



**SUBMISSION TO THE PARLIAMENTARY
STANDING COMMITTEE ON INFRASTRUCTURE,
TRANSPORT AND CITIES**

**INQUIRY INTO THE AUSTRALIAN
GOVERNMENT'S ROLE
IN THE DEVELOPMENT OF CITIES**

JULY 2017



EXECUTIVE SUMMARY

Approximately five million people live in the fast growing outer suburbs of our cities nationally and they are growing at around double the national rate. To achieve more sustainable and liveable cities, we also need more sustainable and liveable outer suburbs. Less requirement for travel and especially less car travel will be critical.

The fast growing outer suburbs play a significant role in supporting CBD's, providing affordable housing and labour. They also support the peri-urban areas on their boundaries through provision of jobs and services.

The fast growing outer suburbs are pulling above their weight when it comes to share of jobs and they are now a major driver of economic and employment growth in Australia. They are in transition, with high tech jobs growing at a faster rate than the national average. But there are still challenges, with population growth continuing to outstrip jobs growth. We need to find ways to address these challenges and to nurture the emergence of positive trends.

The reliance on CBD's is no longer sustainable and we need to look towards a different pattern than one hub and lots of spokes. Polycentric forms of settlement make sense.

The distribution of infrastructure has perpetuated inequality across our cities. Our current mode of allocation of infrastructure goods bears little relationship to the geographic location of population growth. Infrastructure has been shown to be a core factor in determining the level of economic activity in an area. But there is no evident plan that analyses the locations that would most benefit from catalytic infrastructure.

Not only have successive national governments walked away from having a population policy, they have also failed to have any policy position on addressing the impacts of population growth.

There has been some useful investment but the experience of having to rely on a lucky dip approach for basic infrastructure has led NGAA to the conclusion that a more systemic, long term approach is required.

There are serious impacts of policy and implementation failures in relation to the fast growing outer suburbs. Whilst we need to focus attention on these, we want to shine a light on the opportunities that exist.

Actions that would assist to maximise the opportunities, assisting the fast growing outer suburbs, and cities as a whole, include:

- a policy position on addressing the differential spatial impacts of rapid population growth
- planning and investment to support the development of polycentric cities
- Catalytic infrastructure to open up opportunities
- A dedicated national infrastructure fund for the fast growing outer suburbs
- Community infrastructure
- Economic development and jobs
- Skills development
- Planning, policy and program coordination such as *A National Growing Outer Suburbs Taskforce*.

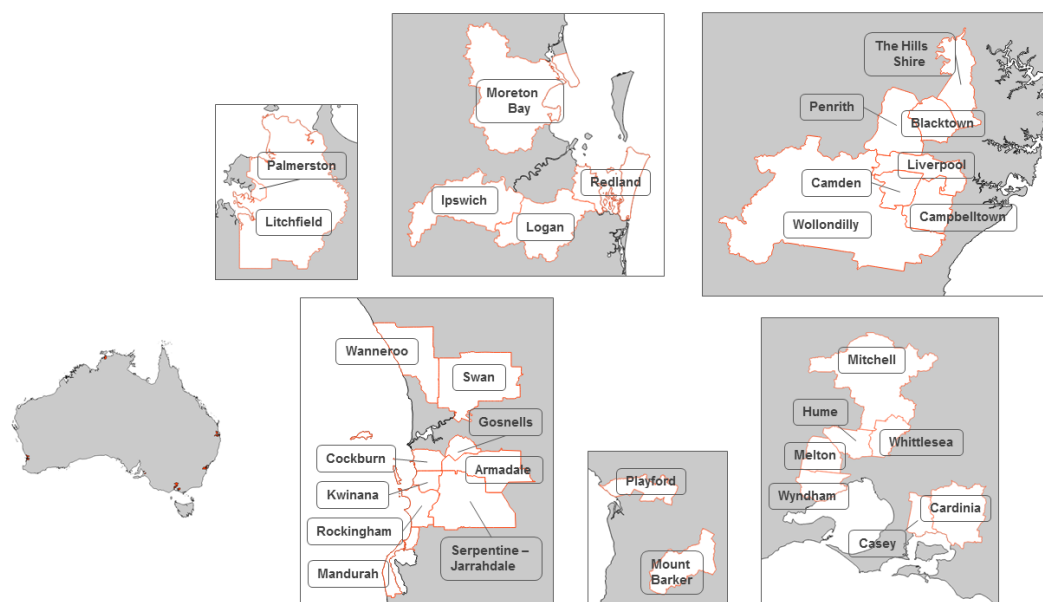
Governments need to use all the levers at their disposal from tax incentives to strategic land purchase, infrastructure funding and placement of government offices, to help achieve more sustainable, liveable cities.

The fast growing outer suburbs are in transition. This emerging trend requires a coordinated policy focus and investment for it to flourish. Imagine what the fast growing outer suburbs could become and what they could contribute if they got their fair share of assets. Imagine what our cities will be like without it.

