



Our Cities

*– building a productive, sustainable
and liveable future*

2010 | Discussion Paper



Australian Government



Foreword



The Gillard Labor Government is undertaking an ambitious reform program to equip the Australian economy for the long term challenges our nation faces. We are investing in long-term nation building infrastructure, investing in our schools and training, improving how our health system serves our community, and building the high-speed universal broadband infrastructure our economy needs.

Helping to shape the growth of our cities is part of that reform agenda. And to do this in the right way, we are engaging with the community on the way our cities function and how we can improve them – for us and for future Australians.

The Australian Government is seeking your views to set out the best ways to improve the productivity, sustainability and liveability of our cities.

Australia is one of the most urbanised countries in the world. While 2009 marked the year that more people across the world lived in cities than not, Australia had reached this point more than half a century ago. Australia needs a long-term national agenda for how our cities should look and work, to tackle the big challenges ahead.

The Australian Government's *State of Australian Cities 2010* report, which I launched in March this year, provided a snapshot of Australia's cities, highlighting the significant changes they are undergoing and the challenges that lie ahead.

Three-quarters of Australians live in our 18 major cities with over 100,000 people, generating around 80% of our GDP and employing 75% of our national workforce. While Australians live in some of the most liveable cities in the world we face long term challenges to improve our productivity growth, meet the needs of a growing but ageing population and address the implications of climate change. The way our cities develop to accommodate growth and adapt to change will be critical to maintaining their status as some of the best cities in the world.

This means that we need to focus on better design and management of urban systems to reduce the economic and environmental costs of current urban models. This includes providing real alternatives in transport to reduce our dependence on private motor vehicles. Greater diversity of lifestyle choices, improved accessibility and affordability, and less carbon dependent ways of living need to be considered and adopted.

High on the Australian Government's agenda is the need to provide jobs; better integrate land use and infrastructure planning; invest in modern public transport; protect transport, energy and communications corridors and provide buffers to significant strategic infrastructure such as ports and airports; balance greenfields and infill development, while ensuring an adequate supply of affordable housing; reduce our resource consumption but at the same time prepare for the unavoidable impacts of climate change; and secure future water, energy and food supplies. Better planned cities and better services will make a real difference to improving social equity in our communities.

With these priorities, the Australian Government has sought to understand what is happening in our cities, what challenges they confront and how, in partnership with all other stakeholders, we can endeavour to make our cities more productive, sustainable and liveable.

The Australian Government recognises the legitimate roles of States, Territories, Local authorities and the private sector in planning, managing and investing in cities. We will not take over these responsibilities. However, through national leadership and guidance in meeting the challenges, effective Commonwealth intervention can help secure the future prosperity and wellbeing of all Australians.

The development of a *National Urban Policy* and this discussion paper is an important step towards more productive, sustainable and liveable cities.

This is about our future. I invite you to contribute to this national discussion on our cities.

A handwritten signature in blue ink, appearing to read 'A Albanese', is positioned above the printed name and title. The signature is fluid and cursive, with a large initial 'A'.

ANTHONY ALBANESE
Minister for Infrastructure and Transport

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Hobart, TAS



Chapter 1

Introduction





Chapter 1

Introduction

Australia's cities have grown and evolved over the last two centuries. From their historical beginnings in the nineteenth century, Australian cities have been hubs of the country's economy and society, underpinning agricultural, manufacturing and resource industries through their roles as gateways to local and export markets. Our cities have been shaped by the transport networks and infrastructure that link cities across the country; connect people to jobs, goods and services; and provide the means to deliver freight to and from air and sea ports, to domestic and international markets. Our major cities, those with populations greater than 100 000, are now home to more than three-quarters of Australia's residents (ABS 2010).

While our cities continue to face considerable challenges in their development, they have been consistently ranked among the most liveable in the world.

In the coming decades our cities face a more complex array of interrelated challenges that will require a change in our approach to urban development and to our urban way of life. The challenges for Australia's cities and communities will include not only generating economic growth and planning for more people, but preparing for and responding to climate change, competing in a global economy with new types of industries and jobs, and maintaining the health and wellbeing of the population.

