



# LIVEABLE YARRA

Better planning for people and places



**BACKGROUND PAPER**  
The story of the evolution of Yarra  
JULY 2015



## Introduction

The people, places, activities and economy in Yarra have all undergone significant change in the past years, decades and centuries. This paper provides an overview of some of these changes, and the forces that have influenced the periods of growth and decline. It illustrates that change has been driven and influenced by many factors, many of these being external factors outside of the control and influence of the Yarra community. Yarra's community has, however, also had a significant impact on many of Yarra's places, and that even though much has changed, much has also remained, either unchanged or by having been given a new life.

Many disused factories and warehouses have been converted to apartments or replaced with new housing developments; some retail strips have become hospitality and entertainment precincts; many independent day-to-day retail outlets such as green grocers, butchers, hardware shops have been replaced with supermarkets and specialty shops.

People experience change differently. For some existing residents the increase in housing through development can be seen as changing the character of the area, while for new residents it offers an opportunity by opening up access to desirable inner city living. These recent changes in Yarra reflect a global trend of people wanting to live closer to city centres to access employment, inner city lifestyle, and the nightlife and vibrant places. But change is not new; the area known now as the City of Yarra has been evolving since European settlement in the 1830s. It is important to pause here and acknowledge that Yarra was settled on Wurundjeri land, without the permission of the traditional owners.

Yarra's evolution has been influenced by many factors: shifting social trends, changes in building technology, community activism and national economic reform.

Today's City of Yarra comprises the former municipalities of Richmond and Collingwood (originally East Collingwood), which were established in 1855, and Fitzroy, which separated from the City of Melbourne in 1858 to become Melbourne's first suburb. Yarra also takes in areas of the former Jika Jika Parish (later City of Northcote) along the Yarra River, and Carlton North, which was originally part of the City of Melbourne.

In considering planning for a Yarra of the future it is useful to look at this evolution and what its influences have been.

### **1850–1900: Grand houses and worker's cottages**

One of the earliest influences on development was the Yarra River, which provided a source of water (and waste disposal) for early industries such as abattoirs, wool washing, flour manufacturing and beer-brewing. Warehouses and factories were built along the river in Abbotsford, Cremorne and parts of Collingwood, some of which still exist today, having been converted into apartments and offices.

The Victorian Gold Rush in the 1850s and 1860s was another significant influence. It brought a new prosperity to Melbourne, resulting in the development of a number of grand houses and civic buildings, such as Yarra's three town halls. During this time, some areas, including Carton North, North Fitzroy and Clifton Hill, were comprehensively planned, with consistent street and lot sizes, and provision of parkland. By contrast, other areas, such as Abbotsford, Collingwood and parts of Fitzroy and Richmond, were developed in a more ad hoc manner, driven by the need to provide housing quickly for the workers in the new factories.

The Gold Rush also triggered speculative private investment in train and tram networks. Much of the network of cable tram tracks that was complete by 1900 is still in use, while Rathdowne

Street's generous median strip is courtesy of an earlier cable tram route, and the inner circle train line, which ran through Fitzroy and Carlton is now part of Yarra's bike path network.

An economic depression hit Australia in the 1880s, triggering a change in the suburbs that now make up Yarra that would resonate well into the future. From the outset, Yarra's population had been a mix of upper middle class and working class, but with this depression, pockets of Yarra, such as south Fitzroy, became overcrowded and rundown, as more people moved to the city to look for work. These would later be described as slums. Some of these areas were cleared of low-quality buildings in the 1950s and 1960s and replaced with high-rise public housing.

## 1900–1950: Planning and industrialisation

By the early 1910s concerns about the dilapidated parts of the city prompted major public inquiries by the Joint Select Committee on the Housing of the People in the Metropolis (1913–14) and a Royal Commission in 1915. These events led to the development of Melbourne's first strategic plan in 1929.<sup>1</sup>

The first half of the twentieth century marked a more proactive approach to planning in Melbourne with the establishment of such agencies as the Melbourne and Metropolitan Tramways Board (1919) and the Metropolitan Town Planning Commission (1922), the Slum Abolition Board (1936) and the Housing Commission (1938). These last two have a particular relevance to Yarra.

The century began with economic recovery. As retail prospered again, Smith Street became one of the most important retail streets outside of Melbourne's city centre. Foy and Gibsons, a department store chain, was already established there and G.J. Coles opened its first variety store there in 1914.