INTRODUCTION

The National Growth Areas Alliance (NGAA) represents the fast growing suburbs on the outskirts of capital cities nationally. Approximately five million people live in these areas and they are growing at around double the national rate.

Where are the Fast Growing Outer Suburbs ?



TERMS OF REFERENCE

As the fast growing outer suburbs are on the outskirts of cities nationally, the National Growth Areas Alliance (NGAA's) submission will respond to the first Term of Reference: *Sustainability transitions in existing cities and in particular:*

How the trajectories of existing cities can be directed towards a more sustainable urban form that enhances urban liveability and quality of life and reduces energy, water and resource consumption

However, we wish to point out that the second Term of Reference, *Growing new and transitioning existing sustainable regional cities and towns*, contains sub-items that are also very applicable to the fast growing outer suburbs, such as:

- Promoting investment in and the competitive advantages of the (fast growing outer suburbs)
- Identifying the infrastructure requirements for reliable and affordable transport.

Less requirement for travel and especially less car travel, is the key to enhancing liveability, quality of life and energy and resource reduction through less time spent on roads, less spent on fuel, less congestion and fewer adverse health impacts. To achieve this there will need to be a pattern of settlement and associated infrastructure investment to support jobs and services closer to home, better public transport connectivity, improved road networks and broadband connectivity. Education, health, recreation and cultural facilities and services are also critical to enable people and places to realise their potential.



THE CHANGING ROLE OF THE FAST GROWING OUTER SUBURBS IN CITIES

In order to consider and plan for sustainable transitions in existing cities, it is necessary to properly understand the geography of population growth and the role these population hotspots are playing in our cities. This submission will focus on the role of the fast growing outer suburbs.

The fast growing outer suburbs play a pivotal role in the nation, housing both a disproportionate number of immigrants¹, that come as a result of Federal policy, and also sustaining a high level of births (23% of all Australian births in 2015).

As has been widely reported, Australia's population growth is faster than many comparable nations. In the fast growing outer suburbs, this was amplified, with the population growing by 3.0% (+133,239 people) in 2015-16. Australia's growth rate was 1.4% for the same period².

Research by the late Professor Graeme Hugo and Kevin Harris³ demonstrated the 'over representation' of permanent migrants in NGAA areas, with one in five settling there between 2006-2011. Especially significant, they said, in terms of support required, is the 28.7% of all humanitarian arrivals settling in these areas.

They also said that these areas are absorbing:

- a disproportionately large share of national growth in population and households – on average twice their share;
- a disproportionate share of growth in dependent children and youth groups;
- faster growth in the aged population than the nation, albeit off a lower base;
- a disproportionately large share of those who moved within Australia.

The fast growing outer suburbs also play a significant role for both CBD's and regional areas. They provide affordable housing and labour which support CBD's and major suburban agglomerations and the taxes they pay support the infrastructure enjoyed by central and inner city workers and dwellers. At the same time they provide jobs and services for people living beyond their boundaries eg in peri-urban areas.

Designated by state governments to house the growth, both national and state government policies have, over many decades, failed to support the fast growing outer suburbs with the necessary level of infrastructure, jobs and services. This has created many issues felt throughout our cities. While this is a fairly familiar story, what is often not recognised is the role the fast growing outer suburbs are playing in jobs generation, including emerging medium and high tech jobs.

Recent work by id⁴ has demonstrated that the fast growing outer suburbs are pulling above their weight when it comes to share of jobs and they are now a major driver of

¹ Hugo, G and Harris, K, Australian Population and Research Centre Policy Brief, *Population Dynamics in Outer Suburbs, 2006-2011*, August 2013.

² ABS 3218.0 - Regional Population Growth, Australia, 2015-16

³ Hugo et al, Op Cit

⁴ Id the population experts (who also utilised data from National Economics), *State of Australia's Fast Growing Outer Suburbs Part 1: the economic and demographic transition of the fast growing outer suburbs*, June 2017.



economic and employment growth in Australia, contributing over 11% of GDP despite only making up 5.7% of all municipalities.

- Around 13% of Australia's jobs are located in the fast growing outer suburbs. This is higher than all of Western Australia's contribution.
- The fast growing outer suburbs contributed \$186.8 billion to the economy in 2016; 1.52 million jobs and business growth of 7.4% (2014-16) – more than double the national rate of 3.4%
- Jobs in the fast growing outer suburbs are growing at more than double the national rate
- They are among the largest growing employment areas in Australia, with nine featuring in the top 20 growth LGA's (2015-16)
- And while the population driven jobs like construction and retail are strongly represented, medium and high tech jobs are also growing rapidly, with high tech⁵ jobs growth (1.6% p.a.) outstripping the national average (1.2% p.a.).

However, id's work shows that there are still challenges, with population growth continuing to outstrip jobs growth, resulting in a worsening jobs deficit since 2006 and the consequent 'nightmare commutes' so often spoken about. There is also still a skills gap with 13% of residents in these areas having a bachelor degree compared to the national average of 19%. And while high tech jobs are emerging strongly, there is still a long way to go.