The purpose of this discussion paper is to frame and seek comment on the Australian Government's policy approach to cities as the basis for a *National Urban Policy* to be released in 2011. It will establish national directions and objectives for our cities as we prepare for the decades ahead.

The discussion paper outlines the Australian Government's aspirations under the themes of productivity, sustainability and liveability, and proposes possible directions for our cities. It aims to stimulate a national discussion on the outcomes we need for our cities.

Why we need a *National Urban Policy*

There are two principal reasons for a *National Urban Policy*:

Firstly, cities are integral to our economy, and are where the majority of Australians live. The decisions that government, business and individuals make have significant effects on cities. It is imperative that we know what effects our decisions are likely to have on our cities, and to set clear directions and interventions.

Secondly, urgent challenges need to be addressed if we are to secure the long term productivity, sustainability and liveability of our nation. While these challenges are apparent both in cities and regional areas, there are particular issues, as well as opportunities, that are unique to cities.

The complexity and scale of these challenges means it is important that a national approach to cities be clearly articulated and understood.

To secure the ongoing prosperity and wellbeing of our communities, we must ensure that our cities meet the needs of current and future generations, and that economic growth can be sustained without compromising the natural environment or diminishing quality of life.

Our Cities – building a productive, sustainable and liveable future sets out the Australian Government's thinking on a national approach to urban development and the challenges we must address for our cities to become more productive, sustainable and liveable.

A national approach to cities is not just about our capital cities. Challenges are also present in large regional centres. For this reason, the *National Urban Policy* will relate to the 18 Australian major cities with populations greater than 100 000¹. Cities of this size typically face a similar set of challenges associated with supporting a large urban population as well as being a service hub for a broader region.

The *National Urban Policy* will complement work the Government is currently undertaking in developing a *Sustainable Population Strategy* scheduled for release in 2011. The *Sustainable Population Strategy* will consider how population size, distribution, composition and growth rate affect the sustainability of Australia's economy, environment and society. The *National Urban Policy* will also have strong links to the Government's regional policy agenda currently being developed.

The discussion paper seeks your views on the issues and opportunities for our cities to guide the Government's policy into one that can facilitate more productive, sustainable and liveable cities. Following consideration of your comments, the next step will be to set out the policy and program actions that the Australian Government will take to achieve these aspirations in partnership with State, Territory and Local Governments, industry and the community.

The importance of cities

The development and management of our cities affects national prosperity and the wellbeing of all Australians—no matter where they live.

All State and Territory Governments, as well as the Australian Government, recognise the importance of cities. This was demonstrated by the Council of Australian Governments (COAG) agreement of December 2009 on a national objective and set of reforms

'to ensure Australian cities are globally competitive, productive, sustainable, liveable and socially inclusive and are well placed to meet future challenges and growth'.

As part of the COAG cities reforms, States and Territories have agreed to have in place by January 2012, capital city planning systems that are consistent with agreed criteria (see Appendix A).

The Australian Government's commitment to the COAG cities reforms will involve coordination of Australian Government activities in cities, and linking its investments to capital city strategic plans. The development of a *National Urban Policy* is an important component of meeting these commitments.