Ownership of private motor vehicles was on the rise and Melbourne City Council introduced the first road rules (which included driving on the left hand side of the road) in 1914.

World War I interrupted this growth; scarcity of fuel (for private motor vehicles) and the redirection of resources to support the war effort meant public transport was increasingly important.

In 1919 the Melbourne and Metropolitan Tramways Board was established to consolidate operations across the heavily patronised but fragmented network of private cable and electric trams. Melbourne's fixed rail network, comprising trains and both cable and electric trams, was already the world's second largest, after London.

By the end of World War I, Melbourne's economy had industrialised, stimulated by cheap energy sourced from the new government-owned Yallourn Power Station in the La Trobe Valley, and the introduction of trade tariffs, which supported local manufacturing. Yarra became a centre of the textiles, clothing and footwear industries, and its population peaked in 1921 at around 110,000.

In 1929, on the cusp of the Great Depression, the Metropolitan Town Planning Commission introduced Melbourne's first planning scheme, *The Plan for General Development*. The aim of the plan was to:

...prevent 'misuse' of land and protect property values, highlighting traffic congestion, the distribution of recreational open space and haphazard intermingling of land uses.<sup>2</sup>

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<sup>1</sup> *Review of Metropolitan Melbourne Strategic Planning* Dept. Planning and Community Development, Victorian Government, 2012

<sup>2</sup> *ibid*

As Australia emerged from World War II, focus on planning issues associated with a growing city re-emerged.

## 1950–1970: Shifting scale, changing population

The 1950s to 1970s was a significant period of change for the suburbs that would make up Yarra, both physically and socially. The post-war industrial boom, the federal government's 'populate or perish' assisted migration program, the new affordability of cars, and the development of new suburbs all contributed to changes in Yarra's population, demographics and built form.

In the 1950s, while many families were moving to Melbourne's new suburbs with their detached houses and yards, newly arrived migrants from southern European countries like Italy and Greece were moving in to the area — first to the government housing estates, then to private housing. Many of them joined the workforce of the thriving textiles, clothing and footwear industries. These new residents brought a change to street life and culture, bringing new foods and languages. They opened cafés, clubs, restaurants and shops, often in cultural clusters; for example, Victoria Street had a Greek focus, while Carlton accommodated a large number of Italians.

'Slum clearance', as it was known then, was a major government program that had a huge impact on Yarra. On a physical level, whole blocks of houses were demolished and replaced with towering housing estates, dramatically changing the streetscape. The social effect was the dispersal of close-knit communities, including Fitzroy's Aboriginal community, many of whom were rehoused in purpose-built suburbs like Broadmeadows, on the metropolitan fringe. The program was unpopular with the community, which made its concern known.

The Housing Commission's slum clearance projects in the 1950s and 1960s were the most far-reaching in Australia. They were resisted by residents in Fitzroy, Collingwood and Richmond. Gradually, community protests received media attention. However, it was not until community group the Carlton Association mounted a sophisticated public relations campaign against slum clearance in 1969 that this activism prevailed. In 1973, Premier Dick Hamer visited Carlton to announce that the slum clearance plans had been dropped in favour of heritage conservation for the inner suburbs.<sup>3</sup>

Around the same time, Yarra's built form was being changed by part of a Melbourne-wide boom in the development of apartment buildings. At the time, proposed blocks of flats were covered by the Uniform Planning Regulations and did not always require a planning permit. This boom was short-lived, as the introduction of new residential guidelines (as a result of public outcry over the loss of heritage and character), meant that apartment development became more controlled.

The 1960s also saw a wave of young people, including university students, moving to the inner city. At the same time, activities and services were following families to the suburbs. Some inner city retail strips, including Smith Street, went into decline as they couldn't compete with new shopping complexes, like Chadstone, which opened in 1960. Chadstone was Melbourne's first major shopping centre not served by public transport, reflecting a rise in car ownership and heralding a new model for shopping centres in Melbourne located away from train stations. Southland, Northland and Highpoint all soon followed.

This rise in car ownership changed traffic patterns in Yarra. In the 1960s parking emerged as an issue in both the shopping strips and the residential streets, resulting in the introduction of parking

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<sup>3</sup> [www.emelbourne.net.au](http://www.emelbourne.net.au)

permits and parking metres. In addition, traffic in Yarra was becoming heavier as the suburbs expanded to the north and east. The government's approach to transport at the time favoured road infrastructure over public transport, as was reflected by the release of the 1969 transport plan, *Melbourne Transportation Study*, which emphasised freeways as the transport solution of the future.