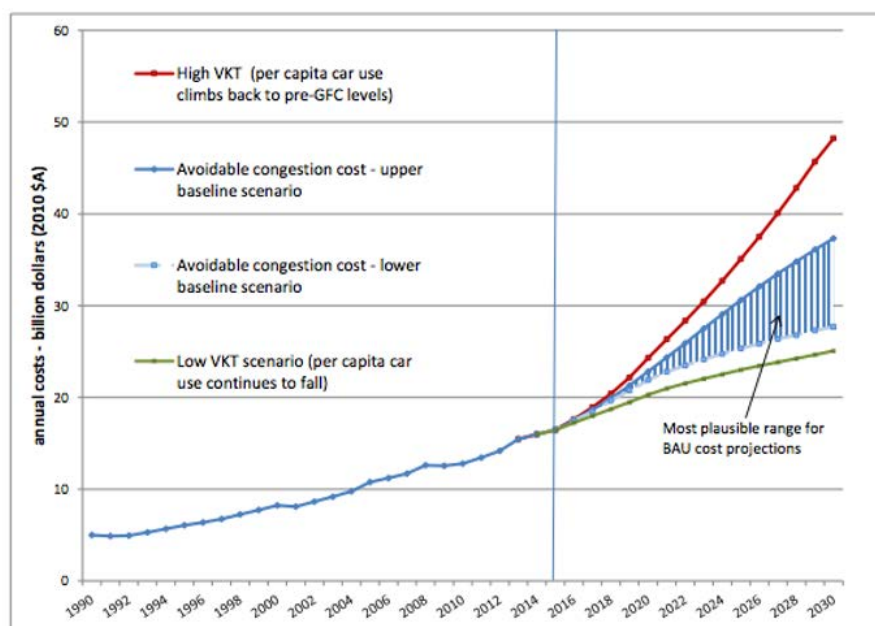
How can we nurture the transition that is evidently starting to happen in the fast growing outer suburbs, to both make the most of the land and other resources being used and to contribute to a more sustainable trajectory for our cities ?

SIZE MATTERS

When our cities were more manageable, access to jobs and services in CBD's was more realistic. That is not the case today. For people and businesses in the fast growing outer suburbs to get into their respective CBD's is often dubbed a nightmare. The charts below show the costs of congestion and the variable cost of owning a vehicle depending on where you live. These urban costs have adverse effects on urban productivity, sustainability and liveability.

⁵ High tech refers to jobs that create, design or utilize complex technologies embodied in capital equipment (such as advanced electronics, computing, robotics or pharmaceuticals) and/or utilize high level skills, with high tech knowledge-based service industries employing a high proportion of professional skills (NIEIR)

Trends in avoidable social costs of congestion, base case scenario results



Note: Deadweight losses (years ending June 30) associated with total metropolitan traffic levels across all Australian capital cities.

Sources: BTRE (2007) and BTRE estimates.



Source: BTRE

The reliance on CBD's is no longer sustainable and we need to look towards a different pattern than one hub and lots of spokes. Sydney has started to do this with its city of cities approach. Polycentric forms of settlement make sense.

Planning for the development of polycentric cities will help to reduce transport poverty and improve the quality of life for Australians on a more equitable basis⁶.

⁶ Australian Council of Learned Academics, Delivering Sustainable Urban Mobility, October 2015.



