. Agricultural urbanism is the integration of agriculture and urban development and includes an emphasis on developing social understandings of the link between agriculture and food production, and the integration of agriculture into the local urban communities economy.194 The UDI representatives gave evidence that for integration to be successful people who live on the urban interface need to value the agriculture and farming occurring on the other side of the urban interface boundary.195 According to UDI, the concept of agricultural urbanism blurs the boundaries of urban and agricultural, softening the political arguments
about where urban growth boundaries should begin and end, and whether they should be changed over
time.

Ms Mary Beth Rondeau, Senior Planner – Area Planning and Development, City of Surrey in British
Columbia, informed the Committee that Surrey has large amounts of agricultural land that the agricultural
land reserve constrains development, and the protection of land by the agricultural land reserve is valued
by local communities.196

The Committee heard that British Columbia’s Farm Practices Protection (Right to Farm) Act 1995 legislates the
rights of farmers to farm productively in areas zoned Agricultural Land Reserves, protecting them from
nuisance law suits and council by-laws.197 Evidence presented to the Committee suggested this kind of
legislation is realistic because agricultural production must be treated as a business, and local urban
communities can gain from an appreciation of the value of agricultural production.198

For the British Columbian model of agricultural urbanism to work, it requires higher density living in
urban communities. The profit generated from increased density is used to integrate agriculture into the
social fabric and economy through farming education and subsidisation of farming.199 For example, the
Committee heard about models for agricultural education that are designed to encourage younger
generations to embrace farming as a contemporary career, including through programs introduced by a
local university in a particular interface area.200

Mr Bob Ransford of the Urban Development Institute of British Columbia (UDIBC) informed the
Committee of his involvement in an agricultural urbanism project under which ownership of farmland
had been turned over to the local authority which in turn leased the farmland to farmers who would not
otherwise be able to afford purchase the land due to the effect of speculation on the land prices at the
urban and agricultural interface. He explained that the commercial heart of the residential development
associated with the project would retain a focus on agriculture through a permanent farmer’s market.201

Mr Ransford spoke of the incubator, mentor and enterprise farm models which are concepts that have
been used in the United States of America that the UDI is interested in using in the British Columbian
context. Incubator farms assist farmers who have successfully completed agricultural training in starting
small scale agricultural production by subsidising leased land on the interface. Incubator farmers are also
supported by one another through co-operatives that reduce the cost of production through the shared
use of machinery or common infrastructure. Mentor farms are for farmers who have successfully farmed
for a few years and want to expand their production and involve subsidisation of larger tracts of land for
longer leases.202 These farmers are mentored by larger scale farmers producing goods in the immediate
area, and who are keen to increase the scale of farming in the area to reduce distribution costs. Enterprise
farms are much larger farms for successful farmers with longer land lease tenures of twenty-twenty-five
years.203 Mr Ransford also referred to the role of the Agricultural Land Reserve Commission and local
governments in the protection of agricultural land, noting that both are responsible for the development
of a plan to integrate urban and agricultural uses prior to the extension of the urban containment
boundary.204
Similarly, Professor Marc Angelil, Deputy Director of Network City and Landscape (NSL) at ETH Zurich (the Swiss Federal Institute of Technology in Zurich) informed the Committee that farming no longer represents an attractive career to young people in Switzerland and that there is a need to redress this situation.205

The evidence gathered by the Committee demonstrates that a new approach is needed in order to preserve agricultural land and production in the interface regions of Metropolitan Melbourne. Agricultural urbanism represents an innovative approach for striking a balance between urban development and agricultural production in Melbourne’s interface regions. In addition, the concept of integrating agriculture in the identity of new fringe communities through the local economy and agricultural education should be encouraged by all levels of government. The hierarchy of incubator, mentor and enterprise farms to be a powerful model that has the capacity to increase the uptake of farming by young people in the interface regions. The Committee also notes that the model of agricultural urbanism described by Mr Ransford of the UDIBC has significant potential as a model of future urban development for Melbourne’s peri-urban municipalities.

During Vancouver leg of the overseas study tour, the Committee gathered information on Vancouver’s methods for protecting agricultural land on its urban fringe through the planning system. Metro Vancouver’s Regional Growth Strategy – Metro Vancouver 2040 has defined an Urban Containment Boundary (UCB). The UCB has been in place since 1996206 and is designed by Metro Vancouver to:
Inquiry into Liveability Options

… establish a stable, long-term regionally defined area for urban development. The establishment of the Urban Containment Boundary will reinforce the protection of agricultural, conservation and rural areas, and provide predictability for locating urban uses, major regional transportation and infrastructure investment.207

The first land use goal of Vancouver’s Regional Growth Strategy, is to ‘Create a Compact Urban Area’ by containing development within the UCB. This goal is achieved through co-operative action from other regional authorities (Translink and the Greater Vancouver Sewerage and Drainage District) in withholding transport services, water supply and sewerage infrastructure to areas outside the UCB and by requesting Federal and Provincial (State) agencies to direct their investment and infrastructure to areas within the UCB.208 Once set, the UCB is difficult to change, requiring regional public hearings and a two-thirds weighted majority vote from the Greater Vancouver Regional District (GRVD) Board.209 The GRVD Board consists of 37 Directors representing the region’s local governments and First Nations peoples (people descended from the indigenous population that inhabited Canada prior to European settlement).210

The UCB was designed with the protection of agricultural land and food production for Greater Vancouver as the first principle, with a range of desirable environmental and social outcomes as secondary principles.211 One effect of the UCB on the growth of Vancouver has been to refocus development inwards into established areas, as the urban fringes are closed off to urban development. Mr Adrien Byrne of the Urban Development Institute of BC described how protection of the Agricultural Land Reserve around Vancouver with the UCB forced planners to increase density in Vancouver’s urban core and existing settlements to in the face of Greater Vancouver’s fast growing population.212

Mr Byrne’s view of the need to increase density in Vancouver’s core without the ‘safety valve’ of expansion on the urban fringe was borne out in the Committee’s discussions with Mr Gaetan Royer, Manager Metropolitan Planning, Environment and Parks, Metro Vancouver. Mr Royer stated that urban containment is not considered to be an end in itself but is also seen as a way of managing a range of urban and environmental planning issues, including: maintaining environmental sustainability and mitigation of climate change effects; protecting air and water quality, open space; and fragile ecosystems and the retention of agricultural land and improved food security for Greater Vancouver. 213 The Committee notes, however, that Vancouver’s UCB has apparently also contributed to the marked decline in housing affordability that has been experienced in the city in recent years. The subject of urban containment boundaries and their impact on housing affordability is discussed by the Committee in Chapter Three.

Recommendation 6.13: That the Victorian Government inquire and report on the application of the principles of agricultural urbanism in each of the Interface Councils, including the possibility of integrating such principles in Victoria’s planning system.

report contained a recommendation that “the Victorian Government, higher education providers and the agriculture sector work together to identify measures to attract students into agricultural research” (Recommendation 43). The Committee considers that there is a need for a similar partnership approach between the Victorian Government and higher education providers with respect to agricultural production in Melbourne’s outer suburbs.

**Recommendation 6.14:** That the Victorian Government investigate the creation of a partnership with higher education providers for the provision of agricultural education in the outer suburbs of Melbourne.

**Recommendation 6.15:** That the Victorian Government and the Interface Councils investigate Vancouver’s hierarchy farm model, as a possible means of encouraging younger generations in the interface areas of Melbourne to consider agricultural careers.

The Committee heard evidence that food security and the loss of agricultural land to other uses is an issue being considered by State Parliaments across Australia. A recent Australian Farm Institute (AFI) report, *Does Australia Need a National Policy to Preserve Agricultural Land?*, noted that there are efforts currently underway in both New South Wales and Queensland to develop agricultural land classification systems designed to identify and map agricultural land.214

The Victorian Department of Primary Industries has a program under the Victorian Land Use Information System which is in the early stages of development and aims to produce a basis for tracking land use mapping. However, information to produce a Victorian land use map is only available for the period 1996 to 2005.215

Mr John Hanlon, Deputy Chief Executive Officer, Department of Planning and Local Government, South Australia provided the Committee with evidence on South Australia’s strategy for sustainable urban development during the public hearing in Adelaide.

The South Australian (SA) Department of Planning’s planning statement, ‘30 Year Plan’ included additional policies ‘to address the impact of population growth on primary production in peri-urban areas.’ This includes mapping 375,000 hectares of primary production land and protecting that land by preventing urban development from taking place in identified areas. This was done by the Department of Planning and the Department of Primary Industry. In that state, the holders of agricultural land, primary production land, and viticultural land within the urban growth boundary had requested a piece of legislation to protect agricultural industry in SA. Mr Hanlon told the Committee that South Australian legislation protected primary production, food production and tourism industries.216

During the Committee’s study tour to Western Australia, Mr Ross Holt, Chief Executive Officer of Landcorp, gave evidence to the Committee that:
Inquiry into Liveability Options

… there are levels of protection of horticultural land in different parts around Perth. [He said that] the concept of food miles is alive and well. There are areas that have been protected; Swan Valley is one, north-east Perth similarly.217

Mr Peter Fitchett, Director, Planning and Development Services, Casey City Council, stated at a public hearing that:

New South Wales and Queensland have identified the importance of a high-quality agricultural zone on the doorstep to their suburban communities and have quarantined that land into the future.218

Casey City Council’s evidence advocated that Victoria follow the approach of other states and protect prime agricultural land from urban development.219

In September 2012, the NSW State Government released its Strategic Regional Land Use Policy (SRLUP) to protect high-quality agricultural land and water sources from inappropriate mining and coal seam gas developments. These policies focus on protecting food and wine production, grazing and thoroughbred horse breeding areas in the Upper Hunter Valley, New England and the Liverpool Plains in the north of the state.220 Other areas of NSW, particularly in the Central West, Southern Highlands and the North Coast are currently being mapped and assessed for inclusion under the SRLUP.221

In Queensland, the Strategic Cropping Lands Act 2011 defines certain parts of the state as ‘strategic cropping lands’ based on scientific soil profiling.222 Approximately 7.5 million hectares (around four per cent of Queensland’s land area) is potentially deemed to be strategic cropping land, creating ‘protection areas’ in the Darling Downs and Lockyer Valley in the state’s south east and ‘management areas’ for coastal farming land. In protection areas, future open-cut mines or other developments (such as urbanisation) which permanently alienate the land will effectively be banned. In management areas, mining can still go ahead but only if the proponent can prove that they have avoided, minimised and mitigated their impact on farming land.223

Melbourne’s fringe suburbs were identified in the recent Australian Farm Institute (AFI) report, Does Australia Need a National Policy to Preserve Agricultural Land?, as experiencing:

… long-term urbanisation and peri-urban housing development resulting in the loss of agricultural land as a consequence of direct land loss and also as a consequence of industry displacement and dilution.224

The AFI report went on to state that the critical issue for agricultural land in the region has been urbanisation and, overall the case study area225 has seen a small decline in recorded farm numbers, area and output since the 1990s.226

The Committee considers agricultural production and urban development in the interface regions to be valuable for liveability in the outer-suburbs of Melbourne and wider Victoria. The Committee is of the view that land use should be monitored in the interface regions in order to strike the right balance of land use and entrench a commitment to the protection of agricultural land.
Chapter 6: Liveability and the Environment

**Recommendation 6.16:** That the Victorian Government consider developing an agricultural land classification system that identifies agricultural land and enables the monitoring of the conversion of agricultural land in Metropolitan Melbourne to other uses.

The Committee has heard that the protection of agricultural land in interface regions is an issue throughout Australia and a number of States have strategies in place for balancing agricultural production and urban development in interface regions. The Committee considers that co-operation in developing a national policy to preserve Australian agricultural land could lead to positive outcomes.

**Recommendation 6.17:** That the Victorian Government consider initiating through the Council of Australian Governments the development of a national policy to preserve Australian agricultural land.

Mr Steve Dunn, President of the Planning Institute of Australia, stated at a public hearing that the Institute would like to protect farming areas so that Australians can have access to fresh, affordable, locally produced food.

> We are very conscious of the kilometres that food travels. I must tell you, anecdotally, that I recently went to Costco and discovered that you can buy fresh lobsters from Canada, mussels from New Zealand and coconuts from Samoa, which all seem very appropriate, but they are all things that we can also produce in Australia. I was disappointed that we have to bring lobsters and those other things in from overseas.227

Southern Melbourne Regional Development Australia (SMRDA) told the Committee that growth in the population gives rise to the question of feeding the population. According to SMRDA there are issues of food security, but there is enormous potential for agricultural diversification and a need for evidence based research on the food security.228

The Committee received evidence of considerable support for the protection of the Bunyip Food Belt region. The Bunyip Food Belt is a large area south east of Melbourne containing some of Australia’s most fertile and valuable agriculture areas. Local government (Mornington Peninsula, Casey, Cardinia) and water authorities (Melbourne Water, South East Water and Southern Rural Water) in the region have expressed their commitment to protecting and supporting the growth of the Bunyip Food Belt as a key food producing area for metropolitan Melbourne and Victoria.229

The Committee heard further evidence that the Bunyip Food Belt project has wide support from across Mornington Peninsula, Frankston, Casey and Cardinia, in local government, industry, and from Regional Development Australia’s Southern Melbourne Branch.230

The Committee heard from Casey City Council that the Bunyip Food Belt has the potential to generate very significant employment growth in the region.
We believe that agriculture brings greater values than some of the naturally occurring jobs that are created with growth. Construction jobs and retail jobs come in. They are quite vulnerable and sensitive because they are subject to economic conditions.\textsuperscript{231}

We would like to think that we could work cooperatively with the state government and the water bodies to see that intensive agricultural zone come to fruition.\textsuperscript{232}

Mornington Peninsula Shire Council explained in their evidence that the Bunyip Food Belt project aims to ensure preservation of agricultural land to raise productivity by 10 to 15 per cent on the basis of the use of recycled water and a range of other practices.\textsuperscript{233}

The Committee heard similar evidence in relation to the Werribee Irrigation Food Bowl located in Wyndham. The Committee for Wyndham has urged the State Government to protect and support the Werribee Irrigation Food Bowl as an area which provides more than 70 per cent of Victoria’s green leafy vegetables. The Committee heard that further action is required at both state and federal level to secure the subsistence of the food bowl.\textsuperscript{234}

The Committee for Wyndham told the Committee that most of the land taken for urban development in Wyndham was previously dry farming land, where oats and barley were grown and sheep were grazed. According to the Committee for Wyndham, the Werribee irrigation food bowl has not yet been affected by urban development but:

\ldots as development comes right up against the border, the heat island effect may have effects on the ability to grow, with extra pollution and extra heat, and it may actually affect the optimum growing conditions for vegetables down there.\textsuperscript{235}

The Committee for Wyndham’s evidence suggested that population growth in the Wyndham region is likely to put pressure on the agricultural area, especially as increasing traffic will be moving through that area to access the coastline and Port Phillip Bay. Currently proposed mitigating measures include the improvement of road access in and out of the area and the provision of fit-for-purpose water. The Committee also notes that the Victorian Government announced in November 2012 that the new East Werribee Employment Precinct will include a new freeway interchange and best practice in sustainable water usage. The draft masterplan for a new suburb in East Werribee provides for more than 7,000 homes and 50,000 jobs across various industries and sectors.\textsuperscript{236}

The Commonwealth Government is currently developing Australia’s first \textit{National Food Plan} to be released in late 2012. The Plan aims to identify and mitigate potential risks to Australia’s food security; and support the long-term economic and environmental sustainability of Australia’s food supply chain.\textsuperscript{237} The participating Councils collaborating on the Bunyip Food Belt made a submission to the National Food Plan in September 2011.\textsuperscript{238}

\textbf{Finding 6.5:} Food security is an important element of liveable and sustainable communities in Melbourne and outer-suburban Melbourne has a key role to play in supporting food security.
Finding 6.6: Increasing the density of housing and improving road networks in outer-suburban Growth Areas has the capacity to reduce pressure on agricultural areas.

Recommendation 6.18: That the new Melbourne Metropolitan Planning Strategy include measures for the conservation and protection of food production within metropolitan Melbourne.

The Heart Foundation published a conceptual framework for achieving a sustainable and healthy food system in Victoria in March 2011. The Food Sensitive Planning and Urban Design (FSPUD) framework highlights the intersection between public health, planning, urban design and environmental sustainability. The concept of food sensitive urban design was coined by the Victorian Eco-Initiatives Laboratory, Melbourne University in 2008.239 FSPUD acknowledges that access to healthy and sustainable food is an essential part of achieving liveable communities and is guided by the following ten principles:

- support secure and equitable access to food;
- improve the convenience of healthy and sustainable food choices;
- encourage the use of spaces to meet diverse needs, with a particular emphasis on reconciling food production and exchange with housing;
- provide opportunities for those who wish to participate in growing, exchanging, cooking and sharing food;
- identify and invest in the safe use and re-use of urban resources (soil, water, nutrients, ‘waste’) that can support viable and sustainable food production;
- protect and enhance urban and surrounding ecosystems and increase biodiversity;
- ensure decisions reflect the long-term value and broader community benefits of access to productive land and experienced producers;
- encourage investment and innovation, through secure tenure and supportive operating environments, for both community and commercial food enterprises;
- increase resilience, by designing to keep options open for the future use of space and resources; and
- acknowledge and support diversity and the right to have informed choices over what, how and where people produce and eat Food.240 The Committee considers that the principles of FSPUD
could be of assistance in the preparation of future Precinct Structure Plans in Growth Areas in terms of better integrating agricultural production, food security planning, and urban planning.

**Recommendation 6.19:** That the Interface Councils and the Growth Areas Authority, when preparing Precinct Structure Plans in Growth Areas, better integrate agricultural production, food security planning, and urban planning.

The Heart Foundation’s submission to the Inquiry also recommended that the Planning Act be strengthened to protect valuable agricultural land around the metropolitan fringe.241

The statutory objectives of the GAA with reference to Growth Areas include: ensuring the timely provision of infrastructure and services; to promote housing diversity and affordability; to promote employment opportunities; to ensure land is provided for commercial and industrial purposes; to foster the development of communities; and promoting sustainable development of land.242 The statutory objectives do not include any reference to the significance of agricultural land or food production in Growth Areas.

The Committee considers that a specific commitment to balancing urban development with the protection of agricultural land should be reflected in the objectives of the GAA.243

**Recommendation 6.20:** That the objectives of the Growth Areas Authority, as specified in Part 3AAB of the Planning and Environment Act, be broadened to reflect a commitment to balancing urban development with the protection of valuable agricultural land.

### 6.6.2 Melbourne’s Green Wedges

Melbourne’s Green Wedge Zones comprise the non-urban areas of metropolitan Melbourne that lie outside the UGB. Collectively, Melbourne’s 12 designated Green Wedges define a broad a ring around outer metropolitan Melbourne. Approximately one third of the total Green Wedge area is public land and approximately two thirds is privately owned.244

Green wedge land is defined in the Planning and Environment Act 1987 (P&EA) as “…land that is described in a metropolitan fringe planning scheme as being outside an urban growth boundary”.245 A ‘metropolitan fringe planning scheme’ is defined in the Act as a planning scheme that applies to the municipal district of any of the following seventeen municipal councils:

- Brimbank City Council;
- Cardinia Shire Council;
- Casey City Council;
- Frankston City Council;
- Greater Dandenong City Council;
- Hobsons Bay City Council;
- Hume City Council;
- Kingston City Council;
- Knox City Council;
- Manningham City Council;
- Maroondah City Council;
- Melton Shire Council;
- Mornington Peninsula Shire Council;
- Nillumbik Shire Council;
- Whittlesea City Council;
- Wyndham City Council; and
- Yarra Ranges Shire Council.246

At the time of writing, Mitchell Shire Council had not been added to the above list. The Committee notes that parts of Mitchell Shire were brought within the UGB for the first time in 2010 and that the Shire is predominantly rural.

As illustrated at Figure 6.8, Melbourne’s 12 Green Wedges (each of which is shaded in a different colour) are:
- Werribee South;
- Western Plains South;
- Western Plains North;
Inquiry into Liveability Options

- Sunbury;
- Whittlesea;
- Nillumbik;
- Manningham;
- Yarra Valley and Yarra and Dandenong Ranges;
- Southern Ranges;
- Westernport;
- South East; and
- Mornington Peninsula.
Figure 6.8: Melbourne’s Green Wedges


Figure 6.8 also illustrates that most of the land comprising Melbourne’s Green Wedges is contained within the Interface Councils.

The public land area of Melbourne’s Green Wedge includes national parks, other parks and reserves and Melbourne’s protected water catchments.247

Melbourne’s Green Wedges have a range of additional functions, including: the preservation of biodiversity, agriculture, the provision of open space and attractive landscapes, tourism, recreation and cultural heritage. Green Wedge land also accommodates much of Melbourne’s essential infrastructure, such as reservoirs, sewage treatment plants, quarries and airports.248 Melbourne’s Green Wedges were first identified in the 1960s. Successive governments have since expanded the Green Wedges and introduced various planning changes in relation to the Green Wedges including the establishment of the UGB, which restricts urban development to within the UGB.249
There are two categories of Green Wedge Zone: the Green Wedge Zone (GWZ) and the Green Wedge Zone A (GWZA). While the purposes of the GWZ and GWZA, as defined in the Victoria Planning Provisions are broadly the same, the former includes agricultural and farming uses while latter focuses on the protection of biodiversity and natural resources.

The Committee received evidence from a number of stakeholders regarding Melbourne’s Green Wedges, which essentially fell into one or more of the following four categories:

- those Interface councils which expressed concern regarding the loss of agricultural land contained within their Green Wedges to future urban residential development, as well as those Green Wedge Councils who placed a high perceived value on Green Wedge land;

- individuals and organisations which expressed concern regarding the potential loss of Green Wedge land to future urban residential development;

- those Interface councils which referred to the financial burden of maintaining large tracts of Green Wedge land; and

- individuals and organisations which called for the rezoning of areas of Green Wedge land to allow urban residential development within those areas.

Nillumbik Shire, in its submission to the Inquiry stated that the cost of managing the Green Wedges “falls on outer suburban residents as well as those who live in a green wedge”, which creates:

...a resource dilemma for certain interface Councils, such as the Shire of Nillumbik, which are expected to manage significant areas of green wedge land with a very small rate base and minimal state government assistance.²⁵⁰

Mr Stuart Burdack, Chief Executive Officer, Nillumbik Shire Council stated at a public hearing that Green Wedge land in Nillumbik is ecologically significant for the state and includes ten bio sites of state significance and twenty-nine sites of regional significance.²⁵¹

The City of Whittlesea, in its submission to the Inquiry, also referred to the need for support from State and Federal Government to enable the ongoing protection of its Green Wedge land.²⁵² Notably, the submission called for “incentives towards innovative land use of rural land in commercial production of food and possibly new emerging green industries”.²⁵³

The City of Casey, in its submission to the Inquiry, noted that it had raised concerns regarding its Green Wedge land prior to the expansion of the UGB in 2010 and considered that there had been a:

...lack of consideration given to land that otherwise provides an important and highly productive agricultural region within Casey’s Westernport Green Wedge; particularly given half of the area included in the gazetted 2010 UGB expansion includes market gardens
The submission went on to note that community consultation was underway to assist the preparation of an Issues Paper for a Management Plan of the Westernport Green Wedge, which includes the Bunyip Food Belt and stated that:

It is important to ensure that the management of Casey’s Green Wedges, the Bunyip Food Belt and the coastal areas of Casey protects these areas from residential development to preserve their natural qualities, and the resources they provide to the community, as well responsibly discouraging urbanisation in areas that are vulnerable to the impacts of climate change.  

A number of landowners in Green Wedge areas provided submissions to the Committee which advocated the rezoning of Green Wedge land to allow urban residential housing development. For example, Kevin and Anne Stoneman were among a number of stakeholders who stated that: housing is severely restricted; private owners are prevented from having more than one dwelling on a lot; and dwellings must be consistent with conservation requirements in Green Wedge areas. Residents who expressed this sentiment typically also emphasised the high rates associated with Green Wedge properties and suggested that Green Wedge zoning should be restricted to public land.

The evidence collected in Mornington Peninsula Shire was overwhelmingly supportive of the maintenance of the Green Wedge. Mornington Peninsula Shire Council stated that the previous development of Green Wedge and prime agricultural land in the region had occurred at great loss to the local community and the rest of Victoria. The Council described the remaining land as “priceless” and said it “should be protected at all costs.” Their submission advocated that the State Government provide the current Green Wedge areas with permanent protection.

The Interface Councils, in their submission to the Inquiry, asked the Committee to consider a:

… firm commitment to the Green Wedge principles [and] the protection of the Green Wedge areas for sustainable productive agriculture and food security, unstructured recreation and biodiversity.

In its Discussion Paper for Melbourne’s New Metropolitan Strategy, the Ministerial Advisory Committee suggested that the creation of a system of ‘green edges’ to harden the existing UGB would provide greater clarity regarding Melbourne’s geographical boundaries. The Ministerial Advisory Committee also suggested that this would also help to protect the landscapes and settlements in regional Victoria that abut Melbourne from encroachment and reinforce their economic, environmental and social value.

As discussed in Chapter Four, the Premier, the Hon Ted Baillieu MLA, and the Minister for Planning, the Hon Matthew Guy MLC, recently announced plans for major reforms to Victoria’s residential, commercial, industrial and rural planning zones aimed at providing greater certainty within residential zones and boosting productivity and employment in Melbourne’s commercial and industrial areas. The package of planning zone reforms announced by the Premier and the Minister for Planning included changes aimed at promoting agriculture and other activities within Melbourne's Green Wedges. At the time of announcing the proposed changes, the Minister for Planning stated:

Green Wedges are not stagnant zones, their intention is to be a working agricultural buffer for niche industries; these reforms will provide a much greater ability for the intention of the zone to be fully realized.
Inquiry into Liveability Options

The proposed changes to the Victoria Planning Provisions would apply to land in both the GWZ and land in the GWZA.

The proposed changes to the existing GWZ include:

- increasing the number of agricultural uses exempt from a permit requirement;
- exempting some farming related uses from a permit;
- removing conditions which restrict and prohibit some uses;
- removing the prohibition on a school and medical centre;
- removing the mandatory requirement for a section 173 agreement, which restricts future subdivision applications after an initial subdivision is approved; and
- increasing the number of persons that can be accommodated in a Bed and Breakfast without a permit from 6 to 10.262

The proposed changes to the existing GWZA are identical to those proposed for the GWZ but also include the following:

- removal of the prohibition on a market; and
- removal of the prohibition on a Place of assembly.263

At the time of writing, the period for public comment on the proposed changes was due to close on 28 September 2012 and the Minister for Planning had announced that an advisory committee would review all submissions and provide advice to the government by 30 November 2012.264 The Minister for Planning had also announced the Government’s intention to introduce the final changes in early 2013.265

The Committee notes the Government’s decision to amend the Victoria Planning Provisions to encourage agriculture and a range of additional activities in Melbourne’s Green Wedges. The Committee considers that, far from undermining the value of the Green Wedges, the extended range of activities that would be allowed would in fact make the Green Wedges more accessible to more of Melbourne’s growing population and increase the community’s appreciation of the value of these areas. The Committee notes that the proposed changes would retain the existing distinction between the GWZ and GWZA and considers that such a distinction is important for the protection of more environmentally sensitive Green Wedge areas. For example, there are a range of uses allowed in the GWZ that would remain prohibited in GWZA, such as abattoirs, non-rural industry, intensive animal husbandry and sawmills.266 The Committee also notes that an environmental impact assessment would remain a requirement for permit applications in relation to GWZA.267

The Committee also considers that allowing a broader range of agricultural and other activities in Melbourne’s Green Wedges would provide additional sources of revenue to those Interface Councils with
Chapter 6: Liveability and the Environment

extensive Green Wedge land that currently imposes a significant maintenance and budgetary burden. As noted above, this issue was highlighted as a particular concern in the submission from Nillumbik Shire Council.

**Finding 6.7:** The Victorian Government’s proposed changes to the range of permitted activities in Melbourne’s Green Wedges may improve the economic, social and environmental contribution of these areas to Melbourne’s outer suburbs and to the wider metropolitan area.

The Committee also received evidence about the role of agriculture and open space in Victoria’s tourism industry. Mr Shane Murphy, Manager of Economic Development at the Mornington Peninsula Council provided evidence regarding Mornington Peninsula’s $550 million agricultural sector.

*This is the range of things that we grow. It is not just chickens and things like that; we have goats and all sorts of things, including olive oil. This region is brilliant for growing chardonnay, pinot, pinot gris and pinot noir because of the relatively cool climate. That transfers into the olive oils. Given the heat bank, safe water and being frost-free we are very good for berries and other sorts of things.*

*We now have a very large avocado industry that is supplying just out of season and picking up very good premium prices because of when we produce. We are finding all those other little niches. The other thing we have is recycled water and a good water supply down here.*

Mr Murphy went on to describe the importance of Mornington Peninsula’s agriculture to Victorian tourism.

*Mick Gallace and Sunny Ridge Strawberry Farm in five months gets as many visitors, internationals and everything, as the Penguin Parade on Phillip Island does in a year. It is a huge industry. A lot of people do not know about it... People want to come and sample the fruits and the berries. We have a beautiful climate here. Given what we call the heat bank effect of Port Phillip and Western Port, we are basically a frost-free growing area. We have some very good soils.*

Mr Murphy also informed the Committee that agri-tourism in the region attracts a broad range of people who come to sample the local produce. The industry includes tourism packaging, especially for school children.

Nillumbik Shire Council also gave evidence about the potential for the agricultural industry in the Green Wedge Zone to be utilised for tourism.