## 1970–1990: End of an era, glimpse of the future

Federal government policies, the Vietnam War and community activism all had an influence on Yarra's suburbs in this period.

The introduction of free tertiary education in the early 1970s altered the demographic of students at universities, which in turn contributed to further population shift in suburbs such as Carlton, Fitzroy, Collingwood and Richmond. Many post-war migrant families moved to newly released suburban lots in Melbourne's east, renting their houses cheaply to this new wave of students, as well as artists, musicians and activists. These new residents, like the European migrants before them, brought a change to street life, opening theatres, galleries, music venues and cafés including the Last Laugh and The Club on Smith Street, The Black Cat and Mario's on Brunswick Street, and the Valhalla Cinema in Victoria Street, which was formerly the Victoria Cinema, screening Greek subtitled films.

From the mid-1970s the federal government's proactive support of refugees fleeing post-war Vietnam had a direct impact on Yarra. Many Vietnamese migrants settled in Richmond, eventually transforming Victoria Street's retail and business mix from a Greek to Vietnamese focus.

At the time, the State Government's strategy to address increasing traffic congestion centred on building freeways, including a proposed F1 freeway through East Melbourne and F2 from St Kilda to Clifton Hill. The government cancelled the F1 proposal in 1971, but plans for the F2 remained, and were met with public outcry. The protesters claimed that if East Melbourne was worth saving, then so were Richmond, Collingwood and Abbotsford. With the exception of the Eastern Freeway, which opened in 1977, community opposition managed to stop most of the inner city freeway plans.

With environmental awareness on the rise, community activism extended to environmental issues in the local area, including the Merri Creek. In 1976 a coalition of community groups and councils formed the Merri Creek Coordinating Committee in response to government proposals to line the creek with concrete, as had been done with the Moonee Ponds Creek. This ultimately led to the development of the Merri Pathway, a shared pathway for pedestrians and recreational cyclists, as well as rehabilitation of the creek through litter control and revegetation.

Economic reforms in early 1980s, which included reduction of trade tariffs and floating of the dollar, had a direct effect on Yarra's residents and economy. The textiles, clothing and footwear industries, which were concentrated in Yarra, became unable to compete with cheaper imported products or overseas labour costs, and many local factories closed or moved their operations overseas. Employment in this sector in Collingwood dropped from 47.5% of the workforce in 1971 to less than 10% by 2001. Although the economy and population of Yarra was in decline, housing prices were beginning to rise.

## 1990–2000: From low population to high demand

The 1990s began with Yarra's population at an all-time low (since the 1860s) of 54,000. Australia was in recession, there was a glut of unused office space in the CBD, and governments and urban planners were concerned that Melbourne was becoming a 'doughnut city' — one in which

retail and business activity is focused in the outer areas of a city and the central area becomes empty outside of business hours.

At this time there was a shift in government thinking, reflecting a global trend, towards developing inner suburbs, rather than extending cities to surrounding rural landscape and agricultural areas. This change in focus also reflected that concern about environmental issues had become widespread. The Victorian Minister for Planning, Robert Maclellan, stated in 1993:

Our cities need to be more environmentally efficient and less car-dependent. [...] Melbourne needs to be more compact, offering a greater range of housing choices with enhanced amenity, safety and lifestyle.<sup>4</sup>

Activity centres — areas of focus for retail, commercial and transport investment, complemented by some housing development — were a key part of the ‘compact city’ policy. This activity centre policy, in various forms, has been a consistent component of Melbourne’s metropolitan planning and has supported the development of many of Yarra’s centres.

Two significant policy changes were made to actively encourage housing development in the CBD and in existing residential areas. These were: the City of Melbourne’s 1992 *Postcode 3000* policy, which was aimed at increasing residential development in the city centre, and the State Government’s 1995 *Good Design Guide for Medium Density Housing*, which guided the development of multi-dwelling buildings to be built in residential zones.

At the same time, Melbourne’s city centre was transforming from primarily a place of business with little or no nightlife, to a buzzing restaurant and entertainment destination. Several factors encouraged this development:

- the State Government was investing heavily in sports and entertainment infrastructure such as Rod Laver Arena, the Southbank precinct, and Melbourne Exhibition Centre
- Melbourne City Council opened up laneways and introduced footpath trading, bringing life into the streets
- State Government liquor licensing laws were reformed to allow alcohol to be sold without food, which paved the way for Melbourne’s now-famous bar and café culture.

