

Save Our Suburbs AGM 20 November 2011

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<http://www.youtube.com/watch?v=u54G3r0KtjU> Talk

<http://www.youtube.com/watch?v=cfN0zZrdDkQ&feature=related> Q & A

Ian has asked me to talk really about the current planning system situation as I see it in Victoria, some of the threats and opportunities, there are not too many opportunities, there are lots of threats, and perhaps where I see this set of circumstances going in the next couple of years and what the implications are for residents' groups including or particularly Save our Suburbs.

I notice just to start off that John Brumby was asked to speak at the Grattan Institute soon in a discussion on urban planning. I just thought asking John Brumby asking to speak as an expert on urban planning is a bit like asking Dracula to share the proceeds of the blood bank a bit more widely.

I think that really illustrates the strange problem that academia in particular finds itself in, trying to help set agendas, who do people try to influence these days. I think we've got a very similar political scene flowing over from the labor years now into the Bailleau year. We have a very strong continuity in decision-making and that is a huge challenge for everybody.

Because I am sure you realise the liberal party and the coalition-planning document before the last year election was really light on in planning. It very cunningly and very deliberately gave the impression that things were going to change, very carefully chosen for issues and the wording was extremely cautious but it suggested more than its delivered. I think we are going to see in the next 12 months some very radical steps forward and I will just talk to them in a moment.

I just turned the TV on before I came here too and I noticed that the old Nevil Shute film about on the beach which I guess some of you saw many years ago, like me and you remember Ava Gardiner's quip about great city to make a film about the end of the world about and I just thought that was a really an interesting prelude to talk about the end of Melbourne.

Okay I think Labor's legacy has been devastating for Melbourne's future structure and functioning and I think there are a set of situations, a set of criteria, now in place which we are all responding to and the liberal government is both responding to and taking forward.

I think very quickly the sort of key issues for urban planning that I see arising out of that are:

the lack of public transport investment but not just that; the lack of integrated land use transport planning; and this progressive threat to the destruction of Melbourne's greatest economic strength and that is its physical heritage; and this is really going to ramp up over next few years with the structure planning process with the development of housing strategies; and with councils being put under increasing pressure to develop implementation of population targets and I will finish this talk with thinking about options.

At the moment I think that Melbourne's heritage is under more pressure than it has been for a very long time and I really think that you have to go right back to the bad old days of the 70s when a huge part of Melbourne's heritage went both in the CBD and the inner suburbs. Every era likes to think its time is special and its threats are greatest and I think we have got to avoid this kind of reaction that our era is more important and more threatened than any others just for its sake.

But when I really look at it this, this period we are going through now, I can't think of a greater period of threat to Melbourne's heritage than the era we are moving into. And that is clearly because of global and other changes, but it is because I think of the unprecedented pressure and influence of developers and the governance model that governments have adopted.

When we go back to the seventies at least there was a governance model that was in place that was traditional, there was a Board of Works, there was an integrated planning authority.

Such a radical notion today, to have an integrated planning authority that did planning, water provision, sewerage, drainage, parks. Where did that come from and where did it go? We had a governance process there: local councils were strong, they in principle ran the Board of Works. There were politicians in place that in many ways did get what you are on about.

I do think that the Hamer years were quite special, when I look back on it. I was a young Councillor at the time, I thought Dick Hamer and Alan Hunt were so conservative and cautious. They drove me nuts. When I look back on them they were so radical and out there. Is this because I've aged or because it is something that has happened to the world?

I think it means a lot has happened to our notion of governance, they were politicians who came from a belief in government and we may not always have agreed with what they wanted to do and in fact we didn't but there was this fundamental acceptance that local governments should be consulted, people should be listened to, even if their views were rejected and Governments were there to make decisions.

At the moment, the Kennett era has left us with this legacy that Governments' role, in the words of

Ronald Reagan and Margaret Thatcher, is “to get out of the way”. Government’s role is not to govern but to set up the rules by which private interests can govern. And so our planning system is fundamentally based on an enabling set of rules and that is what most people still don’t understand. The rules are basically enabling.

Robert MacLellan was a lot of things but he wasn’t a liar. He came out quite early and openly and said, my job is to completely change the planning system from the ground up and throw out this old notion that Hamer held to of principles of liberal governance and to put in a set of rules that enable development interests and private sector decision makers to make all the decisions or as many as possible with as few rules in the way of their decisions as possible.

