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31 January 2019

The Hon Scott Morrison MP  
Treasurer  
PO Box 6022  
House of Representatives  
Parliament House  
Canberra ACT 2600

Dear Treasurer

## **City of Whittlesea Pre-Budget submission: 2019/20 Federal Budget**

The City of Whittlesea is pleased to provide our funding priorities for the 2019-20 Federal Budget. We are grateful for recent investments in our municipality, including the Federal Government's contribution to the O'Herns Road Interchange project through the urban congestion package. This project will play an important role in reducing road congestion faced by our residents.

This pre-budget submission proposes funding arrangements to address the critical infrastructure and service shortfalls experienced by all high growth municipalities such as ours and also requests specific investments to improve the lives of City of Whittlesea residents.

- The City of Whittlesea is a member of the National Growth Areas Alliance (NGAA) and our pre-budget submission repeats and emphasises the importance of the initiatives outlined in the NGAA's pre-budget submission.
- Our municipality is in desperate need of mental health services for young people and our pre-budget submission makes the case for locating a permanent headspace centre in our municipality and improving access to general mental health services.
- As a partner of the regional economic development advocacy group *NORTH Link*, we endorse their call for infrastructure spending in Melbourne's North to support the economic potential of the region, as identified in *Melbourne's North Regional Investment Strategy*.
- Council supports key community agencies in their call to secure ongoing funding for important community services and reinstate other critical services – namely the four-year-old kindergarten program, National Rental Affordability Scheme and Status Resolution Support Services for people seeking asylum.

Community is at the centre of everything we do and we appreciate the Federal Government's support in funding the social and physical infrastructure necessary to ensure our high growth municipality is a place where our residents can experience wellbeing and prosperity.

Yours sincerely

**Liana Thompson**  
Director Partnerships, Planning & Engagement

## Whittlesea 2040: A Place For All

Our community's vision for the City of Whittlesea in 2040 is simple: *A Place For All*. To realise this, four priority areas have become our shared goals: connected communities; liveable neighbourhoods, strong local economy and sustainable environment.

Through the Federal and State Governments and the City of Whittlesea working and investing together, we can achieve our community's simple vision.

More information about our community vision is available by reading [Whittlesea 2040: A Place For All](#).

### **REQUEST ONE: Construction of the E6 Freeway**

Construction of the 23 kilometre E6 Freeway from the Hume Freeway to the M80 Ring Road will provide a north-south corridor through the heart of the municipality and connect future growth areas throughout the Northern Growth Corridor, which is forecast to accommodate more than 260,000 people and 83,000 jobs.

The Northern Growth Corridor will have a key role as an international and interstate gateway due to its connection with Melbourne Airport and the future Melbourne-Sydney-Brisbane rail line and Beveridge Intermodal Freight Terminal. The economic prosperity of this corridor will be boosted by the E6 Freeway and its link to the Outer Metropolitan Ring.

The E6 Transport Corridor has been designed as a six lane freeway since 2009, extending 23 kilometres from the Metropolitan Ring Road to Beveridge/ Kalkallo connecting to the Outer Metropolitan Ring Road (OMR) Transport Corridor and the Hume Freeway.

The proposed OMR is a major freeway and potential rail route that will connect the outer western port area of Melbourne, Geelong and Avalon Airport with the Hume Freeway. It has the potential to significantly enhance the accessibility of the northern part of the Hume Corridor to major transport hubs like the future Beveridge Interstate Freight Terminal in Mitchell Shire. The E6 Freeway will provide a continuous north-south route capable of carrying more than 80,000 cars per day. Our communities have shown overwhelming support for the development of the E6 Transport Corridor as a freeway rather than an arterial road.