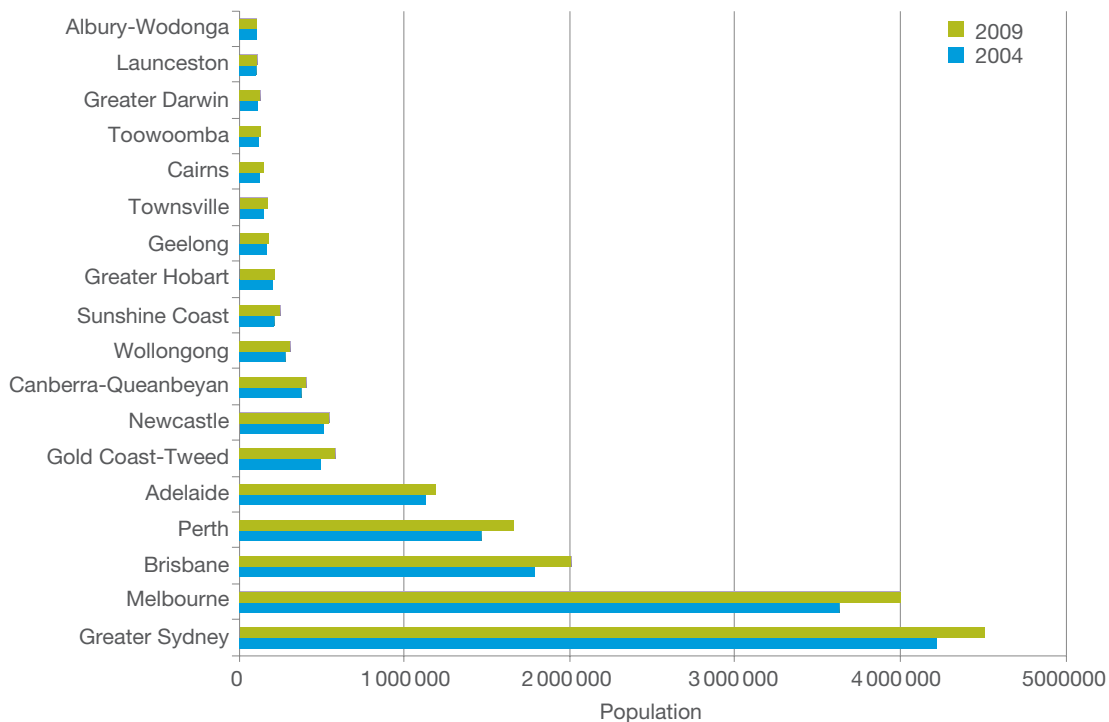
Whilst the COAG strategic planning reforms are focused on the eight capital cities, our other cities are also important. Our diverse regional cities include established inland cities, such as Toowoomba and Albury-Wodonga, which support rural industries and communities. Other major cities are coastal, such as the rapidly growing Queensland cities of the Gold Coast, Sunshine Coast and Cairns, all of which have increased in size by people from other parts of the country seeking lifestyle changes and economic opportunities.

¹ The *State of Australian Cities* defined 'major cities' as those with a population of over 100 000 at the 2006 Census. Recent estimated resident population figures from Australian Bureau of Statistics (ABS 2010) show that Albury-Wodonga has now exceeded 100 000 population and is therefore included as major city in this discussion paper.

Other rapidly growing cities, such as Townsville and Darwin, support Australia’s mineral export industries. These cities are significant contributors to the economy. The long established regional cities of Newcastle, Wollongong and Geelong, located close to Sydney and Melbourne and built largely around an industrial base, have suffered during periods of economic restructuring but are emerging stronger by broadening their economies.

Figure 1 shows the population of the 18 largest Australian cities in 2009 compared to 2004. Figure 2 provides a map of Australia’s 18 major cities (ABS 2010).

Figure 1 Population of Australia’s 18 major cities (2004–2009)



Source: *Regional Population Growth* (ABS 3218.0)

Outside of the major cities are smaller urban centres, such as Mandurah in Western Australia and Mackay and Gladstone in Queensland, which do not yet have populations greater than 100 000 but which are experiencing such rapid growth that they face many similar challenges to the larger cities. In these areas and more sparsely settled regions, the Australian Government has

made a commitment to improving outcomes for regional Australians. This includes ensuring that regional Australia has its needs and special circumstances considered diligently, is able to benefit from economic development and has fair access to services.

The challenge of change

Our cities reflect their geography and resources; technology and innovation; and their social and political past. As our cities have developed, they have continued to be shaped by the lasting legacy of planning, infrastructure, transport networks and significant buildings constructed decades earlier.

Demographic trends will combine with other long-term forces, such as climate change, to have a profound effect on Australia in coming decades, with implications for our economy, environment and society.