*From a tourism point of view we think that would be very attractive, and there is certainly interest out there from our agricultural producers. As you know, we are very close to Melbourne. It is a great day out for a bit of a drive on a Saturday or a Sunday and visit some of those tourist attractions.*

The Interface Councils, in their submission to the Inquiry, stated that tourism in Nillumbik Shire is only permitted when associated with wineries, agriculture, recreation or rural industry. There are no provisions
to permit tourism when it is associated with the enhancement of biodiversity or the natural environment.272

The Interface Council’s submission to the Inquiry also supported increased flexibility for the multi-purpose use of Green Wedge land, that is consistent with Green Wedge principles. For example, greater flexibility to permit the sale of value added farm-gate products; eco-based tourism activities; and temporary events such as markets, festivals and concerts on private land.273 The Planning Scheme is silent on permits for temporary events except to exempt them when they occur on public land and are authorised by the public land manager or by council under local law.274

Restrictions currently apply to Green Wedge land, which prevent private owners from diversifying the use of their land. With the exception of wineries, agricultural producers may not be able to sell value-added products, and lot size restrictions prevent businesses from expanding.275

In the recent Discussion Paper produced for Melbourne’s future Metropolitan Planning Strategy, the Ministerial Advisory Committee wrote of the need to strengthen land use planning for regional areas abutting Melbourne and provide for a diversity of uses including agriculture, open space and tourism. The Committee stated:

Current planning controls in rural areas around Melbourne unduly limit opportunities for tourism and other developments that would sit well in the rural landscapes and broaden the range of choices these areas offer. There is a need to move beyond a ‘protective’ or ‘defensive’ approach to managing natural resources and seek opportunities to increase their value for the city and enhance their natural role.276

The State Government is currently undertaking a Green Wedge Zone Permitted Land Use Audit, to review land uses in the Green Wedge Zones. Councils will be asked to advise how their zones are working and whether they require any changes.277

The Committee is of the view that agricultural areas and Green Wedge Zones, particularly in the Shires of Mornington Peninsula, Yarra Ranges and Nillumbik, contribute significantly to Victoria’s tourism. The Committee considers that some of these areas are not being utilised to their fullest potential. Permitting further tourism activities that are consistent with Green Wedge principles has the capacity to improve the liveability of outer-suburban residents by stimulating the economy. The Committee is of the view that such activities would need to be identified and a range of uses defined to ensure that Green Wedge principles are maintained.

**Recommendation 6.21:** That permits for tourism activities in Green Wedge Zones that are outside the ambit of agriculture, recreation or rural industry, be considered for introduction into the planning scheme.
Recommendation 6.22: That, following the completion of the Green Wedge Zone Permitted Land Use Audit, an independent advisory committee be created to advise the Planning Minister on potential activities and uses in Green Wedge Zones.
Inquiry into Liveability Options

Chapter 6 Endnotes:

1Weller, Richard (2009), Boomtown 2050: Scenarios for a Rapidly Growing City, Crawley, University of Western Australia.
3Committee for Wyndham, Submission No.16, Liveability Options, OSISDC, received 28 April 2011; Heart Foundation, Submission No.77, Liveability Options, OSISDC, received 23 May 2011.


31. Mr Don Buchanan, Transportation Planner, City of Surrey, Vancouver, Notes of Overseas Study Tour, Liveability Options, OSISDC, 7 May 2012, p.101.
33. Mr Bill Forrest, Director Advocacy, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.304.
34. Cr John Menegazzo, Mayor, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.301.
38. ibid., p.34.
39. ibid., p.45.
40. ibid., p.46.
42. ibid.
43. ibid.
44. Mitchell Shire Council, Submission No. 23, Liveability Options, OSISDC received 29 April 2011, p.16.
45. Wyndham City Council, Submission No. 48, Liveability Options, received 2 May 2011, p.10.
47. Casey City Council, Submission No. 73, Liveability Options, OSISDC received 18 May 2011, p.6.
49. Casey City Council, Submission No. 73, Liveability Options, OSISDC, received 18 May 2011, p.15.
50. Mr Bill Forrest, Director of Advocacy, Wyndham City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.302.
51. Australian Football League (AFL), Submission No. 32, Liveability Options, OSISDC, received 29 April 2011, p.2-3.
52. Cr John Menegazzo, Mayor, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.301.
54. ibid.
55. ibid., p.425.
56. Ms Marion Fulker, Committee for Perth, Transcript of Evidence, Liveability Options, 18 May 2011, p.81.


59 The average percentage of municipal area within the UGB that is public open space is 11.5 per cent. The percentage of municipal area within the UGB that is public open space in each of the interface area is: Cardinia 5.3 per cent; Casey 9.4 per cent; Hume 10.1 per cent; Melton 5.1 per cent; Nillumbik 9.4 per cent; Whittlesea 8.9 per cent; Wyndham 5.1 per cent. Victorian Environmental Assessment Council, August 2011, Metropolitan Melbourne Investigation, Final Report, <http://www.veac.vic.gov.au/investigation/metropolitan-melbourne-investigation> p.119.

60 Ibid.

61 Ibid.

62 Mitchell Shire Council, Submission No.23, Liveability Options, OSISDC, received 29 April 2011, p.16.

63 Petcare Information & Advisory Service, Submission No.60, Liveability Options, OSISDC, received 6 May 2011, p.39.


66 Building Designers Association Victoria, Submission No.11, Liveability Options, OSISDC, received 28 April 2011, p.7.

67 Ibid.


69 Building Designers Association Victoria, Submission No.11, Liveability Options, OSISDC, received 28 April 2011, p.7.


71 Building Designers Association Victoria, Submission No.11, Liveability Options, OSISDC, received 28 April 2011, p.7.

72 Victorian Council of Social Services, Submission No.28, Liveability Options, OSISDC, received 28 April 2011, p.10.

73 Ibid.


76 Housing Industry Association (HIA), Submission No.74, Liveability Options, OSISDC, received 18 May 2011, p.5.

80 Building Designers Association Victoria, Submission No.11, Liveability Options, OSISDC, received 28 April 2011, p.7.
82 ibid.
84 ibid., p.103.
85 Weller, Richard, 2009, Boomtown 2050: Scenarios for a Rapidly Growing City, University of Western Australia, p.239-243.
87 Cr John Menegazzo, Mayor, Wyndham City Council, Transcript of Evidence, Liveability Inquiry, 24 August 2011, p.301.
88 Committee for Wyndham, Submission No.16, Liveability Options, OSISDC, received 28 April 2011, p.13; City of Whittlesea, Submission No.59, Liveability Options, OSISDC, received 6 May 2011, p.8; Bicycle Victoria, Submission No.69, Liveability Options, OSISDC, received 13 May 2011, p.1.
92 City of Whittlesea, Submission No.59, Liveability Options, OSISDC, received 6 May 2011, p.9.
94 Ms Corinne Siebel, Chief Executive Officer, Westgate General Practice Network, Transcript of Evidence, Liveability Options, OSISDC, 2 May 2011, p.10.
96 Mr Peter Seamer, Chief Executive Officer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.602.
97 Ms Marion Fuller, Chief Executive Officer, Committee for Perth, Transcript of Evidence, Liveability Options, 18 May 2011, p.80.
98 Dr Vanessa Rice, Chair, Exercise and Sport Science Australia, Transcript of Evidence, Liveability Options, 24 October 2011, p.485.
99 Mr Tim Cottrell, Senior Traffic Engineer, Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.304.
Chapter 6: Liveability and the Environment

100. Mr Andrew Whitson, General Manager Victoria Stockland, Transcript of Evidence, Liveability Options, 12 May 2011, p.54.


103. Ibid.

104. Ibid.

105. Bicycle Victoria, Submission No.69, Liveability Options, OSISDC, received 13 May 2011, p.2.


107. Ibid., p.460.


110. Ibid., p.459.


114. Bicycle Victoria, Submission No.69, Liveability Options, OSISDC, received 13 May 2011, p.1.


117. Ibid.


EcoPlan, 1,000 world car-share cities in 2009, viewed 31 October 2012, <http://ecoplan.org/carshare/general/cities.htm#latest>


Ibid., p.11.


Chapter 6: Liveability and the Environment

138. Wyndham City Council, Submission No.48, Liveability Options, OSISDC received 2 May 2011, p.10.

139. Mr Bill Forrest, Director Advocacy Wyndham City Council, Transcript of Evidence, Liveability Options, 24 August 2011, p.304.

140. Tennis Victoria, Submission No.14, Liveability Options, OSISDC, received 28 April 2011, p.110.

141. Committee for Wyndham, Submission No.16, Liveability Options, OSISDC, received 28 April 2011, p.11.


145. ibid.

146. Mr Peter Seamer, Growth Areas Authority, Transcript of Evidence, Liveability Options, 24 February 2012, p.601.

147. ibid.


153. Professor Richard Weller, Urban Design Centre of Western Australia, Transcript of Evidence, Liveability Options, 18 May 2011, p.106.

154. Nillumbik Shire Council, Submission No.65, Liveability Options, OSISDC, received 11 May 2011, p.5.


156. The Strategy does not apply to the Regional Rail Link corridor between west of Werribee and Deer Park, or to any of the 28 precincts within these growth areas, where planning scheme amendments to introduce a PSP have been approved prior to 1 March 2012. See Department of Sustainability and Environment, November 2011, Biodiversity Conservation Strategy for Melbourne’s Growth Areas Draft for public consultation, <http://www.dse.vic.gov.au/__data/assets/pdf_file/0005/127751/DRAFT-Biodiversity-Conservation-Strategy_web-without-maps.pdf> p.2.


Ibid., p.13. Under the planning scheme “a planning permit is a legal document that gives permission for a use or development on a piece of land”.


Mr Peter Seamer, Growth Areas Authority, *Transcript of Evidence, Liveability Options*, 24 Feb 2012, p.584


Ibid., p.21.


Ibid.


Ibid.

Ibid., p.21.


City of Whittlesea, *Submission No.59, Liveability Options*, OSISDC, received 6 May 2011, p.18.


See for example, Ms Delphi Anderson, Vice President, Manor Lakes Residents Association, *Transcript of Evidence, Liveability Options*, 24 August 2011, p.312; Mr Mark McDonald, Secretary of the Committee, Friends of Nillumbik, *Transcript of Evidence, Liveability Options*, 10 June 2011, p.252.


Mr Nik Tsardakis, Executive Director, Committee for Wyndham, *Transcript of Evidence, Liveability Options*, 24 August 2011, p.334.


Professor Richard Weller, Winthrop Professor of Landscape Architecture at the University of Western Australia & Director of the Urban Design Centre of Western Australia, *Transcript of Evidence, Liveability Options*, 18 May 2011, p.105.

ibid., p.114.

ibid., p.117.

ibid.

Ms Mary Beth Rondeau, Senior Planner – Area Planning and Development, City of Surrey, Vancouver, *Notes of Overseas Study Tour, Liveability Options*, OSISDC, 7 May 2012, p.82.

199. ibid., p.118.
200. ibid., p.119.
201. ibid., p.118.
202. ibid., p.124.
203. ibid.
204. ibid., p.122.
205. Professor Angelil, Deputy Director, Network City and Landscape, ETH Zurich, *Notes of Overseas Study Tour, Liveability Options*, 15 May 2012, p.631-632.
208. ibid., p.13-14.
209. ibid., p.60.
212. Mr Adrien Byrne, Manager Communications Urban Development Institute of British Columbia, Vancouver, *Notes of Overseas Study Tour, Liveability Options*, 7 May 2012, p.131.
215. ibid., p.9.
218. Mr Peter Fitchett, Director, Planning and Development Services, Casey City Council, *Transcript of Evidence, Liveability Options*, 7 September 2011, p.340.
Chapter 6: Liveability and the Environment

225. ibid., p.17-18. The case study area consisted of Melbourne’s twelve green wedge zones, spanning across seventeen metropolitan fringe municipalities.
227. Mr Steve Dunn, Planning Institute, Transcript of Evidence, Liveability Options, 6 June 2011, p.218.
228. Ms Anita Buczkowsky, Southern Melbourne Regional Development Australia, Transcript of Evidence, Liveability Options, 7 September 2011, p.359.
231. Mr Peter Fitchett, Casey City Council, Transcript of Evidence, Liveability Options, 7 September 2011, p.341.
232. ibid., p.342.
233. Dr Michael Kennedy, Mornington Shire Council, Transcript of Evidence, Liveability Options, 8 September 2011, p.384.
235. Mr Nik Tsardakis, Committee for Wyndham, Transcript of Evidence, Liveability Options, 24 August 2011, p.332.
241. Heart Foundation, Submission No.77, Liveability Options, OSISDC, received 23 May 2011, p.10.
243. Heart Foundation, Submission No.77, Liveability Options, OSISDC, received 23 May 2011, p.10

Planning and Environment Act 1897, Section 46AC.

Planning and Environment Act 1987, section 46AA.


ibid.

ibid.


Mr Stuart Burdack, Nillumbik Shire Council, *Transcript of Evidence, Liveability Options*, 10 June 2011, p.239.

City of Whittlesea, *Submission No.59, Liveability Options*, OSISDC, received 6 May 2011, p.19.

ibid.

ibid.

City of Casey, *Submission No.73, Liveability Options*, OSISDC, received 18 May 2011, p.7.

Kevin & Anne Stoneman, *Submission No.20, Liveability Options*, OSISDC, received 29 April 2011, p.1-2. See also Ms Fiona Ogilvy-O’Donnell, *Submission No.41, Liveability Options*, OSISDC, received 29 April 2011.

Cr Graham Pittock, Mornington Peninsula Shire Council, *Transcript of Evidence, Liveability Options*, 8 September 2011, p.378; *Submission No.24, Liveability Options*, OSISDC, received 29 April 2011.


ibid.

ibid.


Victorian Planning Provision, *Green Wedge Zone*, clause 35.04-1, section 2; Victorian Planning Provision, *Green Wedge Zone A*, clause 35.05-1, section 3.

Victorian Planning Provision, *Green Wedge Zone A*, clause 35.05-6.

Mr Shane Murphy, Mornington Peninsula Shire Council, *Transcript of Evidence, Liveability Options*, 8 September 2011, p.403.

ibid.
Chapter 6: Liveability and the Environment

270 ibid., p.404.
271 Mr Stuart Burdack, Nillumbik Shire Council, Transcript of Evidence, Liveability Options, 10 June 2011, p.241.
273 Ibid. p.13.
275 Ibid., p.13.
CHAPTER 7: MEDICAL, HEALTH AND SUPPORT SERVICES

Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.

World Health Organization
Preamble to Constitution, adopted 1946.

7.1 Introduction

Term of Reference (d) requested that the Committee identify the provision of medical, health and support services in Melbourne’s outer suburbs. Melbourne’s outer suburbs face a range of current and future health challenges. While many of these challenges are not unique to Melbourne’s outer suburbs, the evidence provided to the Inquiry by stakeholders, as well as the Committee’s own research, has confirmed that there is a relative lack of infrastructure and personnel to ensure the adequate provision of medical, health and support services in many outer suburbs to meet both current and future demand.

This chapter considers the provision of both public and private health, as well as primary and allied healthcare, in Melbourne’s outer suburbs. (Primary Healthcare is care that is provided by general practitioners, community health centres and, community nursing, and is provided through a mix of public and private funding. Private allied health services are funded primarily through private health insurance subsidies and out of pocket expenses.)

Nearly one third of the submissions to the Inquiry discussed the provision of medical, health and support services in the outer suburbs, and the relationship between health and liveability. The submissions identified the following issues:

- recruitment and retention of health professionals;
- demand for aged care services;
- demand for allied and acute health services;
- a shortage of General Practitioner (GP) services and lack of collaboration between health care services;
- accessibility of health services;
- demand for mental health services;
- need for preventative health services; and
- need for localised planning for health.

Rapid population growth in Melbourne’s outer metropolitan growth corridors is currently putting significant pressure on health services. Given that current health infrastructure is struggling to meet the demands of the current population, the problem will be intensified as the population grows over the coming decades. Demand growth estimates are particularly high in the outer west, north and south east.
The majority of health services are located in established areas close to Melbourne’s CBD. Although only 20 per cent of the population live within a 10km radius of Melbourne’s CBD over 40 per cent of health care providers are based in this area.6 This is the case for both public and private hospitals, as well as metropolitan health services.

### 7.2 Health profiles of Melbourne’s outer suburbs

As illustrated in Figure 7.1, the Victorian Department of Health delivers services in Melbourne by reference to three metropolitan regions, which — with the exception of Mitchell — encompass all of the Interface Councils, as well as Melbourne’s inner and middle LGAs.

*Figure 7.1: Regional Health Boundaries*

The health regions provide the basis for the collection of local intelligence, and as an interface for the delivery of services and the work of the department, public health services, local government and other stakeholders. The regions are responsible for: providing advice on the planning and development of programs and services to address changing needs; monitoring the delivery and performance of most funded health and aged care services; and working with stakeholders to identify and implement service system improvements.7

---


Note: Map does not include Mitchell Shire.

---

- 468 -
However, according to the Metropolitan Health Technical Paper:

…there is a misalignment between current planning boundaries, catchments and management responsibilities [which] can impede people’s access to services, compromise provision of coordinated care, and results in sub-optimal conditions.8

The Victorian Department of Health, in its Metropolitan Health Plan Technical Paper (May 2011), defines ten planning areas for the purposes of future health planning, as illustrated in Figure 7.2 below. Three of the planning areas — the Outer West, Outer Northwest and the Outer East — extend beyond the former Melbourne Statistical Division (indicated by the black line on the map) and beyond Greater Melbourne. The Outer Northwest planning area beyond the boundary of the Melbourne SD is contiguous with Mitchell Shire. A number of these planning areas encompass Interface Councils as well as middle-ring and peri-urban LGAs. These planning areas have yet to replace the regional health boundaries. However, the Committee notes that these boundaries provide a better sense of medical and health services needs in Melbourne’s outer suburbs and that stakeholders are increasingly using these boundaries in place of the old regional health boundaries. The Committee has also adopted the new planning boundaries for the purposes of this chapter.

*Figure 7.2: Department of Health planning areas for metropolitan Melbourne*

7.2.1 Outer west (includes, Melton and Wyndham)

The Outer West planning area comprises the Growth Area Councils of Melton and Wyndham (as well as the middle-ring LGA of Brimbank and the peri-urban LGA of Moorabool). The planning area, which is described by the Department of Health as “underserved with GP, mental health and aged care services,” accommodates 11.2 per cent of metropolitan Melbourne’s population and has:

- 7.7 per cent of GP services in metropolitan Melbourne;
- 4.3 per cent of mental health services in metropolitan Melbourne;
- 4.9 per cent of aged care services in metropolitan Melbourne; and
- four public hospitals/health services — the Sunshine Hospital and the three smaller services of Melton Health, Djerriwarrh Health Service and Werribee Mercy Hospital.10

The Outer West planning area has a relatively disadvantaged population and high unemployment. Melton is in the top ten LGAs for self-reported poor health, as well as the percentages of its population comprising: current smokers; people who are overweight or obese; and people who do not meet physical activity guidelines. Melton has also the highest proportion of people with Type 2 diabetes in Victoria and the highest projected increase in hospital admissions. As discussed below, there are no public hospitals located in the Melton LGA.

The Outer West rates below the self-sufficiency benchmark established by the Department of Health (defined as 70 per cent of residents who attended a hospital or emergency department during the year having done so within the planning area).11 In 2009-10, 37 per cent of residents receiving emergency care outside the area and 48 per cent of residents received hospital care outside the area. The Outer West is expected to experience the second highest percentage growth in population of the planning areas and according to the Department of Health, “the growth, together with the poor health status of the current population, will place extraordinary demands on health services”.12

7.2.2 Outer north west (includes Hume, Whittlesea and Mitchell)

The Outer North West planning area comprises the Growth Area Councils of Hume, Whittlesea and Mitchell and is also noted for its relatively disadvantaged population and high unemployment. The Outer North West accounts for 8.5 per cent of the population of metropolitan Melbourne and has:

- 7.3 per cent of GP services in metropolitan Melbourne;
- 4.9 per cent of mental health services in metropolitan Melbourne;
- 6.1 per cent of aged care services in metropolitan Melbourne; and
- five public hospitals/health services — the Northern Hospital, which is the major provider and four smaller services – Craigieburn Health Service, Broadmeadows Health Service, Kilmore and District Hospital, Seymour District Hospital).13

The Outer Northwest has generally poor health status, with obesity levels, Type 2 diabetes, lack of physical activity, and smoking rates above Victorian averages. Mitchell has the highest proportion of its population not meeting recommended physical activity levels in the state, while Whittlesea ranks fourth in
the state for the proportion of its population with Type 2 diabetes. Hume is in the top ten LGAs for self-reporting of poor health.\textsuperscript{14}

The Outer Northwest also rates below the self-sufficiency benchmark established by the Department of Health. In 2009-10, 49 per cent of residents received emergency department care outside the area and 47 per cent of residents received hospital care outside the area.\textsuperscript{15}

According to the Department of Health, the Outer Northwest is lacking in mental health, aged care and GP services and is expected to experience the highest growth in population over the next ten years. The Department has stated that, “…any issues associated with the current lack of services will be exacerbated by a growing population”.\textsuperscript{16}

\subsection*{7.2.3 Southeast (includes Casey and Cardinia)}

The Southeast planning area includes the Interface Councils of Casey and Cardinia (as well as Greater Dandenong). The Southeast planning area is well catered for with hospital services but is underserved in terms of mental health and aged care services. The planning area accounts for 11.1 per cent of the population of metropolitan Melbourne and has:

\begin{itemize}
\item 10.7 per cent of GP services in metropolitan Melbourne;  
\item 6.2 per cent of mental health services in metropolitan Melbourne;  
\item 7.4 per cent of aged care services in metropolitan Melbourne; and  
\item five public hospitals/health services — Casey Hospital, Dandenong Hospital, and three smaller services (Queen Elizabeth Centre, Cranbourne Integrated Care Centre, Kooweerup Regional Health Service).\textsuperscript{17}
\end{itemize}

The Southeast planning area has a relatively disadvantaged and culturally diverse population. Greater Dandenong is ranked in the top ten LGAs for levels of distress, Type 2 diabetes and lack of physical activity.\textsuperscript{18}

The planning area has relatively high self-sufficiency but rates just below the benchmark established by the Department of Health. In 2009-10, 26 per cent of residents received emergency department care outside the area in 2009-10 and 42 per cent received hospital care outside the area.\textsuperscript{19}

\subsection*{7.2.4 Northeast (includes Nillumbik)}

The Northeast planning area includes the Green Wedge Council of Nillumbik (as well as the middle-ring LGAs of Banyule and Darebin).

The Northeast planning area is relatively well provided with health services. It has 8.0 per cent of the population of metropolitan Melbourne and:

\begin{itemize}
\item 7.8 per cent of GP services in metropolitan Melbourne;  
\item 7.5 per cent of mental health services metropolitan Melbourne;  
\item 8.6 per cent of aged care services metropolitan Melbourne; and
\end{itemize}
two public hospitals/health services (Austin Health, Mercy Hospital for Women) and two subacute hospitals (Bundoora Extended Care Centre and Heidelberg Repatriation Hospital).

Nillumbik has a relatively advantaged population with low unemployment and generally above average health status. Nillumbik has the second highest life expectancy for males, and low rates of smoking, obesity and Type 2 diabetes. Nillumbik has one of the lowest hospitalisation rates in the state.

Population growth is lower than in other planning areas, and in view of the service availability and good health status of residents, the Department of Health considers that existing facilities are likely to be adequate into the future.20

7.2.5 Outer east (includes Yarra Ranges)
The Outer East comprises the Green Wedge Council of Yarra Ranges, as well as the middle-ring LGAs of Knox and Maroondah and the peri-urban LGA of Murrindindi.

The Outer East has a relatively advantaged population, with low unemployment and high income. It is described as generally well served but as underserved with major health services and with average health outcomes. It represents 10.4 per cent of the population of metropolitan Melbourne and has:

- 7.5 per cent of GP services in metropolitan Melbourne;
- 9.4 per cent of mental health services metropolitan Melbourne;
- 12.1 per cent of aged care services in metropolitan Melbourne; and
- two public hospitals/health services (Angliss Hospital, Maroondah Hospital), and five smaller hospitals/health services (Wantirna Health, Yarra Ranges Health, Healesville, Alexandra and Yea hospitals).21

The Outer East planning area is forecast to experience the smallest population growth to 2022 and the Department of Health has stated that “given the current service availability and fair health status of residents, current facilities are likely to be suitable into the future”.22

7.2.6 Peninsula (includes the Mornington Peninsula)
The Peninsula planning area comprises the Green Wedge Council of Mornington Peninsula and the LGA of Frankston. The planning area has a high proportion of elderly residents and its residents generally have high incomes. The planning area accounts for 6.8 per cent of the population of metropolitan Melbourne and has:

- 5.1 per cent of GP services in metropolitan Melbourne;
- 4.6 per cent of mental health services metropolitan Melbourne;
- 5.7 per cent of aged care services; and
- five hospitals/health services — Frankston Hospital, and four smaller services (Rosebud Hospital, Golf Links Rehabilitation, Rosebud Rehabilitation Unit, and The Mornington Centre).23
The Peninsula planning area is not a fast-growing area but the utilisation of hospitals is currently high. The planning area is described as enjoying good access to hospitals but as ‘underserved’ GP, mental health, and aged care services.24

7.3 Overview of Victoria’s health system

The Victorian health system comprises a diverse range of services that are funded through multiple sources. The services provided within the Victorian health system are typically referred to as a ‘continuum of care’ and range from health promotion and disease prevention, through to primary health care, secondary care and tertiary care. The service types, service providers and funding mix within this continuum is illustrated in Figure 7.3 below.25

*Figure 7.3: Victoria’s health system*

7.3.1 Health promotion and disease prevention (public health)

Health promotion and disease prevention initiatives — also referred to as public health — are implemented at both the population and individual level. At a population level, public health activities include infrastructure services (such as clean water and air) and public education campaigns (such as information on the dangers of smoking and the importance of a healthy diet). At the individual level, public health activities can include education programs on the risk of developing chronic conditions, such as diabetes. As illustrated in Figure 7.3 above, the Victorian Government bears the primary responsibility for public health in the state.26

Local governments also play important roles in promoting healthy communities, through their municipal health and wellbeing plans and a range of related services, as do other providers and peak groups such as VicHealth (an independent statutory authority).27

7.3.2 Primary care

Primary care is the care provided to a patient at their first point of contact with the medical or health care system. It includes: primary medical care, which is the care a patient receives during their initial contact with the medical system, such as a GP consultation; and primary health care, which is the care a patient receives at their first point of contact with the health care system, such as treatment by a physiotherapist. Primary health care is generally provided in community health centres or through private allied health providers.28

Primary health care is the type of health care that is most commonly accessed by Victorians and includes:

- general practice services, which include medical and nursing services;

- community health, which includes community nursing, allied health, public oral health services and child and maternal health services; and

- private allied health, which includes oral health, optometry, psychology or physiotherapy services.29

As illustrated in Figure 7.3, primary health is funded from a mixture of public and private sources and is provided by a mix, including local government, public and private service providers. General practitioner services are primarily funded by the Commonwealth Government but also involve out-of-pocket components. Community health services are primarily funded by the Victorian Government and involve a small out-of-pocket component. Private allied health services are funded by a mixture of private health insurance subsidies and include out-of-pocket expenses. Core Primary health care services are available to many low income earners at no or minimal expense.30

Primary care partnerships

The current framework of primary health care provision in Victoria is based upon the Primary Care Partnership (PCP) model, which was established in the year 2000. There is a total of 30 PCPs across the state, including seven which cover the outer suburbs of metropolitan Melbourne. PCPs are funded by the Victorian Government with the aim of improving access to services and service coordination, chronic disease prevention, integrated health promotion, and partnership development.31

PCPs are comprised of a range of member agencies and include hospitals, community health, local government and general practice divisions as core members. Agencies such as area mental health, drug treatment and disability services are also members of PCPs. Partners can also be specific to local issues
and needs and some PCPs have engaged with the police, schools and community groups. PCPs are the Department’s preferred vehicle for driving primary health care initiatives that require a partnership approach.

**Medicare locals**

The Commonwealth Government has also established a network of primary health care organisations, known as Medicare Locals, with the aim of coordinating primary health care delivery and meeting local health care needs and service gaps. Medicare Locals are intended to address the fragmentation of health care provision by bringing GPs, allied health, hospitals, and community health together.

There are a total of 61 Medicare Locals around the country, the first 18 of which began operating from 1 July 2011. A further 18 Medicare Locals began operating from 1 January 2012 and the remaining 25 began operating from 1 July 2012. According to the Department of Health and Ageing, all 61 Medicare Locals have now ‘commenced establishment and operational activities’.

Melbourne’s ten Interface Councils are covered by seven Medicare Locals as listed below:

- **Northern Melbourne Medicare Local** — servicing Nillumbik, Whittlesea and Hume;
- **Frankston-Mornington Peninsula Medicare Local** — servicing Mornington Peninsula;
- **Macedon Ranges and North Western Melbourne Medicare Local** — servicing Melton and part of Hume;
- **South Eastern Melbourne Medicare Local** — servicing Casey and Cardinia;
- **Eastern Melbourne Medicare Local** — servicing Yarra Ranges;
- **South Western Melbourne Medicare Local** — servicing Wyndham; and
- **Goulburn Valley Medicare Local** — servicing Mitchell.

A number of the above Medicare Locals also service non Interface Councils; however, these have not been included for the purposes of the above list.

Medicare Locals will also have a role in implementing the Commonwealth Government’s chronic disease package for diabetes patients by coordinating allied health services for those enrolled in the diabetes management program. Other roles include planning to ensure there is more face-to-face after hours health services available; targeting services better where the local communities demand for health care is not being met; working with local hospitals to assist with patient transitions from hospital care to out of hospital or aged care; and delivering health promotion or preventative health programs.

### 7.3.3 Secondary health care

Secondary care is defined as the care that is provided when primary care is not sufficient and is typically more technical, intensive, or complex than primary care.

Secondary care is generally provided by specialist health professionals for patients who have specific illnesses, as well as chronic and complex conditions and includes radiology and pathology services or
specialist services requested by a general practitioner. Ongoing secondary care is also provided for a chronic or complex conditions by specialist clinicians.

Following treatment in an acute facility (defined below), secondary care is often provided in a hospital or through community care after a patient returns home and can include rehabilitation, home nursing or attendance at a specialist cardiac clinic.

The Victorian Government provides funding for secondary care in the form of some inpatient services and specialist ambulatory care clinics (such as clinics for chronic pain management, dementia and memory loss). The Commonwealth Government subsidises services by private specialist medical practitioners and diagnostic services to which patients are referred by their general practitioner. Greater integration of secondary and primary health services is occurring over time as new models of care are developed.

