



14 November 2019

Committee Secretary
Select Committee on Regional Australia
PO Box 6021
Parliament House
CANBERRA ACT 2600

Via online portal

Dear Committee Secretary

Planning Institute of Australia submission to Select Committee on Regional Australia

Thank you for the opportunity to provide a submission to the Select Committee on Regional Australia. The Planning Institute of Australia (PIA) welcomes the opportunity to provide a planning focus on issues of regional development, economic growth, urbanisation and infrastructure.

PIA appreciates the complementary nature of this Inquiry with our recent submission to the House of Representatives Inquiry 'Building Up and Moving Out' ([link](#)) on the development of Australian cities.

PIA has limited the scope of our submission to terms of reference (c), (j) and (l) as listed in Attachment A. These terms address the planning and promotion of growing regional centres and the means of achieving more balanced regional development.

PIA offers three recommendations:

1. Ensure national agreement on consistency across regional plans regarding population projections, housing and employment projections, infrastructure parameters and planning horizons.
2. Strengthen state and regional spatial planning frameworks across Australia focused on identifying a polycentric network of regions, major regional centres and linked smaller towns.
3. Build a well-resourced program of research into the environmental, social and cultural drivers of population change and settlement patterns in regional areas to develop an evidence base for future policy.

These recommendations represent a strategic foundation for the development and economic growth of Australia's regions. They would be complementary to more specific recommendations likely to arise across the broad scope of the Inquiry.

PIA believes that without a strategic framework for the pattern of settlement across Australia the country will default towards becoming a nation dominated by three megacities by mid-century. This outcome would minimise the social, cultural, economic and environmental benefits of thriving Australia regions and would have worsening equity implications for regional Australia.

ENSURE NATIONAL CONSISTENCY ACROSS REGIONAL PLANS

There is a paradox at play in Australia's settlement patterns, while most of our capital cities struggle with congestion and population growth, the converse is true in many regional communities, where declining populations and economic growth threaten their long term future.

PIA's 2018 report [Through the lens: The tipping point](#) identified the lack of a national vision on growth and an inconsistent settlement planning framework as fundamental flaws in our nation's capacity to achieve balanced growth. This concern is reflected in a lack of consistency in how regional plans set and accommodate long term population, housing and job growth targets.

Regional planning is the highest level of planning occurring in Australia and sits at the state level. In 2018, there were 57 regional plans across Australia covering all areas except the Northern Territory and Townsville. While these plans often had thematic consistency, there were key discrepancies:

- No consistent purpose and approach – less than 50% of the plans nominated planning targets for future housing needs and only 13 planned for explicit job growth targets.
- Often failed to consider implications of national issues like immigration.
- Different time horizons resulting there were 11 different planning horizons for regional plans in Australia – from 2020 to 2050.

The inconsistencies between states and territories on regional plans are exacerbated by the fact there is no overarching national direction on growth. This results in states and territories, where most infrastructure and service delivery occurs, having regional plans that do not relate to each other and no national vision to coordinate their work. This mismatch creates a 'business as usual' approach to settlement planning. This approach sets a trajectory for urban areas to continue to grow, while regional communities do not see the government intervention or investment required to develop in different and potentially more productive and sustainable ways.

A coordinated approach to regional planning would include consistency on population growth rate assumptions, migration assumptions, infrastructure demand parameters, housing targets and timeframes, jobs targets and timeframes, climate assumptions and sea level rise benchmarks. It is clear from PIA inquiries that much of the information needed to build consistency around the above parameters is not readily available across all jurisdictions.

PIA notes that many of the terms of reference of this Committee relate to “development of regional centres, cities, towns and districts”, “development of capital city size regional centres in strategic locations” and “ways urbanisations can be re-directed to achieve more balanced regional development”. Should these concepts (particularly the development of new regional cities and towns) come to fruition it will require a coordinated national approach to inform regional plans that speak to each other and a vision for Australia.

THRIVING REGIONS REQUIRE A SPATIAL FRAMEWORK

PIA supports the concept of a network of strong regional centres in each state that provide an accessible hierarchy of locations for social, health, economic and educational services and facilities. This vision requires a spatial framework for the growth of states and regions. This set of frameworks could include an overarching strategy which provides a starting point for the development of more detailed regional planning strategies. This overarching strategy could consider where growth is most appropriate and strategies to manage the growth and decline of particular regions.