In March 2010, the Australian Government released the *State of Australian Cities 2010* report which, for the first time, presented a national snapshot of the country's major cities. The report highlighted many of the significant changes our cities have experienced over recent decades, and the challenges they will face in the future.

The report showed that while our cities are recognised as successful economic entities and are among the most liveable in the world, the development patterns of the past may not provide sustainable solutions for present and future challenges. The way in which our cities develop to accommodate growth and adapt to change will have a substantial influence on how well we meet these challenges as a nation.

In saying this, the report also identified a number of positive trends. These included: increasing density in inner urban areas which corresponded with higher rates of public transport use and alternative transport such as walking and cycling; reduced water consumption; using energy efficiently; uptake in renewable energy by households and business; and increased recycling of waste.

The following is a brief summary of the most significant challenges and drivers of change in our cities. Further detail is provided in the accompanying background paper *Our Cities – the challenge of change*.

Population Ageing

The *2010 Intergenerational Report* released in February 2010, also provides an analysis of the challenges that Australia will face over the next 40 years.

Our ageing population, and the associated decline in workforce participation, is projected to reduce the potential economic growth rate of the Australian economy. Over the past 40 years, real GDP growth has averaged 3.3% a year. For the next 40 years, real GDP growth is expected to slow to 2.7% a year. Population ageing will also create substantial fiscal pressures.

Figure 3 Population projections by age group, Australia

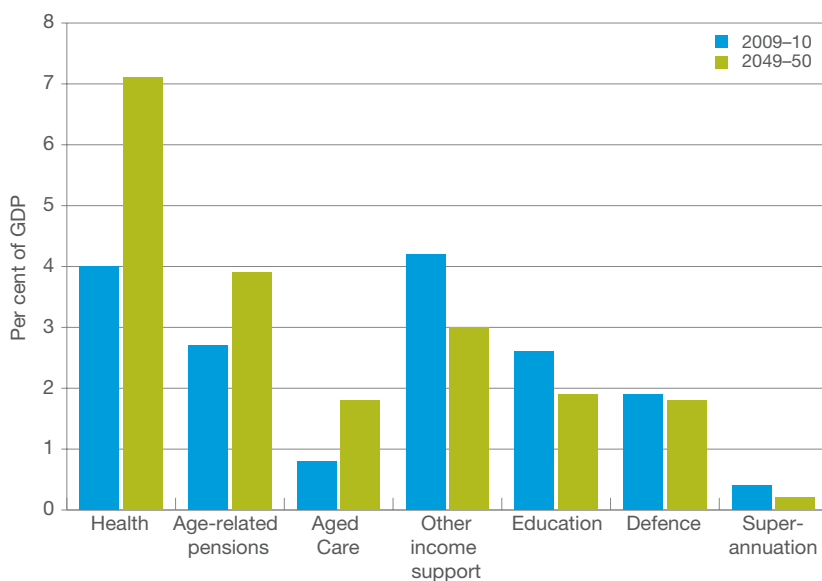


Source: Australian Bureau of Statistics 2008a

The economic impact of ageing will be particularly felt on government spending on health, age-related pensions and aged care services. The proportion of spending directed to

these three areas is expected to rise from 25% of total government budgets in 2010 to around 50% by 2050 (Figure 4), thereby reducing the available budget for spending in other areas.

Figure 4 Australian government spending as a proportion of gross domestic product (GDP)



Source: Treasury Projections

The best way to respond to the economic and fiscal challenges of an ageing population is to support strong, sustainable economic growth through supporting productivity, participation and population.

Productivity growth will be the main driver of economic growth and living standards in the future. Policies that support higher productivity, including investments in nation building infrastructure and skills and education, will raise economic growth, improve living standards and enhance Australia's capacity to fund the fiscal pressures of an ageing population.

Steps to improve participation will also minimise the impacts of an ageing population.

A growing population assists in managing the pressures of an ageing population and provides the skills needed for continued economic growth.

