



David Ettershank MP
Chair
Select Committee on Victoria Planning Provisions Amendments VC257, VC267 and VC274
Parliament of Victoria
Parliament House, Spring Street
East Melbourne VIC 3002

Via email: vppamendments@parliament.vic.gov.au

Dear Mr Ettershank,

RE: INQUIRY INTO VICTORIA PLANNING PROVISIONS AMENDMENTS VC257, VC267 & VC274

Victorian Trades Hall Council (VTHC) welcomes the opportunity to make a submission to the Inquiry into Victoria Planning Provisions Amendments VC257, VC267 and VC274.

VTHC was established in 1856 and is the peak body for unions in Victoria, representing 40 affiliated unions and more than 450,000 workers across each and every industry in the state. Since its inception, VTHC has fought for working people's right to access secure, quality and affordable housing.

Victorian unions support the principle of equitable access to affordable and quality housing for all workers. Housing should be close to workers' jobs, public utilities and amenities. The planning provisions considered by this Committee are consistent with that principle and with the objectives of *Planning and Environment Act 1987* and should remain in force.

Please see our submission attached. Should you have any questions about this submission, please do not hesitate to contact Tiarne Crowther, Politics and Research Team Lead on tcrowther@vthc.org.au

Yours sincerely,

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1. Introduction

Victorian workers' ability to access affordable and quality housing has been in crisis for some time. Urgent and transformational action is needed.

Victorian Trades Hall Council (VTHC) is committed to working with this Committee and all levels of government to see the efficient and fair roll out of more housing stock to increase housing supply for Victorian workers. Victorian unions endorse measures to increase more housing by approving, building and supplying more housing for workers that are close to public amenities and infrastructure. VTHC acknowledges particularly the work of the Victorian Government for intervening when local councils have at times failed to act.

VTHC has advocated for workers to access housing for over a century. In 1924 in response to rising evictions of working families across Melbourne, Trades Hall Executive Committee member, Mr P Laider, founded a fund which operated out of the building to provide direct relief for unemployed Victorian workers during an extreme housing crisis being experienced across Melbourne. Until the 1940s, VTHC was home to union-backed friendly societies who provided services to working people, with some even providing housing. VTHC is proud of this legacy and continues the fight for workers' rights to housing.

Victorian unions continue to fight for real and practical measures that will lead to more workers getting into secure homes they can rely on and working Victorians want to see action without delay. Housing projects must not be slowed down to privilege the concerns of a few powerful residents worried about the house value of their multiple investment properties. The collective sentiment of the Victorian community more broadly, including current and future residents, must be considered in planning measures.

The important objectives contained in Section 4 of *Planning and Environment Act (Vic) 1987* (the Act) must be given due and equal weight, however the urgent and ever prescient need to get more workers into housing is, for VTHC, fundamental in our approach to the current housing situation.

In this period of housing crisis, VTHC sees the key objectives of S 4(1) of the Act to be:

- (c) to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians; making sure planning makes it easier for workers to get to work and enjoy their communities,
- (e) to protect public utilities and other assets and enable the orderly provisions and co-ordination of public utilities and other facilities for the benefit of the community; making sure workers can access public utilities and amenities,
- (fa) to facilitate the provision of affordable housing in Victoria; to make sure workers can own their own homes, and
- (g) to balance the present and future interests of all Victorians; to make sure workers into the future can own their own homes in their communities and access quality housing.

For this reason, the key and overarching recommendation of VTHC in making this submission is to endorse Amendments VC257, VC274 and VC267 and to urge the Committee not to reconsider, revoke or water down these Amendments.

The short deadline for this Committee makes it difficult for VTHC to provide a detailed and thorough submission to the terms of this Inquiry; and it is the view of VTHC that this Inquiry is

somewhat unnecessary. All levels of government need to get on with the job of building more housing for workers. Victorian unions want to be part of the solution: we want to work with all levels of government on how best to get workers into housing, which is an inalienable human right.