The E6 will also accommodate employment growth within the Cooper Street Employment Precinct, the Melbourne Wholesale Market, Northern Hospital and Epping Central Metropolitan Activity Centre. This precinct accommodates around 11,740 jobs (ABS Census 2016).<sup>1</sup>

#### **2019/20 Federal Government Budget request**

A **Federal Government** commitment to construct the E6 Freeway ahead of the current nominated 15 to 30 year timeframe currently proposed. Land along this route is already reserved and there are no known impediments to building this road.

Refer to our [evidence based fact sheet](#) for more information.

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<sup>1</sup> Australian Bureau of Statistics, Census 2016

## **REQUEST TWO: Wollert Rail**

The Epping North community is burdened with significant traffic congestion and poor access to public transport, with many facing a two hour one-way commute to work.

Construction of a rail line to Wollert will remove 2000 cars off the heavily congested local roads every hour and improve the liveability for one of Australia fastest growing areas.

This project is to connect the Epping North and Wollert growth corridor- forecast to triple by 2041- to jobs and opportunities in the Melbourne CBD and locally precincts including the Cooper Street employment area, Northern Hospital and Pacific Epping. This project will reduce congestion, long commutes and overcrowding on the South Morang/Mernda rail service.

A train line extension is essential within the next ten years as the population is expected to rapidly grow from 32,600 in Epping North and 280 in Wollert in 2018, to approximately 94,600 people living in these areas by 2041.

Infrastructure Victoria's 30 Year Infrastructure Strategy recommended that a feasibility study on 'Wollert public transport links' be completed within the next five years. The State Government adopted this recommendation and timeframe in their Victorian Infrastructure Plan (2017). It is critically important that the feasibility study be developed as soon as possible to provide analysis on:

- The ability of the rail network, from Clifton Hill Junction to Flinders Street Station, to accommodate additional services
- The provision of Metro 2 tunnel
- How the newly proposed outer suburban rail loop can support the construction of a rail service to Wollert.

### **2019/20 Federal Government Budget request**

- A **Federal Government** investment is needed to undertake a feasibility study into how the existing rail network and any future rail projects could support a new rail line to Wollert.
- A **Federal Government** contribution towards acquisition of the final 14 per cent of land required for the designated Wollert Rail Corridor.

Refer to our [evidence based fact sheet](#) for more information.

## REQUEST: Mernda aquatic and leisure centre

The Mernda aquatic and leisure centre has been identified as a key Council priority to address inadequate recreational infrastructure and combat higher than average chronic health disease for our growing community.<sup>2</sup>

The population of Mernda/Doreen is expected to reach 58,000 people by 2041.<sup>3</sup> The closest aquatic and leisure facility is located more than 10 kilometres away and takes longer than 20 minutes to access on heavily congested roads. A sample survey of residents identified that more than three quarters do not frequent an aquatic facility because of this travel distance and time.<sup>4</sup>

The centre will cost \$50 million and is expected to attract between 500,000 and 550,000 visits per annum. It will include:

- Swimming pools - including a warm water exercise pool, water play pool and learn to swim pool
- Gymnasium
- Program rooms
- Health consulting rooms
- Steam room and sauna
- Indoor sports courts
- Outdoor sports courts

Whittlesea residents have higher rates of Type 2 diabetes, high blood pressure and osteoporosis in comparison to the Victorian average.<sup>5</sup> To combat this, Council has identified health and wellbeing as a priority indicator in its community vision *Whittlesea 2040: A Place For All*.

The vision identifies the need to enhance opportunities for residents to be more physically active, by addressing barriers to active participation in physical recreation activities.

Residents in this area are predominantly car dependent and face lengthy commuting times and distances. This limits access to social networking, recreational activity and time spent with family.

Alongside the health and wellbeing benefits, this facility will also improve social connections and cohesion for this diverse community.

### 2019/20 Federal Budget request

- A **Federal Government** investment of \$10 million towards construction of the Mernda Aquatic and Indoor Sports Centre is required. Land has been purchased by Council and a masterplan developed for the site. Joint funding from all levels of government is sought. The long-term vision for the site is for a sporting hub with the aquatic and leisure centre at the heart surrounded by sporting fields and outdoor recreational opportunities.