7.3.4 Acute care (tertiary and quaternary care)

Acute care is often referred to as tertiary and quaternary care. Tertiary care is distinguished from secondary care on the basis that it is more technical, intensive, or complex. Quaternary care represents the next level above tertiary care in terms of technicality, intensiveness or complexity. Quaternary care is highly specialised and is provided on a state-wide basis. Examples include trauma care and some organ transplants. Acute care is typically provided in a hospital and in a range of same day surgical clinics and day hospitals and community-based agencies. Acute care is provided by both public and private providers.

Acute health

Acute care is provided by emergency departments or outpatient clinics subsequent to a referral from a primary health care professional. Patients may be treated by a range of clinicians in emergency departments and are admitted to hospital where they require ongoing care or treated in the emergency department where their requirement for care is short-term. In the public hospital system patients, who require emergency or elective surgery are prioritised according to the seriousness of their condition. Surgical hospital care maybe provided over a number of days but is increasingly provided on a same-day basis.

Public and private hospitals

Victoria's network of public hospitals is governed by 86 independent hospital boards, also known as health service boards, which include 21 public health services (major health service networks), 22 sub-regional health services and 43 small rural health services. These health services are governed by the Health Services Act 1988, under which they are required to meet the health needs of their local communities. The private hospital sector in Victoria comprises day procedure centres, not for profit private hospitals (34 facilities) and commercial for profit private hospitals (128 facilities). Private hospitals are also regulated under the Health Services Act 1988.

The Victorian Government is the main source of funding for public hospitals, while the Commonwealth indirectly provides approximately 40 per cent of public hospital funding under the Australian Health Care Agreement. Public hospital services are provided free of charge and generally do not charge out-of-pocket expenses.
Private hospital services are funded from private health insurance, Medicare rebates, and from out-of-pocket expenses.49

This chapter examines the available health services within the Commonwealth Department of Health Regional Boundaries50 and the Department of Health Planning Areas51 that correspond with outer suburban regions. Where possible data is presented for outer suburban Local Government Areas (LGAs) within each Department of Health Regional Boundary and where such data was unavailable, data is presented for the Department of Health Planning Areas which comprise outer suburban Interface Councils. For the purposes of this report, inner suburban municipalities are used for comparison, and are defined as all municipalities between Melbourne’s Central Business District (CBD) and the outer suburban regions.

**The Victorian health plan**

In May 2011 the Victorian Government released the *Victorian Health Priorities Framework 2012–2022: Metropolitan Health Plan* (the Metropolitan Health Plan) and a companion document entitled the *Metropolitan Health Plan Technical Paper* 2011 (the Technical Paper) to provide state-wide planning principles for the Victorian health system. The Metropolitan Health Plan is one of three documents, together with the *Rural and Regional Health Plan* and the *Health Capital and Resources Plan*, that form the basis for the Victorian Health Priorities Framework 2012–2022 (the framework), which in turn provides the foundation of the Victorian Health Plan.52

The framework was informed by consultation between the Victorian Department of Health and the health sector and by the work of a Ministerial Advisory Committee.53

The Minister for Health, The Hon. David Davis, MLC, noted in the Metropolitan Health Plan that:

> This [the plan] will also enable for the first time, a focus on the special place of interface communities – those where the metropolitan and rural communities intersect – and which have long suffered from disconnected planning.54

The Metropolitan Health Plan focuses on health promotion, primary care and early intervention and the challenges posed by the ageing population, changing disease patterns, and increasing demand on health services.

The *Technical Paper* states that rapid population growth in the outer suburbs of Melbourne results in unique demands on Victoria’s health system. The paper notes that rapid growth presents the greatest challenges to existing health facilities in the outer west, north and southeast. Data indicates a current mismatch between population distribution and service location and type. This mismatch will be exacerbated by population growth and the increased prevalence of chronic and complex health conditions.55

- Current Victorian Government funding commitments for health and mental health in Melbourne’s outer suburbs include;

- an additional 800 new hospital beds during the current term of the government, over 100 of which were delivered during the first 12 months;
reconstruction of run down infrastructure and planning for future growth through the Health Infrastructure Fund;

the following projects, which were funded in the 2011/12 and 2012/13 Budgets:

- the expansion of Frankston Hospital and redevelopment of the Emergency Department at a cost of $75.86 million;
- the expansion of the Northern Hospital Emergency Department to support the Growth Areas in the outer north planning area, at a cost of $24.5 million;
- the expansion of Maroondah Hospital at a cost of $22 million;
- the allocation of an additional $40 million to the Box Hill Hospital redevelopment to provide an additional 100 beds;
- the purchase of land and commencement of planning for the Monash University Children’s Hospital, costing $15.8 million as part of a wider $250 million commitment;
- $1.8 million for the new four-bed Psychiatric Assessment and Planning Units (PAPU), the first of which is to be delivered at Sunshine Hospital. Three additional four-bed PAPUs will be delivered across Melbourne as part of the National Partnership on mental health at a cost of $7.8 million;
- the allocation of $15.1 million to the Sunshine Hospital for the critical care services and the expansion of maternity services; and
- the allocation of $1 million to planning for the expansion of Casey Hospital.

funding for new ambulance branches, the upgrade of existing branches and the provision of additional paramedics at Beaufort, Wallan, Emerald, Belgrave and Yarra Junction to assist in improving response times in outer metropolitan areas;

funding for new mental health beds (comprising inpatient and sub-acute beds for adolescents and adults), such as the Prevention and Recovery Care (PARC) beds in Dandenong and Frankston;

investments aimed at improving and integrating access to hospital and community-based mental health care services for the benefit of all Victorians, including those living in the Growth Area corridors;

funding to boost access to existing eating disorder day programs and services for young people and adults with severe eating disorders in Melbourne’s north and south; and

investment in alcohol and drug harm prevention and treatment services.\(^{56}\)

**Impact of recent council of Australian government reforms**

The Council of Australian Governments (COAG) health reform initiatives, agreed in principle in February 2011, have substantial implications for the state health system and therefore future planning. Under the National Health Reform Agreement, the Commonwealth increased its commitment to additional funding for public hospital services by $16.4 billion between 2014-15 and 2019-20 above
existing healthcare agreement funding. The Commonwealth also agreed to increase its contribution to ‘growth funding’ for public hospital services, to 45 per cent from 1 July 2014, increasing to 50 per cent from 1 July 2017.57

However, the level of National Health Reform funding from the Federal Government was revised down by the Federal Government, in its 2012-13 Mid-Year Economic and Fiscal Outlook, by a total of $435 million over the period 2012-13 to 2015-16 (comprising reductions of: $67 million in 2012-13; $100 million in 2013-14; $121 million in 2014-15; and $147 million in 2015-16).58

Among the stated reasons for the revised funding allocation in the 2012-13 Mid-Year Economic and Fiscal Outlook was the downward revision of population estimates by the ABS, due to overstated population growth in previous years revealed by the results of the 2011 Census.59 However, Victoria’s Minister for Health, the Hon. David Davis, MLC, questioned the basis for the funding reduction and noted that Victoria’s population is estimated to have increased by more than 75,000 people in 2011.60

In addition, as a result of recent recommendations by the Commonwealth Grants Commission, Victoria’s share of national Goods and Services Tax (GST) revenue has been reduced by $2.5 billion over the next four years, which will place additional pressure on Victoria’s ability to fund appropriate health services.61

### 7.4 Public hospitals and health services in the outer suburbs

As illustrated in Figure 7.4, there is a significantly greater concentration of public hospitals in Melbourne’s inner and middle municipalities compared to the Interface Councils. Residents of Melbourne’s outer suburbs also have access to fewer hospital beds than residents of inner and middle suburbs. As the Interface Councils informed the Committee in their submission to the Inquiry, there are 11 public hospital beds per 10,000 residents in the Interface Councils, compared to 30 per 10,000 in inner Melbourne.62
The Committee received evidence that there is a need for new or expanded public hospital facilities to meet the increased demand associated with recent population growth in a number of Interface Councils.

Mayor John Menegazzo, of the City of Wyndham, stated at a public hearing that the size and growth of Wyndham is such that it now requires “a hospital or health precinct with both private and public provision that is the size of Sunshine Hospital or Dandenong Hospital”. The main public hospital in Wyndham is the Werribee Mercy Hospital (located in the suburb of Werribee), which is described as a ‘large community hospital’, with average bed numbers of between 100 to 200. By contrast, Sunshine Hospital is described as a ‘large general hospital’ with average bed numbers of between 200 and 500.

Similarly, Mr Richard Ainley, stated in relation to the Werribee Mercy Hospital that:

*With the community growing as rapidly as it is, we are presented with a challenge in the volume of care that the community seeks to access through our hospital and some of the limitations we have in the inpatient services behind our emergency department that are available to provide that care. This means that we have to work very closely with other health services — for example, with Western Health — and other health networks to ensure that we are able to coordinate care between the different services so that the community can still access appropriate care. Clearly this creates limitations in local access.*
During a public hearing in the City of Melton, the Committee was informed that Melton does not currently have an acute care hospital (Melton Health, which is located in Melton West, provides ambulatory care services only and has less than 50 beds).67

Melton had the fourth highest population growth in Victoria and the ninth highest population growth in Australia in 2009-10.68 The North West planning area, in which Melton is located, was the health region with the highest hospital admission rates for ambulatory sensitive conditions in 2009-10, and the only region with admissions above the Victorian average.

The Mayor of the City of Melton, Justin Mammarella, stated at a public hearing that there is a need for a public hospital in the municipality due to the rapid population growth that it has been experiencing. Mayor Mammarella stated that it was the:

…official position of this council to advocate and ensure that the state government understands our need for a hospital, and that is something our community is certainly wanting.69

Mayor Mammarella also advised the Committee that a petition was being prepared for presentation to the Premier and that that the council had identified a parcel of land in the new Toolern development as a site for a public hospital in Melton.70

Mr Maurie Heaney, General Manager, Community Services, City of Melton, informed the Committee that despite the high demand for maternity services in the City of Melton, with 41 babies being born each week, residents currently had no option other than to travel either to Sunshine Hospital (in the middle-ring LGA of Brimbank) or to the Bacchus Marsh & Melton Regional Hospital (in the peri-urban Shire of Moorabool) for maternity services.71

Mr Michael Tudball, President of Djerriwarrh Health Services, (which operates the Bacchus Marsh & Melton Regional Hospital and the Melton Health facility in Melton, which urgent care, dialysis, chemotherapy and counselling and support services) also stated that there is a need to expand “the capacity of the existing hospital bed infrastructure…particularly in maternity”. However, Mr Tudball did not state whether this should occur through the construction of a new public hospital or through expansion of one of the existing facilities, combined with preventative health measures.72

Mr Bruce Marshall, Chief Executive, Djerriwarrh Health Services, noted that the Melbourne Metropolitan Health Plan has identified the need for an additional 595 beds in the Outer West planning area (which includes Melton, Wyndham, Moorabool and Brimbank) and that 200 of those beds, or the equivalent of a “200 acute-bed health service” would be required to adequately service the Melton and Bacchus Marsh catchment. He also identified investment in the existing Bacchus Marsh & Melton Regional Hospital as one option for meeting this demand but emphasised that Djerriwarrh Health did not necessarily have a view on where the additional 200 acute-beds should ultimately be located.73

Mr Tudball noted that innovation in service delivery could allow a portion of the future demand for acute-bed services to be provided in a form other than hospital-based beds. Mr Tudball also cited the Melton Health facility as a successful example of the aim of reorienting the health system away from a reliance on the provision of hospital beds. He noted that this aim is supported by both State and Federal governments and that the strategies of health promotion and early intervention, particularly in the area of community health, are also key components of this long-term strategy. Mr Tudball also emphasised the role of same-day surgery in this strategy and stated that there is potential for a day surgery hospital in the
City of Melton, possibly as an extension of the Melton Health precinct, as well as the expansion of the existing urgent care services in Melton. In addition, Mr Tudball stated that:

… [t]here is also [the option of] expanding the capacity to manage chronic disease in the community rather than hospital, and our community health and ambulatory care. Whilst they need premises to operate out of, these are people who visit the home: our district nursing, our community health people et cetera. We work particularly with local governments on their programs as well.

The City of Casey, in its submission to the Inquiry stated that during 2009-10, the median wait times at Casey Hospital for almost all surgeries was greater than the national average of median wait times. The submission stated that the City of Casey Cranbourne Community Plan and the draft Cranbourne Town Centre Structure Plan “advocate for a new hospital in Cranbourne to cater for the growing population in the area”. The submission also stated that:

Casey hospital is located between 9 and 20km from Cranbourne and the coastal villages respectively. This includes the townships of Pearcedale, Tooradin, Warneet, Blind Bight and Cannons Creek. The Frankston and Dandenong public hospitals are located 20km from the centre of Cranbourne.

Casey argues that the sheer distance and anticipated population growth in the greater Cranbourne and Clyde area justifies the need to investigate the adequacy of hospital service provision and planning within the southern region of the City.

The Committee notes that the Shire of Yarra Ranges and the Shire of Nillumbik also do not have acute public hospitals within their boundaries, although the level of population growth that has been forecast for these LGAs is significantly lower than Wyndham, Melton and Casey. The Shire of Yarra Ranges stated in its submission that:

Yarra Ranges has no acute hospital within its boundaries. The two public health facilities located in the municipality offer specialised or allied health services, but no acute emergency services. The closest acute public hospitals, Maroondah Hospital is located slightly outside Yarra Ranges’ western boundary, and Angliss Hospital is located slightly south-west of the shire boundaries.

…

Residents in Yarra Ranges are required to travel long distances to public hospitals and health services. This issue is compounded given the limited public transport networks across the municipality.

The Committee is concerned about the level of demand that has been forecast for acute hospital bed services in Melbourne’s outer suburbs in coming years.

The Committee is also concerned by the evidence regarding the relatively long distances that many residents of the City of Melton and the Shire of Yarra Ranges are currently required to travel to access an acute hospital, as well as maternity health services. The Committee considers that there is a need to expand the provision of local maternity services for residents of the City of Melton as a matter of priority. There is also a need to provide for additional acute hospital beds for the residents of Wyndham, Melton, Casey and Yarra Ranges as the areas of greatest need.
Finding 7.1: There is a need for additional acute hospital beds for the residents of Wyndham, Melton, Casey and Yarra Ranges as the areas of greatest need. There is also a pressing need to expand the provision of local maternity services for residents of the City of Melton.

Recommendation 7.1: That the Victorian Department of Health facilitates the provision of additional public hospital capacity, as well as additional maternity services, to meet both current and forecast demand in Melbourne’s outer suburbs.

Finding 7.2: The Shire of Yarra Ranges and the Shire of Nillumbik do not have acute public hospitals within their boundaries. It is noted that the level of population growth that has been forecast for these LGAs is significantly lower than Wyndham, Melton and Casey.

Recommendation 7.2: That the Victorian Department of Health undertake a feasibility study on the provision of acute public hospital services in the Shire of Yarra Ranges and the Shire of Nillumbik.

A significant proportion of hospital care in Victoria is delivered using the same day admission model, under which all patients receiving hospital based care are admitted even if they do not need to stay overnight. Since 2001-12, same day admissions have accounted for more than 50 per cent of annual Victorian hospital admissions.

The State Government’s Metropolitan Plan identifies this historic pattern (i.e. of admitting all patients who receive hospital care) as restricting and impeding the development of new models of care and suggests that a proportion of current same-day hospital based care could potentially be delivered in an alternative setting. Examples of alternative settings may include super clinics, day hospitals and community health centres, after hours general practice services, and short stay observation units.

The Committee agrees with the suggestion that there is scope to provide care in alternative settings for patients who are currently treated under the same day admission model. However, as discussed at 7.6, the Committee also considers that there is a need to significantly increase the number of day procedure centres in the Interface Councils.

7.4.1 Health precinct master planning

During the Committee’s interstate study tour to Adelaide, South Australia, the Committee visited the City of Playford in Adelaide’s outer suburbs. Councillor Glen Docherty, Mayor of the City of Playford, informed the Committee of a health precinct/health training and education model by the name of the Lyell McEwin Health Precinct (LMH Precinct). The proposed LMH Precinct is intended to deliver new
models for higher education, teaching and research, to provide a skilled workforce for the health needs of Northern Adelaide.82

The proposed LMH Precinct is a master planned health hub that will include the Lyell McEwin Hospital, accommodation for health students, accommodation for families and friends visiting patients, health businesses, research institutes and clinical training facilities. The precinct is funded by Playford City Council, the South Australian Department of Health, and Commonwealth funding for the Development of Clinical Training Facility.83 The Council is working on the project alongside a collaborative steering group made up of members of the university and health sectors.84

Mayor Docherty stated that one of the key advantages of the LMH Precinct development was that it would provide medical specialists within their own consulting rooms. This would allow specialists to base themselves in the area, as opposed to only being able to visit the area once per fortnight as is currently the case for some specialists. The precinct is also expected to boost employment as health is an important sector for employment in the region.85

Mayor Docherty said that there had been collaboration between the University of South Australia, Adelaide University, and Flinders University regarding the project.86 The Health Education Network of Northern Adelaide (HENNA) had been created by Adelaide’s three universities in order to obtain Commonwealth funding for the health professions in northern Adelaide.87

The Committee is of the view that the LMH Precinct represents a potentially valuable model for the development of health precincts in outer suburban Melbourne, as it involves collaboration between all levels of government, the health sector, and the university sector, with the aim of delivering a skilled workforce to meet health needs in outer suburban regions.

**Recommendation 7.3:** That the Victorian Department of Health and the Interface Councils investigate the master planning of health hubs in Melbourne’s outer suburbs, such as:

- the upgrading of existing public hospital facilities to acute or tertiary standard in Melbourne’s outer suburbs; and
- options for increasing the presence of medical specialists in Melbourne’s outer suburbs.

### 7.4.2 Funding for public hospitals in Victoria

In the Victorian State Government Budget for 2011-12 an allocation was included for expanding hospital beds in Victoria by 800 over the following four years. The Government announced that a proportion of these beds would be delivered as Hospital in the Home (HITH) services.

HITH involves the provision of acute care to public hospital patients in the person’s own home or a similar setting. Patients are assessed as hospital inpatient and remain the responsibility of their hospital doctor, while care is provided by a nurse, doctor and/or allied health professional. Participation in HITH
is voluntary and research findings have demonstrated that patients have improved outcomes and recovery at home with reduced complications.\textsuperscript{88}

The 2011-12 Budget also included allocations for the expansion of two hospitals in the outer metropolitan region and two hospitals in the middle suburbs utilised by outer-suburban populations.\textsuperscript{89}

- $24.5 million was allocated for the Northern Hospital’s emergency department expansion;
- $1 million was allocated towards planning for the expansion of the Casey Hospital;
- $40 million was allocated for the Box Hill Hospital redevelopment, including 100 new beds; and
- $35.9 million was allocated for the Frankston Hospital expansion.\textsuperscript{90}

### 7.5 Private hospitals in the outer suburbs

The Victorian Health Department has acknowledged that planning for Victoria’s health system must recognise the role of private health providers. The Metropolitan Health Plan acknowledges that public, private and not-for-profit health care has not been well integrated in Victoria in the past and therefore these services have not been utilised efficiently.\textsuperscript{91}

Private hospital services are funded by patients themselves or by private health insurance and benevolent organisations. Unlike public hospitals, private hospitals do not typically receive public funding for their capital expenditure. Close to half of Victorians maintain private health insurance, subsidised by the Commonwealth Government. Approximately one-third of hospital beds are in private hospitals, complementing the public system by providing additional inpatient capacity and enabling choice.\textsuperscript{92} Private day procedure centres differ from private hospitals in that they are usually purpose built facilities for a specified area of health care provision, and for single day admissions.\textsuperscript{93} A general private hospital is similar to a public hospital in that it may provide a wide range of health services and some have both inpatient and outpatient services.

Figure 7.5 illustrates the location of private hospitals within metropolitan Melbourne by LGA and shows that there are currently no private hospitals in five of the nine Interface Councils shown (i.e. Wyndham, Melton, Hume, Nillumbik and Cardinia) and a disproportionate number of private hospitals in the inner and middle suburbs, compared with the outer suburbs of Melbourne.\textsuperscript{94}
There are currently five private hospitals located in Melbourne’s outer suburbs. Lilydale Private Hospital is located in the LGA of Yarra Ranges; St John of God Private Health is located in the LGA of Casey; the Bays Hospital (Hastings and Mornington) and North Park Private Hospital and Beleura Private Hospital are located in the LGA of Mornington Peninsula. As a general rule, private hospitals located in Melbourne’s outer suburbs do not have emergency services.

Beleura Private Hospital has 100-200 beds and provides services such as chemotherapy, elective surgery, oncology, and psychiatric health services. The Bays Hospital has 50-100 beds and services include aged care, dialysis unit, elective surgery, obstetrics and outpatient services. Berwick St John Of God Private Hospital has 70 beds and services include surgical, paediatrics, maternity, diagnostic, day stay, consulting, and home nursing. The hospital is owned and operated by St John of God Health Care; Australia’s third largest not-for-profit health care group. There is no information available on services provided by Lilydale Hospital.

The Department of Health website My Hospitals does not provide adequate data for comparing the services available in inner and outer suburban private hospitals. This is in part because the private

Source: Victorian Government Health Information Maps Hospital Locations. Note: Map does not include Mitchell Shire.
hospitals participation in the information service is voluntary, and in part because participating hospitals only list an incomplete selection of their services.

However, the broad data demonstrates that there are a larger number of private hospitals accessible in inner and middle suburbs, and as such, a wide range of services are readily available in inner suburbs that may be less accessible in outer suburbs.\textsuperscript{100}

\textbf{Recommendation 7.4:} That the Victorian Government, in conjunction with the Federal Government, develop a range of incentives to facilitate the establishment of private hospitals that service Melbourne's outer suburbs.

\section*{7.6 Day surgery centres in the outer suburbs}

A day surgery centre is a centre designed for the optimum management of a day surgery/procedure patient.\textsuperscript{101} A day surgery procedure is a procedure excluding an office or outpatient procedure, where the patient is admitted and discharged on the same day. Day surgery centres are usually purpose built facilities, or facilities within hospitals, that accommodate the extended recovery of day surgery patients. A sample of the types of procedures being performed in day surgery centres include endoscopy, plastic surgery, ear nose and throat, dermatology, cardiac, in vitro fertilisation, and orthopaedic. Day Hospitals were first introduced into Australia in 1982 and approximately 60 per cent of all surgery is now undertaken in day hospitals.\textsuperscript{102} Day surgery centres are part of the private health system and are registered with State or Federal Governments.\textsuperscript{103}

Stand-alone day surgery centres can be owned by either for-profit or not-for-profit organisations, such as large corporate operators, religious organisations, private health insurance funds, and single owner operators. Stand-alone day hospitals are not the only providers of day surgery in Australia. Procedures are also performed in facilities integrated within public and private hospitals; purpose built facilities within an existing hospital; and office based facilities.\textsuperscript{104}

The Department of Health’s \textit{Victorian Hospitals List} illustrates that as of July 2011 there were very few day surgery centres in the outer suburbs compared with inner and middle suburbs. Given that four of the nine day surgery centres in the outer suburbs are endoscopy centres, the range of day surgery services available in the outer suburbs is also much narrower than the range of services available at the 56 day surgery centres operating in middle and inner Melbourne.\textsuperscript{105}
Table 7.1: Stand-alone day procedure centres located in the outer suburbs

<table>
<thead>
<tr>
<th>Local Government Area</th>
<th>Day Procedure Centre 1</th>
<th>Day Procedure Centre 2</th>
<th>Day Procedure Centre 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardinia</td>
<td>Berwick Eye &amp; Surgicentre (private)</td>
<td>Berwick Hyperbaric Health (private)</td>
<td>Hampton Park Women's Health Centre</td>
</tr>
<tr>
<td>Casey</td>
<td>Western Suburbs Endoscopy Services, Keilor (private)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hume</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Melton</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mitchell</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mornington Peninsula</td>
<td>Rosebud Surgicentre (private)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nillumbik</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Whittlesea</td>
<td>Southern Cross Specialist Centre Day Surgery, Mill Park</td>
<td>Bundoora Endoscopy (private)</td>
<td>-</td>
</tr>
<tr>
<td>Wyndham</td>
<td>Westpoint Endoscopy Day Hospital, Hoppers Crossing (private)</td>
<td>Hobson's Bay Endoscopy, Werribee (private)</td>
<td>-</td>
</tr>
<tr>
<td>Yarra Ranges</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Department of Health, Victorian Hospital Locations, updated 12 July 2011.

- Rosebud SurgiCentre day surgery procedures include cataract surgery, plastic surgery, endoscopy and general surgery.\(^{107}\)

- Berwick Eye and SurgiCentre is a specialised eye surgery centre. The Centre provides a range of eye procedures including cataract surgery, multifocal lenses, astigmatism, eyelid surgery, glaucoma and macular degeneration.\(^{108}\)

- Berwick Hyperbaric Health provides specialised hyperbaric oxygen treatment for diabetic wounds, radiotherapy wounds, acute ischaemic conditions, sports injuries, toxic gas, and poisoning.\(^{109}\)

- Hampton Park Women’s Health Centre is a specialised centre providing vasectomies, medical pregnancy termination and general women’s health services.\(^{110}\)

- Bundoora Endoscopy provides gastroenterology day procedure services, including colonoscopy, gastroscopy, capsule endoscopy, hydrogen breath testing, specialist consultations and dietitian consultations.\(^{111}\)

- Hobsons Bay Endoscopy Centre is an accredited day hospital centre for the diagnosis and management of gastrointestinal and liver disorders. It provides gastroscopy and colonoscopy, cystoscopy, vasectomy and national bowel cancer screening.\(^{112}\)

- Similar endoscopy services are provided by Western Suburbs Endoscopy in Keilor and Westpoint Endoscopy Day Hospital in Hoppers Crossing; and

- Southern Cross Specialist Centre Day Surgery is a private day procedure in Mill Park, which services the Whittlesea region.
The Committee is also mindful of the information provided to the Inquiry by the Interface Councils that the number of day procedure centres per 100,000 residents in the Interface Councils represents one tenth the number for metropolitan Melbourne. The Committee therefore considers that significant effort should be put into redressing this imbalance in addition to seeking alternative treatment settings for the same day patients in Melbourne and Victoria.

Finding 7.3: The number of day procedure centres (per 100,000 residents) in the Interface Councils is one tenth the number for metropolitan Melbourne. This represents a significant gap in the level of access to day procedure centres between the Interface Councils and the rest of metropolitan Melbourne.

Recommendation 7.5: That the Victorian Department of Health work with the Interface Councils to prioritise the number of day procedure centres in the Interface Councils.

7.7 Recruitment, retention and training of health professionals

7.7.1 Recruitment and retention

The Metropolitan Health Plan Technical Paper found that the distribution of the health workforce in existing service delivery locations is a potential problem, especially as the need for services increases in the outer west and outer northwest, as the population grows. Currently there are more health service workers living near the centre of Melbourne than in outer Melbourne.

The Metropolitan Health Plan Technical Paper stated that:

… to support future configuration of health services, incentives will need to be created for health professionals to travel longer distances or to move residence.

A number of the stakeholders provided evidence that the recruitment and retention of health professionals is a challenge in some outer suburbs, and this poses problems for service delivery in outer areas.

Mr Richard Ainley, Executive Director, Mercy Health of South Western Health Services gave evidence that:

… the challenge we face in the supply of a highly skilled workforce, in terms of medical, nursing, allied health and other areas, is that it is still a challenge to recruit these professions into the south-west. While this is changing — and we are certainly encouraged by some of the recent appointments we have made in this area — we still face significant obstacles to getting specialist doctors into the south-west and to Werribee Mercy to support the service growth we need to pursue.
Mr Simon Brewin, Executive Director at Peninsula Health, which is a public hospital and health service provider for Frankston and the Mornington Peninsula, informed the Committee that while Peninsula Health had become a more attractive employer over the years, it continued to face challenges in recruiting sufficient numbers of appropriately skilled clinical staff:

Over the years there have been various challenges around recruitment and retention of clinical staff to the peninsula. Generally speaking, from a Peninsula Health perspective, we have become a more attractive employer. Relative to other health services I think we are able to attract appropriately skilled and trained people. However, there is a general workforce issue that is emerging where there are not sufficient numbers of skilled individuals. Each time we open a new facility we have to spend a fair amount of time on workforce planning strategies to ensure that we can recruit the nursing and clinical staff to support those facilities.117

Westgate General Practice Network (WGPN) also informed the Committee of the vulnerability of outer-suburban and interface areas in relation to attracting and retaining enough health professionals to meet community demand. Mr Nihal Samara, Legal Counsel and Policy Development, referred to the outer suburbs as an ‘urban void’ for health practitioners and Dr Joe Garra, GP and Chair of the Network gave the following example:

We are short of obstetricians to deliver babies out in the west and one of the local obstetricians convinced a young graduate to come out and work at Werribee Mercy Hospital. He was all enthusiastic when the hospital said “we will pay you $600 for every time you deliver a baby”, and he thought, “Okay”. Then he booked his first private patient in town and got $5000 and thought, “Hang on a minute. I can do one delivery privately for the price of eight public patients at Werribee” and he quit. He lasted a month.118

The Committee heard that recruitment and retention is also a problem for outer-suburban areas internationally. During the Committee’s international study tour visit to the District of Maple Ridge in Vancouver, Canada, the Committee was informed that the local hospital attracts staff to the area by advertising the benefits of the area strategically with the knowledge that particular features will appeal to particular professionals. The Committee was also advised that the local private school of Meadow Ridge has a good reputation and specialist hospital staff may be attracted to live in the area to send their children to the school. Other benefits of living in the area that might be advertised include lifestyle and sport and recreation amenities. The Committee was informed that this recruitment strategy of focusing on the lifestyle benefits of Maple Ridge for health professionals has proven successful.119

There is currently one Federal Government program that has the objective of increasing the recruitment and retainment of health care workers in the outer suburban areas of Australia’s capital cities. This is the More Doctors for Outer Metropolitan Areas Measure (MDOMA). The Outer Metropolitan Relocation Program (Other Medical Practitioners) (OMRP) and the Outer Metropolitan Specialist Trainee Program (OMSTP) are components of the MDOMA.120

The MDOMA is designed to address the shortage of general practitioners in the outer metropolitan areas of Australia’s capital cities. The measure provides financial incentives for doctors to relocate to, or remain in, outer metropolitan areas. It also provides training opportunities for doctors undertaking general practice or specialist training in outer metropolitan areas.121
The OMRP aims to encourage the retention of non-vocationally recognised medical practitioners (doctors working in general practice who are vocationally-registered as a GP and who therefore have access to a lower value Medicare rebate)\textsuperscript{122} who are currently practicing in outer metropolitan areas. Medical practitioners who are enrolled in a pathway to fellowship receive the higher Medicare benefits schedule rebates for services performed at approved outer metropolitan locations.\textsuperscript{123}

The OMSTP allows specialist trainees to work in supervised positions in private practices that are either in outer metropolitan areas or service outer metropolitan areas. Settings where expanded specialist training could potentially occur include: private hospitals; specialists’ rooms; clinics; non-clinical settings (such as simulated learning environments); day surgeries; aboriginal medical services; and publicly funded health care facilities, which can provide training opportunities not available in major public teaching hospitals.\textsuperscript{124} OMSTP funding is a salary contribution paid to the employer of the trainee at a rate of up to $110,000 (GST inclusive) pro rata per Full Time Equivalent (FTE).\textsuperscript{125}

The Victorian Government has committed $2.4 million across four years to establish a General practitioner (GP) – rural generalist program in the areas of obstetrics, anaesthetics, emergency medicine and surgery. Rural clinical schools will be supported to participate in the program, which is aimed at supporting the retention of doctors in rural and regional Victoria.\textsuperscript{126} Students of rural clinical schools are offered postgraduate opportunities in general practice and advanced skills/specialised training, to give medical students a supported and cohesive pathway to a rural career. The program lines up rural rotations necessary for a medical graduate to become a GP, provide professional development, and involve partners in regional medical training and employment.\textsuperscript{127}

The evidence suggests that further measures, aside from Commonwealth MDOMA and the existing Victorian rural programs, are needed. Similar programs to those for rural and remote areas could be beneficial in the outer suburban context.

