CORRECTED VERSION

STANDING COMMITTEE ON ENVIRONMENT AND PLANNING

REFERENCES COMMITTEE

Inquiry into environmental design and public health

Melbourne — 4 October 2011

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Associate Professor T. Budge.

The CHAIR — Welcome, and thank you for coming here to present. I know you are fairly familiar with this sort of process, having been a witness at various other parliamentary committees over the years, so you are certainly aware of parliamentary privilege and how that works. I ask you to provide your name, the name of the organisation you represent, your position and the address then go into an 8 to 10-minute presentation, which will give us sufficient time to ask a range of questions.

Assoc. Prof. BUDGE — Trevor Budge. I am an associate professor in the community, planning and development program at La Trobe University, Bendigo. I am not actually presenting on behalf of the university.

My submission is fairly brief, but it covers a very broad topic. I have read material that the committee has already received in submissions and in evidence and I am pretty much aware that you have had a very substantial amount of material about the link between the natural and built environment and the promotion of health and wellbeing. So rather than go over a lot of the material that I think you have already had presented to you, I want to focus on three matters, one of which was partly addressed in the submission you have just heard — that is, the need for better integration of health outcomes in the Planning and Environment Act. But I really want to focus particularly on the idea of a much more holistic approach in which health outcomes are linked to broadscale metropolitan planning and urban planning generally, and then on the issue of rural and regional Victoria. I can imagine that most of your submissions have dealt with the metropolitan area.

I make the observation that there is a rather ironic situation — that is, if you look at the origins of much of the land use planning system that we have both here in Australia and where it derived from, which is largely the UK, it was an overriding consideration of issues about health and about the poor living conditions and about the outcomes for people in terms of disease and chronically bad living conditions. In many respects we have addressed all those problems with health with better regulation, and yet we find ourselves back here 100 years later dealing with another set of issues that have arisen, which I reflect are basically much of our own making. The rapid growth of urban areas and the rapid growth in population has ended up producing an urban form which in many respects we now find to be unsustainable and contributory in terms of health outcomes. I will keep coming back to that theme.

What I suggest to the committee is that we have a number of pieces of legislation, some of which refer to health outcomes. They are all at various stages. One of the problems of legislation is that it does not all happen at once; it happens over a period of time. Legislation reflects the nuances and the policy at the time, so we are now seeing legislation coming through the system which is attempting to integrate health, the urban form, planning outcomes et cetera, and the Transport Integration Act starts to try to promote that integration effect. We had a proposal late last year, which I am sure you are aware of, to amend the Planning and Environment Act to put in health outcomes. That is now in abeyance. It seems to me that if we are going to really tackle this issue of relating health to environmental design and to urban form, then we need to make sure that we have lined up all the ducks; all the pieces of legislation need to be pointing in the one direction. I know that parliaments have a legislative program which makes that difficult, but it seems to me that fundamentally we get it now — that there is a link between our urban form and health, and we should be making sure that the legislation that embraces that is singing off the same sheet.

I then want to refer to the fact that I think there has been some frustration with the Melbourne metropolitan strategy from all quarters, but one of the things that it has consistently failed to do is to embrace a health outcome. When an audit of the Melbourne strategy was undertaken some years ago, which was led by Professor Moodie, there was some hope in the planning fraternity that with someone with the health background that he had we might actually see an additional policy direction. I am sure you are familiar with the fact that there are nine policy directions which underpin Melbourne 2030. I know it is subject to review. I think those broad objectives are generally endorsed by everyone.

Working through the planning institute, individuals tried to push that one of the key outcomes for Melbourne, particularly winning titles like the 'world's most livable city', is that it should be a healthy city. It has everything else in this, because it is going to be connected city, it is going to be a green city and so on. It just seems logical. You would never advocate that it should be an unhealthy city. It should be a healthy city.

So what would a healthy city look like? Many of the aspects of a healthy city have been addressed in the past, and I refer to the work of the EPA. The EPA was set up about 40 years ago to address particular health aspects of the city. Essentially that was air pollution, pollution of waterways and so on. The concept that we would need

to address a healthy city in terms of its urban form, because its urban form might be making people unhealthy, seems to be a message that is difficult to embrace. I would squarely put to you that this should be one of the responsibilities of the Department of Planning and Community Development, which in my estimation simply does not get that message. Either it does not get it because it does not want to get it or it considers it to be a challenge.