Population growth

The *2010 Intergenerational Report* drew attention to Australia's growing population, projecting that Australia's population will grow from 22 million people today to 36 million by 2050. Whilst the projected population growth is slower than experienced over the last 40 years, a population expansion of this magnitude still presents a number of challenges and opportunities for the provision of social and economic infrastructure, the urban environment, transport and housing.

Through careful planning, sound investment decisions in infrastructure and using existing infrastructure more efficiently, population growth can be managed sustainably and can potentially deliver improvements in productivity.

Population growth pressures will increase demand for social and economic infrastructure. The National Housing Supply Council (NHSC 2010) in its *State of Supply 2010* report has estimated that this rate of growth will create a need for 3.2 million additional homes by 2029 and predicts that there will be a shortfall in housing supply of 640 600 dwellings over this period if the market fails to respond to increasing demand.

Population growth pressures have a direct impact on the transport networks in cities. Vehicle congestion reduces urban liveability and is detrimental to the environment. Congestion also reduces national productivity as businesses cannot efficiently move their supplies, products and services. Congested road systems result in private vehicles competing with other road users such as heavy vehicles carrying freight from ports and airports, buses providing public transport, and small commercial vehicles carrying goods within urban locations.

The Bureau of Infrastructure, Transport and Regional Economics (BITRE 2007) estimates that the avoidable cost of road congestion is currently in excess of \$10 billion per annum, and that this cost will continue to rise over the coming decade, reaching around \$20 billion nationally by 2020 if we continue 'business as usual'.

In Australia most new housing development occurs on the outer edges of cities, but often lack good social infrastructure and the necessary public transport infrastructure that provides households with genuine alternatives to the car. That has driven higher reliance on private car travel and, in turn, creates new vulnerabilities to oil price shocks and the risk that households in these newer parts of our cities will become socially isolated and less able to access jobs, essential services and other opportunities.

In the past, demand for transport has been addressed by building new roads or creating new lanes on existing networks. That option, particularly in isolation, is becoming less affordable and sustainable. The real cost of building roads has increased by around 65 per cent over the last 15 years. There is also less suitable land for new roads in our cities, and evidence increasingly suggests that new roads are not in themselves a solution to congestion.

Whilst the Australian Government has supported cities with record investments in public transport to address these concerns, further reforms and investments are required into the future.

The transport challenges facing our cities are considerable and the solutions are complex and long-term, requiring more sophisticated approaches than just building more roads. People and businesses need genuine alternatives to reduce their reliance and dependence on motor vehicles. There are a number of means available, including better land use planning, adequate freight and public transport and encouraging more people to walk and cycle, as well as travel demand management such as user pays charging.

Climate change and the environment

Rapidly growing urban populations place pressure on the environment through the demand for resources such as water, energy and land, and through the production of waste. Our environment, housing and infrastructure will increasingly be affected by the adverse impacts of climate change, such as higher average temperatures, changed rainfall patterns, increased storm events and rising sea levels.

As well as the need to adapt, cities are the source of a large proportion of greenhouse gas emissions and have both responsibility and opportunity to contribute positively to reducing emissions.

The impact of our cities on the natural environment, the use and depletion of resources, and the risk implications of climate change, are significant motivators for changing how we manage and live in our cities. The built environment has the potential to deliver cost-effective approaches to climate change mitigation and adaptation. To realise this potential our urban areas need to be planned and built to reduce consumption of land and natural resources as well as reduce their greenhouse gas emissions by moving to renewable energy sources and reducing use of carbon-based fuels.

Addressing the challenges

Due to their complexity, addressing the challenges faced by cities is frequently beyond traditional government policy and planning approaches. A more integrated and systematic

approach is required. There are already many State, Territory and Local Government initiatives underway to address these challenges through innovation, investment, intergovernmental cooperation, and flexible governance arrangements. Industry is also leading many approaches to tackle these challenges.