So I think that means that we are in a different period, we are in a period of greater threat because we have seen 20 years of this including the Brack’s era. When you look back at the election policies of Bracks they were incredibly radical compared to what Kennett instituted. They promised to reintroduce a regulated planning system and they made no bones about it, they used those terms. They criticised this market driven approach to planning and city development in no uncertain terms and it is fascinating to go back and read that rhetoric pre 1999. They did a few things that gave the illusion in lots of ways of doing this, but fundamentally didn’t throw the system out. So, we had 10 years where there could have been a whole new regime put in place based on a notion of governance that involved interaction with communities, broader interest groups and so on, but it didn’t happen. And it really went belly up when John Brumby became Premier.

So, this whole threat to Melbourne’s heritage is incredibly important because I think a city like Melbourne’s greatest strength is its amenity in a physical sense. Its amenity, its legacy of historic built form and open space, its physical amenity is incredibly important to its economic future.

And you’ve only got to look at the way the inner suburbs operate to see that. The advanced business services, employment and business interests are not out in Pakenham. They are not out in Cranbourne or the northern suburbs or in the growth corridors or even in the traditional outer corridors, they are in the inner high amenity areas, where most of the services are, where most of the attributes that traditionally make Melbourne a very liveable city are concentrated.

And those are precisely the areas under greatest threat. So that is a huge issue, it is a battle that is going to be fought out over the next couple of years in historic terms in a very critical period.

I think another very important legacy from the Brumby era, far worse so than the Kennett era, is the fact that we are we are building the ‘worlds worst outer urban suburbs’ and this is an incredibly important issue for everybody in Melbourne not just for people living in those outer suburbs.

And we have to get this message through, that planning a city like Melbourne involves integrated spatial planning. It involves integrating the kind of planning that is occurring or should occur in the outer suburbs with what is occurring or should occur in the inner suburbs. We are all in this together.

Unfortunately we are building two kinds of cities spatially completely different, inhabited by different income groups, different educational levels with access to vastly different types and quality of services and this can only be bad for Melbourne's future. It is going to lead to the most terrible future social problems. It can be stopped. It can be changed.

But it is not being changed and John Brumby is the person who is primarily responsible for this because he bought the line back in 2007/8 that Melbourne's growth was occurring at such a rate that we were going to reach the Melbourne 2030 target of a million more people not in Melbourne 2030 but in around about 2024 and after that cabinet went into overdrive.

A series of senior bureaucrats panicked and said this is terrible and we have got to set a structure up now where we make enough land available in the outer areas to cope with this.

What they did was, threw Melbourne 2030 into bin and went back to the business as usual planning. They just said forget the principles of Melbourne 2030, the only way to respond to this alleged threat is to make huge amounts of extra land available on the fringe so that in other words, to go back to this view that we will just locate as many people as possible on the fringe.

Now that is in an historic sense an immoral decision in my view. Its morality is disgraceful. But in a functional sense, in a practical sense, it is the worst possible legacy John Brumby could have left us.

And I might say that for all their posturing and having two bob each way, Mathew Guy and Ted Baillieu are equally to blame because they put this through with the Labor Government. They connived with the development community as two parties agreeing that this is the only way to go, so they are equally at fault but Brumby proposed it and it is just an extraordinary kind of story and I am going to tell this story and I am going to name names on this because it really is time people were made accountable for this decision.

I haven't time to go into it all now but I think the irony of this is that since then growth rates in the outer urban areas have plummeted. By the time they got this in, the rate of outer urban development had started to fall and since then it has dramatically dropped.

So this pressure, this desperate urgency to get something in place to cater for vastly increased of outer urban growth was an illusion. Outer urban growth rates have crashed.

The proportion of outer urban development in overall terms to growth in Melbourne has actually gone up from what it was in 2002 from about 38% to about 50%. Melbourne 2030 proposed it come back to about 30% so Melbourne 2030 was proposing a drop in outer urban rates of growth to about 31% of all growth in residential development and it now, it went up to 50% with Brumby and it is still around there.

So we went the other way and that is what I liked about Melbourne 2030 it was an interventionist plan, it said we are going to alter the business as usual approach of just locating as many new home starts for low income groups in the outer urban areas as possible.

We are going to get it down from the 38% in 2002 to 30% instead of that it has gone to 50% it has been the other way so it is a monumental failure by Government.

But that idea of intervening to get a different future to plan for an alternative to the one which will happen if we just go on the same way, I think was what was so appealing about Melbourne 2030 in an overall city planning sense.

It didn't happen, we have gone the other way and it is just so ironic that we have gone the other way because Brumby rezoned or redesignated 41,000 additional hectares of land outside the urban growth boundary and since then outer urban growth rates have crashed.