This transformation spilled over to the inner suburbs, including those of Yarra. The café culture that originated with post-war migrants and was built upon by the alternative inner-city set, grew into today’s thriving bar and restaurant scene, attracting investment from entrepreneurs and clientele from the suburbs.

The changing economic structure of Melbourne also saw a transition to more knowledge-oriented businesses, many of which preferred locating in the central city. This growth in central city employment also increased the diversity of activity in and around the central city, supported the growth of the restaurant and entertainment industry, and drove demand for inner city living as people wanted to be close to these activities.

Another significant State Government policy at the time was the local government amalgamations across Victoria in 1994, which merged 210 councils and shires into 78 local government areas. The cities of Richmond, Fitzroy and Collingwood were amalgamated to form the City of Yarra, which also took in parts of North Carlton, Alphington and Fairfield. The process for this included the dismissal of elected councillors, who were replaced for two years by government-appointed commissioners. There was a compulsory across-the-board rate cut of 20%, capped rate rises,

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<sup>4</sup> Quoted in: Huxley, Margo. *This suburb is of value to the whole of Melbourne: Save Our Suburbs and the struggle against inappropriate development* [Working papers; no. 6]. Melbourne; Institute for Social Research, Swinburne University: 2002.



and a new requirement for 50% of council services to go out to tender. Significant reforms of the planning system also occurred in the late 1990s with the introduction of the Victoria Planning Provisions and new format planning schemes. This provided for a more strategic and performance-driven focus that was intended to reduce administrative costs and increase efficiency of the planning system<sup>5</sup>.

As part of the amalgamation process, the City of Yarra commissioners decided to close the Fitzroy Pool. This was met with a strident and ultimately successful community campaign that included a petition with 14,000 signatures, and a six-week occupation of the pool. A campaign two years earlier to prevent Richmond Secondary College from closing was unsuccessful despite a year-long occupation of the school by community members. Both campaigns reflect the strong sense of identity and community the people of Yarra feel.

Throughout the 1990s demand for housing in the inner city grew. Social patterns were changing and people were marrying later and having smaller families, which suited inner city lifestyles and apartment living. Universities were attracting international students who needed homes. Yarra's industrial past assisted it to meet this demand. Disused factories and warehouses, like MacRobertson's confectionary complex in Fitzroy, were redeveloped into apartments. Other industrial sites were cleared and developed for housing. Changes in building technology lowered the construction costs of high-rise buildings, increasing the density of apartments per block.

Housing prices in Yarra — both purchase and rental — continued to escalate throughout the 1990s, and the demographic continued to change. The number of households with children decreased as the number of young professionals without children rose. By the end of the 1990s the high cost of housing in Yarra meant that it was far more difficult for public housing residents to transition into private housing in the area as post-war migrants had done, and other low-income earners who had helped shape its street life and culture, including students, artists and Aboriginal people, struggled to afford to live in Yarra.

## **2000–2015 and beyond: More people, more jobs, more opportunities**

The turn of the millennium saw no slowing in demand for inner city living, business and leisure. Development continued, diversifying to include creative work spaces, such as design and architectural studios, and niche manufacturing in industries that had a long history in Yarra, such as fashion and food production.

The number of jobs in Yarra was estimated to be 80,000<sup>6</sup> in 2014, second only to the City of Melbourne in the inner city area. Although manufacturing is still Yarra's sixth largest employer and has some sub-sectors that are growing, it is broadly in decline. The manufacturing that remains is much more knowledge intensive and focused on developing unique and innovative products. Other knowledge-based jobs such as health, education and professional services are increasing, particularly with the opening of the Australian Catholic University in 2000 and the staged redevelopment of Epworth Hospital.

Areas such as Cremorne and the Gipps Street precinct are important inner city, mixed-use, creative places that have accommodated new businesses as well as housing development. In some instances, buildings previously used for manufacturing are being re-purposed for office, commercial and co-working spaces. Demand for both residential and commercial activity in these areas is likely to continue.