VTHC considers the key questions about housing and planning to be:

- a. How can union members have a say over where they want to live and access affordable housing in those communities?
- b. How can union members make sure their housing is of the highest quality and close to their jobs?
- c. How can we make sure building projects create stable and quality jobs that benefit Victorian workers across the supply chain?
- d. How can union members contribute to their communities and make sure they're welcoming and inclusive spaces for all? and
- e. How can union members be part of facilitating all workers having access to quality housing?

2. Workers urgently need homes they can rely on

The cost of housing in Victoria has grown exponentially over the last few years; putting the dream of owning one's home out of reach for many workers. Melbourne's medium dwelling price is \$778,000,¹ which is nearly 11 times Victoria's average weekly ordinary time earnings of \$1,400.² Working Victorians who rent have also been impacted by rapid price growth. Melbourne's average annual rental increase peaked at 12% in July - September 2023, with the average renter now spending over one-third of their income on their rent.³

This has had a substantial impact on those struggling to afford housing. The Council to Homeless Persons estimates that Victoria has approximately 30% more people in housing stress than New South Wales and Queensland.⁴ In the 2021 census, more than 30,000 Victorians were without a home on census night and this problem is only getting worse.

Victorian union members are invested in the topic of housing, and we know they want to see more housing built in locations with access to local amenities. Victorian workers are struggling with the cost of housing and do not want to be displaced from their communities in an effort to keep a roof over their head. In November 2024, VTHC conducted a survey of union members and supporters about the cost of living. Here, union members told us housing affordability was the second most issue to them, ranked out of cost of living (which came first), climate change (third), healthcare (fourth) and education, migration, crime, First Nations justice, and employment.

The housing crisis is particularly affecting vulnerable workers. For example, young workers overwhelmingly believe they won't be able to afford a home, as 40% of those aged 25-34 state they'll need help from their families to afford a home.⁵ Young people are also experiencing housing distress at a higher rate, as 1 in 4 people experiencing homelessness are between 12 to 24 years old.⁶ The Australian Housing and Urban Research Institute (AHURI) also found that

¹ <https://www.realestate.com.au/news/melbourne-home-prices-surge-more-than-any-capital-city-so-far-in-2025-proprack/>

² <https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/employee-earnings/aug-2024#states-and-territories>

³ <https://www.abc.net.au/news/2025-01-15/national-rent-prices-grow-by-almost-5-per-cent/104816280>

⁴ <https://chp.org.au/article/new-data-reveals-victoria-worst-in-australia-for-housing-stress/#:~:text=Fast%20facts%3A,housing%20on%20the%20waiting%20list>

⁵ <https://www.ahuri.edu.au/analysis/brief/what-are-real-costs-housing-crisis-australias-young-people>

⁶ Ibid

women are one of the groups most impacted by the housing crisis. As a result of women's lower wages compared to men, they are less able to save for a deposit. This particularly affects single mothers and women fleeing family and domestic violence. This is leading to rate of homelessness for older women increasing by 51%.⁷

Over the last 30 years, Victoria has grown by 65% because it is a diverse, welcoming, creative accessible place to live that is affordable for workers.⁸ Melbourne has the highest rate of internal migration of any capital city in Australia.⁹ It is estimated that Victoria needs 2.24 million new homes by 2051 to preserve current rates of homeownership, with 1 million of those needing to be within Metropolitan Melbourne.¹⁰

This is leading many workers to find housing in suburban and outer suburban areas. For example, population growth has been unfairly shouldered by traditionally working communities, with Melton growing by 433% and Wyndham growing by 346% over the last 30 years.¹¹ By contrast, local council areas with some of the highest rates of wealth have grown the least, including Bayside, which has only grown by 28%.¹² These local council areas with low growth often have access to quality public services and amenities such as good public transport, schools and retail hubs. They are also closer to jobs. Housing growth must be distributed more evenly and equitably throughout Melbourne.