So there is an opportunity I think now, to try over the next couple of years to get Government to face the facts on this, to try to re educate Govt about this issues, that there is no great pressing need to be trying to locate new housing on the fringe because we are not ballooning at the moment, there is a pause and there is an opportunity to do this.

Somehow we have to get the message through to Government as well, that to respond in an urban planning sense to Treasury forecasts, in effect to let a Treasury Department plan the future of a city like Melbourne is the worst possible way to go.

Communities, Governments, planners and cross-sectoral governmental approaches are what we need, we need a whole of Government approach to planning not for someone like John Brumby to believe what treasury forecasters were telling him and political apparatchiks in the Premier's office were saying this is the way to respond to this. Instead of that that Govt flicked past responsibility

over to a Treasury Department and responded to that kind of claim, that is the worst possible way.

If they had talked to their own demographic department in any great detail in the Planning Department they would have got a different view. They would have had a view that you can't respond in an urban planning sense to a short term trend, you have got to look at long term trends, because immigration rates change, rates of childbirth change and there is lots of change that can happen and lo and behold a couple of years after this first panic set in, a major change has already occurred in the short term. Now what other issues will arise in the long term?

We somehow I think, have to do what the property industry have done to the Government but better, that is our challenge. The property industry completely collared the ear of Government on this and convinced them that there was a land supply crisis in Melbourne, a fiction.

They did that because property companies were buying up all the land around the UGB and they had a major vested interest in convincing Government to change the UGB and again it is ironic that we put an alternative view to the Brumby Government and said you can get all these all these fictional extra people that are going to come from the moon or Mars or somewhere into the existing outer urban corridors without changing UGB if you increase outer urban densities to reasonable levels and mandate improved urban design.

You can get better suburbs with a greater range of housing styles, types and lot sizes that will be socially beneficial. You can design your suburbs a lot better, by concentrating people around the new activities centres, on public transport, all these principles, don't just leave it to the development industry and the Government rejected that, it would not take the development industry on, on the issue of slightly increased outer urban densities.

Now put that in a world context, Germany's outer urban densities are between 45 – 65 lots per hectare. In many areas they are far higher than that. Britain's has traditionally been about 25 lots per hectare in the outer urban areas, residential lots. Melbourne's has been about 12-13 in recent terms going up to about 13.5 and higher average densities would have actually made for much better suburbs.

Now it is interesting again, I think it is ironic that the development industry has now taken on board the issue of increased density in the outer urban areas and many of the very conservative developers are now increasing their densities. They are increasing the range of lot sizes between 250 – 400 sq. metres and you can go out to these outer urban areas and you can see lower priced housing on smaller lots mixed in with larger houses targeted at middle class, middle income groups in a lot of these outer urban areas.

The problem is they are 3, 4 and sometimes 5 km from public transport - appalling. You can't walk to any shopping centres, all the urban design is wrong but the development industry is now beginning to increase their densities; why is that, why are they doing that?

Because, yes, they can't sell, they already have a sale price issue out there.

They blamed it on a land shortage, a complete fiction. There has been no lack of land in the outer urban areas and there isn't but housing costs have gone up dramatically, land costs have gone up because of the speculative component in part being built into land prices. So as you move urban growth boundaries out you add to land prices, you don't lower them.

It is completely the opposite story to what the development community have convinced Government to do.

So it is ironic I think that the development community is doing what Brumby wouldn't, and they are doing it because they can't sell enough houses, it has become too expensive so they are lowering their land sizes.

And they just kept dumping their larger houses on small blocks of land in order to sell them, they had to get the land price component of the house land package down. Now they are beginning to change in a minor way their housing products and it is not before time.

So again, the Brumby Government has been left way behind, historically speaking by events. And, I just find that incredible. They could have been ahead of the game, they could have actually done what they should have done if they had believed in Government.

Just to finish up on this, there are a lot of dire predictions about the apartment industry as well.

I think one of the really great threats for us, for Melbourne, is that the kind of responses that have been bandied around being really proposed now are going to lead to substantial loss of heritage of main street areas and inner urban areas unless there is a completely different approach taken to urban development but there is a lot of very interesting literature around now about apartment rates of construction predictions over the next few years so we might find that that will drop as well.

Governance, I've already said a lot on. Now, I just want to finish up with some of the current activities and just ask where we are going with all this.

