



Our Cities

The challenge of change

2010 | Background and research paper



Australian Government

Contents

Chapter 1 Introduction.....	1
1.1 Towards a national urban policy	1
1.2 Purpose of this background paper	1
1.3 Structure of the document.....	1
Chapter 2 Our cities in transition	3
2.1 Historical dominance of cities in Australia	3
2.2 Transport infrastructure shaping our cities.....	6
2.3 The evolution of national urban policy.....	10
2.4 Changing demands on government.....	12
2.5 Settlement patterns of Australian cities	12
2.6 Australian cities: 2010 and beyond.....	22
Chapter 3 Contemporary urban Australia	27
3.1 Australia's metropolitan regions.....	27
3.2 Managing future population growth and change	29
3.3 Changing patterns of urban development.....	34
Chapter 4 Productive cities.....	39
4.1 Cities as centres of economic activity	40
4.3 Performance of Australia's cities.....	43
4.4 Cities and productivity	44
4.5 Competitive cities in a globalised economy.....	45
4.6 Connectivity.....	46
4.7 Communications.....	51
4.8 The National Broadband Network	52
4.9 Innovative cities	54
4.10 Cities of knowledge	55
4.11 Social capital and cohesion.....	57
Chapter 5 Sustainable cities	59
5.1 Water	59
5.2 Energy.....	63
5.3 Waste	66
5.4 Climate change	66
5.5 Land consumption and conversion	73

Chapter 6 Liveable cities	75
6.1 Housing our growing and changing population	75
6.2 Accessibility—connecting people and places	81
6.3 Amenity—creating people-friendly places	95
6.4 Health, safety and community wellbeing	99
6.5 Social inclusion	104
Chapter 7 Well-managed cities	109
7.1 International and national approaches to managing cities	110
7.2 Governments working in partnership.....	111
7.3 Rigour in State and Territory annual budget cycles	112
Appendix A Population growth regional cities	115

List of Figures

Figure 1	Percentage of population in major cities 1911–2009.....	4
Figure 2	Share of Australia’s population in capital cities, 1911–2009	5
Figure 3	Share of Australia’s population in regional cities, 1911–2009	5
Figure 4	Sydney urban area and rail network, 1915–1945	8
Figure 5	Sydney urban area and rail network to 2005	9
Figure 6	Population distribution in Australia, 2009	22
Figure 7	Australia’s population distribution.....	23
Figure 8	Transport infrastructure connecting regional cities and centres in Australia	25
Figure 9	Australia’s metropolitan regions and regional centres (with populations greater than 30 000 people)	28
Figure 10	Population projections for capital cities, 2006–56	29
Figure 11	Regional growth centres: red dots indicate declining populations, green and aqua dots indicate high rates of population growth	31
Figure 12	Average annual population growth rates in Australian major and regional cities (2004–09)	32
Figure 13	Population projections by age group in Australia.....	33
Figure 14	Average annual rate of population growth, Melbourne (1981–2006).....	34
Figure 15	Urban growth by location, Sydney, Melbourne and Perth (2001–06)	35
Figure 16	Proportion of population and employment located at various distances from Melbourne’s city centre (2006).....	36
Figure 17	Australia’s multifactor productivity index, 1989 to 2009.....	42
Figure 18	Air passengers in capital cities	47
Figure 19	Average unit costs of congestion for Australian metropolitan areas	50
Figure 20	Rainfall deficiencies—April 2002 to March 2010	60
Figure 21	Western Australia inflows to dams 1911–2010.....	61
Figure 22	Changes in personal water use in the 12 months to 2007–08.....	62
Figure 23	Levelised costs of alternative water sources by selected cities.....	63
Figure 24	Transport energy trip efficiency—Melbourne (2006)	65
Figure 25	Change in Australia’s CO2-e emissions 1990–2008	67
Figure 26	Annual and decadal mean temperature anomalies for Australia (compared with 1961–90 average)	68