Notwithstanding the efforts of State, Territory and Local Governments in recent years, many of these challenges have become recognised as nationally significant issues. The COAG has been progressing reforms in the following areas:

- capital city planning reforms to ensure capital cities are well placed to manage population and economic growth, address climate change, improve housing affordability and alleviate urban congestion (See Appendix A)
- development of a housing supply and affordability agenda to ensure housing supply can keep pace with growth in demand, and that adequate housing is available to all Australians
- micro-economic reforms to reduce costs to businesses and consumers, and contribute to productivity growth and improved living standards
- steps towards a truly national freight transport system with an agreed national regulatory framework that will reduce transport costs and help lift productivity and safety
- vocational educational and training reforms to increase economic opportunities for all, and contribute to productivity.

COAG has also considered a number of other policy reforms in the areas of water, health and hospitals, and climate change. These all contribute significantly to addressing the challenges facing cities, however, more still needs to be done.

The *National Urban Policy* will help focus the efforts of all levels of government and across sectors to make our cities more productive, sustainable and liveable, taking into account the work they are already doing, and the respective roles they play.

Roles and responsibilities within cities

Role of The Australian Government

The Australian Constitution retains the principal responsibility for managing the planning and governance of cities with the State and Territory Governments. Nevertheless, since Federation, Australian Governments have had a substantial role in cities through direct investment in housing and infrastructure, property ownership, regulatory functions and service provision. Over the years, this has meant the Australian Government has had influence in many facets of city life, which has helped to shape our cities into what they are today.

The Australian Government has a limited but important set of tools and levers that can influence outcomes in cities. It makes some direct investments associated with its operations, such as in its purchasing policies and defence operations; invests in transport networks of national importance that are operated and maintained by other levels of government and industry; and is a substantial funder of social infrastructure such as hospitals, schools and universities. It also has legislative and regulatory powers such as taxation and corporate governance.

Where regulatory responsibility has clearly resided with other levels of government, the Australian Government has used incentive payments to encourage regulatory reform. Competition payments to States and Territories were a prominent example of this.

As with other levels of government and the business community, and indeed at a household level, how the Australian Government plans and coordinates its activities can influence how effective it can be in delivering the outcomes it aspires to achieve.

There has been wide support and calls for the Australian Government to further increase its involvement and leadership in cities. Appendix B provides a summary of perspectives from

industry and other governments, as well as the aspirations of communities for their cities.

Appendix C outlines a number of initiatives currently underway by the Australian Government that contribute to our cities.

States, Territories, Local Governments, industry and the community

States, Territories, Local authorities, and the communities from which they are elected, are key players in shaping and managing our cities. These levels of government provide most of the facilities and services that maintain community wellbeing such as health, education, law and order. States, Territories and Local Government enable our cities to operate and compete globally through investments in infrastructure such as roads and railways, and direct investment in, or regulation of, other utilities like power and water. Together, these levels of government have prime responsibility to plan for urban growth and change and have responsibility for statutory land use planning and the determination of applications for development.

In nearly all major Australian cities—Canberra being the notable exception—municipal functions and governance arrangements are shared between the State or Territory Government and Local Governments. To ensure infrastructure and services best meet the needs of communities, it is important these are delivered by the closest level of government to the people equipped for the task. This is the principle of subsidiarity. The Australian Government considers that its role complements the role played by other levels of government in acting as the main infrastructure and service delivery arms.

The private sector, through a myriad of individual decisions and investments, guided and constrained by government investments, regulation or charges, is a powerful shaper of cities. Construction of regional shopping centres and residential developments, the proliferation of small businesses, and increasing freight traffic are prominent signs of private sector operations in cities. Indeed, the business community has been involved in some way or another in building the entire fabric of cities—from firing the bricks in the homes we live in, producing the vehicles we drive or ride in, driving technological advancements that are continually improving our telecommunications, and operating the markets for goods and services within and beyond our shores.

Australia's private sector has also been progressively increasing its involvement in providing critical city infrastructure which was previously concentrated within governments.

Investment areas include power and gas, telecommunications and transport infrastructure.

Individuals and households, as consumers of goods and services, and as employees and voters, interact with governments and businesses in influencing how our cities are planned and operate.