Some of the current activities:

There is a little known process that is happening that has been driving a lot of these changes in governance that has been driven by the National Planning Ministers. The National Planning Ministerial Council several years ago adopted a series of policy criteria designed to reduce regulation in planning nationally further. Now, this is kind of an amazing way to see the world and I don't know how you can reduce regulation much more when you don't have much regulation now - what do these people want? Blood from a corpse, it is an extraordinary way of seeing the world!

But again they've been sold on this issue and believe that one of the major problems for development in cities is high costs of building and that high costs of building are caused through increased regulation. And they never let up on this argument and planning ministers in a national sense, bought this a number of years ago and adopted a 'reform agenda'. I love this word 'reform', whenever you want to get rid of something good you say you are reforming it. I always thought reform was getting rid of something bad, but no.

So what's happened is they adopted a set of criteria and we are seeing other states have already put much of this in place; for example Queensland and New South Wales.

This approach is based on an increase in the number of as of right approvals, that is reducing the number of, or eliminating if possible, prohibited uses in planning schemes, reducing the number of uses subject to permit and making as much as possible as of right. Robert McClelland really wanted to do this but he got stymied for a series of historic reasons and ended up with a whole lot of section two uses, that is uses subject to permit. The original idea was to get rid of as many prohibited uses and to shove as many into section one, that is as of right. You don't need a permit for section one. But they ended up with a whole lot of section two uses, uses subject to permit.

Now ultimately permit control leads to the same result often, because you go to VCAT and the permit is issued, residents lose, and it just means there is a bit of delay, you get the illusion of involvement, we feel we have had our day in court. It all might be stacked against us, but it is a lot worse when those section two uses where at least there is a permit required, go into section one where there is no permit is required.

This is going to happen in Victoria, I have absolutely no doubt about it, it has happened in other states and what has driven this is the national planning quote 'reform agenda' and it involves code assessment, progression of applications by applicants in the form of self-assessment and the elimination of regulatory controls and of course of third party rights.

So if these uses going into section one and they are as-of-right, there are no third party rights, there is no advertising.

The decisions will be made under delegation by planning officers or they will be assessed by planning officers in accordance with a code, and it won't be a code like rescode, which was a reasonably regulated code, on a national comparative basis, requiring a permit for multi unit development. Won't be that kind of code, it will be that kind of code where automatic processes operate. You cannot legislate or write interpretation out of planning decisions. Planning is not a scientific activity. It's very difficult to write out interpretation. You can in some ways, you can calculate the amount of light that comes in and so on, but huge numbers of planning decisions are based on qualitative issues. They are based on assessment, judgement, values and even councillors are going to be locked out of this process, they won't be allowed to be involved with planning decisions.

Matthew Guy, very early in his term, made a speech to the property council where he intimated that this is the model that he is moving towards. The example he gave was that development of a certain number of dwelling units will become as-of-right.

And I think it was ten units that he mention as-of-right, no third party rights, no advertising, now that is just an example. That's the context we are moving towards.

It has already happened in other states and we got a flavour of this with the Brumby Government's draft amending legislation to the planning system in 2010.

Some of you or all of you will be aware of this, where most of these principles were built into this legislation, there was such an outcry that Labor shelved it until after the election where it would have reared its horrible and ugly head again, and that is what is going to happen next year. So, I am expecting that this will arise.

Now, to finish up, where does this leave you and community groups? I think it leaves you on the receiving end, that is for sure.

But it gives the residents of Melbourne, I think, an unprecedented or rare opportunity because these are going to be such radical proposals, if they happen, and I am not being too pessimistic, maybe I am because I naturally become more pessimistic as I become older but that is just one of the things with age. I am hoping that this won't happen but if it does we'll see and the processes are in place for this to happen, with the review of zones and the planning system and other measures.

Who can feed into this? Well, the public service won't because we don't have an independent public service anymore giving fearless advice.

We have some people at senior levels who do this, but you have a fairly short life span if you take this approach in the public service these days. By the way, lots of middle level public servants were utterly appalled by the Brumby government expansion of the urban growth boundaries. They were morally conflicted by this, they were very upset by this in a personal way, they strongly disagreed with it. But most senior members of the public service I don't think are going to help because you aren't going to get that sort of independent analysis.

The planning profession aren't going to help. The Planning Institute made a submission in favour of this model to the Productivity Commission inquiry into it. The planning profession thinks this is wonderful stuff; you aren't going to get any help from the planning profession.