Figure 27	Estimated increases in the frequency of extreme sea level events under a sea level rise of 0.5m by 2100	69
Figure 28	Mean temperatures for 2009 compared against historical temperature records	71
Figure 29	Costs of natural disasters in Australia 1994–2008.....	72
Figure 30	Number of persons per household and bedrooms per dwelling in five states (1994– 2008).....	76
Figure 31	Total car passenger km for capital cities by financial year (1991–2008)	82
Figure 32	Estimated car passenger km per capita by financial year (1990–2008).....	83
Figure 33	Responses to Victorian transport choice survey.....	84
Figure 34	Percentage of employed residents in Perth not living within 30 minutes of their job	86
Figure 35	Comparison of distance travelled to work in Sydney, Melbourne and Perth	87
Figure 36	Average commuting distance to place of work in Sydney, showing that average commuting distances (darker blue) tend to rise with distance from central business district	88
Figure 37	Average distance to work or full-time study, selected capital cities.....	90
Figure 38	Change in modal share for journey to work (2001–06).....	92
Figure 39	Road deaths by road user group (1995–2009).....	103
Figure 40	State and local government plans inform state budgets.....	113

Abbreviations

<i>ABS</i>	<i>Australian Bureau of Statistics</i>
<i>Air NEPM</i>	<i>National Environment Protection Measure for Ambient Air Quality</i>
<i>BITRE</i>	<i>Bureau of Infrastructure, Transport and Regional Economics</i>
<i>BTRE</i>	<i>Bureau of Transport and Regional Economics</i>
<i>CBD</i>	<i>central business district</i>
<i>COAG</i>	<i>Council of Australian Governments</i>
<i>CO₂-e</i>	<i>carbon dioxide equivalent</i>
<i>DCCEE</i>	<i>Department of Climate Change and Energy Efficiency</i>
<i>DHS</i>	<i>Department of Human Services</i>
<i>EU</i>	<i>European Union</i>
<i>GL</i>	<i>gigalitres</i>
<i>GDP</i>	<i>gross domestic product</i>
<i>MFP</i>	<i>multifactor productivity</i>
<i>NBN</i>	<i>National Broadband Network</i>
<i>NHSC</i>	<i>National Housing Supply Council</i>
<i>OECD</i>	<i>Organisation for Economic Co-operation and Development</i>
<i>SD</i>	<i>statistical division</i>
<i>SLA</i>	<i>statistical local area</i>
<i>UCL</i>	<i>urban centres and localities</i>
<i>UN HABITAT</i>	<i>United Nations Agency for Human Settlements</i>

Chapter 1

Introduction

The Australian Government is committed to improving the productivity, sustainability and liveability of our cities. This long-term policy endeavour is vast, complex and should not be underestimated.

Urban policy is grounded in a geographic consideration of place and the people that interact with that place. It considers how policy settings and investment decisions of governments, businesses and individuals impact on, or are affected by, places. Urban policy is about understanding and trying to guide the complex systems that make up our cities. The aim of urban policy is to effectively manage change in a way which supports sustainable development: to meet the needs of the current generation without compromising the ability of future generations to have their needs met (Brundtland 1988).

1.1 Towards a national urban policy

The *State of Australian Cities 2010* report presented a snapshot of the many contemporary challenges facing our major cities across the three dimensions of productivity, sustainability and liveability, as an important first stage towards developing a national approach to urban policy.

The report defined 'major cities' as those with a population greater than 100 000 at the 2006 Census. Recent estimated resident population data from Australian Bureau of Statistics (ABS 2010) show that Albury-Wodonga has now exceeded 100 000 population and is therefore included as a major city in this background paper.

This background paper considers the issues raised in the *State of Australian Cities 2010* report and accompanies the National Urban Policy discussion paper *Our Cities: Building a productive, sustainable and liveable future*, which presents the options the Australian Government is considering in preparing a national approach to improve the wellbeing and prosperity of communities within our cities.

1.2 Purpose of this background paper

The purpose of the background paper is to describe in more detail the various aspects of productivity, sustainability and liveability as they relate to how our cities are developing. It aims to support a deeper understanding of the interrelationships between these three dimensions and to outline some of the implications of the challenges that informed the approach presented in the discussion paper.

1.3 Structure of the document

The following chapter presents the historical context for the development of Australian cities and Australian Government involvement in urban policy. Chapter 3 describes the contemporary settlement patterns which signal a change in the nature of urban development patterns in Australia.

Chapters 4, 5 and 6 set out in more detail the factors that contribute to the dimensions of productivity, sustainability and liveability respectively, including some examples of policy interventions that have been applied in Australia and overseas to address common urban challenges within these dimensions. These are by no means definitive as there are many good examples of effective urban management to be considered. Finally, Chapter 7 considers the governance frameworks that support urban management in Australia across the three levels of government—Federal, State/Territory and Local.

Together with the discussion paper, this document aims to inform discussion and debate about the best ways that the Australian Government, in partnership with States, Territories, Local government, industry and communities, can support the sustainable development of our cities.