A useful way forward would be for this Committee to recommend the analysis of alternative spatial scenarios for Australia’s growth as a nation approaching 50 million people towards the end of this century. Analysis of the economic, environmental and social implications of a nation dominated by three megacities compared to a balanced regional centre settlement pattern could reveal the equity and productivity implications of alternative scenarios. It would help identify the types of decisions, investments and interventions that would be necessary to deflect Australia’s growth trajectory in ways that amplify revealed benefits of the scenarios and avoid their costs.

Having a clear national strategic basis for regional growth would offer the possibility for:

- Engagement with communities and enhancement of their capacity to contribute to the strategic planning process.
- Planning for the location of new housing, jobs and social infrastructure in line with desired and plausible growth scenarios.
- Planning for infrastructure needs and funding mechanisms well in advance.
- Consideration of a role for regional growth compacts comparable to City Deals.
- A whole of government approach to regional development with collaboration between health, education, transport, infrastructure and other government agencies to achieve nominated place outcomes.
- Achieving a better balance of urban and rural land uses, including better management of agricultural and residential edge effects.

A clear spatial framework for growth enables community trust, industry confidence in investment and processes for infrastructure provision. The Committee may be interested to look at the example of the Special Activation Precincts currently under development by the NSW Government. The Parkes Special Activation Precinct includes a Master Plan for employment lands and is accompanied by simplified planning processes to encourage investment in the region. Other policies that may be of interest are the Western Sydney City Deal and the Greater Parramatta Olympic Park Place-based Infrastructure Compact (PIC) via the Greater Sydney Commission.

EVIDENCE BASE TO SUPPORT FUTURE POLICY

For the Federal Government to prepare a spatial vision for regional Australia there must be a body of evidence to help understand the environmental, social and cultural drivers of population change and settlement. PIA's review of Regional Plans in *The Tipping Point* highlighted the need for evidence to help States and Territories better manage growth regarding:

- Population growth rate and migration assumptions and how they applied across regional strategies, infrastructure strategy and service delivery plans.
- The basis for infrastructure demand parameters used for planning the use or consumption of utilities such as water, power, data, travel and freight demands and social infrastructure (eg. health, education and other community services).
- How these demand parameters are available (eg. per capita, per job, by SA4 region, by sector) and whether they vary by location (eg. different climatic zones and remote areas).
- The basis for housing and job targets, their timeframes and the manner they are expressed in regional plans.
- Whether agglomeration economies can be replicated to drive economic growth in regional centres, noting that an AHURI Inquiry Panel are beginning to investigate this question.
- What climate assumptions and sea level rise benchmarks are used to characterise regions and their exposure to hazards. This research may consider future conditions relating to rainfall, flood, evaporation, temperature, heat stress, bushfire and the frequency and severity of events.

A better evidence base would help inform planning for Australia's growth framework, the possible location of new regional cities and towns and the spatial frameworks which would deliver this vision. PIA supports the resourcing of a program of research in this field.

Thank you for the opportunity to provide comment on the work of this Committee. PIA would be happy to expand on this written submission at any time and offer inputs to the Inquiry in person. Please do not hesitate to contact me by [REDACTED]

Your sincerely,

[REDACTED]

John Brockhoff
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Planning Institute of Australia

Attachment A: Terms of Reference

- a. Examining the effectiveness of existing regional service delivery and development programs;
- b. Examining the contribution and role of regional Australia to our national identity, economy and environment;
- c. Promoting the development of regional centres, cities, towns and districts including promoting master planning of regional communities;
- d. Promoting private investment in regional centres and regional infrastructure;
- e. Examine the key drivers for unlocking decentralisation opportunities for both the private and public sectors;
- f. Promoting the competitive advantages of regional location for businesses;
- g. Investigate the development of capital city size regional centres in strategic locations and the benefits this offers regional cities, capital cities, the Australian economy and lifestyle;
- h. Examine the potential for new developments, towns and cities to be built in regional Australia;
- i. Examining international examples of nations who have vast and productive regional areas, which are sparsely populated;
- j. Examining ways urbanisation can be re-directed to achieve more balanced regional development;
- k. Identifying the infrastructure requirements for reliable and affordable health, education, transport, telecommunications, clean energy, water and waste in a new settlement of reasonable size, located away from existing infrastructure; and
- l. Consider other measures to support the ongoing growth and sustainability of regional Australia.