If we were to say that one of the outcomes we wanted was for Melbourne to be a healthy city, then the logical conclusion is that you would set up some indicators. How would you measure whether you were a healthy city, and how would you measure whether you would be a healthier city over time? Obviously rates of ill health associated with poor urban form would be one of the indicators. Whether it is obesity levels, whether it is the number of people that walk or use cycling or walking to get to work, these could all be indicators. I am not suggesting that the only cause of poor health outcomes is the urban form; there are a lot of things, but clearly the urban form is a contributor. It seems to me that one of the things we should embrace as a society is the idea that if we are going to be up there in the high league tables as one of the world's most livable cities, we should be up there in the high league tables as one of the world's most healthy cities. That has a broader agenda.

I now turn to the issue of rural and regional Victoria. I am based in Bendigo, and a lot of my experience has been in rural and regional areas. Whilst none of them have got the levels of growth we are seeing in Melbourne and the imperative of designing new urban areas to accommodate that growth, the reality is that most of the regions and particularly the major regional centres are actually seeing unprecedented levels of population growth. Many of them are experiencing growth rates of 1.5 to 2 per cent per annum, which is comparable to the sort of growth rate that Melbourne is experiencing.

What is happening in our regional centres? If you look across most of the large regional centres, all the characteristics and patterns that I am sure you have heard about in terms of the metropolitan area are even worse in the regional centres. They are of even lower density. The distances between community facilities and where people live and their places of employment are getting larger. Comparatively they are not as great, but they are actually sprawling out more than they have ever sprawled. They are of a lower density, and there is less attention to the issues of walking, cycling and active living. In one sense it does not really matter too much.

I will use the example of where I live, in Bendigo. I can jump in the car at my place in Bendigo and drive to just about anywhere else in the city in 10 minutes. I am not going to be stuck at the Thompsons Road roundabout, as we heard from the previous witness. I can get around. This type of problem is that with populations of 50 000 to 100 000 people the car is incredibly convenient. We have public transport usage rates in our regional cities of between about 0.5 per cent and 3 per cent. The idea people walking is almost an anathema. I will use an anecdote to illustrate this. A colleague of mine who works at the Mildura campus of La Trobe University lives about 20 minutes walk from the campus. Recently he has taken to walking every morning. He has had a number of comments from other people he knows in the city of Mildura, who have said to him, 'Haydn, have you lost your licence?'. This is reflective of the situation in these regional cities, which by the way are almost all dead flat. They are absolutely set up for walking and cycling, and yet the levels of walking and cycling are lower.

So how do we explain this? We explain it in three ways. One is that health outcomes are not on the agenda in terms of the design of regional cities, and yet by every indicator we have, the health outcomes for people in rural and regional areas are actually worse than for people in Melbourne. I did some recent work for the Central Highlands region. It has been embraced in eight municipalities around Ballarat and out to Ararat. Of those eight municipalities, five of them were in the top nine worst health-outcome municipalities in the state.

Firstly, we have a problem that health is not on the agenda. Secondly, just as it is very easy to build on the urban fringe of Melbourne, it is very easy to build on the urban fringe of all of our regional centres. Largely there are almost no constraints to them sprawling. There are few physical constraints in a few places. Latrobe Valley obviously has some constraints with coalmines. A couple of places have constraints with forest and so on, but many of them are sitting on large, open, flat paddocks, and there is no limit to the development. Thirdly, the development industry is much more unsophisticated in regional areas. You have heard a presentation about Selandra Rise, which is a great initiative, and we do need more examples of what are well-designed places, but we do not have any examples in regional areas simply because it is the risky end of the market now. From all the indications we are getting, what Stockland is doing there is proving to be financially beneficial and certainly has good outcomes, but the industry is smaller scale in regional centres, which do not have the capacity to

experiment because the market is much more conservative, the building industry is not as cashed up and it cannot take the risks.

