

MAV & CHIA Vic celebrate affordable housing win for all Victorians

18 December 2025

The peak bodies for community housing and local government in Victoria are celebrating a groundbreaking reform that legislates mandatory affordable housing requirements into Victoria's planning laws for the first time.

The Municipal Association of Victoria (MAV) and Community Housing Industry Association Victoria (CHIA Vic) welcome the significant changes made to the *Planning Amendment (Better Decisions Made Faster) Bill 2025* in Victoria's upper house last week, which will help deliver more affordable homes for Victorians.

The new Affordable Housing head of power is complemented by a new objective of the Planning and Environment Act to facilitate the provision of affordable and social housing.

Together, the historic reforms will empower local councils and the Planning Minister of the day to require affordable housing contributions in new housing developments and precincts. As the state continues to grapple with a housing affordability crisis, this will mean more social and affordable homes can be built in the areas that desperately need them, providing renters with more choice and security.

These reforms are the culmination of joint advocacy between the community housing sector and local government over many years. They will help councils and not-for-profit community housing providers deliver new social and affordable homes for key workers, those on the social housing waiting list and the more than 146,000 Victorians without safe and suitable housing.

Although Victoria still has the lowest proportion of social housing in Australia at 3.1 per cent, we now have a clearer pathway to mandate affordable and social housing into new developments in local communities.

The amended Bill is expected to pass the lower house in February 2026 and the affordable housing reforms will then be enshrined in our state's planning laws.

Quotes from MAV President Jennifer Anderson

“These are historic reforms that will help all levels of government to deliver much needed affordable and social housing right across Victoria.”

“Local Government has been calling for just this reform for decades – and we thank the Victorian Parliament for listening to us.”

Quotes from CHIA Vic CEO, Sarah Toohey

“These reforms are a game-changer for the tens of thousands of Victorians who need an affordable place to live, providing councils and government with the power to require social and affordable homes in new developments.”

“These reforms will deliver more inclusive communities, making sure that as our city grows, the number of social and affordable homes grows with it.”

“With so many large-scale developments taking shape in Melbourne, we hope to see a significant increase in the number of social and affordable homes being built in well-serviced areas where people want to live.”

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