**Recommendation 7.6:** That the Victorian Government, in conjunction with the Federal Government, investigate incentives to increase the number of health care professionals (including GPs, specialists, nurses, and allied health professionals) in the outer suburbs of Melbourne.

The Committee notes that enhancing the liveability of Melbourne’s outer suburbs also has an important role to play in attracting health care professionals to the outer suburbs. This could include the provision of a wider range of housing choice within residential housing estates, including both townhouse style living for young medical professionals and larger homes on larger blocks for medical professionals with children who may aspire to such accommodation. The provision of private schooling options, which the Committee has discussed in Chapter Five, can also make a significant difference in attracting medical professionals to settle in the outer suburbs. There needs to be a diversity of housing types, amenities and facilities, with acreages, to attract professionals to the outer suburbs.
Recommendation 7.7: That the Victorian Government work with the Interface Councils and with residential developers to establish a diversity of housing types in the Interface Councils.

Particular consideration should be given to the inclusion of features aimed at attracting medical and health professionals.

7.7.2 Training health professionals

The number of Victorians obtaining health related higher education degrees is growing. This is encouraging in terms of the goal of meeting the growing demand for health services in Victoria. However, adequate training facilities and clinical placements are necessary.\textsuperscript{128}

A number of submissions to the Inquiry identified the need for further collaboration between health educators and health services to make best use of the skills available in outer suburban areas. There are a number of existing relationships between health educators and health service providers which have been created with the intention of attracting and retaining health practitioners in the outer suburbs.

Health Workforce Australia (HWA) was established in 2009 as a national agency to drive health workforce development by overseeing the implementation of the 2008 COAG National Partnership Agreement on hospital and health workforce reform.\textsuperscript{129}

The Victorian Government has recently established the Victorian Clinical Placements Council (VCPC) in conjunction with 11 Clinical Placement Networks (CPN). The CPN’s include stakeholders of clinical health education including a range of health providers, and health education providers.\textsuperscript{130}

WGPN’s Medicare Local plan for the outer west includes training more than 1,000 new medical and nursing positions to support local GPs to provide after-hours services and, advocates initiatives to increase and enhance the primary health care workforce to meet local community needs.\textsuperscript{131}

Medicare Locals are intended to address gaps in health care provision by responding to local needs and better integrating existing services.\textsuperscript{132} For example, it was identified in recent ABS data that Hobson's Bay City Council had the highest metropolitan rate of emergency department presentations. The Council had the average number of GPs but the utilisation of GP services was low in comparison to the average rate of GP utilisation. WGPN called for these inequities in health care in this particular Council to be addressed.\textsuperscript{133} The State Government has committed to establishing a health and medical research precinct at Deakin University, and will designate the Alfred Health precinct an academic health science centre.\textsuperscript{134}

The Committee heard that collaboration between training providers and health services also plays a key role in improving accessibility to health services. The University of Notre Dame (which was established in Fremantle, Western Australia and now also has campuses in Broome, Western Australia and in Sydney, New South Wales) has set up a Clinical School at Werribee Mercy Hospital. The Clinical School is to support the education and training of medical school students and clinical research by school staff and students. The Clinical School caters for clinical placements for the University’s medical students and medical students from interstate.\textsuperscript{135}
Victoria University, Monash University and the state regional health department office have also been involved in cooperative training and service programs – providing clinical training positions to GPs and nursing support staff in the outer suburbs.\(^{136}\) Victoria University is a signatory of the Medicare Local model plan for the western suburbs and the University’s nursing students have been placed in clinics in the western suburbs.

In July 2011 the Federal Government announced a $2 million multidisciplinary clinical learning centre and student accommodation at Mercy Hospital, in conjunction with Victoria University. Professor Michelle Towstoless, Executive Dean, of the Faculty of Health at Victoria University, stated that the project would deliver benefits for the wider Wyndham community.

> By recruiting our students from the local region and providing clinical training in nursing and midwifery at modern local facilities, we aim to retain professional graduates as a skilled workforce that will stay and live in the west.\(^{137}\)

Mr David Kett, Executive Project Officer at Deakin University gave evidence to the Committee with regards to Deakin Medical School and Deakin Health Online initiatives which provide online support to health services in the region and collaboration with health professionals in rural and outer areas.\(^{138}\)

In March 2011, the Victorian Minister for Higher Education and Skills, Hon. Peter Hall MLC, announced that seven million dollars from the Regional Infrastructure Development Fund would be granted to Deakin University’s new Regional Community Health Hub (REACH). REACH will provide new opportunities for higher education in health for students in regional and rural areas, in response to the critical workforce shortages in rural and regional areas.\(^{139}\)

The new health hub is expected to accommodate 1,500 new students, 172 new staff, inject $140 million a year into the regional economy, and create a further 850 indirect jobs.\(^{140}\) Deakin Health Online is part of the new hub and will provide an online e-learning service to link health services, practitioners and educational institutions for the clinical training of health professionals.\(^{141}\) Students can undertake a health sciences degree online with face-to-face support from academic staff. Online delivery provides students with the flexibility to study at a time and place that is convenient. Learning centres such as the Deakin learning hub in Dandenong are available as bases where students can access computer facilities and Wi-Fi, printing and copying facilities and prescribed course texts.\(^{142}\)

The *Deakin at Your Doorstep Program* is another program aimed at improving accessibility for rural and regional students. Deakin's associate degrees are offered on campus at Warrnambool or via video conference at a state-of-the-art learning centre, with on-campus tutor support through Deakin's Technical And Further Education (TAFE) Partner Campuses. TAFE partners include Chisholm, Sunraysia Institute, Advanced TAFE, GoTAFE and SouthWest TAFE.\(^{143}\)

According to Mr Nihal Samara, Legal Counsel and Policy Development Officer at the WGPN, more clinical schools and partnerships can be set up with a range of providers, including TAFEs. These would provide GPs and new trainees the skills they need. This would assist with building workforce capacity for the whole outer-suburban region so that if practitioners do choose to leave the area, the residents are not so seriously affected.\(^{144}\)

Mr Samara went on to recommend that health care training bodies collaborate more effectively. He argued that better collaboration is possible with the nationalisation of medical registration boards.
Partnerships, both intrastate and international, could facilitate the movement of health carers from place to place for the purpose of up-skilling.\textsuperscript{145} He stated that:

\begin{quote}
\ldots the entire health system actually needs to be a lot more integrated rather than simply looking at point-of-care only.\textsuperscript{146}
\end{quote}

The issue of improved integration between medical, health and support services is discussed further at section 7.9.

The Victorian government has identified the expansion of services, workforce and system capacity as a key priority for health planning. More specifically, the allocation of additional investment in workforce education, training, placements and role development is listed in the State’s Metropolitan Health Plan as a health planning priority.\textsuperscript{147} The Department of Health noted in the Technical Paper that planning for training is difficult but critical for ensuring that demand for all health specialties are met.

\section*{7.8 Aged care services}

A majority of the submissions that addressed health noted that an ageing population created higher demand for aged care services. Victoria’s population is ageing. By 2021, the number of Victorians over the age of 70 will almost double, to about 730,000.\textsuperscript{148} The greatest proportional growth in the over 70 year population is projected to occur in the outer west and outer northwest.

The State Government’s aged care agenda is focused on providing access to appropriate services; providing services to assist older people to remain living independently in their own homes; and upgrading public sector residential aged care facilities to meet new Commonwealth standards.\textsuperscript{149}

A number of Victorian and Commonwealth Government aged care services are available to older Victorians. These programs are intended to improve access to community care services for older Victorians, younger people with disabilities, and their carers.

The Commonwealth Access Points Demonstration Project (APDP) aims to improve accessibility and navigation of the health care system for older Australians. The program is known under the service name of Direct2Care in Victoria. Direct2Care is a place where people can go to get information about aged and community care services. Currently Direct2Care is only servicing consumers living in the Eastern Metropolitan Region (EMR) and the Grampians Region (GR) of Victoria. It is anticipated that the service will be implemented across the state in the future.\textsuperscript{150}

The Home and Community Care (HACC) Program provides basic support and maintenance to people living at home, whose capacity for independent living is at risk, or who are at risk of premature or inappropriate admission to long-term residential care. The program is jointly funded by the Commonwealth and Victorian Governments. Services available include domestic cleaning, home maintenance, delivered meals, personal care, nursing care, volunteer coordination, and telelink. These services are provided by local councils, community health centres and some community organisations.\textsuperscript{151}

For an older person to access commonwealth funded Residential Care, Extended Aged Care in the Home Packages or Community Aged Care Packages they must be assessed by an Aged Care Assessment Service (ACAS). These are usually teams including medical staff, social workers, occupational therapists, nurses and other allied health professionals. The assessment is used to establish the level of care that an older
person might need within the home or within residential care. They assess for all restorative and potential care options.\textsuperscript{152}

When older people are no longer able to remain in their homes, residential aged care is often the solution. Aged care homes are owned and operated by individuals and organisations that have Commonwealth Government approval to provide residential care.\textsuperscript{153} Two levels of residential care are provided in Australia. These are low level (hostel) services, and high level (nursing home) services. Residents may be asked to contribute to the cost of residential care.\textsuperscript{154} There is less demand for low level residential care in Australia compared with high level care. This is likely to be a result of the desire to stay in the home as long as possible and the prevalence of new aged care models such as retirement villages.\textsuperscript{155}

Unlike other Australian states and territories, the Victorian Government has a significant role in the public provision of residential aged care. At June 2008, public sector services accounted for 14.4 per cent of places state-wide, across 195 facilities.\textsuperscript{156} In Victoria residential aged care is provided by the not-for-profit sector, the private sector, and the Victorian Government. Public Sector Residential Aged Care Services (PSRACS) are targeted at small rural communities and those with specialist care needs that are not being met by other providers. All PSRACS are run under the regulation and funding instruments of the Commonwealth government.\textsuperscript{157}

Commonwealth Government policies and procedures determine the overall number of aged care places available to Victoria and the distribution of those places across the state. However, the Victorian Government has demonstrated an interest in ensuring there is greater congruence of planning for community-based packages and community care generally, with that for residential aged care places.\textsuperscript{158}

Demand for residential aged care is expected to grow and the population of Victoria ages. Growth in demand is expected in inner metropolitan areas where there is little land for such developments. However growth is also expected in outer metropolitan regions such as Brimbank, Wyndham, Yarra Ranges and Cardinia where greenfield sites are likely to be available and forward planning can be facilitated.\textsuperscript{159}

The Committee heard from all of the outer suburban councils, that planning for population ageing is an area of particular focus. For example, the Primary Care Partnership for Hume Whittlesea (HWPCP) identifies ‘planning for growth with a focus on population ageing’ as one of its four strategic priority areas to meet the needs of the over 65 population projected to almost triple by 2030.\textsuperscript{160} The HWPCP will have:

\begin{quote}
\textit{… an emphasis on capacity building or restorative care to maintain or promote a client’s capacity to live independently as possible. The overall aim is to improve functional independence, quality of life and social participation.}\textsuperscript{161}
\end{quote}

There are significantly fewer aged care services located in the outer suburbs of Melbourne compared to inner and middle suburbs.\textsuperscript{162} This is of particular concern given the substantial population growth and population ageing that has been forecast for outer suburban Melbourne.

However, there is a shortage of land for aged care development in inner areas,\textsuperscript{163} and therefore the development of facilities in Melbourne’s outer suburbs may be an option for serving both inner and outer aged care populations. The Committee notes, however, that this would only be an option if transport infrastructure allowed for ease of movement through Melbourne’s middle-ring suburbs and through to the Interface Councils.
It should be noted that the Department of Health Technical Report also noted that particular outer locations are lacking in available capacity to serve the health needs of their populations. For example, although the number of people aged over 70 years in the City of Melton is forecast to increase by more than 10,000 by 2022, the area is currently under serviced with respect to both aged care facilities and general practitioners.

Although inner metropolitan areas have more aged persons overall than outer suburban areas, the proportional growth anticipated is greater in the outer suburbs. Therefore, whilst increased service provision for aged care is needed in inner areas, new aged care services will be required in some outer municipalities.

Figure 7.6 below illustrates the current and expected population growth by area profile for people over 70 years.

**Figure 7.6: Current and Expected Population Growth by Area Profile for People Aged over 70 years**

The Committee received evidence from representatives of Mercy Health during a public hearing regarding the Mercy Place Parkville aged care facility, which represents an innovative model of residential aged care and which was built in 2009 on the site of the 2006 Commonwealth Games Athletes’ Village in Parkville. The success of the Mercy Place Parkville facility has led Mercy Health to incorporate many of the design principles into other aged care residential facilities. Ms Kerri Rivett, Regional Manager, Aged Care Services, told the Committee that the success of aged care facilities results from treating the facilities as part of the community rather than as hospital facilities because elderly residences may require medical support but also require social interaction and participation in community.
Ms Kerri Rivett, Regional Manager of Aged Care Services at Mercy Health explained:

One of the principles which underpinned the project was community integration — that the residential care facility was not designed as separate from the community, that we looked at it from a ‘How do we bring the community into the residential care facility?’ viewpoint. This is because we all know that these days about 75 per cent of residents in a residential care facility are high care. They have difficulties getting out, they have difficulties being able to go on outings, so how do you bring the community into the residential care facility? They were some of our thoughts around that when we started designing the facility, and once again we needed… You will never get a residential care facility that will be like home, but you can aim to have that feeling of home and that, ‘This is my space, this is where I belong, this is where I feel included, this is where I am socially engaged’.

The Parkville facility embraces ‘community’ by incorporating a café, computer kiosk, grocery store, chapel and hairdresser. The facility was built using a business model that included commercial businesses, enabling residents to live more independent lives within an aged care context. In addition, the model facilitates interaction between the outside community and residents of aged care because commercial premises are open to the public. A GP clinic located in the care facility is also attended by the general public.

The Committee considers that the principle of ‘community integration’ should be paramount in the future siting and design of aged care facilities in Melbourne’s outer suburbs. Locating aged care facilities in close proximity to — or in co-location with — shops, services and residences in the outer suburbs is key to achieving such community integration. The provision of such facilities should also be seen as an important part of the strategy of enabling residents of Melbourne’s outer suburbs are able to ‘age in place’, in the sense of being able to access suitable residential aged care accommodation in their local suburb or area.

**Finding 7.4:** The principle of ‘community integration’ should be paramount in the future siting and design of aged care facilities in Melbourne’s outer suburbs. Locating aged care facilities in close proximity to — or in co-location with — shops, services and residences in the outer suburbs is key to achieving such community integration. The Mercy Place Parkville aged care facility provides a useful model for the facilitation of both community integration and independent living.

**Recommendation 7.8:** That the Victorian Government and the Growth Areas Authority consider the Mercy Place Parkville aged care facility as a possible model for the design of aged care facilities in Melbourne’s outer suburbs.

Ms Rivett and Ms Danielle Biviano, Client Services Manager, Community Services Division, Mercy Health, also informed the Committee about the potential for assistive technology to enable elderly people to continue living independently for longer, either in their own home or in ‘independent living units’
within an aged care facility. Ms Biviano outlined the role of the ‘smart house’ located at Mercy Place Parkville, which is essentially a remote facility that enables the health and safety of the residents of the facility’s 52 ‘independent living units’ to be monitored through the use of machines and detectors, thereby reducing the need for such monitoring to be done in person by community nurses. Ms Biviano informed the Committee that the Mercy Place Parkville ‘smart house’ is also used as

an interactive demonstration and education facility for health professionals, family members and clients…[to]…see the different types of assistance technology that are available to them to assist them to live independently at home.

Ms Rivett and Ms Biviano noted that despite the significant cost savings associated with the use of such assistive technology, it is an areas that currently receives very little direct government funding. By way of contrast, Ms Biviano noted that such assistive technology is funded by local government in the United Kingdom.

Notably, Ms Rivett stated that the ‘smart house’ model for the use of assistive technology that has been established at Mercy Place Parkville could be replicated in the outer suburbs of Melbourne. Ms Rivett informed the Committee that Mercy Health was in the planning stage for the implementation of a similar assistive technology model at its Mercy Place Montrose aged care facility, which is located in the suburb of Montrose in the Green Wedge Shire of Yarra Ranges. Ms Rivett stated:

At the moment we are in the planning stage at Montrose, which is Mercy Place Montrose at the foot of the Dandenongs. We are planning to use the same principles out there. We have quite a big parcel of land out at the foot of the Dandenongs, so we will be putting in independent living units. We are even looking at independent apartments, so we can actually look at cheaper options for those financially disadvantaged sorts of people. When we are doing our business cases we are constantly looking at what the social demographics in the area are so we can meet their needs as well.

The Committee commends Mercy Health for the innovative use of assistive technology in its aged care facilities and is encouraged by its plans to extend the Mercy Place Parkville model to Melbourne’s outer suburbs.

The Committee is concerned by the evidence that direct government funding for assistive technology is currently very limited. There are significant benefits associated with enabling people to remain in their homes as they age. These include the preservation of individual independence, dignity and peace of mind, maintaining the integration of the elderly within local communities, as well as cost savings to both individuals and governments. For these reasons, the Committee considers that all levels of government should work together to establish a funding stream for assistive technology within the current aged care funding model.

**Finding 7.5:** There are significant benefits associated with enabling people to remain in their homes as they age in Melbourne’s outer suburbs. These include the preservation of individual independence, dignity and peace of mind, whilst maintaining the integration of the elderly within local communities, as well as cost savings to both individuals and governments.
Recommendation 7.9: That the Victorian Government initiate a process, through the Council of Australian Governments, to investigate the establishment of an aged care funding stream for the provision of assistive technology (as exemplified in the Smart House models), thus enabling people to live independently at home, as well as in ‘independent living’ units or apartments in residential aged care facilities.

7.9 Allied health services and preventative health

The Committee also received evidence that there is currently inadequate funding for allied health professionals in some of Melbourne’s outer suburbs.

Allied Health Professions Australia (AHPA), which is the peak national body for allied health professionals, lists the following categories of allied health professionals within its membership: audiologists, chiropractors, dietitians, exercise physiologists, occupational therapists, orthoptists, orthotists and prosthetists, osteopaths, hospital pharmacists, podiatrists, psychologists, sonographers, social workers and speech pathologists.175

Ms Mary Agostino, General Manager, Advocacy, City of Whittlesea, stated that all allied health services in the LGA are currently lacking in funding.176

Similarly, WGPN informed the Committee at a public hearing that Melbourne’s south west is also experiencing a shortage of allied health professionals.177

Ms Corinne Siebel, Chief Executive Officer at WGPN, stated:

*We know that the community health centre waiting time is very long; to see a podiatrist is something like three months … There are hardly any exercise physiologists in the area, and the ones who are there do not provide exercise equipment.*178

The consistent strand in each region’s PCP is a need for continuing and improved collaboration between acute, sub-acute and allied health services to ensure that people have access to an appropriate range of services to meet their post-hospital and on-going care needs.179

Recommendation 7.10: That the Victorian Department of Health, in conjunction with the Federal Government, investigate strategies for boosting the funding, from both the public and private sector, to increase the supply of allied health professionals in Melbourne’s outer suburbs.

The Committee also received evidence on the need for improved integration between allied health care and other medical and health services. WGPN stated that patients need a smooth transition in and out of hospital care, facilitated by effective collaborations between the hospital networks and local clinician
groups. This will enable “more coordinated, integrated, locally responsive and flexible health services.”

Collaboration and cooperation with private allied health providers could ease the waiting times in the outer suburbs. The WGPN has approached two of the local large private physiotherapy clinics to collaborate with them, because they consider there is a role for private practitioners in the region.

The WGPN has created a Medicare Local Population health plan for the western suburbs, which was submitted to the Commonwealth government in April 2011. At a public hearing in Melbourne they advocated for their plan and suggested it could be used as a model for collaboration in health provision for other outer suburban regions. Mr Nihal Samara of WGPN, stated:

> The plan was created in consultation with 89 partner agencies and has developed coordinated service plans to span the next ten years. These plans have coupled local hospital networks and Medicare Local structures. This ensures that the primary, GP, community services and hospital parts of the system effectively work more closely together.

Both health and other community service organisations identified the fragmentation of the service system as a primary issue exacerbating health and social issues for families in the outer suburbs. Ms Stella Avramopoulos, Chief Executive Officer at Kildonan community service stated:

> … the fragmentation of the service system exacerbates things for families trying to access things…particularly where travelling is an issue and where most mainstream and specialist services have to be accessed outside of the municipality.

For example, maternal and child health services, which the Committee heard are in high demand in the outer suburbs, could be better integrated with other community and health services.

During the Committee’s overseas study tour to the Regional Municipality of Halton in Toronto, Canada, the Committee heard evidence of such integration in community and health services. Ms Carleen Carroll, Director of Communications, Community Relations, Regional Municipality of Halton gave evidence of a partnership between the school board, and community organisations to create the Our Kids Network, which delivers a number of parenting programs and programs for children. The Network includes a Twitter account to communicate parenting information and point parents to useful resources. The concept derives from existing maternal and child health services for newborn babies and attempts to extend that service to families with older children and teenagers to age eighteen. The Twitter account is monitored by a public health nurse who can communicate with parents offline and anonymously if they prefer anonymity.

**Recommendation 7.11:** That the Victorian Department of Health initiate a review of the extent of the integration between allied health services in Melbourne’s outer suburbs.
7.10 General practitioners and super clinics

7.10.1 Availability of general practice services

GP services are generally concentrated in the inner suburbs of Melbourne metropolitan close to the CBD and there is a significant decrease in the number of GPs in Interface Councils.

The largest gaps in the provision of GP services are found in the Outer West planning area, covering Brimbank, Melton, Moorabool and Wyndham. Current data indicates that in some locations there is a lack of available general practices services. For example in Melton, the increase in the percentage of people aged over 70 years is projected to grow by more than 10,000 by 2022, yet this area is currently underserved with respect to general practitioners and aged care facilities. This area is 11.2 per cent of the metropolitan population but only 7.7 per cent of the metropolitan GP services are located in the region. The outer east comprising of Knox, Maroondah and Yarra Ranges has 10.4 per cent of the metropolitan population and 7.5 per cent of the metropolitan GP services.\(^{185}\)

According to research conducted by General Practice Victoria (GPV), the overall GP population ratio in the catchment of the Dandenong Casey General Practice Association is estimated to be one GP to over 1700 people. This rate is already substantially above the national average of one GP to every 1400 people. However, to maintain the current ratio at the rapid rate of population growth, one new GP every 5.7 weeks would need to establish themselves in the area. Similarly, to meet the population demand for GP services in Wyndham on the basis of the Commonwealth benchmark of 1:1400, there would need to be an increase in GP numbers of one every 5.7 weeks.\(^{186}\)

Furthermore, the annual survey of GPs conducted by the Dandenong Casey Association forum found that 62 per cent of its practices report that they do not have an adequate number of GPs to meet demand.\(^{187}\)

The Shire of Yarra Ranges, in its submission to the Inquiry, stated that population growth in the eastern region had led to a shortage of GP services. The submission suggested there are access issues relating to the geographic location of GPs across the region and the increased complexity of cases presenting to existing GPs.\(^{188}\)

Djerriwarrh Health Services informed the Committee that there is a shortage of General Practitioners in Melton.\(^{189}\)

According to General Practice Victoria, evidence suggests that the high levels of ambulatory treatment and hospital admissions for ambulatory sensitive conditions such as diabetes is correlated with problems of access to general practice and other primary health care.\(^{190}\) These conditions are best managed by regular access to a consistent health practitioner for monitoring and management which can prevent complications.

On 25 November 2010 the Commonwealth Government announced the allocation of $64.5 million in primary care infrastructure grants to over 240 clinics across Australia. A total of 68 of the 240 grants were offered to Victorian practices or other primary health care facilities. Of these 20 (29 per cent) were granted to outer suburban metropolitan practices. However, GPV advised in their submission to the Inquiry that too few of these grants were available to outer-suburban GP practices. Three of the
Victorian GP divisions indicated that between one and five practices in their catchments applied for infrastructure grants but were unsuccessful.

**Recommendation 7.12:** That the Victorian Department of Health investigates the reasons for the relatively small number and proportion of Commonwealth primary care infrastructure grants that have been made to outer suburban Melbourne and works with the Commonwealth to redress this imbalance.

A District of Workforce Shortage (DWS) is an area in which the general population’s need for healthcare has not been met. DWSs are determined by the Department of Health and Ageing and are linked to the provision of Medicare Provider Numbers. For the purpose of DWS evaluation, geographic divisions used by the Australian Bureau of Statistics are used. In general, a location is deemed a DWS if it falls below the national average for the provision of medical services. DWS only applies to medical jobs that need to provide services that attract Medicare rebates.¹⁹¹

Outer metropolitan general practice divisions have in the past applied to the Commonwealth for District Workforce Shortage status¹⁹² but they are usually unsuccessful. For example, in Dandenong Casey, sixteen practices applied during 2010 and only three were successful. General Practice Victoria submitted that DWS is based on out-dated population data and does not recognise the rapid population growth in outer suburban areas, therefore denying DWS status, and exacerbating the workforce shortage problem.

General Practice Victoria stated in its submission that the DWS measure needs to be changed and that the calculated shortages are inaccurate due to the very rapid population growth in the City of Casey.¹⁹³

**Recommendation 7.13:** That the Victorian Government encourages the Federal Government to reassess the District Workforce Shortage Measure which is currently based on out-dated population data, with special reference to rapid growth in outer suburban and interface areas.

### 7.10.2 Super clinics and collaboration with general practice

During the Inquiry, the fragmentation of health services was identified as an issue, as was the separation of GPs and other specialised services.¹⁹⁴ For example, the Australian Nurses Federation, Australian Medical Association, and the Royal Australian College of GPs suggested that as GPs are very often the first point of contact for patients, collaborative relationships between GPs, local government health services and hospitals are paramount.¹⁹⁵ Collaboration between health professionals was a key strategic issue in Primary Health Care Partnerships inclusive of most outer suburban areas.¹⁹⁶

Westgate General Practice Network advocated state support for the ongoing development of primary health care infrastructure, including GP super clinics. They expressed the belief that engagement with general practice and recognition of its centrality in primary health care reform and delivery was absolutely
necessary.197 The Chief Executive Officer of the Network, Ms Corinne Siebel gave evidence of the move towards integrated GP and allied health care through the super clinic concept:

What we have done as a division of general practice is move out of the scope of divisions where divisions just support a general practice. We have set up a primary health-care service that acts as a referral base for all our GPs in the area. We have brought in people from outside professions – allied health from outside. The framework is like a super clinic where a patient can come into that service with diabetes, for example, see a diabetes educator, have their insulin managed, have their diet requirements managed and have a podiatrist look at their feet.198

GP super clinics have been identified as a priority area by the Council of Australian Governments. The Commonwealth, state and territory governments worked collaboratively to implement the initiative. The Commonwealth Government has committed $275 million over four years to build 36 GP super clinics across Australia.199 Funding for a further 28 new GP super clinics was announced in the 2010-11 budget, to be rolled out over 2010-11.200 In some of the original localities, state, territory and local governments provided contributions such as land, capital contributions and in kind provision of capital works project management expertise.201

GP super clinics are newly constructed or significantly extended facilities which support delivery of integrated, multidisciplinary primary care services and the training and education of the future primary care workforce. According to the federal government, super clinics are intended to bring together GPs, practice nurses, visiting medical specialists and allied health professionals and are tailored to the local needs of the community.202

Super clinics are designed to help address one of the ‘key areas of inefficiency and duplication in our health service system by improving integration between commonwealth and state and territory funded primary care and hospital services. Super clinics are also intended to provide high quality clinical training environments for medical, nursing and allied health professional students and graduates.203

As at November 2012, only one of a total of five planned Super Clinics had opened in Melbourne’s Interface Councils, the Berwick Super Clinic in the City of Casey.204 The Berwick Super Clinic is part of the training practice of the Victorian Metropolitan Alliance (a training provider for GP Registrars in metropolitan Melbourne). The Clinic also works with Monash University to develop teaching roles for the clinic with medical and nurse student placements.205

The following four Super Clinics, which would be based in the Interface Councils, remained at the planning stage:

- Hume City (in the City of Hume);
- Melbourne West (which would include Melton and Wyndham, as well as Hobson’s Bay, Maribyrnong and Brimbank);
- South Morang (in the City of Whittlesea); and
- Wallan (in the Shire of Mitchell).206

General Practice Victoria, as well as a number of Victorian GP Divisions and the Victorian Healthcare Association, have expressed reservation as to whether super clinics are the best response in outer
suburban areas, or at least that they are not the complete solution to health care shortages in the outer suburbs. The Northern Melbourne Division of General Practice expressed the following concern:

> We would prefer the GP super clinic money be provided to the community health services or hospital to provide primary care outposts to support smaller GP providers…rather than attempt to compete with private GPs in the market. Frankly we can’t find GPs willing to staff them anyway.207

The Victorian Healthcare Association is supportive in principle but stated that the super clinics must be established ‘within existing frameworks such as community health, primary care partnerships and local government.’