What I wanted to particularly emphasise to the inquiry was that as much as you have heard about problems associated with the metropolitan area — I am not denying those at all — I wanted to make sure you are aware of the fact that once we move outside the metropolitan area, the capacities to implement are much more difficult.

I will finish up by saying that a combination of the land development industry, organisations like VicRoads, which is dedicated to making sure that as many people as possible can get on the roads and get from point A to point B, and councils themselves, particularly in rural and regional areas, are actually contributing to this. We had a very recent example in Bendigo where a major road strategy proposal by VicRoads, which promoted the idea of spending $180 million to fix some basically non-existent traffic congestion problems, never included any concept at all about integration of health. There was bare mention of the Transport Integration Act and almost no reference to the need for encouraging people to move in a much more sustainable and healthy way across the city. That is fairly emblematic of what we have seen in most rural and regional cities. I will finish with that.

Mr TEE — Thank you for the presentation. I just want to pick up on two things. I think they might be related. The idea of indicators to measure a healthy city over time, whether it is cycling, walking and so on and I suppose the reluctance of the department to embrace a healthy city, is it time that we had an EPA for the healthy city as the next model?

This might be the same issue: around rural and regional areas essentially what you are saying is that the market there will not provide us with a Selandra Rise; it will not resolve that issue. What should we recommend the government do to ensure that those communities have better health outcomes because of the way in which their communities are designed? The two might be linked. It might be that if you have indicators there, that might encourage it. I am wondering if there is that kind of thing, what else should we be recommending in that regard?

Assoc. Prof. BUDGE — I am not sure whether we actually need an organisation as well resourced or as complex as the EPA, but we do need some sort of statement about where we are now and where we want to be at some point in the future. There is an old adage that if you do not know where you are going, you will never know when you have arrived. In a sense, we have no idea when we are going to arrive at this better healthy outcome.

It seems to me that we need not a lot of measures but a simple range of measures that are readily identifiable with the community. Some of those can be easily quantified at the community level, the local government level and the metropolitan and city level. Others are going to be indicators which Victoria can use to its own advantage. One of the initiators of the Selandra Rise project was present when I gave a speech at VicHealth and I said that at some stage in the future a developer is going to get up and say, 'I have designed a subdivision and you will live longer on average in this subdivision than you will in a normal one'. In a sense I can envisage a situation where Victoria can say, 'We have got a set of indicators, we have got a set of initiatives which are going to enhance people's opportunity to live more productively and enjoy their own lifespan much better and to impose less costs on the health system'. To me it is not rocket science; we need only four or five indicators.

We have been talking in Bendigo with a number of people involved with the council and other organisations about what that might mean for a city like Bendigo. We have said we could get to a point where we could say this is the healthiest regional city in Australia on the basis of half a dozen indicators — what is the level of chronic heart disease? What proportion of children ride their bikes to school or walk to school? It has gone from about 60 per cent about 30 years ago to 10 per cent. We need to get that back up again. There are a number of indicators that can be adopted by cities and mandated by government so at least you can report on them. The idea of reporting against indicators is a very powerful tool. Imagine a municipality, a government, a metropolitan area having to report that our health indicators show we are worse off now than we were three years ago. It begs the question about whether we had better do something about it. In a way that is what I think the EPA started out doing. It monitored the air in the Melbourne environment, and everyone said, 'We had better do something; we had better change the level of lead in the petrol'.

On the second question — what can we do in the rural and regional cities — it is very easy to say that we do need demonstration projects, but we actually do need a partnership between the state government and the private sector to show that you can actually deliver a product that people in regional cities will buy. The cry of the development industry — and I can understand this — is that it will only build what people want. The reverse argument is that they can only buy what they are provided with, so there is inevitably a lag. It is fair enough for the development industry — experimenting with large amounts of cash to see if the community wants to buy something is a pretty risky business — but it seems to me that we have to take some of the risk out of it in the first instance to actually demonstrate what people want. The evidence appears to be, from some of the work that the Grattan Institute just announced the other day, that the number of people who actually want different forms of housing than what are being provided is great. Certainly I can use the example of Bendigo. One developer has basically cornered the whole market in Bendigo for shop-top housing. This guy is unbelievably successful. The number of people who want to move back into the city centre of a place like Bendigo is quite surprising.