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<sup>2</sup> 2014 Major Leisure and Aquatics Facilities Strategy and Indoor Facility Feasibility Study.

<sup>3</sup> Atlas id (2017). *City of Whittlesea Mortgage Stress*. [accessed October 2017].

<sup>4</sup> Mernda Aquatic Centre Planning Study

<sup>5</sup> Active Whittlesea Strategy

### REQUEST THREE: Mernda Town Centre

The '30 minute cities' concept proposed by the National Growth Areas Alliance reaffirms the need for cornerstone town centre projects like Mernda Town Centre to help address social disadvantage as well as assist in demonstrating best practice growth area development.

The **30 minute city** demands a new urban configuration where residents can access work, study, cultural and recreational facilities and essential services such as healthcare within 30 minutes. Anchored in enhancing living with appropriate green space at the neighborhood level, the 30 minute city aims to reduce congestion and emissions, and return time to residents for greater social connectivity, health and well-being.

Mernda Town Centre has been identified as a major activity centre since the 1990s. With the exception of a railway station, the town centre remains undeveloped. The town centre sits at the core of the Mernda Doreen Growth Corridor. The current population of the corridor is more than 49,000 people, and is forecast to grow steadily over the next ten years before reaching its peak in 2028 of 64,148 residents.

The service and infrastructure in the town centre will play a regional role not only servicing the residents of Mernda and Doreen but also residents in the nearby Whittlesea Township and the northern areas of the Shire of Nillumbik.

Mernda Town Centre is intended to be a significant hub with a wide geographic reach and a mixture of uses including retail, agribusiness, rail station, community facilities, open space and housing. The package of related works requiring investment includes:

- Space for health and human service provision
- Social and affordable housing
- Road duplication
- employment hubs
- Business incubator and co-working space
- Library and performing arts centre
- Regional recreation and fitness hub
- Community hospital (Tier 2 Primary Health Care Service)
- Post-secondary education

#### 2019/20 Federal Government Budget request

- A **Federal Government** funding contribution towards the \$250 million needed to complete the Mernda Town Centre (\$100 million for mixed use town centre, \$100 million for road, bicycle and pedestrian infrastructure upgrades and \$70 million for community facilities).

More information is available from the [Transformational Infrastructure Projects](#) discussion paper.

## **REQUEST FOUR: Bring mental health services within reach**

The City of Whittlesea faces inequitable and poor access to health and human services, particularly mental health services according to our 2017 Human Services Needs Analysis. Investment is required for ongoing service provision which is equitable and proportionate to the level of need and vulnerability of specific demographic groups within the community.

### **Youth Mental Health**

Last year's Federal Budget allocated funding through the Eastern Melbourne Primary Health Network to headspace Greensborough to pilot an outreach site for their service at the EDGE youth facility in South Morang for 12 months. Demand for the service has indicated the need to secure ongoing funding for a permanent service to be located in the City of Whittlesea.

If the South Morang headspace outreach site was to cease waiting lists for support and counselling services for young people in Whittlesea would blow out to more than six months.

The Eastern Melbourne Primary Health Care Network (EMPHN) Needs assessment (2016) identifies Whittlesea as having the highest rate of people aged over 18 years with high or very high psychological distress.<sup>6</sup> Our psychological distress rating for this group is above the Victorian average and we have the highest rate of emergency department presentations with anxiety in the EMPHN catchment.<sup>7</sup>

### **Access to Mental Health for the wider community**

The Eastern Melbourne Primary Health Network (EMPHN) Integrated Mental Health and AOD Service Atlas<sup>8</sup> has identified:

- Significant gaps in services in the City of Whittlesea relative to other areas in the EMPHN catchment, and
- Uneven distribution of services across the EMPHN catchment, with clustering of services in inner suburban locations and significant service gaps in the outer northern LGAs
- A higher proportion of vulnerable groups/at risk demographics in the City of Whittlesea compared to other LGAs which fall within the EMPHN catchment.