Land use planning came about as a reaction to appalling disasters in cities, ranging from fires to shocking health, to overcrowding and so on. The planning profession has lost its way on this. It is now seeing itself as a facilitator of development, not as a regulator, regulating is a dirty word to a large number of planners. The only other word that is probably more dirty is 'residents rights'.

Local Government isn't going to help because I think that local government is failing historically in a terrible way. Now, I had this debate with Stuart Morris when he put up the first local Government change proposal to the Cain Government and it got knocked off by no less than Jeff Kennett who brought in an even more radical restructuring to the local government, when he became Premier. And Stuart Morris' view was that larger councils will be more powerful. It hasn't worked out that way in my view. Larger councils have become more distant from their communities, residents have lost that feeling they can interact and something terrible has happened to local representation on the whole.

Again there are important differences here, within councils and between councils. And I don't think we are going to get that integrated, joint approach by local government acting as a genuine third tier of government representing residents.

So this means, you are important, resident groups are important. This issue potentially is able to arouse such opposition that I think the challenge and the opportunity is there to garner support, and mobilise it, and direct it into a coherent, well thought out, package of advice and a series of messages that go beyond advice to politicians but try to generate further publicity and momentum.

There is a series of messages in all this, if this happens the way I think it will, that will provide a huge opportunity for resident groups and for umbrella groups like yours to actually get in and set the debate, mobilise people and really make an impact.

So I'll stop there. It is another talk really to talk about options for the future in a spatial way.

I will finish perhaps by just saying, that there are at last count I put together eight major redevelopment options for Melbourne being bandied around at the moment. Eight major ones, and they are serious ones:

They range from the Rob Adam's proposal of redeveloping every main arterial road in a linear way and some cross town links, out from the city - one of the craziest ideas I think I have ever heard of. It would lead to massive destruction of heritage, huge cross-town congestion. We really would see massive change to Melbourne through that kind of proposal.

But there are many others: there's infill on major brownfield sites that Matthew Guy is talking about again.

There is the labor party, Melbourne 2030 redevelopment of Activity Centres, that by the way, in an international sense is a good idea on a series of criteria: on reduction of energy use, locating people close to public transport and employment locations, increasing walkability, and it's a good idea but the problem in Melbourne is, that if it is done the way it has been proposed under structure planning and so on, it is just going to lead to the massive razing of heritage areas or turning them into facades for 4, 6, 10, 12 storey development.

And I have spoken to lots of councils about this and there is absolutely no doubt that many councils are seeing structure plan activity as a carte blanche to get rid of their main streets, their traditional but historic main streets and I say to them, you are crazy, that is your best economic asset. If you pull down the High Streets, Northcote, Swan Streets, Richmond and all the others that we know about, you are wrecking your economic future, Right? But I think that the danger is that we're going to see facades, we're going to see medium to even high-rise development behind them.

So all these options are being tossed around, there are good things about some of them, but there are a lot of down sides because councils and governments are not really looking at the evidence and trying to get a series of criteria that they can apply reasonably across Melbourne to achieve a range of outcomes which are in the interest of people.

I'll just finish with, I had a big debate with some planners of a local council recently about this issue and I said, throw that out, that is Option A, chuck it in the bin, you shouldn't even be thinking about that, have you got Option B? And to my surprise they pulled out a very sophisticated spatial analysis of their whole municipality, I won't mention the municipality, but a very sophisticated 18-month analysis of their municipality, where they had gone around and looked at every possible redevelopment site and looked at the rules by which those sites could be developed. And they were rejecting high rise, they wanted sympathetic development in a physical form/sense, locating it close to public transport and not pulling down any houses. And they found a huge number of these places which they could then further analyse for suitability on a set of other criteria. And I said, well that's planning! We may not agree with the various parts but that is planning.

The first option was Kennett and Brumby's enabling laws, enable main streets to be pulled down under the section/provision that Ian talked about in his report. You leave it to the developer to go and find the sites, Governments don't find the sites.

This alternative was the government found sites, it looked at the rules for their development, now that's the difference. And that's what you can then engage with the council or the government about. You can get a plan out there and you can discuss and come to a reasonable agreement.

But with the first model of governance you never know what you are up against. Because the rule just says you can pull down all main streets, right? Now where does that leave you? It leaves you subject to any site being redeveloped. You are always chasing your tail, you'll never win with that kind of enabling law, so they are the sort that have to be gotten rid of and we have to get back to some decent planning, with residents being seen to be a critical part of the process, not seen as the enemy. Until we can get that through to governments, then I think we are always going to be in this conflict situation and being reactive as well. So I'll stop there.

[END - See second document for Questions and Answers]