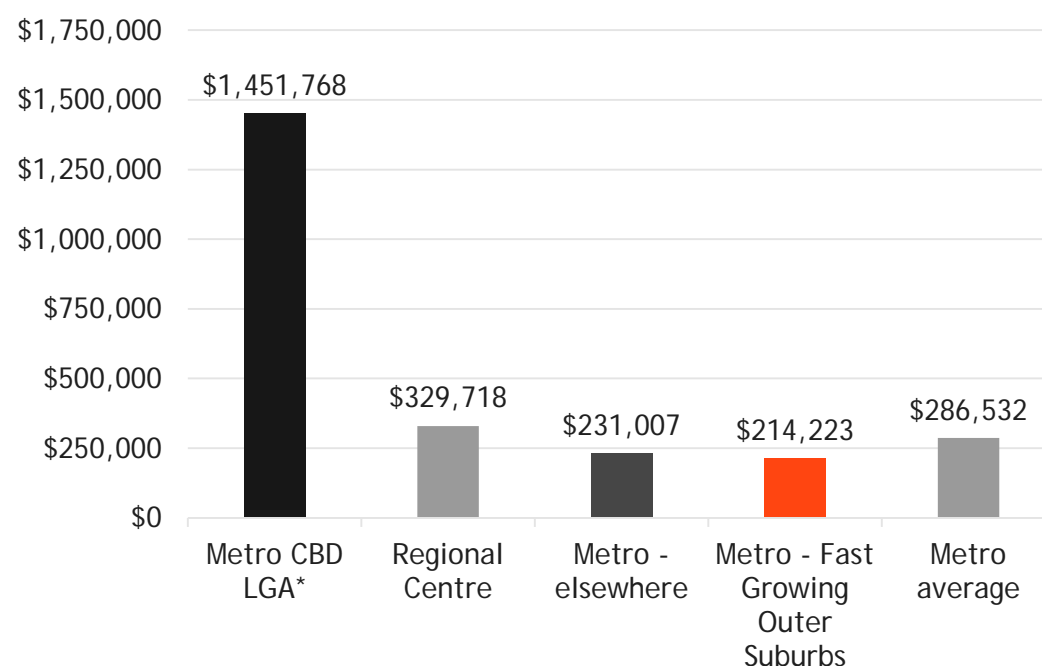
INFRASTRUCTURE INVESTMENT – ITS SHORTCOMINGS AND ITS POTENTIAL

Infrastructure has played a major role in the patterns of settlement we have today. It has the potential to help drive the way our cities will continue to develop in the future. But it has not sufficiently been recognised for its foundational role. As our cities have grown, the distribution of infrastructure has been very uneven, with CBD's and inner cities benefitting from historical investment in infrastructure and other areas not having the same level of investment. This has perpetuated inequality across our cities.

There is now an extensive body of literature that explores links between infrastructure investment and economic output (productivity). Stanley and Brain⁷ show the spatial impact of this and find that infrastructure in a region is a core fundamental factor that determines the level of economic activity. Our CBD's are great examples of where infrastructure spending has supported economic growth. This infrastructure investment strategy needs repeating outside the CBD's and into the fast growing outer suburbs to unlock their productive potential.

The following charts⁸ show that non dwelling capital assets in the fast growing outer suburbs are 20% below the metropolitan average and are not keeping pace with demographic and economic demand. We are perpetuating inequity in our cities and **we need to stop funding this inequality.**

Assets per capita



Source: National Economics, 2017

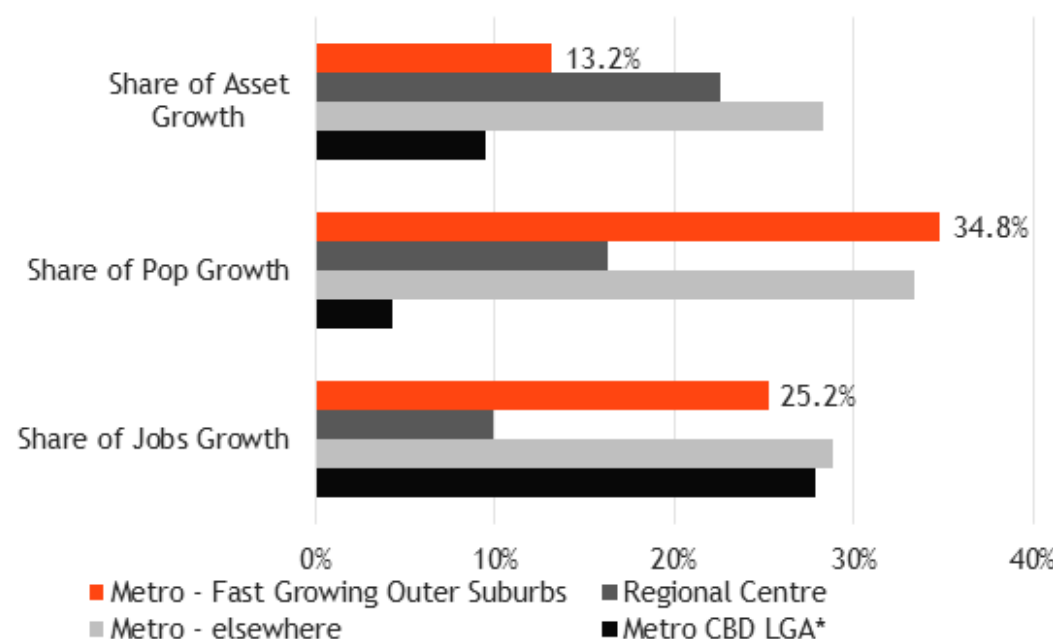
Note: Metro CBD LGA excludes Brisbane

⁷ Stanley, J and Brain, P, for ACOLA, *Sustainable Urban Mobility: Economic Perspectives*, February 2015

⁸ Id, Op Cit



Share of national growth by selected indicators, 2011-16



Source: National Economics, 2017

Note: Metro CBD LGA excludes Brisbane

Our current mode of allocation of infrastructure goods bears little relationship to the geographic location of population growth. Other than the relatively recent Australian Infrastructure Plan and the plans by state based infrastructure entities, there has been an absence of strategy and policy regarding the placement of infrastructure investment. When there is money being spent on catalytic infrastructure such as rail lines, universities, health facilities, there is no evident plan that analyses the location/s that would most benefit from investment.