### **2019/20 Federal Government Budget request**

- A **Federal Government** commitment to provide ongoing funding to establish a permanent location to house headspace in South Morang.
- A Federal Government investment allocation which takes into consideration population growth and the proportion of vulnerable groups at higher risk of poorer mental health outcomes which are increasingly located in outer growth areas due to housing affordability.

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<sup>6</sup> Victoria State Government, Department of Health and Human Services, *Rental Report time series data, Affordable lettings by local government area - June 2017*, LGA affordable, all bedrooms.  
<https://www.dhhs.vic.gov.au/publications/rental-report> [accessed Oct 2017].

<sup>7</sup> Victoria State Government, Department of Health and Human Services, *Rental Report time series data, Affordable lettings by local government area - June 2017*, LGA affordable, all bedrooms.  
<https://www.dhhs.vic.gov.au/publications/rental-report> [accessed Oct 2017].

<sup>8</sup> Bell, T., Stretton, A., Mendoza, J & Salvador-Carulla, L (2018) EMPHN Integrated Mental Health and AOD Service Atlas (East & North East) Final report. ConNetica, Sunshine Coast Qld.

## REQUEST FIVE: Jobs and business growth for Melbourne's North

Our Economic Development Strategy outlines our vision to attract 10,000 new jobs to the City of Whittlesea over the next five years. Council is committed to supporting businesses to grow and prosper, giving the community access to a range of local jobs in a strong local economy. Enabling Melbourne's North to reach its economic potential is critical to business growth and jobs creation.

*Melbourne's North Regional Investment Strategy* identifies that Melbourne's North is growing rapidly with enormous investment potential but requires increased infrastructure spending by State and Federal Governments.

The report, commissioned by NORTH Link highlights that Melbourne's North has been historically underinvested in public and private infrastructure compared to the rest of Melbourne as a whole. Faster-than-expected population and industry growth requires infrastructure planning and build to be brought forward.

In response, the report recommends a commitment by State and Federal Governments to the following infrastructure projects:

- Investment of Food and Beverage Precinct on 51 hectares of land adjacent to Melbourne Wholesale Market
- Fast-tracking development of the Beveridge Intermodal Freight Hub to best connect future industry hubs and Melbourne Airport and the Food and Beverage Hub
- Fast-tracking further development of Melbourne Airport
- The Latrobe National Employment Cluster
- Access to High Speed Broadband investment into a Data Analytics Hub
- Nature and Arts Tourism industry development
- Fast track funding for Broadmeadows, Epping and Greensborough MACs and La Trobe NIEC

The report also recommends that government encourage the following growth areas for Melbourne's North:

- Food and beverage manufacturing and supply chain
- Agritech and Foodtech
- Freight and Logistics
- Health and Wellbeing
- Advanced Manufacturing
- Visitor Economy
- Digital Economy and Professional Services.

### Federal Government 2019/20 Budget request

- A **Federal Government** investment is sought towards infrastructure programs identified in Melbourne's North Regional Investment Strategy.
- A **Federal Government** commitment to encourage growth in key growth areas identified for Melbourne's North.

Refer to [Melbourne's North Regional Investment Strategy](#) for more information.

## **REQUEST SIX: Access to 15 hours of kindergarten**

Under the National Partnership Agreement, the Federal Government provides about one-third of the funding for 15 hours of preschool and the Victorian Government contributes two thirds.

The community and local government provide additional funding through parent fees, fundraising and council support to meet the government shortfall.

The National Partnership Agreement for this funding expires in December 2019. If funding ceases Victorian kindergartens will miss out on annual funding of \$100 million, resulting in every kindergarten child losing the equivalent of one day of funded kindergarten per week.