If super clinics are to be established the divisions of general practice have argued that there be thorough consideration as to their location. The location of the Berwick super clinic was controversial as it sits within a health precinct surrounded by a number of general practices and the super clinic becomes a competitor for attracting GPs to surrounding areas.208

Recently released Department of Health and Ageing data revealed that 25 of the 64 GP super clinics will be located in areas that are not districts of workforce shortage. According to the Victorian President of the Australian Medical Association (AMA), “They are also being placed in towns without consulting with the GPs already servicing those communities.”209

### 7.11 Mental health

As illustrated in Figure 7.7, the number of mental health services located in Melbourne’s outer suburbs is significantly lower than in the inner and middle ring suburbs, which will pose particular challenges for those Interface Councils for which significant population growth has been forecast. The Committee also received evidence that highlighted the links between mental health and social inclusion, which is turn affected by access to services and transport.

The *Metropolitan Health Plan* states that there will an additional 100,000 Victorians with a diagnosable mental illness by the year 2019, approximately 30,000 will have a moderate to severe condition which will be likely to require extended treatment and support.210
The Committee received evidence from a number of stakeholders who expressed the view that there is an insufficient level of mental health services available in Melbourne’s outer suburbs.

Mr Simon Brewin, Executive Director, Planning, Infrastructure and Information Technology, Peninsula Health (a public hospital and health service provider in Frankston and the Mornington Peninsula) stated at a public hearing that there is an inadequate level of resources for early intervention in the area, particularly for young people with a mental illness. Mr Brewin stated:

….what we are seeing is an increase in the community of demand for community mental health services. That will eventually translate into the demand for acute inpatient beds. …The growth in demand for community mental health has been significant.

Mr Brewin also informed the Committee that Peninsula Health had increased its community health staff by approximately 20 per cent during the previous three years.

Similarly, Councillor Rex Griffin of the City of Whittlesea stated at a public hearing that there are limited referral pathways for young people with mental health needs in the municipality. Ms Mary Agostino, General Manager, Advocacy, City of Whittlesea stated that the City of Whittlesea has very limited mental health services available for young people.
Mr John Circosta, Manager Early Years and Youth, Wyndham City Council, described the support services available for mental health in the City, as well as those for domestic violence, as “incredibly stretched” and went on to state:

The common theme is that we just do not have the number of agencies and support services located here in the interface area… Many of the services are in the inner suburban areas; the services that are here struggle to find locations to put staff in. It is a common theme throughout all of our agencies that are dealing with those sorts of issues.

Mr Richard Ainley, Executive Director, Mercy Health, Southwestern Health Services, stated at a public hearing that the mental health services provided by Mercy Health in Wyndham and the surrounding region were at capacity, in terms of both community adult mental health services (provided through the Mercy Mental Health Service) and mental health inpatient services (provided through the Werribee Mercy Hospital). He stated that there was an “urgent need” to address the demand for mental health services in Wyndham and the surrounding area. Mr Ainley also identified the high level of population growth that had been experienced in the Wyndham and the surrounding region in recent years as a factor in the increasing demand for mental health services.

Mr Ainley also informed the Committee that access to psychiatrists in Wyndham and the surrounding area outside the services provided by Mercy Health is very limited. He stated that while he was aware of two or three practitioners who had recently set up in the area, it remained “…very difficult to see a psychiatrist in the community privately, and that has a knock on effect on our services in terms of demand.”

Mr Ainley also informed the Committee that the Werribee Mercy hospital had recently entered into an ‘inter hospital network agreement’ with St Vincent’s Hospital (located in the inner-Melbourne suburb of Fitzroy), which established a framework for a number of shared service initiatives, including access to mental health beds in the St Vincent’s Mental Health Service for clients from the south west. Mr Ainley informed the Committee that this arrangement had emerged from a master planning process with the Department of Health.

Nevertheless, Mr Ainley informed the Committee that during times of additional demand for mental health inpatient services at the Werribee Mercy Hospital, mental health patients are treated by the hospital’s emergency department and that as a consequence:

…there are high numbers of mental health clients waiting in our emergency department for more than 24 hours.

Clearly in terms of the quality of care we like to provide, the emergency department is not the place where we would like to be caring for those clients at the point when they are in most need of our services.

The WGPN also identified mental health as a significant issue in the outer western suburbs. For example, Ms Siebel, Chief Executive Officer of the Network gave evidence that “there is a major shortage in psychiatry. We have two part-time psychiatrists across the Hobson’s Bay and Wyndham area.”
Ms Kim Koop, Chief Executive Officer, Psychiatric Disability Services of Victoria (VICSERV) informed the Committee during a public hearing that difficulty in accessing transport is a particular problem for people with a mental illness in Melbourne’s outer suburbs. Ms Koop stated that access to, as well as the cost of, transport can prove particularly challenging for people with a mental illness who reside in the outer suburbs. Ms Koop stated:

…the one that keeps coming up over and over again is transport. People are isolated. Support services may not be in the community, so it is a double whammy. They have to travel in for support services, or the support services have to travel to them. If people want employment, it is hard for them already, and then they have to access public transport to travel or they have to pay high petrol bills to get access and support for that. Even things like [travelling to] shops and food in some of the outer edge areas can be quite difficult, so people have limited choices.

Ms Koop also stated that a lack of access to adequate and secure housing can present an additional barrier to residents of the outer suburbs who are suffering from a mental illness. Ms Koop stated that there had been an ‘outflux’ of people moving out of rooming houses and other forms of inexpensive accommodation close to the city and into caravans in the outer suburbs in recent years. Ms Koop described permanent housing as a “platform for recovery” for people with a mental illness. Ms Koop concluded that in addition to ensuring timely access to assessment and treatment for people with a mental illness, the state government should “intervene early and support people post the illness, then we can reduce the demand on hospital beds”.

In the 2012-13 State Budget, the Victorian Government allocated $1.14 billion for mental health to provide better access to mental health services across Victoria. In addition, $61 million has been allocated for ninety-five new mental health beds to be established and to support the capacity of health services to manage growth in presentations for mental health. The funding for mental health beds is intended to take the pressure off emergency departments which currently deal with high levels of mental health presentations.

The 2012-13 Budget also included an allocation of $56.9 million over four years under the Sustaining hospital performance – mental health, alcohol and drugs growth program. The initiative is aimed at supporting the capacity of health services to meet and manage growth in presentations for mental health and drug services. It includes funding for new mental health adult and aged in-patient beds, secure extended care beds as well as funding for eating disorder services. A number of other mental health initiatives from the 2012-13 Budget are outlined at pages 11-13 of this chapter. The Committee also notes that the National Mental Health Reform package has committed $2.2 billion, towards mental health services, including a ‘national funding pool’ of $200 million over five years as part of a National Partnership with the states and territories. Under the agreement, states and territories will be invited to bid for funding through a competitive process.
The Committee commends the recent increases in government funding for mental health but considers that it is too early to determine whether this funding will be sufficient to close the gap between the provision of mental health services in Melbourne's outer suburbs and the rest of the metropolitan area. The Committee considers that, in tendering for funding under the National Partnership on Mental Health, the Victorian Government should emphasise the greater need for additional mental health services that currently exists in Melbourne's outer suburbs. Mental health is also discussed in the context of community cohesion (Chapter Five) and access to parks and open space (Chapter Six).

**Finding 7.6:** There is a significant shortfall in the provision of mental health services in many of Melbourne's outer suburbs. Without significant investment, this shortfall will be exacerbated in those areas for which significant levels of population growth have been forecast in coming decades. The shortfall is particularly severe in the area of mental health services for young people in many of Melbourne's outer suburbs.

**Recommendation 7.14:** That the Victorian Government, in tendering for funding under the National Partnership on Mental Health, prioritises the need for significantly increased mental health funding in Melbourne’s outer suburbs.

### 7.12 Disability services

The Committee received evidence from a number of stakeholders regarding the services and support available to people with a disability in Melbourne’s outer suburbs. This evidence established that while people with a disability often face additional challenges in their daily lives regardless of their location, many of those challenges are compounded in Melbourne’s outer suburbs.

Ms Jennifer Boulton, General Manager, Lifestyle Support and Choice, Yooralla (a Melbourne based disability support organisation that provides services in partnership with people with disability, as well as their families and carers) stated at a public hearing that:

*The disability system has been described by the Productivity Commission as underfunded, unfair, fragmented and inefficient, marked by invisible deprivation and lost opportunities, and one of those areas is a desperate shortage of housing and support to go with that housing for people with disability.*

*...*

*In the outer suburbs people with disability can face greater risk of marginalisation due to inadequate transport and an inadequate sense of community in a new suburb — inadequate community activities, inaccessible built environments and inadequate employment or volunteer opportunities.*

234
Ms Boulton emphasised that a lack of public transport between outer suburbs, as well as public transport that has not been modified to enable access by people with a disability, is a particular problem for people with a disability in Melbourne’s outer suburbs. Ms Boulton stated:

...public transport is a real problem for people, either because of a lack of public transport between suburbs — often it is on a spoke coming out from the centre — or because a lot of people cannot get on an ordinary bus. ...and a lot of people do not have a car.235

Ms Boulton also stated that while many people with a disability are able to travel to facilities in Melbourne’s middle suburbs on a dedicated ‘disability bus’, this detracts from their capacity to interact with the local community, is becoming increasingly expensive and less desirable for people with a disability since it detracts from their ‘spontaneity and choice’.236

Ms Boulton stated that the tram ‘super stops’ that have been constructed in central Melbourne during recent years (which enable people in wheelchairs or with other physical disabilities to more easily board and alight from trams) have been welcomed by people with a disability. She noted however, that such tram stops are generally not available in the outer suburbs, such that tram travel between Melbourne and the outer suburbs remains inaccessible to many people with a disability.237

The Committee received information from a number of the cities that it visited during the overseas study tour on strategies for improving public transport accessibility for people with mobility impairments. Vancouver is particularly notable for its system of enabling bus access for people in a wheelchair. The issue of transport accessibility for people with a mobility impairment will be discussed in the Committee’s forthcoming report on the Inquiry on Growing the Suburbs.

Ms Boulton also informed the Committee that there is “a chronic shortage of funds” for the supported accommodation of people with a disability, whether for accommodation in the person’s own home or in a group home setting. Mr Boulton described the ideal model of supported housing for people with a disability as follows:

At the moment Yooralla is working with a development in Casey Gardens, in Narre Warren. What we hope to do is purchase 11 units within that development. They will be purchased through a trust fund, not through Yooralla, but Yooralla would provide support to the residents. People with high support needs would live in each of those residents units, and one of them would be for staff. We would provide 24 hour staff to the people living in those independent units.238

The Committee received evidence on a notable model for the provision of both supported accommodation for people with a disability and respite for their family carers from the Araluen Centre, which provides a day service and residential services for individuals with intellectual and other disabilities at a number of sites, including at the outer north-eastern suburb of Hurstbridge in the Shire of Nillumbik, as well as the suburbs of Plenty and Rosanna in the middle-ring LGA of Banyule.

Mr Ross Coverdale, Chief Executive Officer of the Araluen Centre, informed the Committee at a public hearing in Eltham on 10 June 2011, about the role that the Araluen Centre has played in the deinstitutionalisation and community integration of individuals with a disability since the 1970s. He also described the fundamental changes that have occurred in the provision of disability support services since that time.239
Mr Coverdale stated that there is a significant level of unmet demand for day services for people with a disability, and ‘virtually nothing’ in the form of residential services, in the Shire of Nillumbik.240 He outlined a model that has been proposed by the Araluen Centre as a means of addressing both this situation and that of the ageing parents of adult children with a disability who find it increasingly difficult to provide the care that their children require but wish to avoid placing them in an institution. Under the proposed Hurstbridge Community Village model, people with a disability and their parents would have access to supported accommodation within the same community in a mix of two and three bedroom units. The proposed development would be located at Hurstbridge on flat land located close to the train station and retail area.

Mr Coverdale informed the Committee that the development would aim to provide up to 15 per cent of the dwellings to people with an intellectual disability, approximately 60 per cent for sale through the private real estate market241 and that a proportion of affordable housing be ‘salt and peppered throughout’.242 The Hurstbridge Community Village would also include an “integrated community services/health precinct, community gardens, and an extensive precinct of quality open space, walking trails and recreational opportunities”.243

Mr Coverdale informed the Committee that the proposed development was based on the ‘Abbeyfield’ model, which had proven highly successful in the United Kingdom244 and would be aimed at the creation of ‘a community precinct’ as opposed to an institution. He also stated that the project was ‘scalable’ and could be used as a model in other communities and by other providers.245 Mr Coverdale stated:

…we believe this model is scalable. In terms of scoping this out, we have about 150 clients. About 80 of those clients live at home. If we are talking about 15 beds at Hurstbridge, whatever we do at Hurstbridge will not satisfy the unmet need in this community. We are really keen to do this and do it well so that it can be replicated. Nothing would thrill us more than if other organisations said, ‘If they can do it, surely anyone else can do it’. We would hope that would be the case.246

The Committee considers that the model proposed by the Araluen Centre for the provision of supported accommodation for people with a disability and their elderly carers has significant merit.

**Recommendation 7.15:** That the Victorian Government works with the Interface Councils and disability providers to identify suitable sites for the establishment of alternative disability accommodation and respite models to meet demand in Melbourne’s outer suburbs.

As the Committee noted in Chapter Two (at 2.4.1), accessible or universal housing design is housing that is designed to meet the changing needs of home occupants throughout their lifetime through the inclusion of features that aim to make homes easier and safer to use for all occupants including: people with a disability, ageing Australians, people with temporary injuries, and families with young children.

Accessible housing design, both to accommodate people with a disability and the ageing population, is of particular relevance in Melbourne’s outer suburbs, due to the significant volume of new housing that is currently being constructed in Melbourne’s Growth Areas. It is also of particular relevance in terms of the
additional residential construction that will be required to increase densities in established outer suburbs. As Mr Alvaro Maz, Planner and Housing Case Manager, Housing Resource and Support Service Inc., stated during a public hearing, “there are those people with disabilities and those yet to have a disability”.

Mr Maz spoke to the Committee about the concept of ‘universal design’, which is aimed at making products and environments accessible for everyone regardless of their age, situation or disability. In the context of new home construction, universal design involves the inclusion of features that can enable a home to be adapted in the future in order to meet the needs of a person with a disability. Such features include wider doorways to enable wheelchair access and the inclusion of additional wall studs to support the installation of bathroom and toilet rails in the future if needed. Mr Maz informed the Committee that the construction of a new home according to universal design principles has been estimated as adding approximately only $600 to total construction costs.

Ms Marija Groen, Chief Executive Officer, Housing Case Manager, Housing Resource and Support Service Inc., stated at a public hearing that the building industry was unlikely to implement universal housing design principles voluntarily due to a lack of market forces and that there is a need to legislate for universal housing design in new home construction. Ms Groen informed the Committee that a recent attempt to legislate for universal housing design had failed and stated that:

[Australia is] one of the last western developed countries to have universal housing. We have accessible environment legislation for the built environment, which is the building codes that come from the federal government. That is for every building but not for homes. In Australia we have the concept that our home is our castle and no one can tell us how to build it. But we know, because we have green standards, that we should have good insulation, rainwater and all those green things that we know about, so why would we not add them to access for everyone?

The Committee considers that the absence of universal design requirements for the construction of new housing is a matter of great concern, particularly given the significant increase in the number of people with a disability that will occur as a result of the ageing of Melbourne’s population over coming decades. The Committee considers that there is a need to address this situation as a matter of priority.

**Recommendation 7.16:** That the Victorian Government supports the introduction of design standards for new housing to ensure access for people with a disability, people with limited mobility and seniors.

### 7.13 Respite care

Respite care spans the spectrum of the care needs of outer suburban communities discussed earlier in this chapter, including aged care, mental health and disability.

Respite care is short-term care provided to an aged person or a person with a physical or mental disability that allows them to remain in their own home or at another suitable facility. It assists carers (such as
relatives or friends) and the person with a disability, with a break from the daily routine of care and can take a range of forms including:

- in-home care ranging from a few hours a week to overnight care;
- centre-based care providing part- or full day care; and
- residential care for two to three weeks.252

In its evidence to the inquiry, Whittlesea Council said there was a general shortage of preventative and allied health care services in the LGA, with the shortage of respite care services noted as one of these services in need of greater funding.253 Councillor Rex Griffin Mayor of Whittlesea stated that there are currently long waiting lists for respite beds to assist patients and carers in the LGA. Councillor Griffin also stated that the problem extended across the spectrum of respite care, including mental health, disability and aged care.254

Ms Sarah Fordyce, State Manager for National Disability Services Victoria gave evidence to the Inquiry that where facilities exist to provide respite care for carers of people with disabilities such as out of home care or activities, many of these facilities are located in Melbourne’s inner- or middle suburbs rather than in outer suburban Growth Areas.255

Mr Gerard Mansour, CEO of Aged and Community Care Victoria spoke in his evidence of the massive growth of Commonwealth funded in-home care between 1995 and 2010 in Australia (from 2.1 per cent to 21.7 per cent) and how supported in-home respite care for the aged can provide a strong and timely transition between ageing in place at home and entry into residential aged care for both the aged person and their relatives.256

Mr Ross Coverdale, CEO of the Araluen Centre gave evidence on the growing issue of how best to provide supported accommodation for middle-aged people with disabilities whose ageing parents need both respite care and their own supported aged care.257

7.13.1 Home and community care program

The Home and Community Care (HACC) Program provides funding for services to support individuals and their carers in the form of basic support and maintenance for people living at home and who have a reduced capacity for independent living, or who are at risk of premature or inappropriate admission to long-term residential care. The program is funded jointly by the Federal and Victorian governments.258

Victoria’s 2012-15 Triennial Plan for the HACC Program was approved by the Victorian Minister for Ageing, the Hon. David Davis, MLC, in April 2012 and was approved by the Commonwealth for approval on 31 July 2012. The plan states:

HACC services in Victoria are closely integrated with primary care services. Victoria invests more through the HACC Program in home and community nursing and allied health than any other state or territory.

HACC services work collaboratively to reduce demand on other more intensive health and residential care services, to better manage chronic disease conditions of people in the community, and to ensure that older people are able to access the care that they need when they need it.
HACC services are a large part of a broader range of community, health and welfare services that include community health services, disability services, sub-acute services, Aged Care Assessment Services (ACAS), Community Aged Care Packages (CACPs), Extended Aged Care at Home (EACH) packages, the National Respite for Carers Program, Victorian Carer Support services, Personal Alert Victoria, and Commonwealth Government Respite and Carelink Centres.

The Committee considers that Victoria is fortunate to have a highly effective model of service provision under the HACC program. However, the Committee also considers that specific consideration should be given in future HACC planning to the respite needs in Melbourne’s Interface Councils.

**Recommendation 7.17:** That the Victorian Government provides for the respite needs of residents in Melbourne’s outer suburbs in future HACC program planning, including in future Triennial Plans.
Chapter 7 Endnotes:


2 State Government Victoria, May 2011, *Victorian Health Priorities Framework 2012-2022: Metropolitan Health Plan*, <http://www.health.vic.gov.au/healthplan2022/> p.12. Primary Healthcare is care provided by general practitioners, community health centres and, community nursing, and involves a mixture of public and private funding. General practice is principally funded by the Commonwealth but there are out-of-pocket components for the consumer. Community health services are funded principally by the State government. Private allied health services are funded principally by private health insurance subsidies and out of pocket expenses.


5 ibid.

6 ibid., p.27.


9 ibid., p.15.

10 ibid., p.91.

11 ibid., p.28, 103.

12 ibid.

13 ibid., p.88.

14 ibid., p.87-89.

15 ibid., p.87-89.

16 ibid., p.63.

17 ibid., p.96-98.

18 ibid., p.96-98.

19 ibid., p.96-98.

20 ibid., p.81-83.

21 ibid., p.84-86.

22 ibid., p.84-86.

23 ibid., p.93-95.
Chapter 7: Medical, Health & Support Services

24 ibid., p.93-95.
26 ibid.
27 ibid. p.12.
28 ibid. p.70.
29 ibid. p.12.
30 ibid.
41 ibid., p.13.
42 ibid.
43 ibid.
44 ibid., p.70.
45 ibid.
46 ibid., p.13.
47 ibid.
There are three regional health boundaries - Southern, Eastern and North Western. A breakdown of the inner and Interface Councils in each are shown at figure 7.1 on page 4 of this chapter.

The relevant planning areas for this Inquiry are outer west comprising of Brimbank, Melton, Moorabool and Wyndham; outer northwest comprising of Hume, Mitchell and Whittlesea; Peninsula comprising of Frankston and Mornington Peninsula; outer east comprising of Knox, Maroondah, Murrindindi and Yarra Ranges; northeast comprising of Nillumbik, Darebin and Banyule; and southeast comprising of Cardinia, Casey and Greater Dandenong.


54 ibid., p.vii.


Mr Maurie Heaney, General Manager, Community Services, Shire of Melton, *Transcript of Evidence, Liveability Options*, 14 November 2011, p.530.

Mr Michael Tudball, President, Djerriwarrh Health Services, *Transcript of Evidence, Liveability Options*, 14 November 2011, p.539.


Mr Michael Tudball, President, Djerriwarrh Health Services, *Transcript of Evidence, Liveability Options*, 14 November 2011, p.538-539.

City of Casey, *Submission No.73, Liveability Options*, OSISDC, received 18 May 2011, p.21.

Yarra Ranges Council, *Submission No.67, Liveability Options*, OSISDC, received 13 May 2011, p.4.


Playford City Council, *Creating a Health Precinct Presentation, Liveability Options*, OSISDC, 19 May 2011, p.3.

Playford City Council, *Notes of Meeting with Committee, Liveability Options*, OSISDC, 19 May 2011, p.7.

Playford City Council, *Notes of Meeting with Committee, Liveability Options*, OSISDC, 19 May 2011, p.3.


94 Note that Mitchell is considered a regional Local Government Area by the Department of Public Health.
98 ibid.
100 Australian Institute of Health and Welfare, *My Hospitals: About the Data*, <http://www.myhospitals.gov.au/about-the-data> A profile of selected specialist services provided is presented for each private hospital, using information supplied by the hospitals directly to AIHW. However it is not a comprehensive list of all services available at the hospitals. For more information about the services available at a given hospital, visit the hospital's external website via the link provided on the My Hospitals website.
113. Interface Councils, Submission No.62, Liveability Options, OSISDC, received 9 May 2011, p.3.
114. Department of Health Victoria, May 2011, Metropolitan Health Plan Technical Paper,
115. Department of Health Victoria, May 2011, Metropolitan Health Plan Technical Paper,
116. Mr Richard Ainley, Executive Director, Mercy Health, Southwest Health Services, Transcript of Evidence, Liveability Options, 24 August 2011, p.324.
117. Mr Simon Brewin, Executive Director, Peninsula Health, Transcript of Evidence, Liveability Options, 7 September 2011, p.395.
118. Dr Joe Garra, Westgate General Practice Network, Transcript of Evidence, Liveability Options, 2 May 2012, p.9.
119. Mr Fred Armstrong, Manager of Corporate Communications, District of Maple Ridge, Overseas Transcript, Vancouver, 8 May 2012, p.193.
120. Ms Melissa Brown, Department of Health Victoria, September 2009, Medical Scholarships and Workforce Initiatives Resource Guide, <http://www.health.vic.gov.au/maternitycare/downloads/medical_scholarships.pdf>. This has been verified through the Department of Health who have confirmed that these two programs are on-going and all other health recruitment incentive programs relate to rural areas rather than outer metropolitan areas.
123. Minister for Health and Ageing, Hon David Davis MLC., Commonwealth of Australia, Outer Metropolitan (Other Medical Practitioners) Relocation Incentive Program Retention Component Program Guidelines, May 2010, p.5.
127. ibid.
129. ibid.
130. ibid.
131. Mr Nihal Samara, Westgate General Practice Network, Transcript of Evidence, Liveability Options, 2 May 2011, p.4.
159. ibid., p.4.
163. ibid., p.27.
164. ibid., p.28.
165. ibid., p.40.
166. Ms Kerri Rivett, Mercy Health, Aged Care Services, Transcript of Evidence, Liveability Options, 10 October 2011, p.448.
167. ibid. p.449.
168. Ms Kerri Rivett, Regional Manager, Aged Care Services, Mercy Health, Transcript of Evidence, Liveability Options, 10 October 2011, p.450.
169. ibid., p.449.
171. ibid.; Ms Kerri Rivett, Regional Manager, Aged Care Services, Mercy Health, Transcript of Evidence, Liveability Options, 10 October 2011, p.452.
172. Ms Danielle Biviano, Client Services Manager, Community Services Division, Mercy Health, Transcript of Evidence, Liveability Options, 10 October 2011, p.452.
173. Ms Kerri Rivett, Regional Manager, Aged Care Services, Mercy Health, Transcript of Evidence, Liveability Options, 10 October 2011, p.453.
174. ibid.
176. Ms Mary Agostino, General Manager, Advocacy, City of Whittlesea, Transcript of Evidence, Liveability Options, 12 May 2011, p.34.
177. Westgate General Practice Network, Transcript of Evidence, Liveability Options, 2 May 2011, p.6-7.
181. ibid., p.5.
182 Ms Stella Avramopoulos, Chief Executive Officer, Kildonan Community Agency, Transcript of Evidence, Liveability Options, 12 May 2012, p.47.
183 Ms Carleen Carroll, Director of Communications, Community Relations, Overseas Transcript, Regional Municipality Halton, Toronto, Canada, Liveability Options, OSISDC, 11 May 2012, p.540-41.
184 Ibid., p.541-2.
186 General Practice Victoria, Submission No.71, Liveability Options, OSISDC, received 13 May 2011 p.2.
187 Ibid.
188 Yarra Ranges Council, Submission No.62, Liveability Options, OSISDC, received 6 May 2011 p.4-5.
189 Mr Michael Tudball, President, Djerriwarrh Health Services, Transcript of Evidence, Liveability Options, p.539.
190 General Practice Victoria, Submission No.71, Liveability Options, OSISDC, received 13 May 2011, p.3.
Maps showing the DWS areas for each outer suburban municipality can be generated and printed at Department of Health and Ageing, Doctor Connect, <http://www.health.gov.au/internet/otd/publishing.nsf/content/Locator#>.
192 Under section 19AB of the Commonwealth Health Insurance Act 1973 overseas trained doctor can access the Medicare Benefits Scheme (MBS) if practicing in locations classified as Districts of Workforce Shortage. The Doctors for Outer Metropolitan Areas Relocation Incentive Grant may also be available for areas classified as Districts of Workforce Shortage.
193 General Practice Victoria, Submission No.71, Liveability Options, OSISDC, received 13 May 2011, p.3.
194 Australian Medical Association, Submission No.37, Liveability Options, OSISDC, received 29 April 2011, p.2; Australian Nursing Federation, Submission No.34, Liveability Options, received 29 April 2011, p.5.
195 Australian Nursing Federation, Submission No.34, Liveability Options, OSISDC, received 29 April 2011, p.5; The Royal Australian College of GPs, Submission No. 35, Liveability Options, OSISDC, received 29 April 2011, p.1; Australian Medical Association, Submission No.37, Liveability Options, OSISDC, received 29 April 2011, p.2.
197 Ms Corinne Siebel, Westgate General Practice Network, Transcript of Evidence, Liveability Options, 2 May 2011, p.3.
198 Ibid., p.6.
200 Victorian Healthcare Association, 2008, has reported that the national funding is a greater sum than this and the Victorian portion represents $16.5 million or 7.4 per cent of the total national funding. Victorian Healthcare


202 ibid., p.6.

203 ibid.


207 Northern Melbourne Division of General Practice, cited in General Practice Victoria, *Submission No.71, Liveability Options*, OSISDC, received 13 May 2011, p.4.

208 Dandenong and Casey GP Association, cited in General Practice Victoria, *Submission No 71, Liveability Options*, OSISDC, received 13 May 2011, p.4.


212 Mr Simon Brewin, Executive Director, Planning, Infrastructure and Information Technology, *Transcript of Evidence, Liveability Options*, 8 September 2011, p.396.

213 ibid., p.397.

214 Mr R. Ainley, Executive Director, Mercy Health, Southwestern Health Services, *Transcript of Evidence, Liveability Options*, p.323-324.