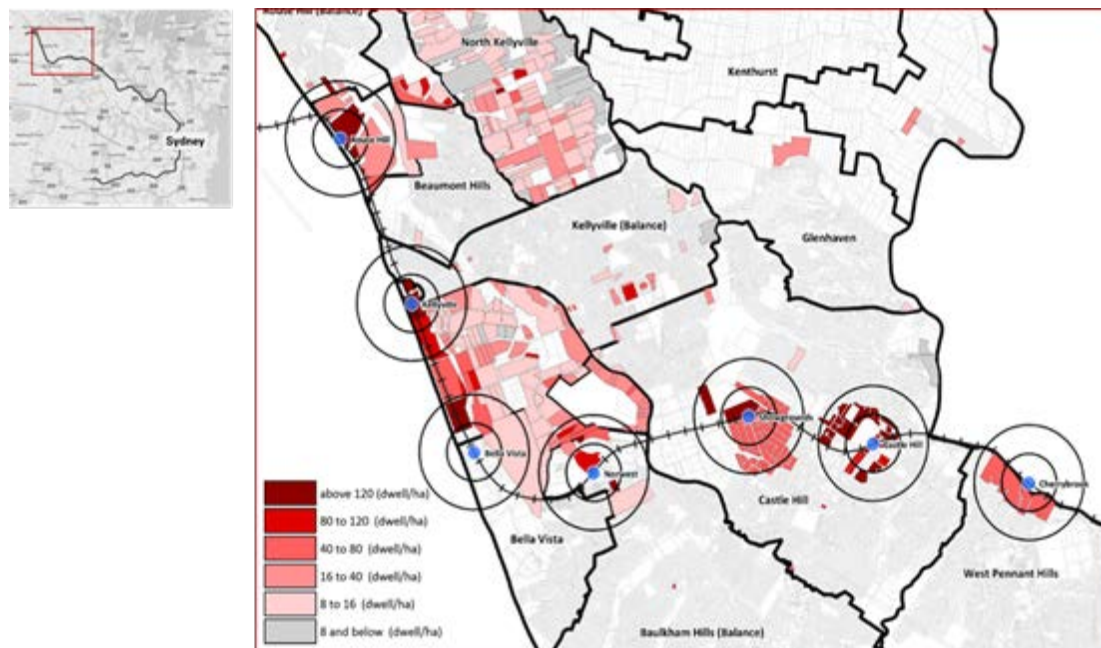
Not only have successive national governments walked away from having a population policy, they have also failed to have any policy position on addressing the impacts of population growth.

We know that investment in infrastructure pays off in jobs, tax income and permanent boost to national GDP⁹. We also know the benefits to the fast growing outer suburbs of investing in rail infrastructure¹⁰. The case study below shows the north west metro line in Sydney and the impacts it is already demonstrating. This type of investment supports a more efficient urban form, increasing densities around stations, and allowing residents to access a wider range of jobs, but also supporting local area employment creation due to improved amenity.

⁹ SGS Economics and Planning, *Cost Benefit Analysis of Investment in Growth Areas*, November 2009.

¹⁰ id, Op Cit.

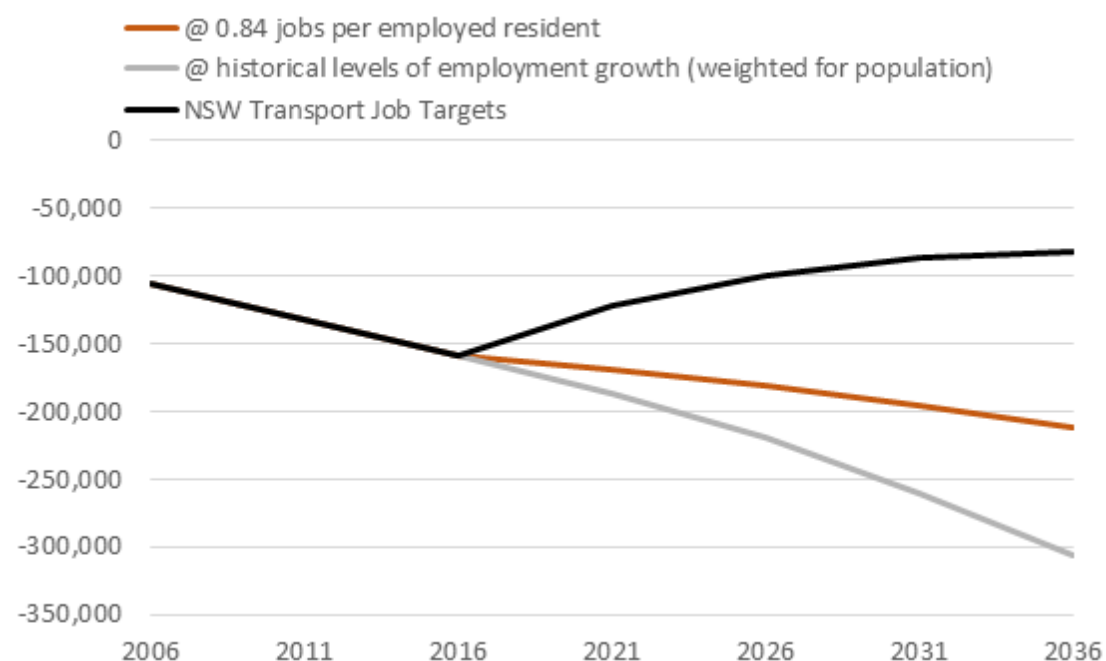
Future housing development



Source: forecast.id

And we know what happens when you don't invest. The chart below shows the jobs slide that will happen in a business as usual scenario. That scenario (assuming no change to the spatial infrastructure plan) results in major adverse impacts for urban productivity and liveability.