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<sup>5</sup><http://www.audit.vic.gov.au/publications/2008/20080507-Planning-Framework-for-Land-Use-and-Development.pdf>

<sup>6</sup> Adjusting for undercounts in Census data



Some major retail strips, such as those along Brunswick, Smith, Gertrude and Swan streets have successfully adapted to inner Melbourne's new demographic and economic makeup, and contribute to Yarra's job market and economy. Others, such as Bridge Road, are in a state of transition as a result of changes to the broader retail operating environment (for example, major investment in CBD retail and factory outlet shopping centres). Smaller centres such as Rathdowne Street and Nicholson Street have also prospered, supported by increased hospitality offerings.

Recreational and commuter cycling has increased exponentially in Melbourne in the last 10 years and Yarra has the highest levels of cycling of all greater Melbourne's local government areas. This has been driven by a number of practical and environmental considerations, and is supported by a sustained improvement in cycling infrastructure in Yarra, including on-road bike lanes, off-road paths and increased bike parking. While driving is still the predominant mode of transport to work for Yarra residents, they use cars much less for trips to work than residents in the rest of Melbourne.

Community interest and involvement in major local and metropolitan issues continued with the significant campaign against the construction of a major new road through the inner city (including parts of Yarra). The East–West tunnel project has since been abandoned.

The numbers of cars on the road and residents in Yarra have continued to rise significantly while the space available to accommodate cars has not. If off-street car parking is provided at new developments at the levels it has recently, then there will be some 18,000 additional off-street parking spaces at new development in Yarra by 2031. Streets in Yarra have multiple roles and are therefore very complex environments. It will be important to reassess how street space is used and managed so that day-to-day decision making works towards a successful transport system.

## **Yarra's future**

As with many cities, Melbourne is projected to grow over the next several decades, potentially reaching 7.7 million people by 2051 from its current 4.3 million<sup>7</sup>. Yarra's unique lifestyle, quality amenity, and multi-modal transport connectivity mean it will continue to be a popular place for people to live, work and play. Current projections suggest there could be 115,000 residents<sup>8</sup> and 140,000 jobs<sup>9</sup> in the municipality by 2031.

As the population of Yarra continues to grow and its demographics evolve, housing needs are changing. The population is getting younger and households smaller, and households have different requirements for space. Apartment living, in vibrant inner city neighbourhoods like those that make up the City of Yarra, is highly sought after and development in Yarra is at its highest levels in some years.

Greater Melbourne's professional services and health sectors are projected to continue growing. There are opportunities for Yarra to capitalise upon its existing health infrastructure, as well as increasing investment in new health facilities. Yarra's strength in the knowledge-intensive creative and professional services sectors is also a key opportunity. Creating environments for these types of businesses to grow is a priority, particularly given the competition for space between commercial and residential development in Yarra's older industrial areas.

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<sup>7</sup> Victoria in Future 2014

<sup>8</sup> Victoria in Future 2014

<sup>9</sup> SGS Economics and Planning estimates for the City of Yarra

The form of development in recent years (increased number of higher density apartment buildings) reflects another change to the physical form of Yarra. With the growth in population and jobs, and changing household and business types, new development and reuse of the built environment will continue and the form of development in Yarra will continue to change as the needs of residents and businesses of Yarra evolve.

Yarra's much valued built heritage is demonstrated by the many residential and activity centre areas that have some form of heritage protection. Managing change in this sensitive environment is a key challenge and opportunity for the future.

Transport trends indicate that traffic volumes are generally rising significantly on inner city freeways. However, traffic volumes are falling slightly on inner city roads as they become more congested and as measures are implemented to increase the opportunities to travel by more space-efficient modes like public transport, walking and cycling. As Yarra grows, more people will use public transport, walking and cycling for transport more often. However, with population and business growth, there may also be significantly more cars in Yarra by 2031, so parking will continue to be a challenge. Ensuring that transport choices are available and that all parts of our community can access everything Yarra has to offer is a key challenge for planning for the future of transport.

## **The People's Panel**

Yarra has evolved, adapted and changed a great deal over time — in building form, in industry and employment sectors, in population and diversity, in the ways we move about. Many and varied factors will continue to influence the development of Yarra, and Yarra will continue to respond to them, changing as a result.

The People's Panel will meet to discuss the influences on our future, the choices that need to be made, and the implications of these choices. This document, along with the accompanying topic-specific background papers, will inform these discussions by providing an overview of the key issues, trends, and drivers.

Ultimately, the conversations will contribute to the rewriting of the Yarra Planning Scheme.





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