215 Mr R. Ainley, Executive Director, Mercy Health, Southwestern Health Services, *Transcript of Evidence, Liveability Options*, p.323-324.
Inquiry into Liveability Options

221 ibid., p.328.
222 ibid., p.325.
223 ibid., p.326.
225 Ms Kim Koop, Chief Executive Officer, Psychiatric Disability Services of Victoria, Transcript of Evidence, Liveability Options, 10 October 2011, p.439.
226 ibid., p.440.
227 ibid., p.439.
228 ibid., p.441.
229 ibid., p.444.
234 Ms Jennifer Boulton, General Manager, Lifestyle Support and Choice, Yooralla, National Disability Services Victoria, Transcript of Evidence, Liveability Options, 10 October 2011, p.430.
235 ibid.
236 ibid., p.431.
237 ibid.,
238 ibid., p.434.
239 Mr Ross Coverdale, Chief Executive Officer, Araluen Centre, Transcript of Evidence, Liveability Options, 10 June 2011, p.274.
240 ibid., p.276.
241 ibid.
242 ibid., p.277.
243 Araluen Centre, Hurstbridge Community Village Overview, received 10 June 2011.
244 Mr Ross Coverdale, Chief Executive Officer, Araluen Centre, Transcript of Evidence, Liveability Options, 10 June 2011, p.279.
245 ibid., p.276.
246 ibid., p.279-280.
248 ibid., p.283, 286.
249 ibid., p.283.
251. Ibid., p.288.
### APPENDIX A: LIST OF SUBMISSIONS

<table>
<thead>
<tr>
<th>No.</th>
<th>Submission Received</th>
<th>Name</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>28/03/2011</td>
<td>Ms Kerry Margalit</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>6/04/2011</td>
<td>Mr David Lyons</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>19/04/2011</td>
<td>Professor Jane den Hollander, Vice Chancellor and President</td>
<td>Deakin University</td>
</tr>
<tr>
<td>4</td>
<td>21/04/2011</td>
<td>Mr Fred Bauer</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>21/04/2011</td>
<td>Ms Bronwen Young, Joint Chief Executive Officer</td>
<td>Golf Victoria</td>
</tr>
<tr>
<td>6</td>
<td>21/04/2011</td>
<td>Ms Corinne Siebel, Chief Executive Officer</td>
<td>Westgate General Practice Network</td>
</tr>
<tr>
<td>7</td>
<td>27/04/2011</td>
<td>Mr William Lord</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>27/04/2011</td>
<td>Ms Jackie Richards</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>27/04/2011</td>
<td>Ms Debra Y Cerasa, FRCNA FCN Chief Executive Officer</td>
<td>Royal College of Nursing Australia</td>
</tr>
<tr>
<td>10</td>
<td>27/04/2011</td>
<td>Mr Bill Jackson, Chief Executive</td>
<td>Parks Victoria</td>
</tr>
<tr>
<td>11</td>
<td>28/04/2011</td>
<td>Mr Brian Morison, Executive Officer</td>
<td>Building Designers Association of Victoria</td>
</tr>
<tr>
<td>12</td>
<td>28/04/2011</td>
<td>Ms Jennifer Cunich, Executive Director</td>
<td>Property Council of Australia</td>
</tr>
<tr>
<td>13</td>
<td>28/04/2011</td>
<td>Mr Brian Collingburn</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>28/04/2011</td>
<td>Mr Matthew Kennedy, Executive Director</td>
<td>Tennis Victoria</td>
</tr>
<tr>
<td>15</td>
<td>28/04/2011</td>
<td>Mr John Lee, Chief Executive</td>
<td>Tourism &amp; Transport Forum</td>
</tr>
<tr>
<td>16</td>
<td>28/04/2011</td>
<td>Mr Peter Hudson, Chairman</td>
<td>Committee for Wyndham</td>
</tr>
<tr>
<td>17</td>
<td>28/04/2011</td>
<td>Mr Andrew Bean</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>28/04/2011</td>
<td>Mr Alvaro Maz, Planner and Housing Case Manager</td>
<td>Housing Resource and Support Service Inc.</td>
</tr>
<tr>
<td>19</td>
<td>28/04/2011</td>
<td>Mr Andrew Broad, President</td>
<td>Victorian Farmers Federation</td>
</tr>
<tr>
<td>20</td>
<td>29/04/2011</td>
<td>Kevin and Anne Stoneman</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>29/04/2011</td>
<td>Mr Rex Niven</td>
<td>Friends of Nillumbik Inc.</td>
</tr>
<tr>
<td>22</td>
<td>29/04/2011</td>
<td>David and Christina Bennett</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>29/04/2011</td>
<td>Mr Rob McVernon, Acting Chief Executive Officer</td>
<td>Mitchell Shire Council</td>
</tr>
<tr>
<td>24</td>
<td>29/04/2011</td>
<td>Name Withheld</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>29/04/2011</td>
<td>Mr Steve Dunn, MPIA CPP President</td>
<td>Planning Institute of Australia, Victoria Division</td>
</tr>
<tr>
<td>No.</td>
<td>Submission Received</td>
<td>Name</td>
<td>Affiliation</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------</td>
<td>------</td>
<td>-------------</td>
</tr>
</tbody>
</table>
| 26  | 29/04/2011          | Mr Enzo Raimondo  
Chief Executive Officer | The Real Estate Institute of Victoria Ltd |
| 27  | 29/04/2011          | Mr Stewart Donald |  |
| 28  | 29/04/2011          | Ms Cath Smith  
Chief Executive Officer | Victorian Council of Social Service |
| 29  | 29/04/2011          | Mr Stephen Elder  
Director of Catholic Education  
Mr Francis Moore  
Business Manager | Catholic Education Office  
Catholic Archdiocese of Melbourne |
| 30  | 29/04/2011          | Mr Nick MacHale  
Project Manager | Banksia Gardens Community Connections |
| 31  | 29/04/2011          | Mr Peter Levinge  
Chief Executive Officer | Dennis Family Corporation |
| 32  | 29/04/2011          | Mr Grant Williams  
General Manager | Australian Football League (Victoria) Ltd |
| 33  | 29/04/2011          | Mr Martin Musgrave  
Acting Executive Director | Urban Development Institute of Australia (Victoria) |
| 34  | 29/04/2011          | Ms Lisa Fitzpatrick  
State Secretary | Australian Nursing Federation Victoria |
| 35  | 29/04/2011          | Associate Professor Morton Rawlin  
Chair | The Royal Australian College of General Practitioners (Victoria Faculty) |
| 36  | 29/04/2011          | Mr Chris De Silva  
Director | Villawood Properties |
| 37  | 29/04/2011          | Ms Jane Stephens  
Chief Executive Officer | Australian Medical Association (Victoria) Ltd |
| 38  | 29/04/2011          | Mr Warwick Leeson |  |
| 39  | 29/04/2011          | Mr Greg Johnson |  |
| 40  | 29/04/2011          | Dr Ian Winter  
Executive Director | Australian Housing and Urban Research Institute |
| 41  | 29/04/2011          | Ms Fiona Ogilvy-O’Donnell |  |
| 42  | 29/04/2011          | Mr Andrew Booth |  |
| 43  | 29/04/2011          | Mr David Hall  
Chief Operating Officer | MAB Corporation Pty Ltd |
| 44  | 29/04/2011          | Mr Rob Mitchell MP | Federal Member for McEwen |
| 45  | 29/04/2011          | Mr Stuart Menzies  
Manager City Strategy | Brimbank City Council |
| 46  | 29/04/2011          | Dr Vanessa J Rice  
Chair (Victoria) | Exercise & Sports Science Australia |
| 47  | 2/05/2011           | Mr Brian Murray  
Director | Nillumbik Ratepayers Association |
| 48  | 2/05/2011           | Cr John Menegazzo  
Mayor | Wyndham City Council |
<table>
<thead>
<tr>
<th>No.</th>
<th>Submission Received</th>
<th>Name</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>49</td>
<td>3/05/2011</td>
<td>Ms Penny Armytage</td>
<td>Department of Justice</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Secretary</td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>3/08/2011</td>
<td>Ms Ruth Spielman</td>
<td>National Growth Areas Alliance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Executive Officer</td>
<td></td>
</tr>
<tr>
<td>51</td>
<td>4/05/2011</td>
<td>Mr David Simpson</td>
<td></td>
</tr>
<tr>
<td>52</td>
<td>5/05/2011</td>
<td>Mr Nathan Stribley</td>
<td>Committee for Melbourne</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Policy Manager</td>
<td></td>
</tr>
<tr>
<td>53</td>
<td>5/05/2011</td>
<td>Mr Chris Evans</td>
<td>Victorian Rugby Union</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Community Rugby Officer</td>
<td></td>
</tr>
<tr>
<td>54</td>
<td>6/05/2011</td>
<td>Mr Toby Archer</td>
<td>Tenants Union of Victoria</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Policy and Liaison Worker</td>
<td></td>
</tr>
<tr>
<td>55</td>
<td>9/05/2011</td>
<td>Mr Allan Cowley</td>
<td>Mornington Peninsula Shire Council</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Manager – Strategic Planning</td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>6/05/2011</td>
<td>Brotherhood of St Laurence</td>
<td></td>
</tr>
<tr>
<td>57</td>
<td>6/05/2011</td>
<td>Mr Martin Gaedke</td>
<td>Lend Lease</td>
</tr>
<tr>
<td></td>
<td></td>
<td>General Manager, Victoria Communities</td>
<td></td>
</tr>
<tr>
<td>58</td>
<td>6/05/2011</td>
<td>Mr David Ensor</td>
<td>La Trobe University</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vice President (Operations) and Chief Operating Officer</td>
<td></td>
</tr>
<tr>
<td>59</td>
<td>6/05/2011</td>
<td>Mr Neill Hocking</td>
<td>City of Whittlesea</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Acting Chief Executive Officer</td>
<td></td>
</tr>
<tr>
<td>60</td>
<td>6/05/2011</td>
<td>Dr Tim Adams</td>
<td>Petcare Information &amp; Advisory Service</td>
</tr>
<tr>
<td></td>
<td></td>
<td>National Director</td>
<td></td>
</tr>
<tr>
<td>61</td>
<td>9/05/2011</td>
<td>Ms Anita Buczkowsky</td>
<td>Regional Development Australia – Melbourne South</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Executive Officer</td>
<td></td>
</tr>
<tr>
<td>62</td>
<td>9/05/2011</td>
<td>Ms Kerry Thompson</td>
<td>Interface Councils</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chief Executive Officer</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wyndham City Council</td>
<td></td>
</tr>
<tr>
<td>63</td>
<td>9/05/2011</td>
<td>Mr Luke Shannon</td>
<td>Shire of Melton</td>
</tr>
<tr>
<td></td>
<td></td>
<td>General Manager, Planning and Development</td>
<td></td>
</tr>
<tr>
<td>64</td>
<td>10/05/2011</td>
<td>Ms Leesa Croke</td>
<td>Australian Government Department of Families, Housing, Community Services and Indigenous Affairs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Social Housing Branch</td>
<td></td>
</tr>
<tr>
<td>65</td>
<td>11/05/2011</td>
<td>Mr Chad Griffiths</td>
<td>Nillumbik Shire Council</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Co-ordinator Strategic Planning</td>
<td></td>
</tr>
<tr>
<td>66</td>
<td>13/05/2011</td>
<td>Ms Anita Roper</td>
<td>Sustainability Victoria</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chief Executive Officer</td>
<td></td>
</tr>
<tr>
<td>67</td>
<td>13/05/2011</td>
<td>Ms Alison Wastie</td>
<td>Yarra Ranges Shire Council</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Manager, Economic and Community Development</td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Submission Received</td>
<td>Name</td>
<td>Affiliation</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------</td>
<td>-------------------------------</td>
<td>------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>68</td>
<td>13/05/2011</td>
<td>Cr Sharon Ellis Chair</td>
<td>Eastern Affordable Housing Alliance</td>
</tr>
<tr>
<td>69</td>
<td>13/05/2011</td>
<td>Mr Harry Barber</td>
<td>Bicycle Victoria</td>
</tr>
<tr>
<td>70</td>
<td>13/05/2011</td>
<td>Mr Graeme Emonson Chair</td>
<td>Knox City Council; City of Whitehorse; City of Maroondah; City of Greater Dandenong; and Regional Development Australia – Melbourne East.</td>
</tr>
<tr>
<td>71</td>
<td>13/05/2011</td>
<td>Mr John Rasa Chair</td>
<td>General Practice Victoria</td>
</tr>
<tr>
<td>72</td>
<td>16/05/2011</td>
<td>Ms Monika Sarder Policy Adviser</td>
<td>Master Builders Association of Victoria</td>
</tr>
<tr>
<td>73</td>
<td>18/05/2011</td>
<td>Mr Liam Hodgetts</td>
<td>City of Casey</td>
</tr>
<tr>
<td>74</td>
<td>18/05/2011</td>
<td>Ms Fiona Nield Director</td>
<td>Housing Industry Association</td>
</tr>
<tr>
<td>75</td>
<td>18/05/2011</td>
<td>Mr Tony Coppola Senior Manager</td>
<td>Regional Development Australia – Northern Melbourne</td>
</tr>
<tr>
<td>76</td>
<td>20/05/2011</td>
<td>Mrs Gila Schnapp</td>
<td></td>
</tr>
<tr>
<td>77</td>
<td>23/05/2011</td>
<td>Ms. Kathy Bell Chair</td>
<td>Heart Foundation of Australia (Victorian Division)</td>
</tr>
<tr>
<td>78</td>
<td>20/05/2011</td>
<td>Mrs Esther Caspi Director</td>
<td>Adjungbilly Pty Ltd</td>
</tr>
<tr>
<td>79</td>
<td>21/10/2011</td>
<td>Mr Wayne Bird Chair</td>
<td>Basketball Victoria</td>
</tr>
<tr>
<td>80</td>
<td>29/10/2012</td>
<td>Minister for Planning</td>
<td>Victorian Government</td>
</tr>
</tbody>
</table>
## APPENDIX B LIST OF WITNESSES

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Witness Name</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2 May 2011</td>
<td>Mr Robert Larocca, Communications Manager</td>
<td>Real Estate Institute of Victoria</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>Dr Joe Garra, Chairperson and General Practitioner</td>
<td>Westgate General Practice Network</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>Ms Corinne Siebel, Chief Executive Officer</td>
<td>Westgate General Practice Network</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>Mr Nihal Samara, Legal Counsel and Policy Development</td>
<td>Westgate General Practice Network</td>
</tr>
<tr>
<td></td>
<td>12 May 2011</td>
<td>Cr Rex Griffin, Mayor</td>
<td>City of Whittlesea</td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>Mr Neill Hocking, Acting Chief Executive Officer</td>
<td>City of Whittlesea</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>Ms Mary Agostino, General Manager, Advocacy</td>
<td>City of Whittlesea</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>Mr Mick Butera, Executive Director</td>
<td>NORTH Link / NIETL</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>Ms Stella Avramopoulos, Chief Executive Officer</td>
<td>Kildonan Community Agency</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>Mr Jason Shaw, State Planning and Approvals Manager, Victoria Residential</td>
<td>Stockland</td>
</tr>
<tr>
<td>11</td>
<td></td>
<td>Mr Andrew Whitson, General Manager, Victoria</td>
<td>Stockland</td>
</tr>
<tr>
<td>12</td>
<td></td>
<td>Mr Lance Deacon, Joint Managing Director</td>
<td>Dyson’s Bus Services</td>
</tr>
<tr>
<td>13</td>
<td></td>
<td>Mr Chris Loader, Manager, Transport Planning and Policy</td>
<td>Bus Association Victoria</td>
</tr>
<tr>
<td></td>
<td>16 May 2011</td>
<td>Mr Garry Hunt, Chief Executive Officer</td>
<td>City of Joondalup Council</td>
</tr>
<tr>
<td>15</td>
<td></td>
<td>Ms Dale Page, Director Planning and Development</td>
<td>City of Joondalup Council</td>
</tr>
<tr>
<td>16</td>
<td></td>
<td>Ms Debbie Terelinck, Manager, Community Development and Library Services</td>
<td>City of Joondalup Council</td>
</tr>
<tr>
<td></td>
<td>16 May 2011</td>
<td>Mr Mark Dickson, Manager, City Growth</td>
<td>City of Wanneroo</td>
</tr>
<tr>
<td>18</td>
<td></td>
<td>Mr Garry Prus, Manager, Program Services</td>
<td>City of Wanneroo</td>
</tr>
<tr>
<td></td>
<td>16 May 2011</td>
<td>Mr Danny Murphy, Managing Director</td>
<td>LWP Property Group Pty Ltd</td>
</tr>
<tr>
<td>20</td>
<td></td>
<td>Mayor Linton Reynolds, Mayor</td>
<td>City of Armadale</td>
</tr>
<tr>
<td>21</td>
<td></td>
<td>Mr Ray Tame, Chief Executive Officer</td>
<td>City of Armadale</td>
</tr>
<tr>
<td>22</td>
<td></td>
<td>Mr John Ellis, Chief Executive Officer</td>
<td>Armadale Redevelopment Authority</td>
</tr>
<tr>
<td>Date</td>
<td>Witness Name</td>
<td>Affiliation</td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------------------</td>
<td>--------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>17 May 2011</strong></td>
<td><strong>Briefings &amp; Site Visit</strong></td>
<td><strong>Rockingham, Western Australia</strong></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Mayor Barry Sammels, Mayor</td>
<td>Rockingham City Council</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Mr Andrew Hammond, Chief Executive Officer</td>
<td>Rockingham City Council</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Mr Bob Jeans, Director Planning and Development</td>
<td>Rockingham City Council</td>
<td></td>
</tr>
<tr>
<td><strong>17 May 2011</strong></td>
<td><strong>Briefings &amp; Site Visit</strong></td>
<td><strong>Wellard, Western Australia</strong></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Mr Paul Lakey, State Operations Manager</td>
<td>Peet Limited</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Mr Craig Stewart</td>
<td>Peet Limited</td>
<td></td>
</tr>
<tr>
<td><strong>18 May 2011</strong></td>
<td><strong>Briefings</strong></td>
<td><strong>Perth</strong></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Ms Marion Fulker, Chief Executive Officer</td>
<td>Committee for Perth</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Mr Ross Holt, Chief Executive</td>
<td>Landcorp</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Mr Luke Wilcock, General Manager, Metropolitan Division</td>
<td>Landcorp</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Professor Richard Weller, Winthrop Professor of Landscape Architecture and Director of Urban Design Centre</td>
<td>University of Western Australia</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Mr Kieran Kinsella, Chief Executive Officer</td>
<td>Midland Redevelopment Authority, Western Australia</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Mr Eric Lumsden, Director General</td>
<td>Department of Planning, Western Australia</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Dr Shae Garwood, Research Officer</td>
<td>Shelter, Western Australia</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Mr Lex Barnett, Councillor</td>
<td>Urban Development Institute of Australia</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Ms Judith Harley, Manager Research and Policy</td>
<td>Urban Development Institute of Australia</td>
<td></td>
</tr>
<tr>
<td><strong>19 May 2011</strong></td>
<td><strong>Briefing and Site Visit</strong></td>
<td><strong>Playford, South Australia</strong></td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Mayor Glen Docherty, Mayor</td>
<td>City of Playford</td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>Mr Shaun Kennedy, General Manager</td>
<td>City of Playford</td>
<td></td>
</tr>
<tr>
<td>39</td>
<td>Mr Michael White, Group Manager, Community Strategy and Renewal</td>
<td>City of Playford</td>
<td></td>
</tr>
<tr>
<td><strong>19 May 2011</strong></td>
<td><strong>Briefing</strong></td>
<td><strong>Adelaide, South Australia</strong></td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>Mr John Hanlon, Deputy Chief Executive Officer</td>
<td>Department of Planning and Local Government, South Australia</td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>Ms Donna Ferretti, Director Strategic Policy</td>
<td>Department of Planning and Local Government, South Australia</td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>Mr Andrew Grear, Director Planning Division</td>
<td>Department of Planning and Local Government, South Australia</td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>Ms Iris Iwanicki, State President</td>
<td>Planning Institute of Australia, South Australia</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>Mr Des Commerford, State Manager</td>
<td>Planning Institute of Australia, South Australia</td>
<td></td>
</tr>
</tbody>
</table>
## List of Witnesses

<table>
<thead>
<tr>
<th>Date</th>
<th>Witness Name</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 June 2011</td>
<td>Mr Andrew MacLeod, Chief Executive Officer</td>
<td>Committee for Melbourne</td>
</tr>
<tr>
<td></td>
<td>Mr Brian Morison, Executive Director</td>
<td>Building Designers Association of Victoria</td>
</tr>
<tr>
<td></td>
<td>Mr Ian Kett, Executive Project Officer</td>
<td>Deakin University</td>
</tr>
<tr>
<td></td>
<td>Mr Stuart Worn, Executive Officer (Victoria Division)</td>
<td>Planning Institute of Australia</td>
</tr>
<tr>
<td></td>
<td>Mr Steve Dunn MPAI CPP, President (Victoria Division)</td>
<td>Planning Institute of Australia</td>
</tr>
<tr>
<td></td>
<td>Ms Simone Stevenson, Senior Policy Officer</td>
<td>Planning Institute of Australia</td>
</tr>
<tr>
<td></td>
<td>Ms Jennifer Cunich, Executive Director</td>
<td>Property Council of Australia</td>
</tr>
<tr>
<td></td>
<td>Mr Bryce Moore, Chairman, Residential Developers Committee</td>
<td>Property Council of Australia</td>
</tr>
<tr>
<td></td>
<td>Mr Stuart Burdack, Chief Executive Officer</td>
<td>Nillumbik Shire Council</td>
</tr>
<tr>
<td></td>
<td>Mr Mark McDonald, Secretary of the Committee</td>
<td>Friends of Nillumbik</td>
</tr>
<tr>
<td></td>
<td>Mr Brian Murray, Director</td>
<td>Nillumbik Rate Payers Association</td>
</tr>
<tr>
<td></td>
<td>Mr Andrew Gillard, President</td>
<td>Diamond Creek Traders Association</td>
</tr>
<tr>
<td></td>
<td>Mr Phil Marendaz, Committee Member</td>
<td>Diamond Creek Traders Association</td>
</tr>
<tr>
<td>27 June 2011</td>
<td>Mr Grant Edwards, President</td>
<td>Eltham Chamber of Commerce and Industry</td>
</tr>
<tr>
<td></td>
<td>Mr Ross Coverdale, Chief Executive Officer</td>
<td>Araluen Centre</td>
</tr>
<tr>
<td></td>
<td>Mr Chris de Paiva, Manager Residential Services</td>
<td>Araluen Centre</td>
</tr>
<tr>
<td>24 Aug 2011</td>
<td>Ms Marija Groen, Chief Executive Officer</td>
<td>Housing Resource and Support Service Inc.</td>
</tr>
<tr>
<td></td>
<td>Mr Alvaro Maz, Planner and Housing Case Manager</td>
<td>Housing Resource and Support Service Inc.</td>
</tr>
<tr>
<td></td>
<td>Ms Fiona Nield, Director Government Programs and Member Communications</td>
<td>Housing Industry Association</td>
</tr>
<tr>
<td></td>
<td>Cr John Menegazzo, Mayor</td>
<td>Wyndham City Council</td>
</tr>
<tr>
<td></td>
<td>Cr Glenn Goodfellow, Councillor</td>
<td>Wyndham City Council</td>
</tr>
<tr>
<td></td>
<td>Cr Marcel Mahfoud, Councillor</td>
<td>Wyndham City Council</td>
</tr>
<tr>
<td></td>
<td>Mr Bill Forrest, Director, Advocacy</td>
<td>Wyndham City Council</td>
</tr>
<tr>
<td></td>
<td>Mr Tim Cottrell, Senior Traffic Engineer</td>
<td>Wyndham City Council</td>
</tr>
<tr>
<td></td>
<td>Mr John Circosta, Manager Early Years and Youth</td>
<td>Wyndham City Council</td>
</tr>
<tr>
<td>Date</td>
<td>Witness Name</td>
<td>Affiliation</td>
</tr>
<tr>
<td>-------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>7 Sep 2011</td>
<td>Mr Mike Tyler, Chief Executive Officer</td>
<td>Casey City Council</td>
</tr>
<tr>
<td></td>
<td>Mr Peter Fitchett, Director, Planning and Development Services</td>
<td>Casey City Council</td>
</tr>
<tr>
<td></td>
<td>Ms Kathy Racunica, Campus Manager, Berwick and Peninsula</td>
<td>Monash University</td>
</tr>
<tr>
<td></td>
<td>Ms Anita Buczkowsky, Executive Officer</td>
<td>Regional Development Australia – Southern Melbourne</td>
</tr>
<tr>
<td></td>
<td>Mr Scott Watson, President</td>
<td>Lynbrook Residents Association</td>
</tr>
<tr>
<td></td>
<td>Ms Leanne Petrides, Manager</td>
<td>Cranbourne Information and Support Services</td>
</tr>
<tr>
<td>8 Sep 2011</td>
<td>Cr Graham Pittock, Mayor</td>
<td>Mornington Peninsula Shire Council</td>
</tr>
<tr>
<td></td>
<td>Dr Michael Kennedy OAM, Chief Executive Officer</td>
<td>Mornington Peninsula Shire Council</td>
</tr>
<tr>
<td></td>
<td>Mr Allan Cowley, Manager, Strategic Planning</td>
<td>Mornington Peninsula Shire Council</td>
</tr>
<tr>
<td></td>
<td>Mr Simon Brewin, Executive director, Planning Infrastructure and Information Technology</td>
<td>Peninsula Health</td>
</tr>
<tr>
<td></td>
<td>Mr Shane Murphy, Manager, Economic Development</td>
<td>Mornington Peninsula Shire Council</td>
</tr>
<tr>
<td></td>
<td>Mr Allan Cowley, Manager, Strategic Planning</td>
<td>Mornington Peninsula Shire Council</td>
</tr>
<tr>
<td></td>
<td>Mr David Pedley, President</td>
<td>Mornington Chamber of Commerce and Industry</td>
</tr>
<tr>
<td></td>
<td>Ms Elizabeth Woolcock, Immediate Past President</td>
<td>Mornington Chamber of Commerce and Industry</td>
</tr>
<tr>
<td>10 Oct 2011</td>
<td>Mr Gerard Mansour, Chief Executive Officer</td>
<td>Aged &amp; Community Care Victoria</td>
</tr>
<tr>
<td></td>
<td>Mr James Henshall, Policy Research Officer</td>
<td>Aged &amp; Community Care Victoria</td>
</tr>
<tr>
<td></td>
<td>Ms Sarah Fordyce, State Policy Manager</td>
<td>National Disability Services Victoria</td>
</tr>
<tr>
<td></td>
<td>Ms Jennifer Boulton, General Manager, Lifestyle Support and Choice, Yooralla</td>
<td>National Disability Services Victoria</td>
</tr>
<tr>
<td></td>
<td>Ms Kim Koop, Chief Executive Officer</td>
<td>Psychiatric Disability Services of Victoria</td>
</tr>
<tr>
<td></td>
<td>Mr Terry Paliportas, Board Member; and Chief Executive Officer</td>
<td>Psychiatric Disability Services of Victoria</td>
</tr>
<tr>
<td></td>
<td>Ms Kerri Rivett, Regional Manager, Aged Care Services</td>
<td>Mercy Health</td>
</tr>
<tr>
<td></td>
<td>Ms Danielle Biviano, Client Services Manager, Community Services Division</td>
<td>Mercy Health</td>
</tr>
<tr>
<td>Date</td>
<td>Witness Name</td>
<td>Affiliation</td>
</tr>
<tr>
<td>--------------</td>
<td>--------------------------------------</td>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>24 Oct 2011</td>
<td>Mr Bart Sbeghen, Project Manager, Healthy New Suburbs</td>
<td>Bicycle Network Victoria</td>
</tr>
<tr>
<td></td>
<td>Mr Garry Brennan, Public Affairs</td>
<td>Bicycle Network Victoria</td>
</tr>
<tr>
<td></td>
<td>Mr Russell James, Chief Operating Officer</td>
<td>Netball Victoria</td>
</tr>
<tr>
<td></td>
<td>Mr Wayne Bird, Chief Executive Officer</td>
<td>Basketball Victoria</td>
</tr>
<tr>
<td></td>
<td>Mr Dan Kirtley, President</td>
<td>Basketball Victoria</td>
</tr>
<tr>
<td></td>
<td>Mr Brian Mott, Board Member</td>
<td>Basketball Victoria</td>
</tr>
<tr>
<td></td>
<td>Dr Vanessa Rice, Chair (Victorian Chapter)</td>
<td>Exercise and Sports Science Australia</td>
</tr>
<tr>
<td></td>
<td>Ms Maria Berry, Government Relationship Manager</td>
<td>Football Federation Victoria</td>
</tr>
<tr>
<td>7 Nov 2011</td>
<td>Mr Johnny Barnard, Population Forecaster</td>
<td>ID Consulting</td>
</tr>
<tr>
<td></td>
<td>Ms Janet Coombs, General Manager</td>
<td>ID Consulting</td>
</tr>
<tr>
<td></td>
<td>Ms Fran Horsley, Manager, Liveability Strategy</td>
<td>Parks Victoria</td>
</tr>
<tr>
<td>14 Nov 2011</td>
<td>Cr Justin Mammarella, Mayor</td>
<td>Shire of Melton</td>
</tr>
<tr>
<td></td>
<td>Mr Luke Shannon, General Manager, Planning and Development</td>
<td>Shire of Melton</td>
</tr>
<tr>
<td></td>
<td>Mr Maurie Heaney, General Manager, Community Services</td>
<td>Shire of Melton</td>
</tr>
<tr>
<td></td>
<td>Mr Bruce Marshall, Chief Executive</td>
<td>Djerriwarrh Health Services</td>
</tr>
<tr>
<td></td>
<td>Mr Michael Tudball, President</td>
<td>Djerriwarrh Health Services</td>
</tr>
<tr>
<td></td>
<td>Mr David Grace, Deputy Chief Executive</td>
<td>Djerriwarrh Health Services</td>
</tr>
<tr>
<td></td>
<td>Ms Vanessa Periera, President</td>
<td>Caroline Springs Cricket Club</td>
</tr>
<tr>
<td></td>
<td>Mr Matthew Wilson, Manager, Family, Youth and Housing, Melton Youth Advisory Network</td>
<td>Shire of Melton</td>
</tr>
<tr>
<td></td>
<td>Ms Francesca Carlton, Co-ordinator, Youth Services, and Chairperson</td>
<td>Shire of Melton</td>
</tr>
<tr>
<td></td>
<td>Ms Maria Berry, Government Relationship Manager</td>
<td>Football Federation Victoria</td>
</tr>
<tr>
<td>21 Nov 2011</td>
<td>Dr Ernest Healy, Senior Research Fellow, Centre for Population and Urban Research</td>
<td>Monash University</td>
</tr>
<tr>
<td>24 Feb 2012</td>
<td>Mr Chris Banks AM, Chair</td>
<td>Growth Areas Authority</td>
</tr>
<tr>
<td></td>
<td>Mr Peter Seamer, Chief Executive Officer</td>
<td>Growth Areas Authority</td>
</tr>
<tr>
<td></td>
<td>Dr Oliver Hartwich, Research Fellow Economics Program</td>
<td>Centre for Independent Studies</td>
</tr>
</tbody>
</table>