Experts agree that increasing housing supply in already established areas is the key measure to address housing inequality.¹³ High and medium density housing should be prioritised to be built close to workers' jobs and near to public transport hubs. VTHC supports the Activity Centres and the SRL Precincts, increasing the number of townhouses, as well as the SRL project more generally. These projects are an efficient and effective way to build more housing in pre-existing communities with quality amenities

3. Consultation

VTHC seeks to represent the interests and lived experiences of Victorian workers and union members; and VTHC fully supports the work of union members involved in all stages of planning and building housing (and transport), including town planners, council workers, construction workers and public servants. They work hard every day to make sure Victorians have accessible, affordable and quality housing they can rely on.

Unions have long stood by the principle that workers should be consulted on issues that affect them - both in the workplace and in the community. Victorian workers and community members need to have their voices heard about the types of homes they want to live in, issues of affordability, and how communities should be accommodating for all, including expansion of public utilities and amenities. In many ways though, the planning system based on appeals to VCAT is geared towards a small number of vested interests, motivated by house prices and keeping their neighbourhoods looking exactly how they are already.

⁷ <https://www.ahuri.edu.au/analysis/brief/what-are-real-costs-australias-housing-crisis-women>

⁸ <https://www.planning.vic.gov.au/guides-and-resources/Data-spatial-and-insights/discover-and-access-planning-open-data/victoria-in-future#:~:text=Victoria%20in%20Future%202023,-Victoria%20in%20Future&text=VIF2023%20shows%20Victoria%20remains%20the,Components%20of%20population%20change>

⁹ <https://www.thesenior.com.au/story/8243989/relocation-hotspots-after-a-year-of-interest-rate-rises/>

¹⁰ <https://www.afr.com/property/commercial/victorian-government-muscles-up-for-1-million-more-suburban-homes-20230428-p5d40x>

¹¹ Premier's Media Release, 24 February 2025; *If Councils Won't Unlock Space For More Homes - We Will*

¹² Ibid

¹³ <https://www.theguardian.com/australia-news/2023/apr/16/living-with-density-will-australias-housing-crisis-finally-change-the-way-its-cities-work>

It is worth noting that VTHC has been consulted on (and in some cases, made submissions about) the following matters related to housing, transport and planning:

- Victoria's Housing Statement
- Electrification in housing regulations
- Rental minimum standards
- Rental housing affordability
- Victoria's Big Build
- Priority Precincts

VTHC Secretary Luke Hilakari is also a member of the Housing Industry Advisory Group and the Housing Steering Committee, which meets regularly to discuss initiatives such as the housing targets under the Housing Statement. VTHC also acknowledges our local council, City of Melbourne, which continues to engage us regularly for consultation on matters such as key worker housing within the council area.

Other state government inquiries/consultation VTHC did not make submissions on, but wish to note include:

- Statewide housing targets
- Ten Year Social and Affordable housing strategy
- Plan for Victoria
- Fairer, Safer Housing

These inquiries have been in addition to a further number of consultations about transport such as new train stations as part of Melbourne Metro works, the Suburban Rail Loop, bus and tram routes/growth corridors and new roads, road upgrades and station upgrades.¹⁴

In short, the community consultation contributing to the development of the Amendments being considered here has not been insignificant.

Further, the Amendments considered by this Inquiry will interact with standards and zoning provisions considered and developed by local councils in consultation with their own communities. VTHC also notes the substantial community consultations undertaken by the state government around Activity Centres specifically. This form of consultation that reaches workers and the community at large must be given due weight in planning decisions, when compared to appeals from a select few. Consideration needs to be given to the operation of the planning scheme and the Act to ensure every worker can afford a house to live in.

4. Conclusion

Victorian unions urgently call on all levels of government to act decisively to increase housing supply so workers can access affordable, accessible and quality housing close to jobs and near public amenities. Should the Committee resolve to reconsider, revoke or water down Amendments VC257, VC274 and VC267, the progress made towards the aim of building more homes for workers may be put at risk.

VTHC calls on this Committee to ensure workers can access affordable housing and support the amendments considered by this Inquiry.

¹⁴ https://engage.vic.gov.au/project?sort=-created_at&filter%5Bstatus%5D=all&q=transport&page=3

