

The Challenge to Save a City

Michael Buxton MPIA (Hon. Fellow)

Democracy is a porous idea if not applied. What can Victorians make of a State government which treats citizens as the enemy and holds them in contempt?

The recent establishment of a Legislative Council select committee to inquire into amendments VC257, 267 and 274 to the planning system provided the opportunity for evidence to be evaluated which the government was determined to ignore. Labor labelled the inquiry “a sham” but the key organisations, community groups and even government agencies took it seriously.

VC257 will lead to high and medium rise development over much of the middle ring and other parts of the established city while VC267 rewrites the medium density code to reduce standards and exclude third parties. VC274 will be used to rebuild Suburban Rail Loop precincts into high and medium rise centres but could have implications for other activity centres and sites.

It is important to place these amendments in the context of the suite of Labor’s planning system changes. They were only three of 13 major planning amendments the Labor government has imposed in about 18 months to build a new metropolis catering for nine million people and remake regional centres. Their radical nature and extent is so extensive that they constitute a new planning system.

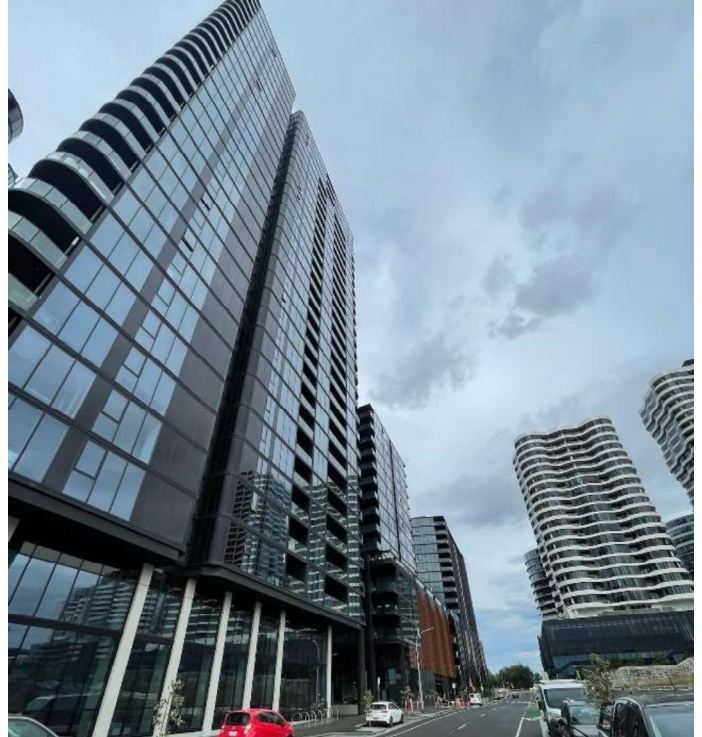
These amendments have undergone a long gestation. They faithfully follow the blueprint outlined in the Leading Practice Model devised by the Development Assessment Forum (DAF) in 2005. This has led to one of the most successful examples of public policy capture by special interests in Australia’s history. The Brumby government began to implement it in 2008 but its full adoption had to wait for the Smart Planning Program from 2016 under the Andrews government. The three amendments considered by the select committee faithfully follow the DAF blueprint.

In September 2023, the two amendments VC242 and VC243, set the stage for the more recent changes by providing optional pathways for ministerial approval of developments, removing or curtailing rights of notification, objection and review, and removal of local councillors from decisions. Other amendments, such as VC280, VC276, VC269, VC273 and the seven project-oriented amendments continue this general formula.

Attack on Resident and Council Rights

This new system is an assault on planners, local government, citizens and on the notion of proper planning.

The government has excluded or curtailed the participation of residents and local government from every stage of the planning process – during the formulation of planning provisions, their imposition, and in response to development



applications. The amendments were devised in secret with major property interests and special interest groups. None were exhibited but introduced suddenly by stealth, preventing independent evaluation of their impacts. Their content removes or drastically curtails notification of planning applications and the rights of objection and appeal.

The dismissal of residents from the broad planning process follows a consistent theme of denigration of the public as too uninformed or selfish to be allowed to participate in proposals which would demolish their city. A 2017 Smart Planning presentation to industry organised by the Planning Institute, for example, proposed that the public had been excluded from consultation because citizens were incapable of understanding strategic planning and ultimately accepted proposed changes they had rejected. Despite submissions to the contrary, the select committee found that the government did not properly consult on the three amendments and that the Minister inappropriately exempted herself from expected consultation.