**List of Witnesses**
### Inquiry into Liveability Options

<table>
<thead>
<tr>
<th>Date</th>
<th>Witness Name</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>7 May 2012 Briefings &amp; Site Visits</strong></td>
<td></td>
<td>Vancouver, Canada</td>
</tr>
<tr>
<td>117</td>
<td>Ms Delia Laglagaron, MPA, Interim Commissioner / Chief Administrative Officer</td>
<td>Metro Vancouver</td>
</tr>
<tr>
<td>118</td>
<td>Mr Gaëtan Royer, Manager Metropolitan Planning, Environment and Parks</td>
<td>Metro Vancouver</td>
</tr>
<tr>
<td>119</td>
<td>Mr Doug Kelsey, Chief Operating Officer</td>
<td>TransLink</td>
</tr>
<tr>
<td>120</td>
<td>Mr Dave Crossley, Executive Director</td>
<td>Planning Institute of British Columbia</td>
</tr>
<tr>
<td>121</td>
<td>Ms Dear Manityakul, Land Use and Transport Planner (as on card, but transcript identifies as Council Member – of?)</td>
<td>Halcrow Consulting</td>
</tr>
<tr>
<td>122</td>
<td>Ms Dianne Watts, Mayor</td>
<td>City of Surrey</td>
</tr>
<tr>
<td>123</td>
<td>Mr Murray Dinwoodie, City Manager</td>
<td>City of Surrey</td>
</tr>
<tr>
<td>124</td>
<td>Ms Laurie Cavan, General Manager, Parks, Recreation and Culture</td>
<td>City of Surrey</td>
</tr>
<tr>
<td>125</td>
<td>Mr Shaun Greffard, General Manager, Investment and Intergovernmental Relations</td>
<td>City of Surrey</td>
</tr>
<tr>
<td>126</td>
<td>Mr Jean Lamontagne, General Manager of Planning and Development</td>
<td>City of Surrey</td>
</tr>
<tr>
<td>127</td>
<td>Mr Vincent Lalonde, General Manager of Engineering</td>
<td>City of Surrey</td>
</tr>
<tr>
<td>128</td>
<td>Ms Mary Beth Rondeau, Senior Planner Area Planning and Development</td>
<td>City of Surrey</td>
</tr>
<tr>
<td>129</td>
<td>Mr Don Buchanan, Transportation Planner</td>
<td>City of Surrey</td>
</tr>
<tr>
<td><strong>8 May 2012 Briefings &amp; Site Visits</strong></td>
<td></td>
<td>Vancouver, Canada</td>
</tr>
<tr>
<td>130</td>
<td>Mr Adrien Byrne, Communications Manager</td>
<td>Urban Development Institute Pacific Region</td>
</tr>
<tr>
<td>131</td>
<td>Mr Bob Ransford, UDI Member / Urban Planner</td>
<td>Counter Point Communications Inc.</td>
</tr>
<tr>
<td>132</td>
<td>Mr Craig Crawford, Vice-President, Operations</td>
<td>BC Housing</td>
</tr>
<tr>
<td>133</td>
<td>Mr Ernie Daykin, Mayor</td>
<td>Maple Ridge, British Columbia</td>
</tr>
<tr>
<td>134</td>
<td>Mr Fred Armstrong, Manager of Corporate Communications</td>
<td>Maple Ridge, British Columbia</td>
</tr>
<tr>
<td>135</td>
<td>Mr Jim Charlebois, Manager of Community Planning</td>
<td>Maple Ridge, British Columbia</td>
</tr>
<tr>
<td>136</td>
<td>Ms Kelly Swift, General Manager, Community Development Parks and Recreation Services</td>
<td>Maple Ridge, British Columbia</td>
</tr>
<tr>
<td>137</td>
<td>Ms Lisa Sazoziak, Planner, Planning Department</td>
<td>Maple Ridge, British Columbia</td>
</tr>
<tr>
<td>138</td>
<td>Ms Sandy Blue, Manager Strategic Economic Initiatives</td>
<td>Maple Ridge, British Columbia</td>
</tr>
<tr>
<td>139</td>
<td>Ms Sandra Ramsay, Executive Assistant to the Chief Administrative Officer</td>
<td>Maple Ridge, British Columbia</td>
</tr>
<tr>
<td><strong>9 May 2012 Briefings &amp; Site Visits</strong></td>
<td></td>
<td>Calgary, Canada</td>
</tr>
<tr>
<td>140</td>
<td>Mr Naheed K. Nenshi, Mayor</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td>141</td>
<td>Ms Catherine Ascroft, Executive Assistant to the City Manager</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td>Date</td>
<td>Witness Name</td>
<td>Affiliation</td>
</tr>
<tr>
<td>------------</td>
<td>------------------------------------------------------------------------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>9 May 2012</td>
<td>Ms Carolyn Bowen, Manager of the Office of Sustainability</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Wolf Keller, Director, Water Resources</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Owen A. Tobert, City Manager</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Scott Deederly, Policy Analyst</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Yeatland Wong, Executive Assistant to GM of Transportation</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Ryan Jestin, Director, Roads</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Doug Morgan, Director, Transit</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Gordon Stewart, Director, Transportation Infrastructure</td>
<td>The City of Calgary</td>
</tr>
<tr>
<td></td>
<td>Professor Nancy Pollock-Ellwand, Dean, Faculty of Environmental Design</td>
<td>University of Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Michael Flynn, Executive Director</td>
<td>Urban Development Institute - Calgary</td>
</tr>
<tr>
<td></td>
<td>Mr Travis Oberg, Environmental Task Force</td>
<td>Urban Development Institute - Calgary</td>
</tr>
<tr>
<td>10 May 2012</td>
<td>Mr Chris Giannekos, Assistant Deputy Minister, Infrastructure Policy &amp; Planning Division</td>
<td>Ontario Ministry of Infrastructure</td>
</tr>
<tr>
<td></td>
<td>Ms Hannah Evans, Director, Partnerships and Consultation</td>
<td>Ontario Ministry of Infrastructure</td>
</tr>
<tr>
<td></td>
<td>Ms Kelly Shields, Director, Infrastructure Policy Branch</td>
<td>Ontario Ministry of Infrastructure</td>
</tr>
<tr>
<td></td>
<td>Mr Richard Gould, Manager, International Markets, International Trade Branch</td>
<td>Ontario Ministry of International Trade and Investment</td>
</tr>
<tr>
<td></td>
<td>Ms Pamela Kanter, Manager, International U.S. and European Union</td>
<td>Ontario Ministry of Economic Development and Innovation</td>
</tr>
<tr>
<td></td>
<td>Dr Mark Roseman, Manager, Ontario Network of Excellence Unit, Commercialization Branch</td>
<td>Ontario Ministry of Research and Innovation</td>
</tr>
<tr>
<td></td>
<td>Mr Sam Boonstra, Director, Entrepreneurship Branch</td>
<td>Ontario Ministry of Economic Development and Innovation</td>
</tr>
<tr>
<td></td>
<td>Mr John Henry, Mayor</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td></td>
<td>Mr Bob Duignan, City Manager</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td></td>
<td>Mr David Tuley, Downtown Development Officer, Economic Development Services</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td>Date</td>
<td>Witness Name</td>
<td>Affiliation</td>
</tr>
<tr>
<td>-----------------</td>
<td>-------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>168</td>
<td>Mr Jerry Shestowsky, Manager, Administration and Accessibility Services</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td>169</td>
<td>Mr Denyse Morrissey, Director, Recreation Services, Community Services Department</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td>170</td>
<td>Mr Tom Goodeve, Manager of Policy, Planning Services</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td>171</td>
<td>Mr Thomas B. Hodgins, Commissioner, Development Services Department</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td>10 May 2012</td>
<td><strong>Briefings &amp; Site Visits</strong></td>
<td><strong>Toronto, Canada continued</strong></td>
</tr>
<tr>
<td>172</td>
<td>Mr Mark Sheriff, Executive Assistant, Office of the Mayor</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td>173</td>
<td>Mr Jag Sharma, Commissioner, Community Services Department</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td>174</td>
<td>Mr Bob Chapman, Regional Councillor</td>
<td>City of Oshawa</td>
</tr>
<tr>
<td>11 May 2012</td>
<td><strong>Briefings &amp; Site Visits</strong></td>
<td><strong>Toronto, Canada</strong></td>
</tr>
<tr>
<td>175</td>
<td>Ms Deborah Martin-Downs, Director, Ecology Division</td>
<td>Toronto and Region Conservation</td>
</tr>
<tr>
<td>176</td>
<td>Ms Carolyn Woodland, Director, Planning and Development</td>
<td>Toronto and Region Conservation</td>
</tr>
<tr>
<td>177</td>
<td>Ms Leslie Woo, Vice President, Policy, Planning and Innovation</td>
<td>Metrolinx</td>
</tr>
<tr>
<td>178</td>
<td>Mr Gary McNeil, President</td>
<td>GO Transit</td>
</tr>
<tr>
<td>179</td>
<td>Mr Andy Byford, Chief Executive Officer</td>
<td>Toronto Transit Commission</td>
</tr>
<tr>
<td>180</td>
<td>Mr Chris Upfold, Chief Customer Officer</td>
<td>Toronto Transit Commission</td>
</tr>
<tr>
<td>181</td>
<td>Mr Victor Doyle, Manager, Provincial Planning Policy Branch</td>
<td>Ontario Ministry of Municipal Affairs and Housing</td>
</tr>
<tr>
<td>182</td>
<td>Ms Carleen Carroll, Director of Communications, Community Relations</td>
<td>The Regional Municipality of Halton</td>
</tr>
<tr>
<td>183</td>
<td>Mr Rick Cockfield, Director, Strategic Planning and Policy</td>
<td>The Regional Municipality of Halton</td>
</tr>
<tr>
<td>184</td>
<td>Ms Andrea Montgomery, Communications Specialist</td>
<td>The Regional Municipality of Halton</td>
</tr>
<tr>
<td>14 May 2012</td>
<td><strong>Briefings &amp; Site Visits</strong></td>
<td><strong>Zurich, Switzerland</strong></td>
</tr>
<tr>
<td>185</td>
<td>Dr Alvin Höesli, Vice Head, Office for Economy and Labour</td>
<td>Government of the Canton of Zurich</td>
</tr>
<tr>
<td>186</td>
<td>Mr Alexander Herzog, Expert for Energy, Office for Waste, Water, Energy and Air</td>
<td>Government of the Canton of Zurich</td>
</tr>
<tr>
<td>187</td>
<td>Mr Wilhelm Natrup, Cantonal Planner and Head, Office of Spatial Development</td>
<td>Government of the Canton of Zurich</td>
</tr>
<tr>
<td>15 May 2012</td>
<td><strong>Briefings &amp; Site Visits</strong></td>
<td><strong>Zurich, Switzerland</strong></td>
</tr>
<tr>
<td>188</td>
<td>Professor Marc Angélil, Professor for Architecture and Design</td>
<td>ETH Hönggerberg</td>
</tr>
<tr>
<td>189</td>
<td>Professor Dr Ulrich Weidmann, Institut for Verkehrsplanung und Transportsysteme IVT</td>
<td>ETH, Zürich</td>
</tr>
<tr>
<td>Date</td>
<td>Witness Name</td>
<td>Affiliation</td>
</tr>
<tr>
<td>----------</td>
<td>------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>190</td>
<td>Mr Hannes Schneebeli, Leiter Infrastruktur und Stv. Gesamtprojektleiter Glattalbahn</td>
<td>VGB Verkehrsbetriebe Glattal AG</td>
</tr>
<tr>
<td>16 May 2012</td>
<td>Briefings &amp; Site Visits</td>
<td>London, United Kingdom</td>
</tr>
<tr>
<td>191</td>
<td>Ms Michele Dix, Managing Director, Group Planning</td>
<td>Transport for London</td>
</tr>
<tr>
<td>192</td>
<td>Mr Steve Oakes, Director of Development</td>
<td>London Thames Gateway Development Corporation</td>
</tr>
<tr>
<td>193</td>
<td>Mr Mark Bradbury, Head of Development Asset Transfer, London Thames Gateway, Housing Land Directorate</td>
<td>Greater London Authority</td>
</tr>
<tr>
<td>194</td>
<td>Ms Karen Ball, Directorate for Investment, UK Trade and Investment</td>
<td>Tech City Investment Organisation</td>
</tr>
<tr>
<td>16 May 2012</td>
<td>Briefings &amp; Site Visits</td>
<td>London, United Kingdom continued</td>
</tr>
<tr>
<td>195</td>
<td>Mr Jon Rouse, Chief Executive Officer</td>
<td>London Borough of Croydon</td>
</tr>
<tr>
<td>196</td>
<td>Mr Tim Naylor, Head of Spatial Planning</td>
<td>London Borough of Croydon</td>
</tr>
<tr>
<td>197</td>
<td>Ms Lisa McCance, Head of Economic Development</td>
<td>London Borough of Croydon</td>
</tr>
<tr>
<td>198</td>
<td>Mr Ian Plowright, Head of Transport</td>
<td>London Borough of Croydon</td>
</tr>
<tr>
<td>199</td>
<td>Mr Jonathan Martin, Development Manager, Housing and Regeneration</td>
<td>London Borough of Croydon</td>
</tr>
<tr>
<td>200</td>
<td>Mr Mark Sperring, Head of Capital Delivery Hub</td>
<td>London Borough of Croydon</td>
</tr>
<tr>
<td>201</td>
<td>Mr Steve Dennington, Plan making Team Leader, Spatial Planning</td>
<td>London Borough of Croydon</td>
</tr>
<tr>
<td>17 May 2012</td>
<td>Briefings &amp; Site Visits</td>
<td>Croydon, United Kingdom</td>
</tr>
<tr>
<td>202</td>
<td>Mr Steve Shaw, Chief Planner – Town Planning Promoter Team</td>
<td>Olympic Delivery Authority</td>
</tr>
<tr>
<td>203</td>
<td>Ms Jessica Gavaghan, Project Sponsor - Venues</td>
<td>Olympic Park Legacy Company</td>
</tr>
<tr>
<td>204</td>
<td>Mr Alan Bates, Project Director – Athletes Village Project</td>
<td>Lend Lease UK</td>
</tr>
<tr>
<td>205</td>
<td>Mr Mario Balducci, Head of Affordable Housing – Athletes Village</td>
<td>Lend Lease UK</td>
</tr>
<tr>
<td>18 May 2012</td>
<td>Briefings &amp; Site Visits</td>
<td>London, United Kingdom</td>
</tr>
<tr>
<td>206</td>
<td>Ms Terrie Alafat, Director, Housing Growth &amp; Affordable Housing</td>
<td>Department for Communities and Local Government</td>
</tr>
<tr>
<td>207</td>
<td>Mr Graham Duncan, Deputy Director, Affordable Housing Regulation and Investment</td>
<td>Department for Communities and Local Government</td>
</tr>
<tr>
<td>208</td>
<td>Mr Richard Hill, Executive Director, Programmes and Deputy Chief Executive, Homes and Communities Agency</td>
<td>Department for Communities and Local Government</td>
</tr>
<tr>
<td>209</td>
<td>Mr Rob Lewtas, Head of International Marketing, UK Trade and Investment</td>
<td>South East England Development Agency</td>
</tr>
</tbody>
</table>
APPENDIX C
STATE PLANNING POLICY FRAMEWORK:
CLAUSE 16

16
16/12/2010
VC75

HOUSING

Planning should provide for housing diversity, and ensure the efficient provision of supporting infrastructure.

New housing should have access to services and be planned for long term sustainability, including walkability to activity centres, public transport, schools and open space.

Planning for housing should include providing land for affordable housing.

16.01
16/12/2010
VC75

Residential development

Objective
To promote a housing market that meets community needs.

Strategies
Increase the supply of housing in existing urban areas by facilitating increased housing yield in appropriate locations, including under-utilised urban land.

Ensure that the planning system supports the appropriate quantity, quality and type of housing, including the provision of aged care facilities.

Ensure housing developments are integrated with infrastructure and services, whether they are located in existing suburbs, growth areas or regional towns.

Encourage housing that is both water efficient and energy efficient.

Facilitate the delivery of high quality social housing to meet the needs of Victorians.

Policy guidelines
Planning must consider as relevant:

- The Victorian Integrated Housing Strategy (State Government of Victoria, 2010).

16.01-2
16/12/2010
VC75

Location of residential development

Objective
To locate new housing in or close to activity centres and employment corridors and at other strategic redevelopment sites that offer good access to services and transport.

Strategies
Increase the proportion of housing in Metropolitan Melbourne to be developed within the established urban area, particularly at activity centres, employment corridors and at other strategic sites, and reduce the share of new dwellings in greenfield and dispersed development areas.
Encourage higher density housing development on sites that are well located in relation to activity centres, employment corridors and public transport.

Ensure an adequate supply of redevelopment opportunities within the established urban area to reduce the pressure for fringe development.

Facilitate residential development that is cost-effective in infrastructure provision and use, energy efficient, incorporates water efficient design principles and encourages public transport use.

Identify opportunities for increased residential densities to help consolidate urban areas.

**Policy guidelines**
Planning must consider as relevant:

- *Melbourne 2030* (Department of Sustainability and Environment, 2002).

16.01-3

**Strategic redevelopment sites**

**Objective**
To identify strategic redevelopment sites for large residential development in Metropolitan Melbourne.

**Strategies**
Identify strategic redevelopment sites that are:

- In and around Central Activities Districts.
- In or within easy walking distance of Principal or Major Activity Centres.
- In or beside Neighbourhood Activity Centres that are served by public transport.
  - On or abutting tram, train, light rail and bus routes that are part of the Principal Public Transport Network and close to employment corridors, Central Activities Districts, Principal or Major Activity Centres.
- In or near major modal public transport interchanges that are not in Principal or Major Activity Centres.
  - Able to provide 10 or more dwelling units, close to activity centres and well served by public transport.

**Policy guidelines**
Planning must consider as relevant:

- *Melbourne 2030* (Department of Sustainability and Environment, 2002).

16.01-4

**Housing diversity**

**Objective**
To provide for a range of housing types to meet increasingly diverse needs.
Strategies

Ensure housing stock matches changing demand by widening housing choice, particularly in the middle and outer suburbs.

Encourage the development of well-designed medium-density housing which:

- Respects the neighbourhood character.
- Improves housing choice.
- Makes better use of existing infrastructure.
- Improves energy efficiency of housing.

Support opportunities for a wide range of income groups to choose housing in well-serviced locations.

Ensure planning for growth areas provides for a mix of housing types and higher housing densities in and around activity centres.

Policy guidelines

Planning must consider as relevant:

Melbourne 2030 (Department of Sustainability and Environment, 2002).

Housing affordability

Objective

To deliver more affordable housing closer to jobs, transport and services.

Strategies

Improve housing affordability by:

- Ensuring land supply continues to be sufficient to meet demand.
  - Increasing choice in housing type, tenure and cost to meet the needs of households as they move through life cycle changes and to support diverse communities.
  - Promoting good housing and urban design to minimise negative environmental impacts and keep down costs for residents and the wider community.
  - Encouraging a significant proportion of new development, including development at activity centres and strategic redevelopment sites to be affordable for households on low to moderate incomes.

Increase the supply of well-located affordable housing by:

- Facilitating a mix of private, affordable and social housing in activity centres, strategic redevelopment sites.
- Ensuring the redevelopment and renewal of public housing stock better meets community needs.
Inquiry into Liveability Options

**Objective**
To identify land suitable for rural living and rural residential development.

**Strategies**
Manage development in rural areas to protect agriculture and avoid inappropriate rural residential development.

Reduce the proportion of new housing development provided in rural areas and encourage the consolidation in existing settlements where investment in physical and community infrastructure and services has already been made.

Demonstrate need and identify locations for rural residential development through a housing and settlement strategy.

Ensure planning for rural living avoids or significantly reduces adverse economic, social and environmental impacts by:

- Maintaining the long-term sustainable use and management of existing natural resource attributes in activities including agricultural production, water, mineral and energy resources.
- Protecting existing landscape values and environmental qualities such as water quality, native vegetation, biodiversity and habitat.
- Minimising or avoiding property servicing costs carried by local and State governments.
- Discouraging development of isolated small lots in rural zones from use for rural living or other incompatible uses.
- Encouraging consolidation of existing isolated small lots in rural zones.
  - Maintaining an adequate buffer distance between rural residential development and intensive animal husbandry.

Ensure land is not zoned for rural living or rural residential development if it will encroach on high quality productive agricultural land or adversely impact on waterways or other natural resources.

Ensure land is only be zoned for rural living or rural residential development where it:

- Is located close to existing towns and urban centres, but not in areas that will be required for fully serviced urban development.
- Can be supplied with electricity and water and good quality road access.

**Policy guidelines**
Planning must consider as relevant:

- *Ministerial Direction No. 6 – Rural Residential Development*, in the preparation and assessment of planning scheme amendments that provide for rural residential development.

16.02-2 Crisis accommodation and community care units

20/09/2010
VC71

**Objective**
To encourage the establishment of crisis accommodation and community care units in residential areas and to ensure that their location is kept confidential.
### Strategies

Planning schemes must not:

- Require a planning permit for or prohibit the use of a dwelling of up to 10 habitable rooms in a residential area as shared housing or crisis accommodation.
- Identify the site of a community care unit or a dwelling used for crisis accommodation as having that use.
- Require a permit for or prohibit the use of buildings for community care units (with accommodation for no more than 20 clients plus supervisory staff) in areas used mainly for housing.

#### 16.02-3 Residential aged care facilities

**Objective**

To facilitate the timely development of residential aged care facilities to meet existing and future needs.

**Strategies**

Ensure local housing strategies, precinct structure plans, and activity centre structure plans provide for residential aged care facilities.

Encourage planning for housing that:

- Delivers an adequate supply of land or redevelopment opportunities for residential aged care facilities.
- Enables older people to live in appropriate housing in their local community.

**Policy guidelines**

Planning must consider as relevant:

- Commonwealth Government’s Responsible ratios for the provision of aged care places under the *Aged Care Act 1997*.

#### 16.02-4 Design and location of residential aged care facilities

**Objective**

To encourage well-designed and appropriately located residential aged care facilities.

**Strategies**

Recognise that residential aged care facilities contribute to housing diversity and choice, and are an appropriate use in a residential area.

Recognise that residential aged care facilities are different to dwellings in their purpose and function, and will have a different built form (including height, scale and mass).

Provide for a mix of housing for older people with appropriate access to care and support services.
Ensure that residential aged care facilities are located in residential areas, activity centres and strategic redevelopment areas, close to services and public transport.

Ensure that:

- Proposals to establish residential aged care facilities early in the life of a growth area are in locations that will have early access to services and public transport.
- Residential aged care facilities are designed to respond to the site and its context.
- Residential aged care facilities aspire to high urban design and architectural standards.
APPENDIX D  EXTRACTS FROM THE PROCEEDINGS

Monday 26 November 2012

Recommendation 6.21: That permits for tourism activities in Green Wedge Zones that are outside the ambit of agriculture, recreation or rural industry, be considered for introduction into the planning scheme.

Mr Craig Ondarchie MP, moved that Recommendation 6.21 stand part of the report. Seconded by Ms Cindy McLeish MP.

The Committee divided

Ayes Mrs Jan Kronberg MLC, Mr Craig Ondarchie MP and Ms Cindy McLeish MP.

Noes Ms Judith Graley MP and Ms Natalie Hutchins MP.

And so it was resolved in the affirmative.

The following sentence at page 442:

“In very simple terms, Green Wedge land is land that is not available for housing development.”

Mr Craig Ondarchie MP, moved that the sentence be deleted from the report. Seconded by Ms Cindy McLeish MP.

The Committee divided

Ayes Mrs Jan Kronberg MLC, Mr Craig Ondarchie MP, Ms Cindy McLeish MP.

Noes Ms Judith Graley MP and Ms Natalie Hutchins MP.

And so it was resolved in the affirmative.


Ms Judith Graley MP, moved that a new recommendation in relation to the permanent protection of the Mornington Peninsula Green Wedge be drafted for insertion into the report at page 449. The question was put that the proposed recommendation be inserted.

The Committee divided

Ayes Mrs Judith Graley MP and Ms Natalie Hutchins MP.

Noes Mrs Jan Kronberg MLC, Mr Craig Ondarchie MP, Ms Cindy McLeish MP.

And so it was resolved in the negative.
The following sentence at page 448:

The Committee considers that, far from undermining the value of the Green Wedges, the extended range of activities that would be allowed would in fact make the Green Wedges more accessible to more of Melbourne's growing population and increase the community's appreciation of the value of these areas.

Mr Craig Ondarchie MP, moved that the sentence stand part of the report. Seconded by Ms Cindy McLeish MP.

The Committee divided

Ayes  Mrs Jan Kronberg MLC, Mr Craig Ondarchie MP, Ms Cindy McLeish MP.

Noes  Mrs Judith Graley MP and Ms Natalie Hutchins MP.

And so it was resolved in the affirmative.

Wednesday 5 December 2012

Chapter Six

Mr Craig Ondarchie MP, moved that Chapter Six stand part of the report. Seconded by Ms Cindy McLeish, MP.

The Committee divided

Ayes  Mrs Jan Kronberg MP, Mr Craig Ondarchie MP and Ms Cindy McLeish MP.

Noes  Ms Judith Graley MP and Ms Natalie Hutchins MP.

And so it was resolved in the affirmative.
APPENDIX E  MINORITY REPORT

6 December 2012

Outer Suburban Interface Services and Development Committee

Inquiry into Liveability Options in Outer Suburban Melbourne

We

Judith Graley MP

Natalie Sykes Hutchins MP

Submit this Minority Report

INTRODUCTION

We have decided to submit a Minority Report as it is our firm conclusion that a number of aspects of the report as drafted are cause for concern. We cannot support Chapter 6 Liveability and Environment and have formally voted against the acceptance of Chapter 6 as drafted.

The OSISDC received the Terms of Reference from the Legislative Assembly on 10 February 2011. On 28 February 2011 the Committee met and resolved to commence the inquiry. On 8 December the Legislative assembly at the request of the committee extended the reporting date from 10 February 2012 to 13 September 2012. On 28 August 2012 the reporting date was then extended to 14 November 2012. The report is now due to be tabled on 12 December 2012.

Committee members have attended meetings, hearings, study tours and on-site visits and have worked constructively and with considerable effort and input to enable this report to be finally presented to the Parliament of Victoria.

The Minority views with considerable concern the delays associated with the development and production of the report. It is the view of the Minority that the Committee has been under resourced and this has hampered the work of the committee. It is of particular concern that while submissions closed on 29 April 2011 it was not until 29 October 2012 that the Victorian Government Submission was received by the committee i.e. 18 months after closing date for all other stakeholders and community members. The Government Submission makes an important contribution to committee work and especially the work of the Parliamentary Committee staff in their early attempts to frame and contextualise the report. We would also draw attention to the paucity of the late Government Submission. At 29 incomplete pages in length, the “cut and paste” nature (some paragraphs are repeated) and its failure to address in a substantial manner many of the important issues being dealt with by the Committee, the Government Submission shows a lack of respect and regard for the work and investigations of a Parliamentary Committee. As a consequence there is only scant reference to the Government’s submission in the
report. Given the OSISDC is dealing with a government reference, the importance of the Inquiry to
future government planning and decision making and the future quality of life for those people living and
working in the outer suburbs, the Minority view the Government’s input with dismay and
disappointment.

The curious reluctance of the Government to make a well-considered and timely contribution contrasts
with the Government’s ongoing and fragmentary roll out of planning decisions which significantly impact
on the outer suburbs. The Minority believe that the government could have benefited from the work of
the OSISDC. It is to be hoped that the government will take the findings and the recommendations of
the OSISDC seriously and respond in a constructive and timely fashion. Otherwise the OSISDC risks
being seen as a mere bystander despite the critical importance of the reference issues under investigation.

CHAPTER 6 Section 6.6.2 Melbourne’s Green Wedges

As indicated earlier the Minority voted against the adoption of Chapter 6 of the report, Liveability and the
Environment. In particular we are in disagreement with some of the commentary, findings and
recommendations in Section 6.6.2 Melbourne’s Green Wedges.

The Committee received overwhelming evidence from stakeholders of all persuasions and backgrounds
as to the importance of Melbourne’s ‘iconic’ Green Wedges to the liveability of Melbourne. Indeed
Chapter 6 provides a number of examples of how important many forms of open space are to maintain
and further improve the quality of life in Melbourne’s outer suburbs e.g. Finding 6.1 Open space has the
potential to enhance the liveability of the outer suburbs of Melbourne and to deliver significant
economic, public health and ecological benefits to outer-suburban residents.

The Minority also note the Committee’s deliberate emphasis on the importance of preserving and
restricting urban encroachment into agricultural land as found in Recommendation 6.18 and 6.19 and also
in Chapter 4 Planning for Liveability Recommendation 4.6. The Minority is of the view that the
government response to these recommendations should be clear and prompt.

We draw attention to Pages 53-62 and in particular to the comments from the Interface Councils who
asked the Committee to consider a

……firm commitment to the Green Wedge principles (and) the protection of the Green Wedge areas for sustainable
productive agriculture and food security, unstructured recreation and biodiversity

And the request from the Mornington Peninsula Shire to have their ‘priceless’ Green Wedges “protected
at all costs” and for the State Government to provide the current Green Wedge areas with permanent
protection . The report the Minority notes does not respond to this request.

Minority members voted against:

Recommendation 6.21 That permits for tourism activities in the Green Wedge zones that are outside the
ambit of agriculture, recreation or rural industry be considered for introduction into the planning scheme
We have grave concerns as to the Government’s more laissez faire attitude to the Green Wedge and fear recent government rezoning decisions and this recommendation passed by government members will facilitate further encroachment into agriculture land and public open space and increase the number of larger scale residential developments and commercial activities. It is the Minority view that the OSISDC could have at least said in very simple terms, Green Wedge land is not available for residential housing developments but this was avoided.

The Minority also reluctantly notes that despite the request from various Green Wedge councils the report does not recommend any assistance to Green Wedge councils to maintain large tracts of Green Wedge land for all Victorians.

It is our firm belief that this report should provide a stronger articulation and additional recommendations in recognising the importance of the Green Wedges to Melbourne’s liveability and for assistance to Green Wedge councils given the need to protect and preserve the Green Wedges into the future.

CHAPTER 3 Housing Affordability And The Cost Of Living

Under the heading First Home Bonus and First Home Owner Grant the report states that the First Home Bonus grant “expired on 30 June 2012, having achieved its objective”.