Recent examples of development proposals that have been put to the council would indicate that, for instance, it is the car parking provisions which are killing it. It is rather ironic because I often say that perhaps closest in the Western World to the Australian example is any city in the US, and the city of Portland, Oregon, in the US has for some years adopted the following strategy. It says the bigger you build in the CBD of Portland, Oregon, not the more car parking we will require you to put in but the less car parking you can have. The message is: put plenty of people in there but of course have a public transport and walking system that supports it.

In a way I think the only way I can see it in the rural and regional areas, where it is risky and difficult to promote new forms of development, is as a partnership between the public and private sectors which allows the community to see the type of development that can be built and can demonstrate to the rest of the industry that it is feasible. At the moment the only demonstration they are getting is building on the edges of the city in great sprawling urban areas.

Mr ELSBURY — Going back to the point about regional developments being much larger, you were saying we need to take away the risk for developers if we want to increase the density, but I think when someone lives in a country setting they want the space that is provided: they want the feeling. They might have a 1-acre block or a 5-acre block. If you look at somewhere like — going back to Bendigo — Maiden Gully, you see that they are all very large blocks with very large houses on them. It is clear that they have been able to sell. Meanwhile in Bendigo again you have areas that are a little bit more urban — there are the smaller but still quite large quarter-acre blocks throughout the area that are still being sold. You said the market drives it, but then what the market is providing — —

Assoc. Prof. BUDGE — I am not arguing that there is not a need for diversity in the market, that there is not a wide range of aspirations among people for different properties. Absolutely there is. You obviously know Bendigo if you know Maiden Gully. I will refer you to Strathfieldsaye, which is the other side of Bendigo. It started out as basically a 1-acre-plus development. Once sewerage went in most of the blocks that were built on in Strathfieldsaye were 400 to 500 square metres. What people have got is what they want, and that is an urban environment in a rural setting. There is always going to be a market around our regional centres for 1-acre — 0.4-hectare — 1-hectare or 2-hectare blocks. However, if you actually look at it as the composition of the market, you see around 20 per cent of the market are people who are on larger blocks — and I take larger blocks to be 1000 square metres and above, and there are still plenty of advertisements in the paper for large blocks and they will be far larger than anything you can buy in a suburban development in Melbourne. However, what is clearly emerging is a massive unmet demand by people who want to live in urban areas in totally different forms of housing.

I have talked to the housing industry. I have had a lot of discussions with various major developers in and around regional centres as to why they cannot initiate development, and I will use Bendigo as an example again. Bendigo produces about 800 houses a year. If you talk to the large development companies, they say they need — as an absolute minimum to do the sort of subdivision which would have the range of block sizes you were talking about, put in the community facilities, do all the aspirational parklands that people want and make it a much more community-focused, livable example — about 350 to 400 blocks to make that work. In a sense they have to command half the market for a year or two, because they have to actually turn it over. They cannot sit there for 10 years and drip feed the market; they have to build the product and sell it within a couple of years

and move on. There are two problems. One is that nobody that can find a big enough market, although there are signs that perhaps Geelong might be starting to do that with the Armstrong Creek-type development.

The CHAIR — We are going there next week.

Assoc. Prof. BUDGE — Are you? Good. The other thing is that assembling sites is extremely difficult. Unfortunately what we have done around most of our regional cities is fragment most of the land with 1-acre, 2-acre and 5-acre development. You cannot get large parcels of land that are available at that sort of scope. There are a couple of examples. Ballarat has done that to the south-west. There is a large development area there. It looks as though the development industry is rolling out the same sort of product that we have always seen because it is about safety first; that is what the market wants.

I certainly respect the line you are saying, and that is that regional centres provide an enormous variety of choice. Ironically they do not provide the very choice at the end of the market we are talking about, because of economies of scale. The development industry is quite conservative. The development industry in most regional centres is controlled by three or four land developers, three or four surveyors and three or four agents. It is a safety first product. If they churn out carbon copy development, they know that it will sell, particularly if there is nothing else on the market. It is a difficult area. How do we embrace this change? It is happening very slowly but nowhere near fast enough.