Principles to guide urban policy development

The *National Urban Policy* will aim to facilitate a whole-of-government approach to working with State, Territory and Local Governments, and the communities and businesses they represent and support – toward the agreed COAG objective for our major cities, which is to make them more productive, sustainable and liveable.

Some guiding principles for planning, decision-making and investment in our cities include:

ADAPTABILITY	Our cities need to be adaptable to changes in technology, environment, economy, population and demographics
RESILIENCE	Our cities need to be resilient to events such as natural disasters, the effects of climate change and global socio-economic processes
EQUITY	Our cities should support the equitable distribution of access to opportunities such as education, jobs and housing
INNOVATION	The planning, design, construction and management of our cities requires creative ideas and solutions to meet the current and future challenges
INTEGRATION	Policies and programs need to be integrated across the different levels of government; and within government, across portfolios that influence or are impacted by cities. Industry and community activities also require integration
EFFICIENCY	Our cities and the social and economic infrastructure and services that support them should be planned and managed to maximise their efficient use
VALUE FOR MONEY	Investments in our cities should be cost-effective to return maximum benefits to communities and investors
SUBSIDIARITY	For the quality of governance to be the best, and cost the least, planning and services should be delivered by the most local level of government that has sufficient scale and capability to reasonably deliver them

Aspirations for our cities

The three main aspirations the Australian Government has for cities are that they increasingly become more productive, sustainable and liveable.

With careful long-term planning and investment, our cities can contribute to growing national productivity, to reducing energy consumption and waste, and to achieving better health and wellbeing for our communities.

Productivity

Productivity growth will be the key driver of economic growth and prosperity over the long-term. Productivity growth contributes to the growth in per capita income. Such income growth and its distribution help families to provide for themselves, industries to grow, and governments to fund infrastructure and social services to support our communities.

Many factors contribute to productivity: the skills of the workforce; technology and innovation; and how efficiently capital and labour are allocated to their most productive use. These factors in turn depend on a range of policy settings such as the

openness of economy; competitive and efficient product markets and flexible labour markets.

Cities are centres of economic activity, where the workforce, industry and the institutions that support their activity are concentrated. How efficiently our cities connect people, industries, other business and markets—and how effectively their economic and human capital is utilised—can affect the productivity performance of our industries and their ability to contribute to national productivity growth.

In addition, unless we make our urban environments more resilient to future climate and reduce our reliance on high carbon emitting technologies, productivity will suffer. Climate change impacts on infrastructure alone could reduce GNP by 1.2% by 2050 and 2.4% by 2100. (Garnaut, 2008)

The Australian Government's aspirations for our cities are to realise their productive capacity by:

- improving labour and capital productivity by facilitating economic activity, as well as regulatory and competition reform, including reforming infrastructure assessment and pricing
- providing a robust economic setting in which industry can invest with high degrees of certainty
- supporting long-term and strategic planning in conjunction with the States, Territories and Local Government, the private sector and communities
- investing in quality, efficient infrastructure, including transport, communications and smart infrastructure
- fostering innovation and high-value employment
- working with the States and Territories to provide high quality education, skills, incentives to work and economic opportunity
- managing the level and skill composition of migration to ensure this is highly targeted to labour demand needs.

Sustainability

Sustainable development encompasses managing our consumption of resources and production of wastes to better preserve our ecosystems and reduce our impact on the environment. Our rapidly growing urban

population places pressure on the environment through demand for water, energy, land and other resources, and through the production of wastes including greenhouse gas emissions. Sustainable cities aim to reduce these environmental pressures and become more resilient to the projected impacts of a changing climate.