Difference between local jobs and employed residents in Greater Western Sydney



Source: .id



POLICY AND PROGRAM SUCCESSES AND FAILURES

Policy has been focussed on CBD's and inner cities on the one hand and the regions on the other. The former has targeted regeneration and use of existing infrastructure and the latter, economic transition. While both are necessary, **there has been no commensurate policy attention given to the areas housing the majority of population growth – the outer suburbs.** This has led to a massive infrastructure deficit, congestion, health and cost of living impacts resulting in increasing inequality.

In a speech in 2015, Lucy Turnbull, then Chair of the Committee for Sydney¹¹ said that since the Whitlam and Hamer years of government in the 1960s and 1970s, the location of social disadvantage within cities has switched from the inner city to the outer suburbs. She said decision-makers needed to reshape and reimagine Australian suburbs so this concentration of disadvantage could be addressed.

“Sustainability today means tackling the suburbanisation of poverty. Not everyone can live inner-city, so we need to try to create inner-city characteristics in areas on city fringes”, she said.

And *“...we need to understand that for our cities to succeed, they need to have the potential for people to work and think that they have a fulfilling and rich career ahead of them.”*

SGS Economics and Planning has studied successful suburban employment hubs¹² and concluded that the following factors have contributed to their success:

Public transport infrastructure played a significant role, including coordinated infrastructure commitment & planning.

Planning vision, governance and mechanisms

- *mixed use development*
- *surrounding residential development*
- *dense development, particularly around the public transport nodes*
- *services and facilities required by a residential community (e.g. parklands, entertainment, dining, public transport, etc.) are provided on site*
- *the provision of a high amenity, pedestrian friendly environment.*
- *cooperative planning 'governance' arrangements and mechanisms that catered for development flexibility whilst ensuring the vision was maintained.*

Government facilities such as hospitals, universities, government offices and service centres are common features, both as key anchor tenants and enabling infrastructure items.

Superior ICT infrastructure¹³

Strong branding and marketing campaigns which highlight government commitment to the site, its planning vision and strategic location.

¹¹ Report of speech by Lucy Turnbull at the “Whitlam/Hamer Legacy: Challenges for Australian Cities” conference - hosted by the Centre for Urban Research, November 2015

¹² SGS Economics and Planning, Urbecon Mar 1, 2015 *Attracting jobs to outer urban growth areas*

¹³ An example is GigCity in Adelaide which is connecting entrepreneurs, startups and big businesses to affordable high-speed internet. Businesses located at key innovation precincts can connect to extremely fast broadband speeds of 1 gigabit per second at an affordable cost to help businesses develop leading-edge ideas, create new opportunities and access new markets.



These elements, supporting local economic development need to be repeated in the fast growing outer suburbs.

What has helped

There have been some Federal policies, programs and initiatives that have been positive contributions to a more sustainable trajectory for cities; others have been more mixed. And some have now ceased or have changed their focus, making it harder for the growing outer suburbs.

Transport

There has been some investment in transport to open up employment areas, provide improved connectivity for residents and businesses and improved access to jobs and services.

*An example is the **Forrestfield Airport Link in WA**, where the Australian and WA Governments are jointly funding the \$1.86 Bn project. It is included in the State Government's transport vision and is also a priority project for Infrastructure Australia. The Forrestfield rail project will link Perth's domestic and international airports to the existing rail network. The project provides connectivity for passengers using the airline terminals as well as land development opportunities on Perth's eastern fringe. The project not only benefits commuters, but also employees working in the airline industry or adjacent aviation support precincts. It diversifies transport options into this critical transport and logistic hub and is a good example of what can be achieved through investment outside a core CBD.*

*Investment in project planning has also occurred, such as for **The Western Interstate Freight Terminal (WIFT)** - a key component of developing an integrated freight system for Victoria. The WIFT will move freight more efficiently by providing modern terminal facilities closer to the large industrial cluster in Melbourne's west, reducing the time and length of truck trips to and from Port Melbourne. In 2013, the WIFT was the subject of a joint pre-feasibility study, with the Victorian Government funding \$1.5 million and the Australian Government funding \$3.5 million. This \$5 million commitment recognised the strategic significance of the development and the need for strong partnerships across all tiers of government in its delivery.*

***The Adelaide to Gawler Rail Electrification** saw contributions being made by State and Federal Governments but the Federal contribution was subsequently withdrawn when the Abbott Government decided not to fund passenger rail. This project would have significant economic, social and environmental importance to the northern Adelaide region. A co-investment proposal is now being promoted by the SA Government to the Federal Government.*

Jobs

The \$45 million **Suburban Jobs Program** was announced in 2011. Grants under the program were to support state and local governments to plan and provide for increased local employment opportunities in the suburbs of Australia's major capital cities that are subject to growth pressures. It was decided to spend the money on a few significant projects rather than spread lots of small grants more broadly.