This would be an added financial burden on local families who would need to fund the extra day of kindergarten or subsequent childcare. Fourteen per cent of households in the City of Whittlesea are experiencing mortgage stress<sup>9</sup> and 32 per cent are experiencing rental stress,<sup>10</sup> rates that are significantly higher than for Greater Melbourne (11 per cent and 27 per cent respectively).

Any Federal Government funding cut would further disadvantage the children who need kindergarten education the most. Early childhood education is critical for all children - it transcends disadvantage and gives children a greater chance of success in life.<sup>11</sup>

Continual short-term funding arrangements also makes it difficult for councils and kindergartens to plan, and is disruptive for parents.

### **2019/20 Federal Budget requests**

- A Federal Government investment is sought for ongoing funding of five hours of four-year-old kindergarten per week for every child.

More information is available from [www.mav.asn.au/news-resources/campaigns/kindergarten](http://www.mav.asn.au/news-resources/campaigns/kindergarten)

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<sup>9</sup> Atlas id (2017). *City of Whittlesea Mortgage Stress*. [accessed October 2017].

<sup>10</sup> Atlas id (2017). *City of Whittlesea Rental Stress*. [accessed October 2017].

<sup>11</sup> Early Learning: Everyone Benefits (2017). *State of early learning in Australia 2017*. Canberra, ACT: Early Childhood Australia.

## REQUEST SEVEN: Reinstate the National Rental Affordability Scheme

The availability of new rental housing stock that is affordable to lower income households has rapidly declined across Victoria. In the City of Whittlesea this housing stock declined from 64 per cent of all new listings being affordable in Jun 2006 to just 12.3 per cent in 2017.<sup>12</sup>

The National Rental Affordability Scheme (NRAS) offers tax incentives to investors to build and lease new affordable rental housing to eligible low to moderate income tenants at 20 per cent below market rates.<sup>13</sup> By the end of 2016, NRAS had delivered over 32,000 dwellings (including 5,774 in Victoria).<sup>14</sup> The scheme was an effective supply stimulus that delivered a significant number of new dwellings in a relatively short time period.<sup>14</sup> The scheme's discontinuation in 2015/16 was a loss for affordable housing delivery.<sup>14</sup>

Federal Government commitment is needed to reinstate the NRAS to build on the momentum it generated.<sup>15</sup> Improvements include the development of clear and measurable targets and a demonstrated long-term commitment to the scheme.<sup>15</sup> Current investor interest in the 'build to rent' industry demonstrates the potential for NRAS to continue delivery of long term affordable housing.<sup>16</sup>

Additionally, around 28,000 Australians will be eligible for special disability accommodation (SDA) funding as part of the National Disability Insurance Scheme (NDIS)<sup>17</sup>. However, there is a huge projected shortfall in this type of housing nationally.<sup>18</sup> The Whittlesea-Wallan area<sup>19</sup> has been identified as having one of the highest projected shortfall rates for SDA in the North Metropolitan Region. Currently, SDA is only available for three of the five people estimated to be eligible for its funding.<sup>18</sup>

Beyond the NDIS-SDA market, there are significantly more people with accessible housing needs creating a growing demand. This includes around 60 per cent of people currently living in supported accommodation who have lower level support needs or are aged 65 years and over.<sup>20</sup>

### 2019/20 Federal Government Budget request

- A **Federal Government** commitment is needed to provide incentives to stimulate investment in accessible housing.
- A **Federal Government** commitment is needed to support the inclusion of a minimum accessible design standard for housing in the National Construction Code.
- A **Federal Government** commitment is needed to expand the provision of Supported Independent Living (SIL) funding through the NDIS.

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<sup>12</sup> Victoria State Government, Department of Health and Human Services, *Rental Report time series data, Affordable lettings by local government area - June 2017*, LGA affordable, all bedrooms.  
<https://www.dhhs.vic.gov.au/publications/rental-report> [accessed Oct 2017].