The Australian Government's aspirations for our cities are for them to make a significant contribution to improved environmental sustainability by:

- encouraging planning and development of more energy efficient, low carbon urban forms and transport systems
- working with stakeholders to introduce a price on carbon as one way to reduce greenhouse gas emissions
- encouraging innovation and investment in renewable energy
- leading regulatory reforms to encourage more efficient use of resources, including energy and water

- working with stakeholders to establish appropriate sustainability standards for buildings and infrastructure
- providing national data and best practice examples of reducing resource consumption and managing risks such as climate change and security of water, energy and food
- leading national reforms to ensure Australia is well placed to deal with climate change risks
- investing in technology and infrastructure which delivers services and goods to communities and businesses more sustainably
- using 'smart infrastructure' to improve sustainability

Liveability

Liveable cities offer a high quality of life, and support the health and wellbeing of people who live and work in them. Liveable cities are socially inclusive, affordable, accessible, healthy, safe and

resilient to the impacts of climate change. They have attractive built and natural environments. Liveable cities provide choice and opportunity for people to live their lives, and raise their families, to their fullest potential.

The Australian Government's aspirations are that our cities will become more liveable by:

- linking Australian Government and State and Territory investments to planning systems that ensure cities are being planned, designed and managed as attractive and equitable places to live, visit and do business
- pursuing regulatory reforms that will help deliver an adequate supply and a diverse range of secure, appropriate and affordable housing
- ensuring equitable access to a full range of employment and educational opportunities,

services, facilities, as well as natural and recreational space

- improving public health outcomes through health care infrastructure and services, and also by fostering urban planning and design of the built form that encourages active lifestyles and social interaction, improves air quality, and reduces risks to personal safety and injury
- improving transport options and reducing our dependence on private motor vehicles in urban areas
- improving social inclusion and redressing spatially concentrated social disadvantage.

Strengthening our governance frameworks

Well governed cities follow the principle of integration, ensuring that all levels of government are aligned toward similar goals aimed at harnessing productivity, advancing sustainability and enhancing liveability. Well-governed cities follow the principle of subsidiarity, ensuring that the most local level of government is used where appropriate and that consideration is given to the

needs of stakeholders and communities. Well-governed cities have streamlined administrative processes and are well planned and managed, so that communities, businesses and other stakeholders have certainty and confidence that governance systems will deliver infrastructure and services in a cost-effective, timely and efficient manner, and will serve their best interests in the long term.

The Australian Government's aspirations are for our cities to become better planned and managed by:

- improving alignment and integration of planning and investment across all three levels of government to support the nationally agreed COAG objective for Australian cities
- improving metropolitan planning and infrastructure delivery
- minimising costs and time in the planning and development of land, infrastructure, housing, business development and vital services through streamlined administrative processes
- balancing consideration of the views and the needs of stakeholders and communities, and implications for the environment
- ensuring that policies and decisions, where they directly or indirectly affect urban areas, have due consideration for their place-based impacts and associated outcomes for communities
- encouraging best practice, evidence based policy, and innovative planning, management and urban design.

Wodonga, VIC



Toowoomba, QLD



To meet the challenges of productivity, sustainability, liveability and governance, the Australian Government has identified a number of areas of priority for its engagement in cities:

PRODUCTIVITY	Improving labour and capital productivity
	Integrating land use and infrastructure planning
	Protecting corridors, sites and buffers
	Investing in urban passenger transport
	Improving economic infrastructure
	Utilising smart infrastructure
	Enhancing connectivity through the National Broadband Network
	Supporting education, research and innovation
SUSTAINABILITY	Protecting and sustaining our natural environment
	Improving water, energy and food security
	Reducing resource consumption
	Reducing greenhouse gas emissions and improving air quality
	Increasing resilience to the effects of climate change
LIVEABILITY	Balancing infill and greenfield development
	Facilitating the supply of appropriate housing
	Supporting affordable living
	Improving transport options and reducing our dependence on private motor vehicles
	Improving the quality of the public domain
	Improving public health outcomes
GOVERNANCE	Redressing spatially concentrated social disadvantage
	Improving the planning and management of cities
	Streamlining administrative processes

While listed here as separate themes as an aid to presentation in this discussion paper, these themes are inextricably linked. For example, enhancing the environmental sustainability of our cities will generally improve their amenity and liveability. And improved amenity is likely to attract and retain a more productive workforce.

These themes and priorities are described in more detail throughout the next four chapters.