- The City of Melton received \$14.6m towards its Western Business Accelerator and Centre for Excellence.



- The City of Playford received \$11.3m towards its Stretton Centre, an employment research and development facility located within the Playford Alive project area.
- The University of Western Sydney received \$13.5m towards the Werrington Park Corporate Centre in Penrith.

All projects involve partnerships with research institutions and are all focussed on the jobs of the future.

This program has been a watershed for the fast growing outer suburbs. There was only one round of funding and it would be beneficial to re-introduce such a program.

Community Infrastructure

There have been a number of programs over the last decade at the Federal level that have supported community infrastructure.¹⁴ Aside from the Regional and Local Community Infrastructure Program (RLCIP) which had a stream weighted to larger growth Councils, each of the successive programs has focussed more on regional Australia. The current Building Better Regions Fund (BBRF) provides for some parts of outer growth municipalities. But it has seriously eroded what grants are available to the fast growing outer suburbs without anything to replace that. Its predecessor, the National Stronger Regions Fund (NSRF) had somewhat more responsive guidelines for these areas. A return to those guidelines would assist the fast growing outer suburbs.

The experience of having to rely on a lucky dip approach for basic infrastructure has led NGAA to the conclusion that a more systemic, long term approach is required.

Some initiatives which show promise are:

- **The Australian Infrastructure Plan**¹⁵ recognised the need to address the spatial impacts of population growth. It recommended that *“Governments should increase funding to address gaps in access to passenger transport on the outskirts of Australian cities. Investments should prioritise high population areas...”*. Government, in its response to the Plan, supported this recommendation. The **State Rail Plans**, which are currently in preparation, are said to be the first step in realising this recommendation.
- **The Smart Cities Plan and in particular City Deals**, where all levels of government focus on a place. The aspects which see a long term perspective and a focus on what needs to be done to generate jobs and improve economic and social outcomes are worthy. It is yet to be seen what investment will occur and what the outcomes will be.
- **The Smart Cities and Suburbs Program** has the potential to support projects which will take us towards more sustainable cities.
- **The National Housing Infrastructure Facility (NHIF)**, designed to finance the infrastructure needed to speed up the supply of new housing, is said to be an

¹⁴ This includes the Regional and Local Community Infrastructure Program (RLCIP), the Regional Development Australia Fund (RDAF), the National Stronger Regions Fund (NSRF) and the current Building Better Regions Fund (BBRF).

¹⁵ Infrastructure Australia, *Australian Infrastructure Plan*, February 2016.



opportunity for the fast growing outer suburbs. We look forward to seeing how this develops.

Useful State Initiatives

Some states have also had some useful initiatives in relation to the fast growing outer suburbs. They provide some examples that could be instructive at the Federal level as well.

Victoria has a Minister for Suburban Development, a Growing Suburbs Fund and an Outer Suburban Arterial Roads Program.

Sydney has a Minister for Western Sydney and state government actively engaged with the Federal government in developing a Western Sydney City Deal.

Queensland has had a plan and an infrastructure implementation strategy for its burgeoning region in South East Queensland. And Federal support for the development of a City Deals strategy for SEQ in its 2017-18 Budget recognises the work undertaken by the Council of Mayors (SEQ), in partnership with the Queensland Government.

Western Australia has had a funding focus on key transport projects for the fast growing outer suburbs.

The new State Government's Metronet plan will extend the heavy rail passenger service into major urban growth corridors and provide cross-regional transport options. The project seeks to embed 'value-capture' from adjacent land development, as well as promote job creation through intensification of land use around train stations. [Rail is being extended into Wanneroo, Swan, Armadale / Serpentine Jarrahdale growth corridors; along with a cross regional connection to Cockburn]

South Australia has recently announced the 'Future Jobs Fund'. The State is seeking Federal co-investment to address economic transformation matters like the closure of General Motors – Holden through releasing Federal Funds aligned with the Automotive Transformation Fund.

Policy and Implementation Shortfalls

The impacts of policy and implementation failures in relation to the fast growing outer suburbs include:

- Low levels of exercise and high rates of obesity¹⁶
- Higher rates of domestic violence¹⁷
- Lower education levels than the Australian average¹⁸
- Population growth outpacing jobs growth¹⁹ and consequent nightmare commutes
- High representation in the list of worst connected areas for broadband access²⁰

¹⁶ Australian Health Policy Collaboration, Australia Health Tracker by Area, 2016

¹⁷ Whizman, C, Better Urban Planning can Reduce the Tragedies of Domestic Violence, in The Conversation, April 2014

¹⁸ Id, State of Australia's Growing Outer Suburbs, 2017

¹⁹ ibid



While the states have taken some steps towards recognising the importance of the fast growing outer suburbs, much more still needs to be done. At the national level, efforts have been small, ad hoc and without a policy or program focus on the fast growing outer suburbs. Rural and regional areas have received policy and program attention at state and national levels, where there is currently a Regional Australia Ministerial Taskforce, a Building Better Regions Fund and a Regional Growth Fund. This level of attention has been absent for the fast growing outer suburbs and the consequences for cities has been manifest.