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<sup>13</sup> Rowley, S., James, A., Phibbs, P., Nouwelant, R. and Troy, L. (2017) Government led innovations in affordable housing delivery, AHURI Final Report No. 289, Australian Housing and Urban Research Institute Limited, Melbourne, <http://www.ahuri.edu.au/research/final-reports/289>, doi: 10.18408/ahuri-8113101, p 17, citing Rowley, S., James, A., Gilbert, C., Gurrán, N., Ong, R., Phibbs, P., Rosen, D. and Whitehead, C. (2016) Subsidised affordable rental housing: lessons from Australia and overseas, AHURI Final Report No. 267, Australian Housing and Urban Research Institute, Melbourne, <http://www.ahuri.edu.au/research/finalreports/267> doi:10.18408/ahuri-8104301.

<sup>14</sup> Katrina Raynor, Melbourne School of Design – Transforming Housing, *Delivering Affordable Housing in Melbourne: Actions, Opportunities and Implementation*. 2017 Housing Summit Background paper, [https://msd.unimelb.edu.au/\\_data/assets/pdf\\_file/0008/2603546/Delivering-Affordable-Housing-in-Melbourne\\_0.pdf](https://msd.unimelb.edu.au/_data/assets/pdf_file/0008/2603546/Delivering-Affordable-Housing-in-Melbourne_0.pdf) [accessed October 2017].

<sup>15</sup> Rowley, S., James, A., Gilbert, C., Gurrán, N., Ong, R., Phibbs, P., Rosen, D. and Whitehead, C. (2016) Subsidised affordable rental housing: lessons from Australia and overseas, AHURI Final Report No. 267, Australian Housing and Urban Research Institute, Melbourne, <https://www.ahuri.edu.au/research/final-reports/267> doi:10.18408/ahuri-8104301

<sup>16</sup> Carolyn Cummins, *Build to rent emerging as \$300b housing Industry*, Sydney Morning Herald, 14 September 2017.

<sup>17</sup> Productivity Commission (2011), *Disability Care and Support Report Vol2 No. 54*

<sup>18</sup> SGS Economics & Planning (2018), *Specialist Disability Accommodation: Market Insights*, The Summer Foundation, Box Hill Melbourne.

<sup>19</sup> Australian Bureau of Statistics - Statistical Area

<sup>20</sup> Araluen, Housing and Support Roadshow, Greensborough 2018, [www.araluen.org.au](http://www.araluen.org.au)

## **REQUEST EIGHT: Support for people seeking asylum**

Changes by the Federal Government to the SRSS (Status Resolution Support Services) program are expected to cut all income and case management support of many people seeking asylum and dramatically increase the demand for material aid resources at the local municipality level.

The SRSS payment is available to asylum seekers while they are waiting for their application and legal status to be determined. It provides a living allowance – usually 89% of the Newstart allowance, or \$247 per week – casework support, assistance in finding housing and access to torture and trauma counseling.

In Victoria there are 10,031 asylum seekers on Bridging Visa living in the community and 1,136 are residing in the City of Whittlesea.

Changes to the eligibility criteria of who can access the funding will mean that over 7000 people currently on the program could lose access to basic income assistance, a caseworker and torture and trauma counselling.

Local SRSS providers are reporting that the new criteria makes it almost impossible for people to regain access to the program (for example, after they have lost their jobs) or to be escalated to a higher level of support if they become more vulnerable.

The City of Whittlesea is a member of the Local Government Mayoral Taskforce Supporting People Seeking Asylum and actively supports the Back Your Neighbour campaign. The campaign is calling on the Federal Government to reverse the changes to the SRSS eligibility and uphold its national responsibility to protect people seeking asylum.

More information about the campaign is available at [www.backyourneighbour.com.au](http://www.backyourneighbour.com.au)

### **Federal Government 2019/20 Budget request**

- We are calling for **Federal Government** policy changes to reverse the current policy on SRSS support for people seeking asylum in the community and reinstate the previous criteria eligibility.

Refer to our [evidence based fact sheet](#) for more information.