The Minority does not believe this to be the case. The grant was scrapped by the Baillieu government and it is the view of the Minority that this will not only hurt Victorians seeking to purchase their own homes in Melbourne’s outer suburbs, it will also damage domestic building businesses and employment. State Governments in New South Wales, Queensland and South Australia have all expanded their first home owner bonuses for newly constructed homes. Victorian housing starts fell from 59,170 in 2010-11 to 47,400 in 2011-12, a decrease of 20 per cent compared to a national fall of 12 per cent. The Master Builders Association suggest that over the next year housing starts will increase by 6 per cent nationally, but fall by 7 per cent in Victoria.

CHAPTER 4 Planning For Liveability In Outer Suburban Melbourne

Under the heading Streamlining the VCAT appeal system, the following recommendation is made:

Recommendation 4.13 That the Victorian Government investigate the reasons for the high rate of appeal against development applications in Victoria compared to other Australian states.

The Minority would like to flag that they are concerned that this broad recommendation may suggest to the government that an investigation may include a review of the scope of third party appeal rights to VCAT.

We are opposed to the diminution of the rights and exclusion of ordinary citizens and community groups in the planning processes.
Section 4.7 Funding for infrastructure is an important section of the report. Funding the need for increased and improved infrastructure in the outer suburbs is a critically important issue and was the focus of interactions during hearings and repeatedly mentioned in submissions. Early in the report the committee makes the following finding.

Finding 2.6 Melbourne’s growth Local Government Areas have accommodated a disproportionate amount of Melbourne’s population growth in recent years, which places significant pressure on existing infrastructure and has created strong demand for new infrastructure, which has not been met and should be addressed as a matter of urgency.

The Minority notes with concern that the important issue of funding for infrastructure is not fully explored and that the report does not make significant recommendations to government to address this critical issue.

The lack of commitment to funding options is of particular concern in the light of the fall in infrastructure investment in Victoria. See graph below:

![Net Capital Expenditure (Sm)](chart.png)

*Source: Victorian Budget*

By decreasing and delaying investment in infrastructure, an infrastructure gap is emerging that will significantly hurt the quality of life of people living and working in Melbourne’s outer suburbs.

The Public Accounts and Estimate Committee report on the 2012-13 budget has shown that in the financial year 2014-15 net direct investment is forecast to fall below depreciation, stating that ‘this means the service capacity of the state’s assets is not being maintained.’

A key area of disparity in liveability is the significant lag in the provision of services, both social infrastructure and physical infrastructure, particularly transport infrastructure in the form of roads and public transport.
Yet since the current government has come to power not one additional dollar has been invested in a new bus service or train service in the outer suburbs of Melbourne. New services have not been delivered in line with the expansion of new outer suburbs. Young families in the outer suburbs are facing reduced social participation and social cohesion due to the relative isolation of some outer suburban communities.

The Australian Bureau of Statistics has estimated that the avoidable social cost of congestion for Melbourne's statistical division alone is $4.447 billion. Bus patronage is up by 9 per cent and demand for public transport is expected to grow by 70 per cent in the next decade.

We need to ensure that this state keeps up with investment in new stock, in proper railway stations, in new bus lines and in our tram system. Unfortunately this report fails in delivering real outcomes on transport as there is no recommendation relating to the direct need for immediate expenditure on public transport needs in the Outer Suburbs.

The Committee heard evidence that we need to reduce congestion and make it easier to commute to work. The current State Government has provided no funding to resurface roads and does not have an agenda in place to improve outer suburban roads. 90 per cent of projects in Victoria in the past two years having either been funded by the previous state government or by the current federal government.

The OSISDC heard evidence that there has been a falloff in investment in roads in Melbourne’s outer suburbs. The RACV 2012 report Growing Pains: Keeping pace with transport needs in outer Melbourne and Geelong although available was not considered by the committee. It provides a useful document for the government to develop a comprehensive transport plan including funding and timelines for transport infrastructure in Melbourne’s outer suburbs.

The report acknowledges that Melbourne’s outer suburbs face some of Victoria’s biggest infrastructure challenges. Government planning and funding must recognise the critical and wide ranging issues that our outer suburbs are facing. The Minority is dismayed and disappointed by the failure of the Committee to fully acknowledge the breadth of infrastructure needs of the interface councils.

See below Table 2 from the report one Melbourne or two: An overview of the issues faced by people living in the Interface areas
The Interface Councils submission calls for the:

…creation of a $5.1 billion ‘Interface fund’ to be rolled out over 15 years would ensure that the gap between Interface residents and Metropolitan residents would be reduced by 50%. The fund would focus on job creation, health service provision and education.

Mr Gary McQuillan, Chief Executive Officer of Cardinia Shire, spoke to the Committee at a public hearing on behalf of the Interface Councils:

…over the next 15 years interface councils will accommodate 60 per cent of Melbourne’s population growth, so the interface councils will be doing much of the heavy lifting to accommodate the state’s future population. …the interface councils have a lower average income, poor education and health outcomes, higher unemployment rates, and high levels of youth disengagement with regard to higher education and workforce participation.

The Minority regrets that the committee did not report on and take up the suggestion of the Interface councils for the establishment of an Interface Infrastructure Fund. We note that in November 2012 the Victorian Labor Opposition has publicly committed to the establishment of a dedicated fund to support the infrastructure needs of interface communities in consultation with Victoria’s Interface councils.

### Chapter 5 Community Cohesion

The Committee heard evidence that education attainment in the outer suburbs is below that of the rest of Melbourne. It is important that families in the outer suburbs have access to quality schools and further
education facilities. The Committee report acknowledges the importance of the timely delivery of education infrastructure in the outer suburbs and the need for tailored education programs to meet the needs of clientele. Indeed the Committee goes one step further in Chapter 6 Liveability and The Environment, Recommendation 6.14 That the Victorian Government investigate the creation of a partnership with higher education providers of agricultural education in the outer suburbs of Melbourne. This recommendation was supported by all committee members and recognises the importance of the provision of relevant and appropriate education experiences.

The Committee also heard evidence about the important role schools and education institutions play in community building and as contributors to the local economy.

The Minority is of the strong opinion that savage cuts by the current government to the TAFE sector with the consequences of limiting course availability and increasing course costs will disproportionately disadvantage students in the outer suburbs. It is our view that this matter needs urgent attention and a response from the government.

Chapter 7 Medical, Health And Support Services

The Committee supported the adoption of this chapter and in particular Finding 7.1 and Recommendation 7.1.

Finding 7.1 There is a need for additional acute hospital beds for the residents of Wyndham, Melton, Casey and Yarra Ranges as the areas of greatest need. There is also a pressing need to expand the provision of local maternity services for residents of the City of Melton.

Recommendation 7.1 That the Victorian Department of Health facilitates the provision of additional acute public hospital capacity, as well as additional maternity services, to meet both current and forecast demand in Melbourne’s outer suburbs.

The Minority notes that there is a reference to the delivery of 800 new hospital beds in Chapter 7 under the heading Current Victorian Government funding commitments for health and mental health in Melbourne’s outer suburbs. The Minority is concerned that so far no new beds have been delivered to the outer suburbs, and we consider that the Government needs to respond quickly to meet the health needs of residents of the outer suburbs and provide open and transparent information as to the locality of such provision for the information of the Committee and the public.
Inquiry into Liveability Options

We submit this Minority Report as we are of the strong opinion that the issues raised are important and require a response from the Government, so that residents of the outer suburbs are treated fairly—So that they too may enjoy the benefits of living in Melbourne, the world’s most liveable city.

Judith Graley MP
Member for Narre Warren South
Deputy Chair

Natalie Hutchins MP
Member for Keilor
BIBLIOGRAPHY


Inquiry into Liveability Options


Australian Bureau of Statistics, (September 2012), *2011 Reference and Information*, viewed 16 October 2012,

Australian Bureau of Statistics, (September 2010), *3219.0, Australian Demographic Statistics*.


Australian Bureau of Statistics, (20 November 2012), *Basic Community Profile, Victoria, Place of Usual Residence 5 Years Ago, Table B39*,


<http://www.abs.gov.au/ausstats/abs@.nsf/PrimaryMainFeatures/2069.0.30.005>


Australian Bureau of Statistics, (2012), *Community Profiles*, viewed 3 August 2012,

Australian Bureau of Statistics, (4 July 2011), *8570.0,Health Care Services Australia 2009-10*,
Inquiry into Liveability Options


Australian Bureau of Statistics, (28 January 2010), Housing Finance: subsidies for first home buyers,


Australian Bureau of Statistics, (4 September 2008), 3222.0, Population Projections Australia 2006-2056, viewed 12 September 2012,
Australian Bureau of Statistics, (31 July 2012), 3218.0, Regional Population Growth Australia: Main Features, viewed 5 September 2012,


Australian Bureau of Statistics, (30 July 2012), 3218.0, Regional Population Growth, Australia 2010-2011 (Victoria), viewed 30 March 2012,
<http://www.abs.gov.au/ausstats/abs@.nsf/Products/3218.0~2010-11~Main+Features~Victoria/OpenDocument#PARALINK4>

Australian Bureau of Statistics, (30 March 2012), 3218.0, Regional Population Growth, Australia 2010-2011 (Western Australia), viewed 30 March 2012,

Australian Bureau of Statistics, (31 August 2012), 3235.0, Regions of Australia 2010: Population by Age and Sex,

Australian Bureau of Statistics, (25 January 2012), 1367.0, State and Territory Statistical Indicators: Total Fertility Rate, viewed 24 September 2012,
<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/1367.0~2011~Main%20Features~Total%20Fertility%20Rate~3.2>

Australian Day Hospital Association, About Us, viewed 1 May 2012,

Australian Day Hospital Association, (July 2011), Profile of the Australian Day Hospital Association and the Day Surgery Industry,

Australian Day Surgery Council, (2004), Day Surgery in Australia, Report and Recommendations,

Australian Farm Institute, (May 2012), Does Australia Need a National Policy to Preserve Agricultural Land?,

Australian Government, (2012), Australian Social Inclusion Board, viewed 19 September 2012,

Australian Government The Treasury, Mid-Year Economic and Fiscal Outlook 2012-13, viewed 3 December 2012,

Australian Government The Treasury, Budget Paper No.3, Australia’s Federal Relations 2012-13, viewed 5 December 2012,

Australian Housing and Urban Research Institute, (September 2007), Housing Affordability: A 21st Century Problem,

Australian Housing and Urban Research Institute, (September 2010), Housing implications of social, spatial and structural change,
<http://www.ahuri.edu.au/publications/search.asp?ShowSearch=False&Search=Properties&Keywords=Emma+Baker&Search-Author=True&Sort=Search-Title&Direction=DESC>


Australians for Affordable Housing, (9 February 2012), $450,000 renters deserve better, viewed 14 February 2012, <http://housingstressed.org.au/2012/02/09/450000-renters-deserve-better/>


Planning and Environment Act No.33 Part 3AAB S46AR, Authority, G.A.


Bolund Per. and Huhhammar Sven., (1999), Ecological Economics, Ecosystem services in urban areas, 29, p.293-301.


Budge Trevor, (2011), *Food Security: Health of Regional and Rural Communities*, Paper presented at Built Environment in Public Health Forum,


Inquiry into Liveability Options

Collier K., (31 May 2012), *Melbourne Water Bills Set to Skyrocket*, Herald Sun, 


Commonwealth Grants Commission, (2011), *First Home Owners Scheme - Assessment Results*, 


Commonwealth Treasury of Australia, (Spring, 2000), *Economic roundup*, Demographic influences on long-term economic growth in Australia, 


Communities and Local Government, (2009), *Planning Policy Statement 4*, London Stationary Office, 

Community Indicators Victoria, *About Us*, viewed 19 September 2012, 
<http://www.communityindicators.net.au/about_us>

Community Indicators Victoria, *Art*, viewed 21 August 2012, 
<http://www.communityindicators.net.au/live_reports/art>

Community Indicators Victoria, (2007), *Community Indicators Victoria Survey 2007*, viewed 22 October 2011, 

Community Indicators Victoria, *Community Indicators Victoria Survey 2007: Community Acceptance of Diverse Cultures Measure*, viewed 3 November 2011, 
<http://www.communityindicators.net.au/live_reports/level_of_multiculturalism_and_tolerance_in_outer_suburban_lgas>

Community Indicators Victoria, *Housing Affordability*, viewed 15 September 2011, 
<http://www.communityindicators.net.au/metadata_items/housing_affordability>
Community Indicators Victoria, Indicator Rationale,
<http://www.communityindicators.net.au/metadata_items/opportunities_to_participate_in_arts_and_cultural_activities>

Community Indicators Victoria, (2007), Opportunities for Participation in Arts and Cultural Activities in the Outer Suburbs of Melbourne, viewed 29 October 2011,

Community Indicators Victoria, Public Transport Patronage, viewed 6 January 2012,
<http://www.communityindicators.net.au/metadata_items/public_transport_patronage>

Community Indicators Victoria, Public Transport Patronage - Live Report, viewed 6 January 2012,
<http://www.communityindicators.net.au/node/add/report>

Congress for the New Urbanism, (14 September 2007), Garrison Woods, viewed 2 October 2012,

Council of Australian Governments (COAG), Health and Ageing, viewed 15 October 2012,


Council of Australian Governments (COAG), (2008), National Strategy on Energy Efficiency,

Council of Australian Governments (COAG) Reform Council, (29 April 2011), National Affordable Housing Agreement Performance Report 2009-10,

Council of Australian Governments Reform Council, (29 June 2012), Housing affordability: National Housing Agreement Performance Report 2009-2010, viewed 22 December 2011,

Crawford Russell and Jonathan Taylor, Prioritising Road-Rail Level Crossings for Grade Separation Using a Multi-Criteria Approach, viewed 10 October 2012,

Creighton Adam. and Hartwich Oliver., (2011), Australia's Angry Mayors: How Population Growth Frustrates Local Councils, The Centre for Independent Studies, viewed 3 September 2011,

Crompton John L., (October 2005), Managing Leisure, The impact of parks on property values: empirical evidence from the past two decades in the United States, 10,

Cultivatis, (2010), Agricultural Urbanism, viewed 22 November 2012,
<http://www.cultivatis.com/#!/agricultural-urbanism>

Currie Graham and Alexa Delbosc, (2010), Built Environment, Bus Rapid Transit in Australasia: An update on progress, 36, 3, Wiley and Sons,


Department of Health and Ageing, (July 2012), My Medicare Local, 

Department of Health and Ageing, (2012), National Health Reform, 

Department of Health and Ageing, (20 May 2010), Factsheet, National Health Reform: Establishment of Medicare Locals, viewed 18 April 2012, 

Department of Health and Ageing, (2007), Residential Care, viewed 15 May 2012, 

Department of Health and Ageing, (August 2011), Review of the Rural Medical Workforce Distribution Programs and Policies, 

Department of Health and Ageing, (August 2011), Review of the Rural Medical Workforce Distribution Programs and Policies, 


Department of Health Victoria, (January 2012), About PCPs, viewed 15 October 2012, 


Department of Health Victoria, (2009), Aged Care in Victoria: Residential Aged Care Policy, viewed 4 September 2012, 


Department of Health Victoria, (2012), Annual Report 2011-12, viewed 15 October 2012, 


Department of Health Victoria, (2012), Health Information: Maps of Hospital Locations, viewed 10 May 2012, 


Inquiry into Liveability Options


Department of Infrastructure, (October 2002), *Melbourne 2030: Planning for Sustainable Growth*, viewed 12 July 2012,


Department of Infrastructure and Transport, (May 2011), *Our Cities, Our Future: A national urban policy for a productive sustainable and liveable future*, viewed 6 June 2012,

Department of Infrastructure and Transport, (2010), *State of Australian Cities 2010*,


Department of Infrastructure and Transport, (2011), *Transport and Regional Economics, Population growth, jobs growth and commuting flows in Melbourne*, Report 125,

Department of Infrastructure Transport and Regional Development, (2010), *Our Cities: the challenge of change: Background and research paper*, viewed 24 October 2012,

Department of Natural Resources and Environment, *Victoria’s Native Vegetation Management: A Framework for Action*,

Department of Planning and Community Development, *(2009), Delivering Melbourne’s newest sustainable communities: Program Report*, viewed 15 October 2012,


Department of Planning and Community Development, (2009), *Demographic Characteristics of Communities within the Melbourne Investigation Area*, viewed July 2009,


Department of Planning and Community Development, (October 2012), *Melbourne, let’s talk about the future,*


Department of Planning and Community Development, (14 June 2011), Ministerial Advisory Committee, Terms of Reference.


Department of Planning and Community Development, (2012), Regional Growth Plans, viewed 12 September 2012,
Inquiry into Liveability Options

Department of Planning and Community Development, (2011), Research Matters, 60,
wrthplans>

Department of Planning and Community Development, (2012), Residential Land Bulletin,
research/metropolitan/residential-land-bulletin>

Department of Planning and Community Development, (2012), Review of the local development contribution
system, viewed 1 August 2012,
<http://www.dpcd.vic.gov.au/planning/theplanningsystem/improving-the-
system-development-contributions-review>

Department of Planning and Community Development, (2011), Fact Sheet: VicSmart, A simpler planning
permit process, p.1-2, 5.

Department of Planning and Community Development, Socioeconomic Indexes for Areas (SEIFA) maps,
research/urban-and-regional-research/census-2011/socioeconomic-indices-for-areas-seifa-
maps#eastern>

Department of Planning and Community Development, Clause 12.01-2, State Planning Policy Framework,
Department of Planning and Community Development, (2010), State Planning Policy Framework Introduced,
state-planning-policy-framework-introduced>

Department of Planning and Community Development, State Planning Policy, Clause 16.01-5,

Department of Planning and Community Development, User Guide, viewed 16 July 2012,

Department of Planning and Community Development, (April 2012), Victoria in Future 2012, 

Department of Planning and Community Development, (May 2012), Victoria in Future 2012, Data Tables,
Estimated Resident Population and Components of Population Change, viewed 13 September 2012,
research/census-2011/victoria-in-future-2012/vif-2012-data-tables>

Department of Planning and Community Development, Victoria in Future 2012: Frequently Asked Questions,
and-regional-research/census-2011/victoria-in-future-2012/vif-2012-frequently-asked-
questions>

Department of Planning and Community Development, (2012), Victoria in Future 2012: One Page Profiles
Bibliography


Department of Premier and Cabinet, *Beyond 5 Million: Victoria’s Sustainable Population Strategy*.


Inquiry into Liveability Options

Department of Sustainability and Environment, (August 2003), Better Decisions Faster: Opportunities to improve the Planning System in Victoria,

Department of Sustainability and Environment, (November 2011), Biodiversity Conservation Strategy for Melbourne’s Growth Areas Draft for Public Consultation,

Department of Sustainability and Environment, (August 2006), Cutting Red Tape in Planning,

Department of Sustainability and Environment, (2011), A Guide to Property Values 2010,

Department of Sustainability and Environment, (July 2012), A Guide to Property Values 2011,

Department of Sustainability and Environment, (May 2006), Insights into the Housing Decisions made by Empty Nesters,

Department of Sustainability and Environment, (March 2011), Living Melbourne Living Victoria Road Map: Plan for Water,

Department of Sustainability and Environment, (2011), A new approach to biodiversity in Melbourne’s growth areas: frequently asked questions: Biodiversity Conservation Strategy,

Department of Sustainability and Environment, (November 2011), Sub Regional Species Strategy for the Golden Sun Moth,

Department of Sustainability and Environment, (November 2011), Sub Regional Species Strategy for the Growling Grass Frog,

Department of Sustainability and Environment, (November 2011), Sub Regional Species Strategy for the Southern Brown Bandicoot,

Department of Sustainability Environment Water Population and Communities, (2011), Consultation on cost recovery under the Environment, protection and Biodiversity Conservation Act 1999,


EcoPlan, 1,000 world car share cities in 2009, viewed 31 October 2012, <http://ecoplan.org/carshare/general/cities.htm#latest>


Inquiry into Liveability Options


Green S., (17 March 2012), *Demand for Parks Increases*, Domain, 


Growth Areas Authority, (13 June 2012), *A New Era for Melbourne's Growth Areas*, viewed 20 June 2012, 


Growth Areas Authority, (2009), *Precinct Structure Planning Guidelines*, 

Growth Areas Authority, (May 2012), *Precinct Structure Plans*, 


Hall A., (10 August 2012), *Power players warn price rises will persist*, ABC Radio, The World Today, 
[http://www.abc.net.au/worldtoday/content/2012/s3564917.htm](http://www.abc.net.au/worldtoday/content/2012/s3564917.htm)


Hampton Park Women's Health Centre, *About Us*, viewed 13 April 2012, 

Hans E., *Physicist cracks city's formula*, Interview with Geoffrey West, 
[http://files.edwinhans.net/articles/Atlantis_22.3_Geoffrey%20West_Physicist%20cracks%20city%20formula.pdf](http://files.edwinhans.net/articles/Atlantis_22.3_Geoffrey%20West_Physicist%20cracks%20city%20formula.pdf)


Hartwich, O.M., and Brown, J., (22 August 2012), *Make Population Growth Work*, The Australian, 


Hugo G., (2011), Presentation to the Institute of Public Administration Australia, National Roundtable Series Sustainable Population Strategy, Key Trends, Drivers and Implications of Population Dynamics,


Informed Decisions, Population Forecasts for each of the Interface Councils,


Keane Colin and Dr Marcus Spiller, (2011), *SGS Economics and Planning Quarterly Seminar, What’s happening in housing supply and prices in Melbourne’s Growth Areas?*, viewed 16 June 2011, 
p.4, 8.

Kelly J-F, (2011), *The Housing We’d Choose*, Grattan Institute, viewed 22 October 2012, 
p.4, 19, 23, 29-30, 32, 35-36.


Legislative Council Environment and Planning References Committee, *Inquiry into Health Impacts of the Built Environment*, 

Local Note, *St Columba College, Andrews Farm, South Australia*, viewed 17 September 2012, 


Logical Incusions Advisory Committee, *Logical Inclusions Advisory Committee Report No.2: South East Growth Area, Report Pursuant to Section 151 of the Act*, viewed 22 November 2012, 


London Legacy Development Corporation, *What we aim to achieve*, viewed 18 October 2012, 
<http://www.londonlegacy.co.uk/about-us/what-we-aim-to-achieve/>


Lunn S., (14 May 2011), *Target Meaningless: Sustainable Australia*, The Australian, 

LWP Property Group Pty Ltd, (2008), *Schools in Houses*, viewed 21 August, 


Inquiry into Liveability Options


Martin S., and DenHollander, J., (2009), Australasian Transport Research Forum, Parkiteer: Secure bicycle parking at public transport nodes in Melbourne,


Melbourne and Metropolitan Board of Works, (1967), The future growth of Melbourne: A report to the Minister for Local Government on Melbourne’s future growth and its planning administration,


Minister for Health and Ageing The Hon. David Davis MLC., (May 2010), Outer Metropolitan (Other Medical Practitioners) Relocation Incentive Program Retention Component Program Guidelines, p.5.


Minister for Planning The Hon. Matthew Guy MLC, (May 2012), Government Response to the Key Findings of the Victorian Planning System Ministerial Advisory Committee Initial Report,


Inquiry into Liveability Options


Mitchell South, Partnerships, Possibilities and Place Report, viewed 3 September 2012,


Moorabool Shire Council, (2012), *Growing Moorabool*, viewed 7 November 2012,


Mornington Peninsula Tourism, *Melbourne’s Mornington Peninsula: Five touring regions, five different holiday experiences*, viewed 4 September 2012,
<http://www.visitmorningtonpeninsula.org/OurRegion/Locations.aspx>

Mornington Peninsula Tourism, *Melbourne’s Mornington Peninsula: National Parks*, viewed 4 September 2012,
<http://www.visitmorningtonpeninsula.org/OurRegion/NationalParks.aspx>

Morris, S., (April 2012), *Transit Australia*, *Victoria’s metropolitan level crossing removal program*, 67, 103-105, 4,


Municipal Association of Victoria, (29 June 2012), 2012-13 *Victorian Local Government Rates Survey*,

Municipal Association of Victoria, (29 June 2012), *Community service needs, taxes and levies hit council rates*,

Municipal Association of Victoria, *Council Rates and Property Valuations*, viewed 28 August 2012,

Municipal Association of Victoria, (26 July 2012), *Strengthening the Partnership*, p.3.

Munro Ian, (24 March 2010), *Places we want to love*, The Age, viewed 10 October 2012,

Murphy, J., and Barrett, Jonathon., (29 May 2012), *Councils plan to lift rates to recoup carbon tax*, Australian Financial Review,
<http://afr.com/p/national/councils_plan_to_lift_rates_to_recoup_ie04qGEef5gyGObnYxAIS8I>


Inquiry into Liveability Options


Premier of Victoria Ted Baillieu MLA, (11 July 2012), Media Release, Planning zone reform to boost productivity, jobs and increase liveability,

Premier of Victoria the Hon Ted Baillieu MLA, (14 September 2012), Final step for Victoria’s zone reform,

Premier of Victoria Ted Baillieu MLA, (27 June 2011), Media Release, Coalition Government delivers the keys for home buyers, viewed 14 July 2012,


Premier of Victoria Ted Baillieu MLA, (14 December 2011), Media Release, NSW and Victorian Governments agree to work together to drive reform, viewed 17 October 2012,


Premier of Victoria The Hon Ted Baillieu MLA, (1 November 2012), Media Release, Canberra ripoff pulls $107 million from Victorian Hospitals, viewed 5 December 2012,

Premier of Victoria The Hon. Ted Baillieu MLA, Media Release, Housing, viewed 17 August 2012,

Premier of Victoria The Hon. Ted Baillieu MLA, (6 June 2012), Media Release, Industry developments drive Government’s electric vehicle trial further, viewed 31 October 2012,

Premier of Victoria The Hon. Ted Baillieu MLA, Media Release, New family violence prevention grants announced, viewed 5 December 2012,

Premier of Victoria The Hon. Ted Baillieu MLA, (12 October 2012), Media Release, Victorian car fleets invited to trial electric vehicles, viewed 22 November 2012,

Premier of Victoria The Hon. Ted Baillieu MP, (15 November 2010), Media Release, Metro level crossing blitz under Coalition, viewed 23 November 2011,

- 594 -


Real Estate Institute of Victoria, (June 2012), *Property Update, June Quarter*, p.7, 14.


Inquiry into Liveability Options

Selandra Community Place, About: How SCP Works, viewed 25 May,

Selandra Community Place, Install double glazing, viewed 6 June 2012,


Shahsena Susan A Cohen Adam P and Chung Melissa S., (2009), Transportation Research Record: Journal of the Transportation Research Board, North American Carsharing: a 1- year retrospective, 2110, Transportation Research Board of the National Academies,

Shire of Melton, Geography and Geology, viewed 5 September 2012,


Southern Health, (2011), About Us, viewed 4 April 2012,

Spiedel, Jabeen, Olaru, Harries and Braunl, (2012), Australasian Transport Research Forum, Analysis of Western Australian electric vehicle and charging station trials,


Spiller, M., Rawnsley T., and Szafraniec J., Metropolitan Planning and National Urban Policy, SGS Economics and Planning Pty Ltd, viewed 3 September 2012,

Sports Education and Development Australia, (2011), About Us, viewed 18 October 2011,

Sports Education and Development Australia, (2011), Inspiration through Sport: An education program for year 11 and 12 students,
Bibliography


St Columba College, (2009), *About*, viewed 17 September 2012,

St John of God, *Berwick Hospital*, viewed 12 April 2012,

Staff Writer, (20 May 2011), *Council rates rises across Melbourne for 2011-12*, Leader Community Newspapers,

<http://www.budget.vic.gov.au/domino/Web_Notes/budgets/budget11.nsf/d6e571e551beff80eca2572bb02bca7/7b23ad429d06abbc2a5788500665a8!OpenDocument>


State Revenue Office Victoria, (August 2001), *First Home Owner Grant and Commonwealth Additional Grant*,

State Revenue Office Victoria, (11 July 2012), *First Home Owner Grant Overview*, viewed 14 July 2012,
<http://www.sro.vic.gov.au/sro/SROnav.nsf/LinkView/E14305E311851E05CA2575CB000019A18024A4ADFB9DAED9CA2575A1004420DC>

State Revenue Office Victoria, (2012), *Information for First Home Buyers 2012-2013*, viewed 22 May 2012,

State Revenue Office Victoria, *Overview*, viewed 4 October 2012,

State Revenue Office Victoria, (1 July 2011), *Reduction of Duty for Eligible First Home Buyers*,


Story M., (17 April 2012), *Money's there, public-private projects aren't*, The Australian, viewed 11 October 2012,

Strachan, P., (20 May 2011), *Cardinia proposes 6.25 per cent rates increase*, Berwick Leader, viewed 28 September 2012,

Inquiry into Liveability Options


Tait C., (20 July 2011), Hospital denies closure of critical beds, Wyndham Weekly, p.5.


Tait C., (29 June 2011), Werribee Mercy Hospital 'critical' as staff cuts bite, Wyndham Weekly, p.5.


TransLink Vancouver, Managing the Transit Network, viewed 4 October 2012, <http://www.translink.ca/~media/Documents/bp otp/managing_the_transit_network/2011%20BSPR%20Route%20Summaries%201%20to%2099.ashx>


Victorian Planning Provision, Green Wedge Zone A, Clause 35.05-1, Section 3

Victorian Planning Provision, Green Wedge Zone: Clause 35.04-1, Section 2


White M., (14 August 2009), *The Winston Churchill Memorial Trust of Australia, International Approaches to Urban Regeneration*, viewed August,

<br> <http://www.planning.org.au/documents/item/2954>

Wikipedia, (12 February 2012), *House Energy Rating*, viewed 2 September 2012,


Wyndham City Council, *Demographics and Population of Wyndham*, viewed 5 September 2012,

Wyndham City Council, (May 2012), *Growth Snapshot*, viewed 4 September 2012,

Wyndham City Council, (2011), *Population Forecasts*, viewed 5 September 2012,
Wyndham City Council, (May 2012), *Wyndham Growth Snapshots*,
p.3.

Yarra Ranges Council, (2012), *About the Region*, viewed 6 September 2012,


Yarra Ranges Council, (17 June 2011), *Yarra Glen Playtime set for Adventure*, viewed 3 September 2012,

Yarra Trams, (2012), *Our History: Tramway milestones*, viewed 5 October 2012,


Zappone C., (12 June 2012), *Australian cities jump in global cost rankings*, The Age, viewed 11 September 2012,