The traditional council role also has been consistently targeted. Jonathan O'Brien, of the YIMBY group stated in 2023 before the Legislative Council Legal and Social Issues committee that “recalcitrant councils should have their planning powers taken away entirely...and moved to a state-based panel should they underdeliver targets”. The Premier restated this position on 24 February 2025, that “if individual councils don’t try to meet these targets, they’ll lose their planning powers”.

A government not satisfied with abolishing citizen rights but which overrules and dismisses the role of established democratic institutions threatens civil society. The planning amendments continue the trend towards making local government a branch of the Premier's office. Local democracy is a long-established aspect of government in this State. But it is being marginalized and increasingly turned into an agency for delivering government policy.

We are not immune from the potentially disastrous effects of long-term disaffection at autocratic government intricately connected to powerful concerns driven by self-interest or ideology. Disaffection can only increase at Labor's determination to destroy much of what makes Melbourne such a distinctive and liveable city when there are better alternatives, and Labor's removal of resident rights and local democracy it had claimed to uphold.

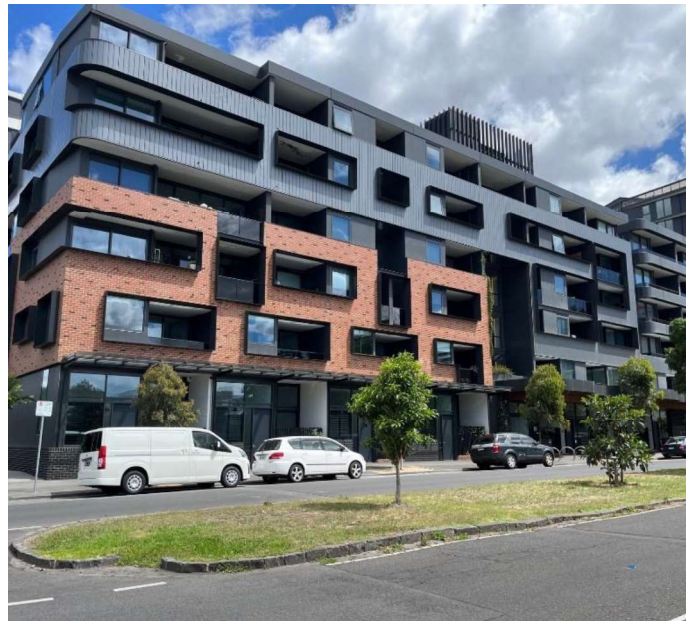
A Housing Crisis and Planning

The government has justified its planning amendments by claiming that councils and residents have caused a housing crisis by preventing growth of new housing in established suburbs. It has attempted to divide communities by blaming older residents in detached housing for the lack of affordable housing. Labor Upper House members in the debate on whether to disallow the amendments claimed that a shortage of housing had led to the need to 'free up' rules, and that opponents of the government were not interested in a 'whole generation' of Victorian Millennials.

The Grattan Institute and groups such as YIMBY Melbourne reinforce this narrative and continue to insist on a 'missing middle', that is, that middle ring suburbs have not constructed any or enough new housing. In fact, between 2005-21, twice as many multi-unit dwellings, about 200,000, were constructed in middle ring suburbs as the massive number of inner area high rise dwellings. Similar proportions have continued.

The select committee found that the government had not provided any modelling that demonstrated the amendments will achieve their objectives. 'Little convincing evidence' was provided that the government's planning changes will increase housing supply and 'no substantive evidence' that they would with certainty provide additional affordable housing. Evidence was presented that planning approvals greatly exceeded multi-unit developments constructed and that thousands of completed apartments remain unsold.

Committee findings reinforced repeated recognition by the property industry, local councils and planning professionals that factors such as building costs, taxes, and unfavourable market conditions, not the planning system, were limiting the construction of affordable housing. The government imposed its amendments without any idea of their impacts on land supply, land price or broader impacts, driven not by facts but blind ideology. Brendan Coates from the Grattan Institute summed up this approach, stating "I think the most important thing is that we roll out the reforms and we basically run the experiment".



Despite all this evidence, the Greens and committee chairperson, David Ettershank, sided with Labor to defeat the Liberal party motion to disallow the three amendments. Evidence and facts do not matter in debate over the future of our city and regions. Base political advantage, ideology and support for powerful interest groups are the deciding factors. A battle for the future of our urban environments is now well underway.

Once, planning professionals and local government would have united with citizens to oppose the destruction of the heritage and environmental features that make our urban centres such valued places. If planners and local government want to be taken seriously by both government and communities, they will have to rediscover ways to campaign in the public interest. There is a better way to provide for diverse and affordable housing needs. It used to be called proper planning.



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