Ms PENNICUIK — I am interested in your comments about food security because I think it is an issue coming down the line to us. You have made a couple of comments. You say that there is confusion about the term 'food security' and that the links between land use planning and food security are poorly understood. Could you expand upon that? Years ago, when I was doing my master of environmental science, environmental economics was one of the subjects I had to do. I was concerned about the rifle range development in Williamstown, where there was a piece of land that had not been developed over a long period of time, so it had a lot of biodiversity on it — it was a wetland et cetera. My concern was: how come we cannot conserve that land? The answer was: because of the value of the land. The value of the land had gone up, so it was more valuable to put houses all over it than to conserve it. I think that is the issue we have with food security. Would you like to comment on that? Also, if you could bear with me for a minute, we have heard a lot of talk about putting health and wellbeing into the Planning and Environment Act. Could you comment on whether we need to put conserving food security et cetera in there as well?

Assoc. Prof. BUDGE — I will tackle your second question first. If we embrace the concepts of healthy living, health outcomes et cetera, then the whole concept of addressing food needs becomes part of it.

Ms PENNICUIK — I am not sure whether it becomes explicit enough.

Assoc. Prof. BUDGE — You are right that it is not explicit, but it is implicit in it and probably needs fleshing out. One of the arguments we were hearing before — and I certainly support it — was that once it becomes part of the objective of the act then the state planning policy framework will have to reflect it in some way. When you roll it out, you will start to talk about some of the issues.

In terms of the general issue of food security, one of the maxims of strategic planning is that where you have difficult choices to make you are incredibly careful about the range of factors that you take into account. If you can possibly delay the decision, you do so until you are absolutely certain that you are making the right decision. When we are faced, as we have been faced around Melbourne, with areas of land that may or may not become urban and one of the factors is that they are some of the most prime agricultural areas of land that we have in the state — ideally situated to grow particular types of produce — then a precautionary principle approach would be to say, 'Do not do it until you are absolutely certain it is the correct thing to do'. When we take the issue of food security, though, we need to recognise the fact that there are a whole range of ways of growing food, and it is not absolutely essential that every parcel of land that is currently growing food be preserved.

I have just seen Professor Buxton walk in. He and I are working on a national project at the moment about the whole issue of whether in fact we are losing food-producing land across Australia, and clearly we are with urban expansion.

Ms PENNICUIK — We have lost a lot.

Assoc. Prof. BUDGE — However, what we have found — and this is most significant — is that we do not have any national recording of what land is being used for food. We do not have any way of monitoring it. It goes back to the issue of indicators. How can we indicate whether we are losing anything if we are not actually monitoring what we have? One of the things I am promoting in this broader urban form sort of approach to planning is that you take your assets and value those assets, and you throw those assets away or use them for another purpose only as a measure of last resort. It will be about what society values. Quite clearly there is an increasing emphasis on valuing highly productive agricultural land. Unfortunately much of it is on the urban fringe.

Ms PENNICUIK — There is also the question of whether the value is the monetary value or another value, and it seems that the monetary value is about whoever owns it selling it for subdivision.

Assoc. Prof. BUDGE — The whole principle behind planning is that we are dealing with net community benefit. Whilst there are individuals, the planning system is not designed to create winners and losers. The planning system is designed to create net community benefit, so we have to weigh that up. That is the reality. We have deliberately embraced a system in Australia where we do not pay people compensation if their land has to be rezoned for something else for the common good. We accept that the common good overrides individual personal gain. That is not to say that there have not been many people who have exercised a lot of pressure on governments, on councils and whatever to see a development happen or to see their land rezoned, but the basic principle we have in Australia is that there is no compensation if a decision is made in favour of the community that does not necessarily produce a benefit to the individual landowner. That is the way we have operated.

Ms PENNICUIK — I am not sure that I agree that the planning system is delivering what it is designed to deliver.

Assoc. Prof. BUDGE — That is a different matter. Whether it is actually delivering that is a different story, but I am talking about the principle upon which it is based.

The CHAIR — We have exhausted our time. Thank you for being here and particularly for the comments you have addressed in relation to regional Victoria. You are one of the very few who have done that, and it has been quite positive for our investigations.

Witness withdrew.