Opportunities in the Fast Growing Outer Suburbs

There are many opportunities in the fast growing outer suburbs to contribute to more sustainable and liveable cities. They include:

- More affordable housing and land with fewer constraints which can facilitate innovative responses to urban form
- Young populations and workforces
- Diverse cultures which can enable the formation of local enterprises as well as engage with markets overseas²¹
- Emerging high tech industries²² - fostering these can help reduce the exodus to jobs elsewhere, the resultant road congestion and help increase reverse journeys, making better use of rolling stock
- Opportunities to develop health and education facilities and precincts
- Opportunities for government offices
- Existing and further opportunities for world class sporting, recreation and cultural facilities
- Opportunities for smart cities, enabling the creation of suburbs of the future

Actions Towards a More Sustainable and Liveable Urban Form

Some of the actions that should be taken to deliver a more sustainable urban form are:

- The development of **a policy position** on addressing the differential spatial impacts of rapid population growth.
- **Polycentric cities** with activity hubs, transport nodes and a mixture of uses, together with good transport connections between them is undoubtedly the primary foundational step that needs to be taken and driven by Governments.
- **Catalytic infrastructure** eg rail lines, educational institutions, health precincts can help drive this desired pattern of settlement and create the critical mass to sustain transport and services, as well as provide jobs. The allocation of spending on these critical catalysts should not be driven by politics, the loudest voices or even who has the best business case. Decisions should be made on where they will have the most impact, where they will help to drive polycentric

²⁰ Australia's Best and Worst Broadband Towns Named, The Courier Mail, July 2017. The worst connected suburbs are based on the number of premises receiving NBN via Satellite despite capital city proximity.

²¹ Deloitte, Shaping Future Cities, Designing Western Sydney, December 2015

²² Id, Op Cit



cities and where they will achieve greater equity across cities. The fast growing outer suburbs should be prioritised.

Actions Towards More Sustainable and Liveable Outer Suburbs

To achieve sustainable and liveable cities, the fast growing outer suburbs need to be sustainable and liveable. The goal is to bring jobs and services closer to home, reducing the need for travel, and have better connectivity to opportunities elsewhere. The solutions need to be tailored to the circumstances in each area.

There needs to be a dedicated focus on the fast growing outer suburbs to address the infrastructure backlog and provide for population growth going forward. As has been demonstrated, current approaches have been totally inadequate.

A dedicated national infrastructure fund for projects which will drive economic development and transition, open up employment areas and attract business, has therefore been argued by NGAA for some time. Priorities include:

- Public transport
- Strategic roads
- Health facilities

Community infrastructure is also critical for liveability, health outcomes and job creation. Included are facilities such as regional sporting, recreation and cultural centres. Reinstatement of the Building Better Regions Fund to the criteria applied in the National Stronger Regions Fund (to include all outer metropolitan Local Government areas) would certainly assist. A program which focussed on the fast growing outer suburbs, however, would mean more certainty for these communities and would go some way to redressing the current funding imbalance.

Economic development and jobs of the future are a key goal and it would make sense to re-introduce an initiative like the *Suburban Jobs Program*, a very useful, low cost program focussed on the jobs of the future, innovation, partnerships with research institutions and support for small to medium enterprises.

Skills development is also crucial. One approach to this is the development of *Innovation Districts* in the fast growing outer suburbs – tailored to each area's unique opportunities and industries. The innovation economy, more broadly, relies upon a technically skilled workforce, specifically those in the STEM (science, technology, engineering and math) fields. Such an initiative would enable the Federal Government to encourage a more robust school-to-work pipeline for year 12 / TAFE qualified students. The trend toward locating TAFE colleges within or near new Innovation Districts would provide the mutual benefit of connecting these students with real-world training and connections to potential future employers – with a reduction on transport infrastructure and congestion, as jobs and education would be more local.

Planning, policy and program coordination are critical to the growing outer suburbs getting the attention they require. A *National Growing Outer Suburbs Taskforce*, similar to the Regional Australia Ministerial Taskforce would assist.

Governments need to use all the levers at their disposal from tax incentives to strategic land purchase, infrastructure funding and placement of government offices, to help achieve more sustainable, liveable cities.



Conclusion

We should not squander the opportunities available in the outer suburbs. And we should not minimise their importance to cities and the nation as a whole.

The central area is very important for a productive city and its growth should be supported. However, the CBD does not account for most jobs or residences in any capital city. Its needs should not dominate those of the rest of the city²³.

We need to stop funding inequality and where there is marginal gain and start funding where it will make a real difference ie population growth hotspots such as fast growing outer suburbs. If they are sustainable and liveable, the rest of the city is likely to be too.

We have seen that the fast growing outer suburbs are in transition. This emerging trend requires a coordinated policy focus and investment for it to flourish. Imagine what the fast growing outer suburbs could become and what they could contribute if they got their fair share of assets. Imagine what our cities will be like without it.

²³ Australian Council of Learned Academics, Op Cit